COUNCIL – 28 JANUARY 2013

**RE: SHARED ICT SERVICE WITH MELTON BOROUGH COUNCIL
REPORT OF THE DEPUTY CHIEF EXECUTIVE (CORPORATE
DIRECTION**

WARDS AFFECTED: ALL WARDS

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1. **PURPOSE OF REPORT**

   To inform Members of a proposal to Share ICT Services with Melton Borough Council, and recommends that the Council extends its ICT Shared Service to include Melton Borough Council, in addition to Blaby District Council and Oadby and Wigston Borough Council.

2. **RECOMMENDATION**

   Subject to satisfactory completion of pre contract/due diligence negotiations and consultation with employees, Council is recommended to approve:

   (i) That Melton delegate their ICT function under section 101 of the Local Government Act 1972 to Hinckley & Bosworth Borough Council, acting as lead Council for the ICT shared service.

   (ii) That once delegated to Hinckley & Bosworth, Melton ICT service be provided by Steria Limited.

   (iii) That the Chief Executive and Deputy Chief Executive (Corporate Direction) of Hinckley and Bosworth Borough Council; the Chief Executive of Oadby and Wigston Borough Council, the Chief Executive and Corporate Transformation Manager of Blaby District Council, and the Chief Executive and Head of Central Services from Melton Borough Council will form Officer Board for management of the shared ICT service.

   (iv) That authority is delegated to the Chief Executive and Deputy Chief Executive (Corporate Direction) for agreement and implementation of the Shared Service Arrangement and to accept the delegation of the ICT Function from Melton Borough Council.

3. **BACKGROUND TO THE REPORT**

   Melton Borough Council have undertaken a review of its ICT Service Provision and subsequently produced a Statement of Requirements for moving to a Shared Services Arrangement with Hinckley and Bosworth Borough Council. The Statement of Requirements was produced in close cooperation with both H&BBC and the Steria team who provide our fully managed ICT support service.

   Whilst this initiative has been developed by Melton Borough Council there are some significant benefits to the arrangement for Hinckley and Bosworth Borough Council. The key benefits are
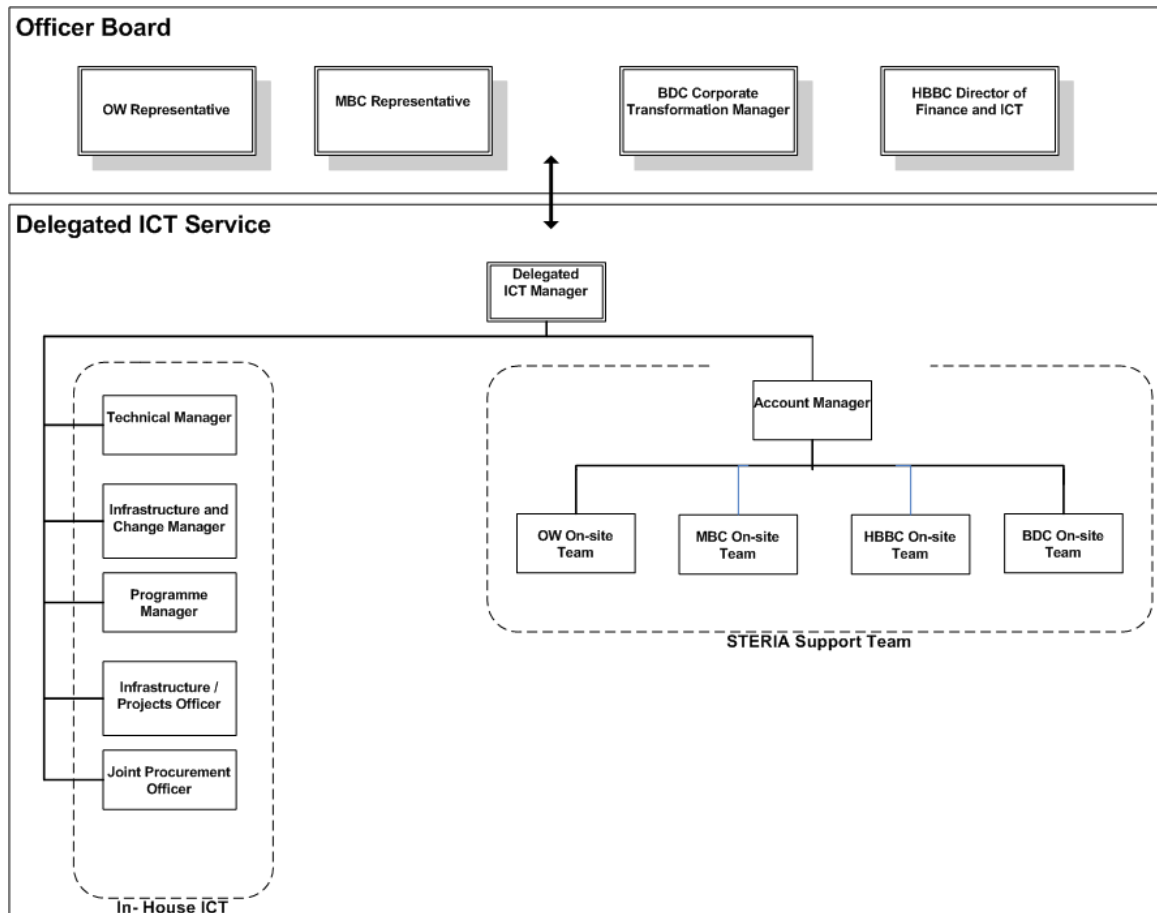
   - A contribution to the Council's ICT Management.
   - Further procurement opportunities to obtain goods and services at a more competitive price.
   - Additional Steria personnel on site, providing a greater pool of ICT talent to support the ICT Contract.

- Develop a shared ICT Infrastructure across the four Authorities to minimise duplication of resources.
- The ability to develop a joint Disaster Recovery Strategy between all parties.

Senior Officers from both Hinckley and Bosworth Borough Council and Melton Borough Council have met to discuss the proposal and a period of due diligence will commence to ensure that the assumptions made within the Melton Borough Council report are accurate.

4.   PROPOSED STRUCTURE OF THE ICT SHARED SERVICES

The proposed organisational structure for the shared ICT service is shown below:

The shared service will be managed from Hinckley & Bosworth.

5.   GOVERNANCE

In order to operate the shared service, Blaby District Council will need to delegate its IT function to Hinckley & Bosworth Borough Council under section 101 of the Local Government Act 1972. Members are asked to approve this course of action.

Management of the shared service will then be overseen by an Officer Board, made up from the Chief Executive and Deputy Chief Executive (Corporate Direction); the Chief Executive at Oadby and Wigston Borough Council, the Chief Executive and Corporate Transformation Manager of Blaby District Council, and the Chief Executive and Head of Central Services of Melton Borough Council.

6. TIMESCALES FOR IMPLEMENTATION

All stages of implementation will be subject to rigorous testing with the aim of achieving a planned 'go-live' date of 1 April 2013. The transition will commence in January 2013 once the delegation has been agreed.

7. FINANCIAL IMPLICATIONS [AB]

The proposal will potentially provide Hinckley and Bosworth Borough Council with an annual contribution of £25,000 to the running costs of the service - although it should be noted that this value will be confirmed during the due diligence process.

8. LEGAL IMPLICATIONS [AB]

S101 of the Local Government Act 1972 expressly provides that one Council may delegate their functions to another Council and the proposals fall within these enabling powers.

The Council will need to vary its existing contract with Steria to allow the addition of Melton BC to the shared service.

9. CORPORATE PLAN IMPLICATIONS

This document Contributes to Strategic Objectives 2 and 5 of the Corporate Plan, and the ICT Strategy.

10. CONSULTATION

Not Applicable.

11. RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner

12. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

This is an extension to the ICT Service to include Melton Borough Council as part of the Shared Service.   The service at Hinckley remains unaffected by this proposal.

13. CORPORATE IMPLICATIONS

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background papers: none

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