

**CABINET**

**Shared Services Programme – One Connect Limited  
29 May 2012**

**Report of Chief Executive**

PURPOSE OF REPORT			
To update Cabinet on the outcome of negotiations regarding customer services and Information and Communications Technology (ICT) provision with One Connect Limited (OCL).			
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input type="checkbox"/>
		<b>Referral from Officers</b>	<input checked="" type="checkbox"/>
<b>Date Included in Forward Plan</b>	N/A		
<b>This report is public.</b>			

**OFFICER RECOMMENDATIONS:**

1. That Cabinet notes the outcome of negotiations and:
  - in respect of face to face Customer Services, supports separate discussions to progress the development of shared service delivery by the City Council, on behalf of both it and the County Council; and
  - in respect of ICT, supports further development of the City Council's ICT strategy for subsequent consideration by Cabinet.

**REPORT**

- 1 **Background**
  - 1.1 Various reports have been presented to Cabinet over the last year or so, outlining progress in developing shared service proposals for customer services and ICT in conjunction with OCL – a company formed jointly by Lancashire County Council and BT to undertake the work of their Strategic Partnership. The last update was reported to Cabinet in January of this year.
  - 1.2 At that meeting Members supported further development on the basis as then outlined and accordingly, more work has been undertaken to define the proposals and what they would mean for all parties in operational and financial terms.

## 2 Outcome of Negotiations

- 2.1 The basis of the main proposals under consideration were that:
- OCL would deliver shared telephony customer services through their telephony channel at their offices in Accrington;
  - the City Council would deliver shared face to face services; and
  - OCL would provide the full range of information technology services on behalf of the City Council on behalf of both it and the County Council.
- 2.2 Unfortunately, it has not proved possible to establish a cost model and contract period that works for all parties, given the level of initial investment that such a shared service would require. The proposals for telephony customer services and ICT have therefore fallen.
- 2.3 Nonetheless, for face to face customer services Officers and OCL would like to continue to pursue this service separately, as it is still considered that an acceptable solution for all parties can be developed. This is provided for within the Officer recommendations.
- 2.4 Linked to the main negotiations, the provision of out of office hours emergency call handling together with other emergency call centre functions (including community alarms, telecare and lone worker monitoring) were to be considered as a future phase, once the County Council were able to clarify their position on their re-procurement of the Lancashire Telecare Service.
- 2.5 It is known that the County Council are due to confirm their procurement arrangements for their telecare services shortly and they are expected to have implications for the City Council's emergency call centre. More information may be available in time for the Cabinet meeting.
- 2.6 Irrespective of the outcome of negotiations, it is clear that the City Council has further work to do to test out and clarify its future ICT strategy and this is also provided for in the Officer recommendations. The strategy would then inform any future options for joint working in ICT.

## 3 Options and Options Analysis (including Risk Assessment)

	<b>Option 1:</b> Accept Officer Recommendations	<b>Option 2:</b> Put forward alternatives
Advantages	Still gives opportunity to join up face to face customer services for county and city.  Allows City Council to develop a clear way forward for ICT.	Depends on alternatives.
Disadvantages		Depends on alternatives.
Risks	Specific risks will be considered in developing proposals for reporting through to Cabinet in due course.	Depends on alternatives – likely to require further reports back to Cabinet.

## 4 Conclusion

- 4.1 The basic premise of different tiers of local government joining up to provide better integrated and more cost effective services is recognised and supported. Nonetheless, any arrangements need to work for all parties involved; there is no single solution for all situations. It is in this context that the outcome of negotiations should be viewed. There is still the opportunity to joint up face to face customer contact, which may well have a more visible positive impact for the community as a whole.

### **RELATIONSHIP TO POLICY FRAMEWORK**

One of the actions included in the City Council's Corporate Plan is to 'develop a programme with Lancashire County Council and others to reduce costs by sharing more of our services. The negotiations have been set and concluded in view of this aim.

### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability etc)**

None directly arising given the nature of this report.

### **FINANCIAL IMPLICATIONS**

Given the outcome there are no direct financial implications arising at this time.

### **OTHER RESOURCE IMPLICATIONS**

**Human Resources / Information Services / Property / Open Spaces:**

Given the nature of this report there are no new implications arising for the services involved. Relevant staff have been advised of the outcome of negotiations.

### **SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has been involved in the production of this report and in reaching conclusions regarding the negotiations. She has no further comments to add.

### **LEGAL IMPLICATIONS**

Legal Services have been consulted and confirm there are no legal implications arising from this report.

### **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

### **BACKGROUND PAPERS**

Background papers are exempt under paragraph 3 of Schedule 12a of the Local Government Act 1972.

**Contact Officer:** Chief Executive

**Telephone:** 01524 582011

**E-mail:** [chiefexecutive@lancaster.gov.uk](mailto:chiefexecutive@lancaster.gov.uk)

Ref:CE/ES/CommitteeS/Cabinet/Shared Services/29.05.12