RBS Shared Service

EXECUTIVE MEMBER: Councillor G Clements
LEAD OFFICER: Jane Salt Head of Customer Services
REPORT AUTHOR: Jane Salt Head of Customer Services

WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND
RESIDENTS
The delivery of the shared service will improve the Revenues and Benefits
service to the customers of Copeland Borough Council as outlined in the Service
Plan.

WHY HAS THIS REPORT COME TO THE EXECUTIVE?
(eg Key Decision, Policy recommendation for Full Council, at request of
Council,etc.)
At the request of Executive at their meeting on 29 October 2009

RECOMMENDATION:

In addition to the legal governance documents for the RBS Shared Service
we have developed a Service Plan that will enable monitoring of the
performance of the Shared Service against expected targets.

It is recommended that Executive approve the content of the service plan.

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1.   **INTRODUCTION**

1.1   At their meeting on 29 October 2009 Executive approved the business
case for Revenues and Benefits Shared Service and asked for a further report
regarding the monitoring arrangements.

1.2   The attachment to this report details the expected service delivery and the
monitoring arrangements.

2.   **ARGUMENT**

2.1   Further to the report to Executive on 23 March 2010 the performance
targets have now been completed.

3. OPTIONS TO BE CONSIDERED

3.1   In addition to the legal agreements it is necessary to have a document that details the required performance of the Partnership and a mechanism for measuring against those targets.

3.2   This document as referred to in the Service Level Agreement is the Service Plan.

4. CONCLUSIONS

4.1   The Service Plan has been prepared by the Partnership Manager in agreement with all three authorities and provides a basis for monitoring and reporting performance against agreed targets.

5. WHAT ARE THE LEGAL, FINANCIAL AND HUMAN RESOURCES IMPLICATIONS?

5.1   The three supporting documents provide the legal, financial and human resource framework for delivery of the service.

6. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

6.1   There is a detailed Programme Plan for the delivery of the Shared Service which includes a risk assessment.

6.2   Both of these documents are monitored regularly by the Practitioner and Programme Board.

7. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

7.1   The outcomes will be as agreed in the Service Plan.

List of Appendices

Appendix A - Service Plan

List of Background Documents:

Administrative Agreement, Service Level Agreement, Staff Transfer Agreement

ALLERDALE | COPELAND | CARLISLE

2010 – 2013 SERVICE PLAN

MARCH 2010

THE REVENUES AND BENEFITS SHARED SERVICE

Contents

Introduction

Allerdale Borough, Copeland Borough and Carlisle City Council's have each agreed to the introduction of a shared Revenues and Benefits service covering the following:

- Council Tax Administration
- Business Rates Administration (NNDR)
- Housing and Council Tax Benefits Administration including Overpayment Recovery and Fraud
- User Technical support
- IT Support

Partnership governance and transfer arrangements to create the shared service are subject to the provisions of the following agreements:

- Staff Transfer Agreement
- Administrative Agreement
- Service Level Agreement pursuant to the Administrative Agreement

It is accepted that each Council has equal standing and responsibility within the Partnership irrespective of size, or financial contribution.

Service delivery will be provided through operational teams located within each Council's geographical area, giving local access to services and building on the existing infrastructure.
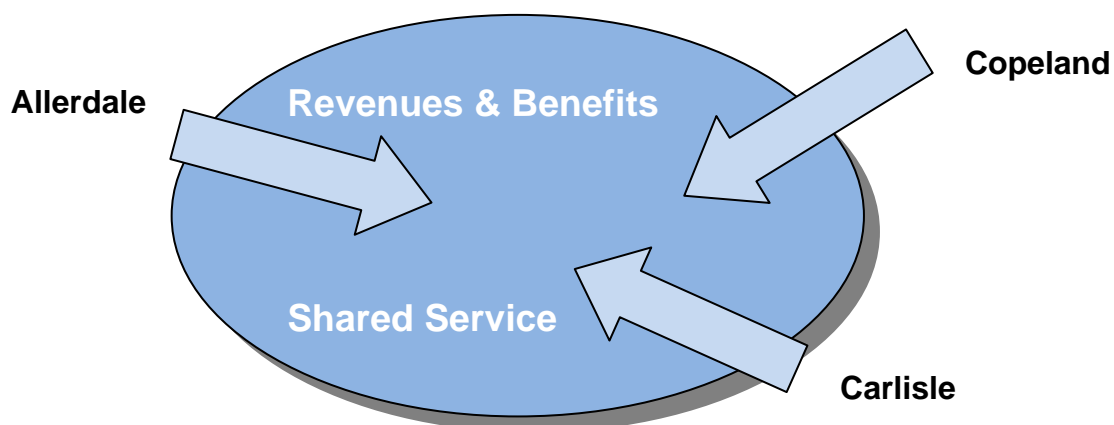
This service plan outlines the requirements to ensure the effective delivery of the shared service to meet the expectations of the Partner Council's - Allerdale Borough Council, Copeland Borough Council and Carlisle City Council. Responsibility for the service is coordinated within the Partnership through the following hierarchy arrangements:

- **Strategic Board** – Elected Members who are Portfolio Holders within the Partner Council's.

- **Joint Operational Board** – Key Officers to provide updates on the service to the Chief Officers of the Partner Council's.

- **Practitioner Team** – Key officers from within the Partner Council's to provide strategic leadership and direction of the shared service. Where required specialist support will be added to assist as appropriate.

Creation of the joint service will be based on the alignment and streamlining of policies and procedures, whilst acknowledging local differences and practices. Work Packages have been established to share best practice and to identify and implement common approaches across service activities.

Arbitration and dispute resolution for operational issues will be determined at the lowest possible appropriate managerial level. Should issues remain outstanding they will be escalated initially to the Practitioner Team for settlement. Should agreement not be achieved, issues will progress through the Partnership hierarchy arrangements as outlined above and in accordance with the appropriate legal agreements.

Where appropriate arrangements permit, Service Level Agreements will be jointly secured by Partner Council's with external organisations, service suppliers and other agencies. Existing agreements will be reviewed, on renewal or at the earliest opportunity to ensure that the most effective, appropriate provisions are established going forwards.

Allerdale   **Revenues & Benefits**   **Copeland**

Shared Service

                                                      Carlisle

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Mission Statement

To provide an effective service, responsive to customer needs which:
- pays the right benefit, at the right time, to the right person, whilst preventing fraud and error
- issues accurate bills promptly to maximise revenue collection.

The aim of the service is to provide quality advice, guidance and assistance to our customers in respect of Revenues and Benefits including internal customers within the Councils and key external stakeholders. The Shared Service aims to deliver a range of quality services, which are provided through three distinct functional areas.

By transforming existing arrangements within the Partner Council's, the creation of the single shared service is intended to create the following benefits:
- Increased capacity, resilience and capabilities, whilst delivering economies of scale.
- Reduced ongoing revenue costs.
- Improved service performance for the councils' customers.
- Develop and build on the existing shared management service in revenues and benefits for Carlisle and Copeland councils and the ICT shared service between Carlisle and Allerdale.
- Provide of a model for future shared 'transactional' service initiatives.

Elements of the Shared Service

Performance

To ensure effective delivery of the Shared Service, through business support and development across the three locations, the performance team will undertake the following functions:

- Creating and maintaining performance monitoring tools to ensure quality assurance, IT user-technical expertise and control.
- Performance management and providing management information, statutory returns and information to Central Government, Audit Commission, DWP, Partner Councils and any other agencies as required by the Partnership
- Controlling, designing and delivering appropriate training, related to regulations and software changes, to provide ongoing staff development.
- Overall co-ordination of the annual uprating and main billing: excluding responsibility for document production and issue.
- Reconciliation and control of cash, credits/debits and interface balancing.

Revenues

The purpose of the Revenues service is to maximise the Council's income through the efficient administration of monies due, appropriate awards of Council Tax discounts and exemptions and the prompt initiation and follow-up of recovery procedures within a pre-determined anti-poverty strategy.

The service delivers the Council's statutory functions in accordance with appropriate legislation for the following services:

- Council Tax Billing, Collection and Recovery.
- Business Rates (NNDR) Billing, Collection and Recovery.

Benefits

The purpose of the Benefits service is to provide efficient and accurate processing of Housing and Council Tax Benefits and to maximise the take-up of benefit entitlement, whilst reducing inappropriate Benefit payments by adhering to the Department for Works and Pensions (DWP) Security Manual and other counter fraud initiatives.

The service delivers the Council's statutory functions in accordance with appropriate legislation for the following services:

- Housing and Council Tax Benefit

Supporting Council Priorities

By the nature of the services delivered to customers, the Revenues and Benefits Shared Service provides advice and assistance through primary citizen focused services for the Partner Council's. Consequently the shared service contributes, in an indirect way, to the achievement of all of the corporate activities to achieve the respective Council's priorities.

The priorities of each Council for the current year are:

Allerdale	Copeland	Carlisle
1. Economy	1. Transformational Leadership - To lead change within West Cumbria and achieve improvements through the effective use of resources	1. The Environment - Improving the places where people live
2. Environment		
3. Healthy and safe	2. Improving Quality of Life - To significantly improve the way services are provided to allow residents to live, work , learn and relax in a clean safe and attractive environment	
4. Housing		
5. Inclusive communities	3. Promoting Prosperity - To continue the development of a strong and diverse local economy	2. The Economy - Growing Carlisle for the future - Strengthening Carlisle's economic position
6. Service access and delivery		

KEY CHALLENGES in Year 1 – 2010/ 2011

Implementation

The implementation of the Shared Service programme creates many challenges, key issues to be resolved within 2010/2011 are
- Achieving creation of the Shared Service to ensure provision of Revenues and Benefits services for the Partner Council's
- Transfer and matching of existing staffing resources into the Shared Service structure to provide adequate resource capacity
- Creation of the required ICT networks and server infrastructure to enable integrated access to ICT systems for administration and document management at all sites.
- Harmonisation of documentation and procedures to ensure consistency and application of a best practice approach throughout the service
- Delivering cost effective, customer focused services, whilst meeting the business case assumptions and savings expectations
- Mitigation and resolution of any short term adverse performance impacts

Revenues

Ensuring that Revenue collection performance is achieved will need the following challenges to be addressed
- Maintaining Collection performance levels
- Ensuring continuity of service delivery following the Allerdale ICT conversion

Benefits

Maintaining benefits service delivery requires the following challenges to be met
- Ensuring continuity of service following the Allerdale ICT conversion
- Meeting Audit Commission recommendations following the inspection of the Copeland Benefits service
- Dealing with variations in caseload and demand levels due to the economic climate

Service Delivery

Several aspects are required to provide service delivery and they are key to the effective implementation and operation of the shared service. Primary factors for the various functions requiring consideration are as follows

Action Plan - A detailed breakdown of activities within the service showing the actions required in 2010/11 to ensure the successful operation of the Revenues and Benefits Shared Service. A plan showing these actions is shown in **Appendix 1**

Key Milestones – Clearly ongoing operational activities will occur throughout the financial year. Key Milestones indicating achievements of major issues, reflecting the progress of the service are summarised in **Appendix 2**

Customer Benefits - The new service is anticipated to deliver tangible benefits for the customers using the Revenues & Benefits Shared Service. Examples of the improvements and benefits arising from the service are shown in **Appendix 3**

Performance Targets - Maintaining and improving service levels is a key requirement of the new service. Targets based on previous achievements and consideration of areas of challenge and improvement, have been used to assess performance levels required for 2010/11 and subsequent years. Targets will be determined by the Practitioner Team, in agreement with the Programme Board. They will be reviewed and updated on an annual basis. Reporting periods will be based on the requirements for statutory returns as specified by the relevant Government department. Data will be available to ensure that information can be provided to respective Executive Committees to demonstrate performance on a periodic basis as required. Performance Management will encompass both qualitative and quantitative measurement of performance. Where required, customer service standards will be set using appropriate consultation and consideration of customer feedback. Performance expectations are captured in **Appendix 4**

Service Risks - Building on the challenges identified, key service risks relating to the issues which may affect the ability of the service to deliver the activities required are shown in the service Risk Register. This can be found in **Appendix 5**

Resources

Within the Shared Service, resources primarily fall into two distinct categories, finances available to provide the service and the staffing resources needed to deliver services. Information relating to these areas has been included in the plan as shown below.

Arrangements for internal support from HR, Finance, Customer Services and IT will be subject to appropriate agreements and arrangements, as required, to ensure adequate service delivery standards are provided to meet the needs of the service.

Finance – Comparisons against the financial model within the business case for the shared service will be used to show the achievement of savings objectives against the original plan. Consideration will be given to the Financial costs and resources utilised within the Shared Service and savings to be achieved, details of these are shown in **Appendix 6**

Staffing - The staffing levels, following transition to the new service, result in a reduction of 11.31 FTE's when compared to the resources within the former services previously operated by the Partner Council's. The structure of 123.50 FTE's provides permanent posts for all permanent personnel within the previous structures. However, the Shared Service structure also reflects changes applied to grades and responsibilities. The approach of delivery at local sites provides flexibility and opportunity for staff to relocate to any operational location, subject to minimum staffing levels being maintained, when vacancies arise through normal recruit processes. Consideration of changes to operational team locations will be agreed through the Programme Board and Portfolio Holders within the Partner Council's. A high level summary of the service structure is shown in **Appendix 7**

Appendix 1

Action Plan - 2010 – 2011		
Success Factor - Maintaining and achieving performance levels		
Action	Service Area	Timescale
Implementation of the Shared Service structure to establish the operational model to deliver services within the Partner Council's	Revenues, Benefits	30th September 2010
Improving Value For Money through benchmarking performance, costs monitoring and evaluating the cost effectiveness of service provision	Revenues, Benefits	30th September 2010 and ongoing
Improved service planning and management through the implementation of Performance Management and Governance arrangements	Revenues, Benefits	30th June 2010
Improving overall Performance reporting to ensure key activities are monitored and reported	Revenues, Benefits	31st December 2010 and ongoing
Monitor service performance to ensure that delivery is maintained addressing any impact arising from the economic climate	Benefits	Ongoing
Success Factor - Reviewing service delivery and improving customer focus		
Action	Service Area	Timescale
Develop service standards clearly setting out customer expectations	Benefits	30th August 2010
Devise a consultation and communication plan to improve customer consultation, feedback and the provision of information	Benefits	30th August 2010
Profiling of the customer base to inform decisions on service provision to meet customer needs and increase benefit take up - Targeted Take Up activity - Local Surgeries - Working in Partnership with relevant organisations	Benefits	30th August 2010

Action Plan - 2010 – 2011		
Operational arrangements agreed and implemented to ensure the provision of Customer Service facilities at all locations	Revenues, Benefits	30th September 2010
Review and harmonise documentation to ensure consistent service delivery methods are applied and the clarity of notifications is improved	Revenues, Benefits	30th September 2010
Review existing arrangements for the provision of Bailiff services for revenue collection to identify options for cost savings through joint procurement	Revenues	31st December 2010
Success Factor – Implementing new technologies		
Action	Service Area	Timescale
Completion of conversion from Pericles to Academy for core administration systems used by Allerdale BC	Revenues, Benefits	12th July 2010
Conversion of EDRMS by Copeland and Carlisle to the Civica system already in use at Allerdale	Revenues, Benefits	30th September 2010
Installation and provision of a fully integrated and accessible network and sever infrastructure to provide the platform for a Shared Service Desktop	IT	20th September 2010
Implement I-Portal facilities to offer greater choice and accessibility	Revenues, Benefits	31st December 2010
Success Factor – Demonstrating the efficiency of the shared service		
Action	Service Area	Timescale
Establish and monitor a service budget reflecting financial resources across the Partnership	Revenues, Benefits	31st July 2010 onwards
Review revenue collection instalment dates to consider a consistent approach whilst maximising cash flow and enabling Allerdale to move to the 1st of the month for instalments from April 2011	Revenues	30th November 2010
Ensure the transfer of learning from the shared service implementation is documented and shared with the Partner Council's for future initiatives	Revenues, Benefits	31st December 2010
Review service delivery costs to establish the cost effectiveness of the Shared Service	Revenues, Benefits	31st March 2011

Appendix 2

Key Milestones – 2010/2011

Task	Target
Appoint Management team	31 March 2010
Sign legal agreements	31 May 2010
Staff transfer under TUPE provisions to Carlisle as Employing Authority	1 June 2010
Establish outline 2010/11Service Budget	30 June 2010
Allerdale live on Academy	12 July 2010
Job Matching and appointment to new structure	31 July 2010
Carlisle and Copeland live on Civica	30 September 2010
Implementation of Customer Service arrangements	30 September 2010
Harmonise documentation and workflow for Civica EDRMS	30 September 2010
New shared service fully operational	by 1 October 2010
Report to Partner Councils on the Year 2 draft service plan and performance targets	Feb/March 2011
Report to Partner Councils on Year 1 performance	May 2011

Appendix 3

ANTICIPATED IMPROVEMENTS FOR THE CUSTOMER

Category	Benefits Expected
Customer Contact	• Greater choice of access points e.g. Wigton customers can visit Carlisle etc. • Smarter target setting e.g. quality and accuracy • Potential to improve clarity and layout of documentation • Standardised policies and procedures across the Partner Council's • Over the counter scanning of original documents

Electronic access	• Capita mobile technology
	   o Interventions and new claims data available in the home environment.
	   o Access to systems for Officers whilst attending Court
	   o Property inspection programmes and data available on site
	• E-Citizen / Public Pages / Self Serve – Better provision of customer information through secure access
	• E-Benefits
	   o Intelligent, assisted and scripted claim application process
	   o Details evidence requirements
	   o Reduces double handling / keying mistakes through automated data input
	   o Can be rolled out to partners e.g. Registered Social Landlords, Citizens Advice Bureau, Benefit's Advice Centre etc.
	   o Reduces claim processing timescales

Centralised Performance Team	• Standards and continuity of quality checking and subsidy control • Greater capacity to analyse information to support the service e.g. benchmarking, customer surveys etc. • Inherent benchmarking
Resilience and Business Continuity	• Three work locations within the service • Greater resources to allocate to priorities by flexible use of operational capacity. • Less impact of sickness absence/maternity leave. • Back up servers in a different location to main servers improving Disaster Recovery provision. • Fully functional integrated remote working facility.
VFM reduced costs	• Better quality of service for reduced cost • Combined IT costs, with enhanced facilities.

Appendix 4

PERFORMANCE TARGETS

Brief Description of Indicator	Reporting	2009/10 Actual	2010/11 Target	2011/12 Target	2012/13 Target	National Comparison Data 2009/10	Comments
Revenues							
% of Council Tax collected within year demanded **(BV9)** Allerdale Copeland Carlisle	Annual	97.38% 97.86% 97.6%	97.38% 97.9% 97.6%	97.5% 98.0% 97.7%	97.75% 98.1% 97.8%	98.0% * * QRC 4 Data 2008/9	Very stretching targets bearing in mind the current state of the economy. To be reviewed based on 2009/10 performance.
% of Council Tax collected within 3 years	Annual	99 %	99%	99%	99%	N/A	Set to meet losses of collection targets for annual budget setting purposes.
% of National Non Domestic Rates (NNDR) collected within year demanded **(BV10)** Allerdale Copeland Carlisle	Annual	97.94% 98.4% 97.9%	97.94% 98.4% 98.0%	98.0% 98.5% 98.1%	98.1% 98.6% 98.2%	98.2% * * QRC 4 Data 2008/9	Targets to be reviewed based on 2009/10 performance. Economic position and impact of revaluation may need to be reflected in subsequent year's figures.

Brief Description of Indicator	Reporting	2009/10 Actual	2010/11 Target	2011/12 Target	2012/13 Target	National Comparison Data 2009/10	Comments
Benefits							

Changes in Housing Benefit/Council Tax Benefit entitlements within the year
    Allerdale
 	
    Copeland
 	
    Carlisle
	Annual	9,500
		
		12,800
		
		32,200
			11,000
			
			12,800
			
			33,000
				11,000
				
				12,800
				
				33,000
					11,500
					
					12,800
					
					33,000
						Not Available	Based on DWP issued data. National indicator removed but ongoing monitoring proposed

Time take to process Housing Benefit/Council Tax Benefit new claims and change events
    Allerdale
 	
    Copeland
 	
    Carlisle
	Annual	8.1 days
		
		7.02 days
		
		9.77 days
			8 days
			
			7 days
			
			10 days
				7 days
				
				7 days
				
				9 days
					7 days
					
					7 days
					
					8 days
						11 days	

Average time (days) for processing new claims
    Allerdale *
 	
    Copeland
 	
    Carlisle
	Monthly	16.0 days
		
		21.45 days
		
		24.15 days
			16 days
			
			22 days
			
			25 days
				20 days
				
				21 days
				
				24 days
					20 days
					
					21 days
					
					23 days
						27 days	Maintain top quartile performance.

* Performance levels to be reviewed following conversion from Pericles system

Brief Description of Indicator	Reporting	2009/10 Actual	2010/11 Target	2011/12 Target	2012/13 Target	National Comparison Data 2009/10	Comments
Benefits							
Average time (days) for processing Changes in Circumstances 　　Allerdale 　　Copeland 　　Carlisle	Monthly	6.9 days 5.42 days 6.49 days	7 days 6 days 7 days	6 days 6 days 6 days	6 days 6 days 6 days	11 days	Maintain top quartile performance.
% of cases paid on time 　　Allerdale 　　Copeland 　　Carlisle	Quarterly	86.1 % 85.22 % 90.23 %	86.5 % 85.5 % 90.0%	87.0 % 86.0 % 90.0 %	90.0 % 90.0 % 90.0 %	Not Available	To strive for middle quartile and then maintain performance.
Accuracy of processing 　　Allerdale 　　Copeland 　　Carlisle	Monthly	Not Available 82.8% 95%	Not Available Not Available 95%	Not Available Not Available 95%	95% 95% 95%	Not Available	Introduction of the Performance Team in Year 1 will enable accuracy performance to be measured consistently in subsequent years.

Brief Description of Indicator	Reporting	2009/10 Actual	2010/11 Target	2011/12 Target	2012/13 Target	National Comparison Data 2009/10	Comments
Benefits							
% of recoverable overpayments recovered within the year against raised in the year	Quarterly					Not Available	Maintain current performance.
Allerdale		79.17 %	80.0 %	83.0 %	86.0 %		
Copeland		85.91 %	86.0 %	86.0 %	86.0 %		
Carlisle		77.88 %	78.0%	82.0%	86.00%		
% of applications for reconsideration actioned and notified within 4 weeks **(PM17)**	Quarterly					Not Available	Maintain current performance.
Allerdale		Not Available	Not Available	Not Available	80.0%		
Copeland		59.0 %	60.0%	70.0 %	80.0 %		
Carlisle		76.36 %	76.36 %	78.00 %	80.0 %		
% of appeals submitted to Appeals Service in four weeks **(PM18)**	Quarterly					Not Available	Maintain current performance.
Allerdale		Not Available	Not Available	Not Available	100.0 %		
Copeland		0.0 %	60.0 %	80.0 %	100.0 %		
Carlisle		100.0 %	100.0 %	100.0 %	100.0%		

Brief Description of Indicator	Reporting	2009/10 Actual	2010/11 Target	2011/12 Target	2012/13 Target	National Comparison Data 2009/10	Comments
Benefits							
Fraud Detection – Number of Successful Sanctions **(PM16)**							
Allerdale	Annual	42	43	44	45		
Copeland		41	42	43	44	Not Available	
Carlisle		67	68	69	70		

Performance Guidance

The targets indicated are reflective of performance based on the actual data for 2009/10, where available. The implementation of the Shared Service during 2010/11, including the data conversion at Allerdale, will enable consistent collection and monitoring of performance across the Partnership. The challenges of the first operational year will impact on performance and it is intend that existing performance levels will be maintained, despite the additional activity required. Through the creation of the service and the alignment of operational processes, it is anticipated that where possible performance levels should converge in 2012/13, subject to any local factors which affect performance.

Customer Contact will be measured based on the performance levels agreed within the Customer Contact Service Level Agreement. The table below shows indicative performance measures and targets, these will be revised to reflect developments as the Customer Contact service is established during 2010/11.

Brief Description of Indicator	Reporting	2009/10 Actual	2010/11 Target	2011/12 Target	2012/13 Target	National Comparison Data 2009/10	Comments
Customer Contact							
Response to letters and e-mails average working days.	Monthly	Not Available	10 days	9 days	9 days	Not Available	Based on agreed service standards within the Customer Services SLA
% of telephone calls answered within 20 seconds.	Monthly	Not Available	85.0 %	85.0 %	85.0 %	Not Available	Based on agreed service standards within the Customer Services SLA
% of face to face customers for Revenues and Benefits seen within 5 minutes	Monthly	Not Available	95.0 %	95.0 %	95.0 %	Not Available	Based on agreed service standards within the Customer Services SLA

Appendix 5

RISK REGISTER - 2010/2011

Throughout the whole implementation and subsequent operation of the service, there will be risks attached to certain processes.
The current risks identified below are a dynamic log of the risks associated with the various service elements

Operational risks are managed and continually reviewed by Service Management.

No	Risk Description	Likelihood 1-4 1 – Low 4 - High	Impact 1-4 1 –Low 4 – High	Gross Impact (Likelihood x Risk)	Mitigation Action
1.	Lack of availability of key resource to deliver implementation of the shared service	3	3	9	• Identify the staff required as soon as practicable • Ensure that the duality of role will not place excess and unreasonable demands upon the identified staff • Where necessary, ensure delegation of duties to ensure performance and commitment to the shared service is not jeopardised.
2.	Delay in the implementation of the shared IT project due to lack of available resource/expertise from the software provider with regard to implementation and conversion to a single desired system	2	4	8	• There is little that can be done about this apart from trying to secure resource allocation at the earliest possible juncture. • Loss of key staff at Allerdale due to the transformation • Lack of experience to run Pericles year end and associated subsidy/reporting processes – buy in expertise if required
3.	The current transformation process in Allerdale and Carlisle leading to the loss of key members of staff to make the formulation of a progression project board difficult	3	4	12	• There is little mitigation to this if key members of staff are lost they will not be replaced • Identification of replacement members of staff at the earliest possible opportunity.

No	Risk Description	Likelihood 1-4 1 – Low 4 - High	Impact 1-4 1 –Low 4 – High	Gross Impact (Likelihood x Risk)	Mitigation Action
4.	No agreement of terms and conditions, and alignment of policies and procedures (HR, Legal, Union and Staffing issues)	2	3	6	• Ensure that there is early commencement of full consultation and that consultation processes are maintained and satisfactorily concluded with all relevant HR Trade Unions and Legal bodies. • Clear communication lines are maintained by one owner who coordinates and directs any debate or discussion to avoid confusion and loss of focus across the three councils • HR risk log to be maintained within HR
5.	Reduction in quality of service due to key personnel being involved in the implementation and the transition to the shared service and software implementations	2	3	6	• Manage the service level expectations with a key stakeholders prior to and during implementation • Extra emphasis to be placed on performance and regular monitoring of this to be maintained throughout the process • Back fill proposals are identified and addressed as required
6.	Loss of control or perceived loss of control or direction by any of the three councils with regard to service delivery	1	4	4	• Establishment and agreement of robust governance arrangements • Look at the possibility of formulating a separate joint steering group with a rotating chair for agreed periods to deal with this possibility
7.	If fraud increases and/or we receive Government targets these can't be met with current resources.	2	3	6	• Look at the structure again and reallocate resources as necessary.
8.	If the Government decide to reintroduce targets for intervention visits within Benefits these can't be met with current resources.	1	3	3	• Look at the structure again and reallocate resources as necessary to meet revised requirements.
9.	Delay in appointment to posts within the proposed operational structure	3	3	9	• Need to ensure completion of recruitment, Job Matching and evaluation processes which are robust and timely. • Establish interim service structure to provide continuity, responsibility and service delivery

No	Risk Description	Likelihood 1-4 1 – Low 4 - High	Impact 1-4 1 –Low 4 – High	Gross Impact (Likelihood x Risk)	Mitigation Action
10.	Further costs are identified, particularly around resources, Job Evaluation and Job Matching/recruitment	2	3	6	• Overall costs have been shown at the highest expected levels following Job Evaluation • Manage the Job Matching/recruitment process to reduce risk of increases in cost or redundancy
11.	Due to economic situation benefit caseload and workload due to additional changes of circumstances increases occur	2	3	6	• Additional capacity may be required to address increased volumes of work. Use of additional subsidy received from DWP provides financial resources to meet additional costs.
12.	IT Network infrastructure cannot be created for the Shared Service due to installation delays by a 3rd Party communications supplier	2	4	8	• Confirmation of installation date to be obtained from supplier Cable & Wireless
13.	Failure to recover monies due leading to a reduction in cash flow and criticism over poor performance	2	3	6	• Existing processes to be maintained, conversion issues for Allerdale may create delays in recovery action and cash allocation as new system is introduced
14.	Loss of staff due to sickness or securing alternative employment	1	3	3	• Concerns surrounding uncertainty due to creation of Shared Service may raise anxiety and result in staff seeking alternative roles with other organisations. Ongoing risk however efficiencies of sharing resources across locations will reduce impact of absence or vacancies • Option to secure temporary/agency staff
15.	Failure of IT services, Including provision of application support	1	4	4	• Additional resilience will be provided once the Shared Server capability is implemented providing additional disaster recovery options. This is dependant on adequate communication links being established • Options to be considered to obtain support remotely through software supplier

Appendix 6

SERVICE BUDGET

	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	Total
Pre Partnership								
Allerdale								
Capital		264	0	0	0	0	0	264
Rev-Salaries/oncosts		1246	1246	1246	1246	1246	1246	7476
Rev-IT Software		77	77	77	77	77	77	462
Copeland								
Capital		0	70	0	0	0	0	70
Rev-Salaries/oncosts		1112	1112	1112	1112	1112	1112	6672
Rev-IT Software		105	105	105	105	105	105	630
Carlisle								
Capital		155	0	0	0	0	0	155
Rev-Salaries/oncosts		1525	1525	1525	1525	1525	1525	9150
Rev-IT Software		76	76	76	76	76	76	456
ABC,CBC & CCC								
Total Capital		419	70	0	0	0	0	489
Total Staffing		3883	3883	3883	3883	3883	3883	23298
Total IT Software		258	258	258	258	258	258	1548
TOTAL- ALL COSTS		**4560**	**4211**	**4141**	**4141**	**4141**	**4141**	**25335**
Shared Service								
Allerdale								
Capital		382	0	0	0	0	0	382
Rev-IT Software		86	59	59	59	59	59	381
Partnership Manager +	13	0	0	0	0	0	0	13
Termination/Protection	145	4	0	0	0	0	0	149
Copeland								
Capital		215						215
Rev-IT Software		80	49	49	49	49	49	325
Project Management	13	0	0	0	0	0	0	13
Termination/Protection	116	3						119
Carlisle								
Capital		195	0	0	0	0	0	195
Rev-IT Software		72	63	63	63	63	63	387
Project Management	13	0	0	0	0	0	0	13
Termination/Protection	154	4	0	0	0	0	0	158
ABC,CBC & CCC								
Total Capital		792	0	0	0	0	0	792
Total Staffing		3,608	3495	3495	3495	3495	3495	21083
Total IT Software		238	171	171	171	171	171	1093
Project Management	39	0	0	0	0	0	0	39
Total Termination/Prot	415	11	0	0	0	0	0	426
TOTAL - ALL COSTS	**454**	**4649**	**3666**	**3666**	**3666**	**3666**	**3666**	**23433**

	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	Total
Costs (Savings)								
Allerdale								
Capital		118						118
Rev-IT Software		9	-18	-18	-18	-18	-18	-81
Project Management	13							13
Termination/Protection	145	4						149
Copeland								
Capital		215	-70					145
Rev-IT Software		-25	-56	-56	-56	-56	-56	-305
Project Management	13							13
Termination/Protection	116	3						119
Carlisle								0
Capital		40						40
Rev-IT Software		-4	-13	-13	-13	-13	-13	-69
Project Management	13							13
Termination/Protection	154	4						158
ABC,CBC & CCC								
Total Capital Costs		373	-70	0	0	0	0	303
Total Staffing Savings		-275	-388	-388	-388	-388	-388	-2215
Total IT Rev Savings		-20	-87	-87	-87	-87	-87	-455
Project Management	39	0	0	0	0	0	0	39
Total Termination/Prot	415	11	0	0	0	0	0	426
TOTAL - ALL COSTS	**454**	**89**	**-545**	**-475**	**-475**	**-475**	**-475**	**-1902**

The table shows the financial model from the Shared Service Business Case. This will be used until the financial data can be devised to show the actual operating position of the service. This is under development and the plan will be updated as soon as the relevant information is available during the first year of the Shared Service.

Appendix 7

Service Structure

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                          ┌──────────────────────────┐
                          │   Partnership Manager    │
                          └──────────────────────────┘
            ┌──────────────────────┼──────────────────────┐
  ┌────────────────────┐ ┌────────────────────┐ ┌────────────────────┐
  │ Performance Manager│ │  Benefits Manager  │ │  Revenues Manager  │
  └────────────────────┘ └────────────────────┘ └────────────────────┘
```

Location Managers   x 3

Team Leaders   x 9

Senior Officers   x 10

Officers   x 82.50   **Assistants   x 15**

123.50 Posts