

ITEM No.03

SHARED SERVICES TEAM

Background

As part of the planned replacement of finance, HR, procurement, payroll and performance management systems, we have been reviewing the best way to deliver business support services in the future.

Many Local Authorities have found that whilst there are benefits in replacing these core business functions with a single integrated system the full benefits of doing so can only be achieved by reviewing the support services that the system underpins. As a result, they have chosen to create new co-located Shared Service Teams responsible for the delivery of core business support functions.

On the 25th September Cabinet will consider a [paper](#) proposing a Shared Service Team approach for Wiltshire County Council. Its principal recommendation will be to integrate, co-locate and re-engineer services like finance, HR, payroll, invoicing, ordering goods and services, performance reporting and a range of other transactional services.

Benefits

- centralise and co-locate services like finance, HR, payroll management, invoicing, ordering common goods and services and a range of other transactional services
- an integrated centre of expertise for business support, increasing overall performance and quality for customers
- freeing up operational staff in departments to focus on providing advice, performance and planning support to service managers, based on information provided by the Shared Service Team
- significant financial savings for the authority, at a time of considerable financial pressure

Areas of Responsibility

Although the majority of processes are triggered by a requirement in a service department, i.e. ordering goods or services, recruiting a member of staff, raising invoices, etc. the Shared Service Team would undertake all of the routine transactions associated with these processes.

Adoption of this approach would free up the operational staff in departments to focus on providing strategic advice, performance and planning support to service managers, based on information provided by the Shared Service Team.

Other authorities who have introduced a Shared Service Team include Waltham Forest, Surrey, Glasgow, Barnsley and Oxfordshire, whilst Gloucestershire is currently in the implementation phase. In one local authority spendings of £6m have achieved a gross saving of £4m per year and a net annual saving of £2.5m per year. One of the greatest benefits within other authorities is the gain to council tax payers with greatly improved customer services and better value for money.

Location

Geographical location of the Shared Service Team is a key consideration. There are significant advantages to co-locating all Shared Service Team staff, rather than having one or more functions separate as today. HR and payroll would certainly need to be co-located because within SAP* payroll is a function of HR. Finance is similarly linked to procurement. SAP* processes are so integrated that general efficiency will be improved by having all Shared Service Team staff working in the same office.

We would like the Shared Service Team to be a modern and well equipped facility, making it an attractive place for people to work. It will be necessary to find premises that either meet these criteria or that can be adapted.

Timescales

Detailed work to define the scope and the location will take place over the next 6 months. Staff and unions will be consulted throughout about the processes involved in establishing the centre and selecting staff. In relation to One Council, the introduction of the new systems will provide the foundation for the transformation of business support across the new authority.