

Appendix 2: Audit Commission Review of Shared Services

Shared services

- 1** Central Bedfordshire Council (CBC) and Bedford Borough Council (BBC) have been sharing service provision for many of the services previously supplied by Bedfordshire County Council. Decisions on which services were to be shared were taken in October 2008 and the host authority for each service was identified at the same time. A small number of services are also hosted by NHS Bedfordshire, the local Primary Care Trust (PCT). The Association of Public Sector Excellence (APSE) was commissioned to provide independent advice on shared services and to deliver service level agreements. All of this work was undertaken within a very compressed timescale which posed risks in itself.
- 2** These are not conventional shared services arrangements where partners merge two, or more existing services into one over an agreed period of time. Rather, to meet the timetable for Local Government Reorganisation, existing Bedfordshire County Council service were taken on by one council and delivered on behalf of both councils.
- 3** Work carried out on Local Government Reorganisation in Bedfordshire, by my predecessor, identified that the criteria for agreeing which services were to be provided on a shared basis, and which were to be disaggregated to the two unitary councils, did not appear to be systematic. I have sought to establish whether the councils over time have developed more robust criteria which take into account issues such as value for money and customer/user/resident expectations
- 4** This review aimed to provide a high level overview of key risks in relation to the partnership arrangements for the delivery of shared services. I reviewed two shared services selected by the Councils, one service hosted by Bedford Borough Council (BBC) and one service hosted by CBC.
- 5** The overall conclusion from my work is that while the Council has not progressed as quickly with the development and review of service level agreements (SLAs) for shared services as was originally envisaged, the review of the two SLAs, demonstrates that in these instances robust arrangements have been put in place which are meeting the desired objectives for each Council. My findings are set out in the following paragraphs.
- 6** The SLA that I reviewed, hosted by CBC, is the Emergency Duty Team. This service, which provides out of hours social worker support, is hosted by CBC and provided for Bedford Borough Council (BBC) and Luton Borough Council (LBC).
- 7** Governance arrangements for the Emergency Duty Team SLA are robust. CBC hosts one Governance Board meeting with BBC each year, the purpose of which is to make sure that the service is still meeting the needs of BBC. In addition, CBC can provide audit reports, benchmarking information and management accounts for BBC. There have been no

governance issues raised in relation to this service since it was revised on 1 April 2009.

- 8 Procedures are in place to resolve any issues that may arise between the partners; these include an Issue Record Log. If a dispute cannot be resolved through the process set out (which includes timescales) there is provision for mediation. At the time of my review no issues had arisen which have required these formal procedures for resolution.
- 9 Partners receive good quality management information. Quarterly performance reports are provided to the partner councils. The original SLA required monthly reporting but partners agreed that this was unnecessary because there is little change month by month. Monthly statistics are maintained by the Team Leader and can be made available if required by any of the partners. The Management Board meets at least twice a year and reviews benchmarking information, Key Performance Indicator (KPI) results and targets.
- 10 Partners have a clear understanding of the costs the Emergency Duty Team. The service for 2009/10 has been delivered within budget. Costs are calculated based on activity in the previous year. Charging is based on workload and is currently split 31.2 per cent BBC, 31.8 per cent CBC, and 37 per cent LBC. During 2009/10 the workload has shifted away from LBC to BBC with activity at CBC remaining constant. Charging is to be amended based on these changed activity levels.
- 11 It is not clear how service recipient expectations or views have been taken into account in shaping the SLA. As the Emergency Duty Team has effectively continued as a single seamless service there has been no apparent need to seek user views on service delivery. However, partners are now developing the annual stakeholder survey. They have compiled a list of agencies from which they can seek views on the service provision. This was due to be sent out to stakeholders at the end of the May 2010.
- 12 Partners consider the shared service arrangements for the Emergency Duty Team to be effective and operationally there is a good relationship between the three councils. All of the partners expect this to remain a shared service.