

## Lessons learned

- It's helpful if the lead sponsors have an existing relationship.
- The workloads of the lead sponsors should not be under-estimated.
- Adopting project management disciplines and providing appropriate resource is essential.
- Those involved in the project should have an open mind at the outset, remain pragmatic and be prepared to compromise.
- Communication is at the core of successful partnership working, along with trust and mutual support and risk management. There is a need to agree consistent messages and not to be afraid of over-communicating.
- Communicate openly, transparently and effectively using every method possible to ensure that you take people with you. Also, do not under-estimate the power of the grapevine, both within and between organisations.
- Involve Members, including the opposition party, and employees and trade unions at an early stage.
- Don't assume that consultants can always bring more to the project than you can.
- If you are tendering for consultancy support, you need to make it clear that you will retain the intellectual property rights for both the resulting reports and outcomes and the tools used to achieve them.
- Any contract resulting from the tender should be clearly between the supplier and the authorities undertaking the project so the roles and responsibilities are clear. Effort should be made to ensure that the relationship remains intact until the work is delivered and paid for.
- Preparation is key – be clear about what is required from the purchaser, by when and the impact of any delay, and ask for a template of the detailed business case to ensure that all parties have the same understanding of what the outcome should look like.

- If time is important, this must be made clear in any contract with a supplier or consultant. The requirements of both parties with timescales and impact need to be set out, together with penalties for delay.
- Get the language correct from the start for example 'host' authority not 'lead' authority.
- Do all you can to avoid delays but accept that some delay is inevitable and build an allowance for this into your plans.

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## North West Centre of Excellence case study



## Collaboration over corporate services

### Who was involved?

Chorley Borough Council and South Ribble Borough Council with project management and financial support from the North West Centre of Excellence (NWCE) and support to undertake the feasibility study from PricewaterhouseCoopers.

### Project aim

To effectively identify the options, potential benefits, challenges and risks of two, already high performing councils - South Ribble Borough Council and Chorley Borough Council - collaborating successfully over their financial, asset management, internal audit and related services.

### What were the drivers for the project?

- Better workforce planning, including the need to address recruitment and retention and succession planning
- The need to address gaps in capacity and skills and create increased training and development opportunities

***'This feasibility study was about two highly performing councils examining whether, through some form of collaboration, they could sustain high performance levels in an environment where standards and expectations continue to rise.'***

***Mike Nuttall***

***Corporate Director (Resources), South Ribble Borough Council***

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- Comprehensive Performance Assessment (Use of Resources), part of which evaluates the extent to which councils collaborate and deliver value for money
- The need to review support service areas following significant changes to front-line services in both councils
- Achieving efficiency and scale economies
- Improving services within existing or reduced resource levels
- Eliminating the duplication of activities and pooling expertise
- The Gershon agenda and central government targets for improving public sector efficiency
- The Cabinet Office's Transformational Government strategy which sets out a future in which all public sector organisations deliver services collaboratively
- Technological developments that make it easier for organisations to share information
- The e-Government agenda, which talks about standardising and automating routine back office processes
- The Regional Centres of Excellence, which encourage shared services for neighbouring local authorities
- The Local Government Act 2003, which gives higher-performing English councils increased freedoms and flexibilities to set up commercial organisations
- Budgetary constraints and the desire to keep costs and Council Tax down

## What we did

The two authorities approached NWCE for funding to carry out a feasibility study for the collaboration of a number of areas of their Corporate Services. Funding was identified to provide a project manager to support this work.

A project initiation document was prepared by the project manager and lead sponsors. The project manager then carried out a comprehensive review of relevant literature to prepare for the drafting of the outline business case.

Following a project review, an overview of benefits and weaknesses, barriers or risks was then prepared.

A stakeholder map and communications plan were also drawn up and it was agreed that the lead sponsors and project manager would remain as the Project Board to continue the project.

A Partnership Board made up of Project Board members and councillors who held the portfolios for

***'Although the two sponsoring authorities agreed on the list of drivers, their order of priority may have differed slightly. However, both agreed that internal factors, together with the need to seek answers to the challenges being faced by each council, have had a greater impact than some of the external drivers.'***

***Gary Hall***

***Director of Finance, Chorley Borough Council***

finance from both councils was established to monitor progress and approve outcomes.

Employees and the trade union were provided with copies of documentation discussed at the Project and Partnership Board meetings and the trade union was also offered an open invitation to attend Partnership Board meetings.

The outline business case was prepared and submitted for approval and regular meetings were held with all employees who would be covered by the scope of the project. At these meetings the purpose of the project was explained, employees were updated on progress and they were given the opportunity to provide feedback.

A limited tender exercise to obtain independent and credible consultancy expertise was carried out. PricewaterhouseCoopers were appointed and undertook the base-lining of services and a thorough staff skills audit that would help with the matching of staff to roles under the new service model.

Their work also included mapping and costing existing services, comparing existing services with good practice models such as the CIPFA good practice model for financial management, identifying opportunities for improvement and efficiencies, using survey and focus groups to carry out the staff skills audit, and identifying training needs.

PricewaterhouseCoopers then prepared a final report suitable for use as a detailed business case.

The Project Board met every month throughout and continued to review and manage the risks and lessons learned. Representatives of PricewaterhouseCoopers attended these meetings to

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update on progress and to explain the reasons for any delays when they occurred. The Project Board also visited several organisations that had already undertaken successful shared services projects and picked up some useful lessons that were applied to this project.

## How did you engage people to ensure project success?

The lead sponsors acted openly and transparently and personally delivered messages to employees about the feasibility study.

They undertook to make themselves accessible to answer employees' questions and concerns throughout the project.

The regular meetings in each council with those employees directly covered by the scope of the project were also open to union representatives and human resources representatives who were also provided with copies of any documentation.

Employees were involved in focus groups and options appraisals with PricewaterhouseCoopers to help to shape the outcomes of the project.

Areas were established on both councils' intranets to ensure that copies of all project documentation were made available to all employees as the project progressed.

A series of joint newsletters/briefings were produced by the lead sponsors to keep employees updated on project developments and progress. This also ensured consistent communication across the two councils and reinforced the message of a partnership approach to the project.

As part of the feasibility study, service users, councillors and officers were surveyed for their views on current and expected service standards.

The external auditors of both councils were consulted at the outset and also kept updated as the project progressed.

Other existing briefing arrangements within the two councils were also used to communicate progress on the project to those elected members and councillors perhaps less directly involved and/or affected by the project.

## The benefits

The anticipated benefits can be broken down into five areas:

- Staffing benefits
- Performance management benefits
- Economies of scale, efficiencies and service

improvements benefits

- Accountability benefits
- Local service sustainability benefits

However, these are all long-term benefits and were not expected to result from the feasibility stage.

## Did any unplanned benefits occur?

The transparent ways of working and involvement of employees throughout has meant that some potential problems have been averted. Instead employees have responded positively to the need for the feasibility study and have been supportive of known plans.

The joint meetings/focus groups held with employees during the feasibility study has meant that important relationships have been built and the unofficial sharing of best practice has increased.

Involving elected members and obtaining cross-party support from the outset has meant that, despite political changes in the May 2007 local elections, overall support for the project has remained consistent.

The process and resulting documentation has raised awareness of the issues faced in corporate services at both South Ribble Borough Council and Chorley Borough Council.

Liaison with a representative of the North West Centre of Excellence has resulted in raised awareness and involvement and take-up of useful activity and tools.

## What were the main products of your project

- A project initiation document
- An outline business case
- A detailed business case
- A bid to NWCE
- A risk log
- Highlight reports
- Legal advice on the ability to share a deputy s151 officer
- A shared services agreement
- Significant input into the North West Shared Services 'Lessons Learned' document.

## What is current status of the project as of January 2008?

The feasibility process is now complete and approval has been granted to proceed to implementation planning, together with the appointment of the two, senior joint posts.

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