Shared Services Joint Committee
21st September 2022

Report Title	Digital Disaggregation and ICT Discovery update
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Executive Member	**Cllr Lloyd Bunday, Executive Member for Finance and Transformation NNC** **Cllr Mike Hallam, Cabinet Member for HR and Corporate Services WNC**

Key Decision	☐ Yes	☒ No
Is the decision eligible for call-in by Scrutiny?	☐ Yes	☒ No
Are there public sector equality duty implications?	☐ Yes	☒ No
Does the report contain confidential or exempt information (whether in appendices or not)?	☐ Yes	☒ No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972		

Contributors/Checkers/Approvers

Approver	Officer Name	Date Officer Approved Report
North MO **West MO**	**Adele Wylie** **Catherine Whitehead**	18th August 2022
North S151 **West S151**	**Janice Gotts** **Martin Henry**	18th August 2022
Other Director/SME	Lisa Hyde **Sarah Reed**	18th August 2022

List of Appendices

None

1. Purpose of Report

1.1 To provide an update to the Shared Services Joint committee (SSJC) on the progress in accordance with the disaggregation timeline of the;

- Disaggregation of the Digital service from West Northamptonshire Council

- Disaggregation of Strategy and Architecture from West Northamptonshire Council

1.2 To provide an update to the SSJC on the progress of the discovery exercise for the report on IT disaggregation from West Northamptonshire council of the Service Delivery and Operations and Infrastructure teams

2. Executive Summary

2.1 Following the approval of the DTI change request report on the 8th of June, 2022, there is a requirement as per the disaggregation timeline to update members on the various areas of work.

2.2 This update is to give the latest position on the agreed timelines on progress and to provide assurance of progress on the disaggregation of the agreed service areas and early sight of the potential delay to the disaggregation of Digital.

2.3 To update members on the progress on recruitment of the Programme Team and external consultancy to deliver the proposed options to disaggregation the wider DTI service; report due in Feb 2023.

2.4 To raise the position of the hosted Programme team with members and next steps.

3. Recommendations

3.1 It is recommended that the Shared Services Joint Committee:

- Note that the disaggregation of the *Digital* team timeline is likely to move to Feb 2023.

- Note that the discovery timeline for *Service Delivery* and *Infrastructure & Operations* is likely to move to Mar 2023.

- Approve extending the hosted arrangement for the Programme Team for 18 months.

4. Report Background

4.1 The present shared ICT service was formed in WNC on 1st April 2021 as part of local government re-organisation in Northamptonshire. It provides a hosted ICT service to NNC as well as providing services to WNC, the Northamptonshire Children's Trust ("NCT"), and to former LGSS partners (e.g., Cambridgeshire County Council and Milton Keynes Council) as part of both NNC and WNC's participation in the inherited shared services from LGSS.

4.2 The original blueprint for North and West Northamptonshire ICT service specified six services:

- Business Systems – ERP (lead)

- Operations & Infrastructure – Former NCC systems (lead)

- Service Delivery – Former NCC systems (lead)

- Programme Team – Former NCC systems (hosted)

- Strategy & Architecture (hosted)

- Digital (lead)

4.3 A report was brought forward to the Shared Services Joint Committee (SSJC) on June 8th 2022, where members approved the following:

- To immediately disaggregate the *Strategy & Architecture* function

- To fully disaggregate the *Digital* function by Dec 2022.

- To remove the *Business Systems* function from the IAA as this is already operating under the separate governance of the Lead Authority Board (LAB) to which both WNC and NNC are party

- To commission a discovery team and external consultancy (for assurance) to deliver a report to members on the options for disaggregation of the *Service Delivery* and *Operations & Infrastructure* teams by February 2023.

4.4 Following the approval of the SSJC paper, work has begun with the teams to deliver the recommendations.

4.5 **Strategy & Architecture** - This service has no people or budget and as such is going through the governance exercise to complete disaggregation.

4.6 This will have no material impact on the delivery of this function within North Northamptonshire Council (NNC).

4.7 **Digital** – The disaggregation of this service has an impact on finance, people and delivery of the function for NNC, with the disaggregation being led by Transformation and IT colleagues from NNC and WNC.

The disaggregation work started immediately following approval, however we are awaiting final financial data to be confirmed in order to review and complete due diligence on what has been provided. Colleagues in both authorities are working together to resolve this.

The delay to confirming the financial data and in scope roles has led to an ongoing delay of the disaggregation work, which is likely to put the disaggregation of the digital service in Dec 2022 at risk. The budget as laid out earlier in the previous report was;

- WNC: £272,008 of which £76,162 pays for NCT services.
- NNC: £272,008 of which £59,842 pays for NCT services.

4.8 **Business Systems** - The removal of the *Business Systems* function from the IAA has also been discussed by the disaggregation team and similar to the *Strategy & Architecture* function, as it has no impact to NNC, is to be aligned with the disaggregation of the *Strategy & Architecture* function, in order to present this to the SSJC at the same time.

4.9 **Programme Team** – The Programme team, which consists of 1 FTE, is a hosted arrangement with WNC. This post looks after shared projects between both authorities and ensures that projects are delivered and on time.

The hosted arrangement of this post as per the blueprint expired at the end of Q1 in 2022. As this role is still supporting shared projects for both WNC and NNC, it is recommended that the arrangement is extended for another 18 months till March 2024.

4.10 **Service Delivery and Operations & Infrastructure** – These teams are key to delivery of service and as such the approval of the recommendation is for a Programme Manager and supporting staff to engage in the discovery element of the project to provide a report with options, costs, timelines, risks and a delivery plan for various models of disaggregation. This work would be in line with the procurement of an independent ICT consultancy.

There had been two previous unsuccessful recruitment rounds to appoint the Programme Manager, with the third round leading to an appointment on August 8th 2022. The Programme Manager has now commenced and recruitment of the supporting staff has also been completed on August 19th 2022. The discovery work timeline has since commenced on August 22nd 2022.

The work to appoint the consultancy is currently ongoing as we work with our procurement teams.

5. Issues and Choices

5.1 The following issues and choices were considered.

The delay of the appointment of the Programme Team for the ICT disaggregation means that the start of the discovery work is likely to be impacted and this may likely move the delivery date of a full disaggregation report to March 2023.

5.2 The delay of final financial data relating to the disaggregation of Digital is likely to have an impact on the agreed timeline for disaggregation of circa two months.

6. Next Steps

6.1 To continue to work together to reduce the impact on the timeline to achieve the approved outcomes.

7. Implications (including financial implications)

7.1 *Resources and Financial*

- Financial implications to Digital, Service Delivery and Operations & infrastructure to be determined and final data to be shared with NNC for review.

7.2 *Legal and Governance*

- For WNC and NNC to continue to contract in accordance with the IAA until service areas are fully disaggregated.

7.3 *Relevant Policies and Plans*

- This supports NNC's plans to deliver effective ICT services to its residents.
- This supports the Corporate and transformation plans for the organisation.
- This will allow NNC to build the service required to respond to the council's ambitions.

7.4 *Risk*

- The final financial data is currently impacting the *Digital* function's disaggregation and if unresolved, may also impact the full discovery report due for February 2023.

- There is a risk to staff morale and retention due to the delays in disaggregation and discovery work for service.

7.5 *Consultation*

- Consultation will be undertaken with service areas that have been approved for disaggregation, namely the Digital team in WNC

7.6   *Consideration by Scrutiny*

- None arising from this report.

7.7   *Equality Implications*

- No negative impacts or implications arising from this report.

7.8   *Climate Impact*

- No negative impacts arising from this report.

7.9   *Community Impact*

- No negative impacts arising from this report.

7.10 *Crime and Disorder Impact*

- No negative impacts arising from this report.

8.   Background Papers

8.1   DTI Change Request- Shared Service Joint Committee- 8th June