
Report To:	Inverclyde Council	Date:	24 February 2011
Report By:	Chief Executive	Report No:	CE001/11/GM
Contact Officer:	Gerard Malone	Contact No:	712710
Subject:	Clyde Valley Partnership: Shared Services Workstreams		

1.0 PURPOSE

- 1.1 To consider the Council's continued participation in the Clyde Valley Community Planning Partnership's study of potential shared services workstreams, as detailed below, and to approve shared funding, where relevant, for the development of detailed Business Case design proposals by the Partnership which is targeted for June 2011.

2.0 SUMMARY

- 2.1 This Council, along with the other local authorities within the Clyde Valley Partnership, has been examining outline business cases for sharing four service functions within the Clyde Valley area: Waste Management; Support Services; Integrated Health and Social Care; and, Social Transport. The work to date has been undertaken in order to consider potential workstream savings in the light of anticipated, prolonged budgetary constraint within Scottish local government spending. This Council, along with its partners in the Clyde Valley, has been considering the ways in which services are delivered so that costs may be driven down whilst continuing to meet the needs of their local communities.
- 2.2 The Clyde Valley Councils have undertaken a collaborative process to consider options for shared service delivery across these four workstreams. This report sets out the progress that has been made and indicates the plans that are proposed to develop the shared proposals.
- 2.3 The outline business cases to date have been undertaken to identify potential opportunities to create new and efficient models of service delivery which both meet customer expectations and also achieve the savings that the pressurised financial environment demands. The work also recognises that individual Councils are already progressing efficiencies in some or all of the areas such as Back Office Services, Waste Services and Social Care Procurement. For the four workstreams, detailed business cases will be needed by the summer of 2011 for the next stage of scrutiny and consideration by the Clyde Valley Partnership. Thereafter, detailed review would be necessary at individual Council level before any proposals could be implemented and any new models for delivery could be developed.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Council:
- a) continues its participation with the Clyde Valley Community Planning Partnership in the development of detailed Business Cases for:
 - (i) Waste Management;
 - (ii) Support Services;
 - (iii) Integrated Health and Social Care; and,
 - (iv) Social Transport;

- b) approves the participation of relevant officers in the Project Team arrangements for the detailed design phases;
- c) notes the potential funding requirements to support the detailed design phase activities as described within this report and remits it to the Chief Executive in liaison with the Chief Financial Officer to deal with this matter accordingly; and
- d) requests that a report be submitted by the Chief Executive after the full business cases are considered by the Clyde Valley Partnership so that the Council may consider any outcomes and recommendations made.

Gerard Malone
Business Manager

4.0 BACKGROUND

- 4.1 Clyde Valley Partnership- The Council participates with the 7 other local authorities in the Clyde Valley Community Planning Partnership: East Renfrewshire, East Dunbartonshire, Glasgow, North Lanarkshire, Renfrewshire, West Dunbartonshire and South Lanarkshire Councils. In the light of the difficult financial climate, these authorities have been investigating the potential opportunities arising from shared services. There have already been collaborative discussions amongst these authorities to scrutinise service delivery across a number of workstreams in order to maintain and develop modern public services. Following upon these discussions, the Clyde Valley Partnership prioritised the development of outline business cases for sharing four workstreams: Waste Management; Support Services; Integrated Health and Social Care; and, Social Transport. Detailed business cases will be needed for the next stages of scrutiny and consideration by Councils before any proposals can be implemented or any delivery models established. This report sets out the progress to date on each of the workstreams and recommends actions and funding, where necessary, for the next stages.
- 4.2 Strategic Background- The shared services proposals can meet key strategic policies for the future, both outwith the Council and internally. The Arbuthnot report set out recommendations for closer working between Scottish Councils and health boards as part of the review of shared services across the Clyde Valley. The report was commissioned by the eight councils in the Clyde Valley Partnership to examine existing shared services initiatives and identify opportunities for further development of shared and joint working and to prioritise areas most likely to deliver improved services and savings and identify how that could be achieved.

Within the Council's Community Plan, Inspiring Inverclyde, it is stated that public services should be improved for the people of Inverclyde. By promoting efficiencies, better partnership working and reducing duplication of effort and spend, the Partners within Inverclyde could continuously improve the area by bringing together organisations that have not worked together before and by identifying areas of joint working which can improve services to local communities. Although this principle is focused on the Inverclyde area, it reflects the work of the wider Clyde Valley Community Plan Partnership.

Within the Council's overall Transformation Programme, the Council is encouraged to seek examples of external best practice so that it can deliver services that perform as well as, if not better than, those that are "best in class". This improvement action reflects the necessary liaison and comparison with peers and the need to learn from best practice. The shared service work fits overall within the Council's existing, approved organisational improvement plan and also is reflected within the Council's own activities through the Inverclyde Community Plan.

- 4.3 Report- The following sections of this report deal with the potential scope of the shared services and each of the workstreams in turn in relation to the findings to date and the proposals and resources needed to take these to the next stages of consideration.

POTENTIAL SCOPE OF SHARED SERVICES

5.0 WASTE MANAGEMENT

- 5.1 The Clyde Valley local authorities manage approximately 1m tonnes of municipal waste involving costs of £113m per annum of which £63m (56%) relates to collection and £50m (44%) to disposal activities. For the year 2010/11, the Scottish Government target for recycling is 40% and the average recycling rate across the Clyde Valley is 33%. On average, the eight local authorities are using approximately 90% of their Landfill Allowances. Whilst the future application of Landfill Allowance scheme is subject to review under the Zero Waste Plan, it is critical to note that Landfill Tax is a key economic driver to divert waste from landfill. All the Clyde Valley local authorities manage the collection and disposal of waste individually. Collection services are mainly provided by in-house operations and disposal arrangements are mostly through private sector contracts. These private sector contracts are largely on an authority by authority basis with limited shared working amongst authorities to date.

- 5.2 In respect of the national position, the Scottish Government launched in December 2010 a consultation process on the proposed Zero Waste (Scotland) Regulations 2011. The consultation refers to a package of proposed regulatory measures to initiate a step-change in how waste is managed within Scotland by aiming to
- Maximise the quality and quantity of materials available for recycling
 - Ensure that materials which can be recycled are not wasted
 - Protect the environment by ensuring only suitable waste streams are finally disposed of in landfill
 - Provide greater certainty for investment in infrastructure
 - Manage waste according to its resource value and not according to where it comes from.

The issues affecting the Zero Waste proposals will be reported separately and in due course to the Safe, Sustainable Communities Committee for consideration.

- 5.3 Given the complexities of the present position, an outline business case has been undertaken with regard to achievable and practical timescales and potential buy-in from the constituent local authorities. The work has been supported through funding contributed to the Clyde Valley Partnership but in this Council's case through the seconding of an officer into the Waste Management Project Team. The methodology utilised has been to look at the available data to establish likely costs for gate fees in relation to the waste tonnage, actual and projected over time, for the Clyde Valley. Three options were modelled to establish the levels of expenditure and opportunities for minimising these costs by collaborative working:

- A review of the "as is" baseline;
- The potential for joint collection, treatment and disposal; and
- The benefits of joint treatment and disposal only.

It was clear from discussions within the Clyde Valley Partnership that the outline preference in terms of potentially achievable outcomes involves the modelling of a treatment and disposal option at detailed business case level.

- 5.4 The recommendation being made to the Clyde Valley partnership is, accordingly, as follows:

Waste Management
<p>(a) Develop a detailed business case including:</p> <ul style="list-style-type: none"> • the establishing of a Clyde Valley shared services umbrella organisation which covers waste treatment and disposal (but excluding collection) • consideration of the business delivery body. <p>(b) Investigate options for a joint procurement exercise, with those authorities not currently procuring a long term treatment and disposal solution for residual waste, with a view to bringing all major waste procurement activities together under the umbrella of a single Clyde Valley approach in the future.</p> <p>(c) Retain the Clyde Valley Collections Best Practice Group to further explore:</p> <ul style="list-style-type: none"> (i) Trade waste activities; (ii) The potential to optimise the performance and costs of Civic Amenity sites; and (iii) Associated waste streams such as WEEE, street cleaning, abandoned vehicles, etc. <p>(d) Develop a single Waste Strategy Plan for the Clyde Valley.</p>

- (e) Move to a common performance and management accounting format to allow benchmarking on a meaningful basis.
- (f) Carry out a more detailed examination of the potential benefits of including collection services within the scope of the new delivery body.

5.5 Council Resources- This Council's contribution to the progress of this workstream involves the continued secondment of its officer, as and when necessary, on the Project Team and this will now be supplemented by the attendance of the Head of Environmental & Commercial Services at the Team and at Project Directorate level, again, as necessary. Additionally, there will be Finance Services officer support from Glasgow and North Lanarkshire Councils in the taking forward of detailed proposals and these elements will be contained within relative service budgets in order to reflect the high prioritisation of this Shared Services Workstream. The Project Team has recognised the Council may be reimbursed with a financial credit on this workstream to take account of the actual level of support already provided by the Council.

5.6 Council Issues- The CMT supports the next steps for completion of the detailed Business Case. In general, the issues affecting the Council and for its continued awareness are:
Zero Waste Consultations – these consultations are presently ongoing with a demanding timescale and with implications for all authorities on waste targets for 2013 commencement. A competing agenda for both the shared services and the zero waste targets will stretch resources in meeting anticipated timescales and this needs to be carefully thought through and kept under review;
Existing Contracts – the Council is actively adapting its waste contracts to give flexibility to participate in the shared service proposals, subject to Council and Clyde Valley partner approval, and relevant Council tenders are being issued with suitable renewal options. This practice is being reflected in the other Councils and also with a view to planning for the joint use of any available capacity in potential new waste facilities;
Clyde Valley and Renfrewshire/Ayrshire –the Council will maintain awareness of treatment and disposal proposals affecting the local geography and the potential links with the Ayrshire authorities
Proposed New Entity – the detailed business case will discuss the options on any new constituent body for treatment and disposal and whether that should be through a lead authority or other formal arrangement.

In conclusion, the waste treatment shared service proposal is seen as an opportunity to share in best practice and on the basis of treatment and disposal it is seen as an achievable option, depending on detailed Business Case analysis.

6.0 SUPPORT SERVICES

6.1 Following the outline review and study at Clyde Valley level, the scope of the potential shared Support Services Workstream covers 5 main areas:

- Finance
- Human Resources
- ICT
- Revenues and Benefits
- Customer Manager and Access

6.2 Elected Members will be familiar with the reference to “transactional” services being processes that are typically high volume, repeatable and clearly rules-based. The initial assumptions at the Clyde Valley assessment focused on the opportunities for sharing these types of transitional activities but the outline business case work that took place identified the potential for substantial benefits in progressing additional opportunities of sharing certain professional, specialist and advisory areas of activity.

- 6.3 These professional, specialist and advisory areas are detailed in the table, below, and for example potentially involve elements of financial reporting and internal financial controls and other functions that will need serious discussion and review to ensure that individual Councils are satisfied they obtain best quality direct and focused financial advice. The Council should be aware there will be rigorous assessment of the outcome of any Business Case recommendations affecting all of these functions and the Council is only committed at this stage to the investigation of the potential issues. It is already recognised that activities that involve strategic impact for member authorities and which involve detailed local knowledge, development of specific strategies and policies appropriate for the specific area will require to be retained within the individual Councils in any future delivery model
- 6.4 However, given the substantial investment that would be needed to underpin effective transactional shared services themselves, it is thought that further significant benefits could be leveraged from this investment by extending the scope of shared activities to include certain aspects of these professional, specialist and advisory functions. As stated, it is appreciated this is an area of considerable detail and merits detailed debate. With the above awareness, for purposes of completing the suggested investigation for the necessary detailed appraisal, it is recommended that the following areas be subject to full business case appraisal.

Finance	
Transactional	Professional / Advisory
<ul style="list-style-type: none"> • Accounts payable • Sundry debts / accounts receivable • Aspects of general accounting • Aspects of fixed asset management • Self-service / training • Related management reporting 	<ul style="list-style-type: none"> • Accounting – management & Revenue • Financial reporting • Management of treasury operations • Management of internal controls • Management of policies and procedures
Human Resources	
<ul style="list-style-type: none"> • Helpdesk • Payroll • Learning & development administration • Recruitment / contracts administration 	<ul style="list-style-type: none"> • Employment policy • Employment strategy • Organisation design • Organisation development • Project management
ICT	
<ul style="list-style-type: none"> • Problem / customer account management • ICT training • ICT contract / category management (including aspects of operational commissioning) 	<ul style="list-style-type: none"> • ICT Strategy & Policy • Applications delivery • Assets and infrastructure • Security • Change and project management
Revenue & Benefits	
<ul style="list-style-type: none"> • Billing and collection • Payments • Document management • Telephone and web contact (potentially consolidated into shared customer management service) • Compilation of government returns • Service specific reconciliations, systems control and system administration 	<ul style="list-style-type: none"> • Benefit appeals • Debt recovery • Fraud and detection • Performance management and monitoring • Reporting and contracts management • Subsidy monitoring • Training
Customer Management	
<ul style="list-style-type: none"> • Deliver self service • Deliver call centre services • Receive and route requests and queries • 1st tier respond and resolve • Establish service levels for shared services • Measure customer satisfaction 	<ul style="list-style-type: none"> • Deliver and service complaints • Develop customer service segments • Partner and supplier management • Schedule work – demand • Manage workforce – capacity • Customer insight and analysis • Performance management • Location management • Reporting and analysis

The above scope identifies functional areas of work that could be delivered in the shared Support Services arrangements. If any such proposal proceeds, the authorities will each still retain service delivery responsibilities as set out as follows:

Finance	<ul style="list-style-type: none"> • Financial strategy • Financial policies and procedures • Tax strategy • Decision support • Management analysis and commentary • Treasury strategy
HR	<ul style="list-style-type: none"> • HR strategy • Monitoring plans and strategy (with required updates being done locally) • Reward, recognition and motivation programmes • Commissioning activity
ICT	<ul style="list-style-type: none"> • ICT strategy • Monitoring plans and strategy • ICT business requirements (definition and specification) • Aspects of 'project' ICT specialism's • Commissioning capability • Strategic contract management
Revenue & Benefits	<ul style="list-style-type: none"> • Discretionary policies • Benefits take-up • Tender and contract management • Grant sign-off and accountability • Face-to-face contact (but could be consolidated within each Council's customer contact centre) • Complaints • Assurance and accounting • Visits/inspections
Customer Management	<ul style="list-style-type: none"> • Face to face customer contact • Customer service strategy • Establish service levels for retained services

- 6.5 The overall intention is to consolidate and standardise those core processes and resources of Support Services and to create “professional hubs” that can be virtually located or co-located dependent on the preferred location that achieves best value. It is acknowledged these aims will require considerable flexibility in design and delivery and there will have to be serious consideration at individual Council level across the Clyde Valley Partnership.
- 6.6 Internally, the Council has already taken the initial steps to re-organise its customer services through its Operating Model. The Council’s Operating Model already reflects the organisational, customer-facing innovations and cost rationalisation benefits that are sought from the Clyde Valley outline business case. Elected Members will be aware there are issues affecting the Operating Model which are presently the subject of detailed investigation by the Council and, until such time as that is concluded and further detail is available, this workstream will be carefully progressed with the Clyde Valley Partners.
- 6.7 The next steps in developing a detailed business case involve:

Shared Support Services	
<p>(a) Developing a detailed business case for an enhanced scope shared service operation delivering both the high volume transactional elements and additional specialist advisory and support functions. Key service areas for inclusion include:</p> <ul style="list-style-type: none"> (i) HR and Payroll; (ii) Finance; (iii) ICT; (iv) Revenues and Benefits; and, (v) Customer Access. <p>(b) Options appraisal of delivery models and recommendations.</p> <p>(c) Establishing of the necessary governance and project team arrangements to enable detailed design phase to progress.</p>	
Planned Outputs	
March 2011	June 2011
<ul style="list-style-type: none"> • Evaluation of “as-is” and “to-be” IT requirements • Initial analysis of delivery vehicle and location options 	<ul style="list-style-type: none"> • Detailed Business Case

- 6.8 Council Resources- Whilst recognising the impact on management resources in progressing this proposal to the extent outlined, the CMT supports the next steps for completion of the detailed Business Case.

For the next stage, the Council’s support for the detailed business case for Support Services will be met from the Council’s existing contribution of £40,000 (which was granted through emergency powers in September 2010 and as reported for noting to the February 2011 meeting of the Policy and Resources Committee) together with relevant officer support. The existing outline business case has been taken forward on the basis of Clyde Valley Partner financial contributions so far, together with officer support at Project Team level. There are adequate financial resources available from the initial funding already, and the detailed business case will utilise approximately £10,000 of the Council’s contribution. Furthermore, at this development stage, it will be necessary to have officer support from each of the services specified working within their respective functions to aid the Project Director. It is thought that in the period to June 2011, individual officers from the Councils for these five service areas will be needed on a two to three day or so per month basis if full commitment is to be given to achieving intended timescales. Given the high prioritisation of this workstream this support can be given and will be contained from within existing service resources.

6.9 Council Issues- There are distinctive issues involved in relation to the Council's participation in relation to steps already underway and to the Council's budget.

- As stated, the Council has already set out to achieve a major internal modernisation of its services to provide a customer-facing initiative through the Operating Model. The Clyde Valley workstream takes account of the individual, internal steps that many Councils have taken in relation to their own transformation projects. The Council's Operating Model may not impede progress with the wider Clyde Valley Partnership proposals but may reduce the new savings generated by the Clyde Valley proposals.
- The Council has set its two year budget and the investment that will be required if the change programme for Support Services, if approved by the Council and the Clyde Valley partners, will be substantial. Savings are envisaged but this will need significant financial investment which is not yet factored into the Council's budget in relation to technology and process change. The Council's share of such investment will need further scrutiny, but with regard to the June 2011 detailed business case completion and any timetable to be adopted thereafter, it will be necessary to identify the budgetary impact of investment support and incorporate the investment levels into the Council's budget.
- Process change – for Scottish local authorities there will be significant alterations envisaged through the Revenues and Benefits Services with the introduction of any Universal Credit and, additionally, the present Scotland Bill envisages income tax and collection arrangements which may have significant future implications for the revenues function as a whole. As this is the largest area of envisaged savings the future direction of this aspect of the proposal is pivotal to the overall project.

Co-location – as with the other Clyde Valley partners, there will be vital local interests being pursued relative to the location of any hub or related property-location. Equally, there may be property releases through the sharing arrangements.

7.0 INTEGRATED HEALTH AND SOCIAL CARE

7.1 This workstream has been supported by the Chief Social Work Officers/ Directors of Social Work from each of the Clyde Valley partners, together with Senior Managers from NHS Greater Glasgow & Clyde and NHS Lanarkshire. The team has also been supported by Scotland Excel and the Joint Improvement Team, together with Sir John Arbuthnot in an ongoing role. The emergence of Community Health partnerships over the past four years has enhanced partnership working amongst NHS/Community Health Services and local authorities. Given the financial constraints within the public sector, this group recognises that closer partnership working and collaboration between health boards and local authorities is essential. Social Work services provides services and support to some of the most vulnerable people living within our communities and these cover service areas such as mental health, physical disabilities, learning disabilities, addictions and key services providing care and protection to those most vulnerable. For Social Work Services across the Clyde Valley area the total care budget amounts to almost £1.4bn with over 15,000 full time equivalents involved. The Clyde Valley Partners and the Health Boards face significant financial and demographic challenges and the collaborative working that is promoted through this workstream is seeking to achieve efficiencies through collaborative procurement and to work together in the longer term to develop proposals for service redesign around Children's Services, Adult Services, Telecare and Telehealth savings and in relation to shared opportunities around Training and Development. Accordingly, the following priority areas have been identified:

(a) Collaborative Procurement Opportunities:

- Adult Care Services
- Child Care Services
- Residential Care Homes Places (National Care Home Contract)

(b) Shared Training and Development opportunities

(c) Telecare and Telehealth initiatives

7.2 The next steps proposed to the Clyde Valley Partners involve:

Integrated Health & Social Care	
<p>(a) Continuing to achieve efficiencies and deliver projected savings through the Clyde Valley Partners' commissioning and procurement of Children's Services, Adult Services and the National Care Home Contract.</p> <p>(b) Development and consideration of proposals around shared call handling within tele-care services.</p> <p>(c) Agreeing and implementing proposals to reduce the number of SVQ centres across health and social care services in the Clyde Valley.</p> <p>(d) Development of a regional child care commissioning strategy which will flow from the regional pathfinder project.</p>	
Planned Outputs	
March 2011	June 2011
<ul style="list-style-type: none"> • Negotiations completed with providers for Adult Care, Child Care and National Care Home contract • Negotiations to be completed with providers for 2011/12 rates for shared training and development proposals • Proposals agreed for reduced number of SVQ centres 	<ul style="list-style-type: none"> • Proposals to be agreed for shared call-handling solution with NHS24
Planned Outputs	
March 2011	June 2011
<ul style="list-style-type: none"> • Evaluation of "as-is" and "to-be" IT requirements • Initial analysis of delivery vehicle and location options 	<ul style="list-style-type: none"> • Detailed Business Case

7.3 It is recognised that more work is required in order to analyse the levels of spend and the contractual rates applicable across all Clyde Valley partners. The partners are at different starting points and will achieve varying levels of efficiencies and any savings targeted will be challenging and dependent on authority/provider negotiations. Participation in this workstream supports a key objective in securing efficiencies from collaborative procurement and the collaboration, itself, will provide a greater assurance of future saving realisation. Full realisation of any efficiency is entirely dependent on providers working with the Clyde Valley partners and the NHS Boards in order to deliver service improvements and savings potential.

7.4 Council Resources – the outline business case has been supported by the Council's contribution to the Clyde Valley partnership. In order to proceed to the next stage, it is estimated that £10,000 is required from this Council in order to progress the detailed business case for Adult Services-Procurement. The Project Team will continue to be supported by the Corporate Director Community Health and Care Partnership and his relevant officers and this will be contained from within existing resources.

7.5 Council Issues – The CMT supports the next steps for completion of the detailed Business Case. There are benefits in the Council's continued involvement in this workstream. The procurement

exercise for Adult Services will seek cost reductions from key providers and the collaborative approach will develop a potential framework agreement to be supported by more local agreements. The collaborative work is essential in the light of the further engagement which is needed with providers, not only with Adult Services, but also with Children's Services and with the National Care Home contract. This workstream allows the Council to share best practice and learning across all of the organisations involved in relation to the activities that are being undertaken to reshape and change the balance of care to take account of demographic change and financial pressures. The following are issues for continued awareness within the Council:

- Local costs- There are some Children's Services contracts which are locally and comparably advantageous to this Council in financial terms (, e.g. the rates for foster care within this area are significantly lower than in the central conurbation) and the negotiations might adversely impact on the competitive rates experienced within this area. This risk has to be offset in relation to the potentially wider, and more significant, savings that collaborative procurement may attain in relation to Adult Services and the National Care Home contract.
- Model – further discussion on any implementation model will be needed across the Clyde Valley Partners and this will have to take account of services which have been redesigned already and the service specifications desired by each of the constituent members.

8.0 SOCIAL TRANSPORT AND FLEET MANAGEMENT

8.1 The Social Transport workstream sets out to consider the delivery of social transport and fleet management provision across the Clyde Valley area. In addition to exploring a range of options to deliver savings and other benefits, the work to date on the outline business case has addressed whether it would be possible to establish a single shared Social Transport Service for the Clyde Valley.

8.2 Social Transport in relation to this workstream is mainly that of local authority provided services for children with Additional Support Needs (ASN) and Social Work Services. The Clyde Valley Partners operate their own vehicle fleets for these social transport purposes and these are supplemented by taxi contracts on a scheduled and an on-demand basis. Social Transport is also used for older people and for adults with learning and physical disabilities attending a range of Social Work or Educational Services. Across authorities, social transport involves at least three Council functions:

- A Fleet Management Service or function (within Inverclyde, administered by the Head of Environmental and Commercial Services);
- An Education function for home to school bus contracts and for additional support for learning taxi transport; and
- Social Work for older people and for adults with learning and physical disabilities.

Overall, the Clyde Valley partners spend approximately £57m annually on Social Transport Service and this involves approximately 700 FTE and approximately 600 vehicles.

8.3 The Project Team on this workstream considered a range of joint efficiency and improvement measures and has recommended the developing of a shared policy for Additional Support Needs and Social Work Services transport. This will achieve a consistent policy across all Clyde Valley authorities and will make any programme of shared service measures easier to implement. There is strong potential benefit in the review of individual travel arrangements for children with additional support needs. At present, the scheduling of ASN transport and Social Work travel requirements is mainly undertaken by manual methods. Pilot studies will be undertaken through this workstream for the collaborative use of ICT based route scheduling and booking systems. This will assist in minimising vehicle downtime, reallocating and rationalising ad hoc taxi journeys and linking available scheduled taxi journeys to clients within the same destination. To achieve these benefits further work will be undertaken with single scheduling and booking. This system could be procured through a collaborative procurement exercise to be hosted by one of the participant authorities or by a third party provider. All participant authorities would have access to their own data and would undertake their own scheduling and ad hoc booking functions. The next steps, accordingly, are:

8.4 Social Transport & Fleet Management

- (a) Developing a shared policy for additional support needs and social work transport as a pre-requisite for shared services. A shared policy will form a consistent baseline on which to take forward all other measures including:
 - setting a consistent basis on which transport is provided
 - assessment of individual travel needs
 - investigation into adjusting ASN School and Social Work Day Care centres opening hours to generate savings in the reduction in the number of vehicles required to service these establishments.
 - investigation into introducing Independent Travel Training schemes.
- (b) Shared Planning and Scheduling Technology – Collaborative use of ICT based route scheduling and booking system including a pilot project with SPT to establish more fully the financial benefits of utilising a joint scheduling and booking system.

Planned Outputs	
March 2011	June 2011
<ul style="list-style-type: none"> • Joint policy development framework agreed • SPT pilot exercise scope and formal agreement 	<ul style="list-style-type: none"> • Policy development approach agreed • Pilot exercise completed

8.5 Council resources- There are sufficient resources from existing Clyde Valley funding in order to take the next steps forward. There will be continued input with the Project Team through the Head of Environmental and Commercial Services and other relevant officers and this will be contained in existing resources.

8.6 Council Issues – The CMT supports the next steps for completion of the detailed Business Case This is an opportunity to share good practice and to review the services provided. The developing of a shared policy is seen to be a significant way forward in order to establish a consistent baseline on which to take forward any other subsequent measures. The policy will include defined eligibility criteria, travel application assessments and available travel options including conventional public transport, local authority provided bus service, taxi support and walking escorts. This will permit the Council to review current individual travel arrangements on a case by case basis and to consider the benefits that could be introduced through the collaborative exercise. Additionally, the collaborative use of ICT based route scheduling and booking systems is worth exploring further.

9.0 FINANCIAL IMPLICATIONS

9.1 Financial implications – one off costs:

Cost Centres	Budget Heading	Budget Year	Proposed Spend this report	Virement From (n/a)	Other Comments
Waste Management	Clyde Valley	2011/12	nil		Officer support continuing
Earmarked Reserves	Savings Implementation.	2011/12	nil Support Services £10k Integrated Health		From Existing contribution of £40k (possible £5k refund) Additional significant officer commitment necessary

Financial Implications – Annually Recurring Costs (Savings):

n/a					
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10.0 CONCLUSION

- 10.1 The Council needs to be involved fully in the Shared Services proposals so that it can participate in and influence the key debate on the future configuration of Services within the Clyde Valley. Overall, the intended approach for Shared Services is expected to (1) achieve economies of scale with the Services concerned; (2) pool professional expertise across the functional areas; and, (3) ensure the delivery of modernised services to meet best practice standards. These aims will require considerable flexibility in design and delivery and there will have to be serious consideration at individual Council level within the Clyde Valley Partnership area. The process could involve many different roles, responsibilities and competencies for operational managers and will need a fresh approach to accountability and governance that assures individual Councils of the benefits in both service and financial terms and which also ensures proper governance that allows adequate control of services by those individual Councils for their local needs.
- 10.2 The potential for best practice and economies of scale indicate the need for further exploration both by this Council and by the other constituent members of the Clyde Valley partnership.
- 10.3 The above report details the next stages for the four workstreams that are recommended and that the Council continues to be supportive of the broad principles and continues to support the work both by the joint funding, where indicated and by Project Team input. The greater proportion of this work is being undertaken in-house by the Clyde Valley partners and the use of external support has been and is to be only used for specific, specialist technical advice that is not already available within participating Councils. This report also identifies, in general, the Project Team resources that

are needed for each workstream and this will impact on the staff resources in the developing of the detailed business cases, further proposals and financial projections.

- 10.4 The overall timetable for detailed business case consideration is June 2011 and the implications of this timescale involve the focus of effort and support up to that date. Thereafter, detailed proposals will be considered at the Clyde Valley partnership meetings with Council Leaders and a further report will be made to the Council as soon as is practicable thereafter.
- 10.5 That debate will be assisted by a thorough cost and benefit assessment involving baseline staff input and cost level analysis, together with an overview of the financial benefits. The full business case analysis will need to review in detail the financial benefits, the work arrangements, the potential qualitative benefits and the costs of achieving change. In other words, a full costs and benefits analysis is needed by all of the Council prior to taking any further action and part of that will involve a risk assessment for the key challenges and considerations of establishing a shared service environment. It is my view that there are potentially wider benefits than the financial savings and this Council and its Partner authorities need to provide a sustainable way of improving and investing in high quality service delivery. The possibilities of sharing services could involve other Public Sector participants and could influence or lead national shared service developments. The initiative is part of a wide modernisation agenda and this Council needs to be involved in its scrutiny at these early stages. The Council's participation and risks of involvement are mitigated by the broad support and intentions of its neighbouring authorities and these recommendations will be receiving consideration by the other Clyde Valley members in terms reflected in this report.
- 10.6 In supporting the development of the detailed Business Cases, the Council is committed only to the further investigation of costs, benefits and risks and not to implementing any outcomes. Elected Members will be given a full opportunity to consider the full details and any recommendations that arise

11.0 CONSULTATIONS

- 11.1 The Corporate Management Team has considered the presentations by the Project Directors of each of the four workstreams and supports, in the manner indicated above, the proposals for the next steps.