

JOINT SSSC & CARE INSPECTORATE SHARED SERVICES STRATEGY

1. DEFINITION OF SHARED SERVICES

- 1.1 Shared Services are fundamentally about optimising people and their skills, assets, time and other resources. A shared service arrangement, regardless of the governance model under which it operates, can, in theory, handle any business function effectively as long as there is competent management to release the benefits from the arrangement and performance criteria that meet the needs of each organisation involved.

2. SSSC/CARE INSPECTORATE SHARED SERVICES MODEL

- 2.1 The SSSC and Care Inspectorate (CI) have agreed to operate a collaboration and shared procedures model of shared service delivery. This involves two or more public bodies working together in ways ranging from loose non-contractual collaborative arrangements to the development of inter-organisational Service Level Agreements.
- 2.2 This model also applies to other shared service partners of both the SSSC and CI i.e. Scottish Government for financial system, banking, procurement and the Office of the Scottish Charities Regulator for facilities management, accounting and finance transactions.
- 2.3 The governance arrangements are set out in a formal management agreement between the SSSC and CI and in service level or partnership agreements with other partners. Performance monitoring arrangements have been developed and the shared services are subject to an annual review.

3. THE SCOPE OF THE STRATEGY

- 3.1 The intention is that this strategy extends beyond the shared services arrangements that operate between the SSSC and CI. Whilst historically, the physical proximity of the two organisations has greatly assisted in shared service provision, the strategy is not reliant on physical proximity and is intended to remain relevant as home or remote working becomes more prevalent and encompass potential further shared services with other bodies where there is no co-location e.g. the NHS National Shared Services, Scottish Government, Local Authorities and other NDPB's and public bodies.
- 3.2 That said, the strategy does draw significantly from the current experience and culture that has been built up since the SSSC and the then

Care Commission were formed in 2001.

4. SHARED SERVICE STRATEGY DRIVERS

- 4.1 A 'driver' is an issue or factor that influences or impacts on a plan. A number of internal and external drivers were identified when developing this strategy. These are outlined below.

Internal Strategic Drivers

- 4.2 The SSSC Strategic Plan 2020-23 specifies the following organisational characteristic "Work with others to deliver our outcomes" and this is exemplified by the following descriptor "By delivering best value, we will use our resources in the most effective way and work in partnership with others."
- 4.3 The Care Inspectorate Corporate Plan 2019-22 sets out an organisational value of efficiency and a principle of co-operation and collaboration.
- 4.4 The SSSC and CI Executive Framework Agreements with our respective Sponsor Departments state, "promoting the efficient, economic and effective use of staff and other resources by the Council/Board consistent with the principles of Best Value, including, where appropriate, participation in shared services arrangements".

External Strategic Drivers

Our duty to ensure that arrangements are in place to secure best value in public services

- 4.5 Guidance to Accountable Officers states: "That the organisation seeks to explore and promote opportunities for efficiency savings and service improvements through shared service initiatives with partners."

Performance Measurement Expectations

- 4.6 Support functions need to continuously review services and practices in line with the principles of Best Value to ensure (and be able to demonstrate) we are delivering a customer-focused service.

Shared Services Agenda

- 4.7 The Scottish Government has a shared services agenda that defines shared services as "The convergence or streamlining of similar functions within or across organisations to ensure they are delivered as efficiently as possible. A shared service function would include a common set of agreed business processes, shared staff and common technology. Examples include the sharing of HR/payroll functions, sharing office premises and facilities management across organisations, sharing of IT services, sharing customer contact through single contact centres and sharing through participating in collaborative contracts for service provision".

Review of Business Models

- 4.8 We need to ensure the Shared Services Strategy will help to support the

ongoing development of the business models of SSSC and the CI. Integrating shared service managers into the wider management and leadership teams of the two organisations should support this concept as this will maximise the opportunity for early involvement and engagement.

5. VISION FOR SHARED SERVICES

5.1 Delivering first-class public services requires first class support service management, which in turn needs a responsive and adaptive support service function. This cannot be created overnight, often requiring changes to people, processes and systems.

5.2 The following sections outline the roles and the vision for shared services and state the desired relationship for operating on a day-to-day basis.

5.3 Shared services work best when they are built on strong working relationships. The overall 'vision' is that partners value what they offer each other and work together to ensure that shared services are managed and delivered to the benefit of each organisation. This needs a willingness and commitment towards successful delivery at Council/Board level and in turn at each level down through both organisations.

The Three Roles of Shared Support Services

5.4 To arrive at a high-performing support service function, it is necessary to start with a clear articulation of the role and mandate of the support service and the desired balance between the three critical roles of:

- a. ensuring and supporting good governance
- b. driving efficiency
- c. providing value, insight and proactive professional advice.

5.5 To make a real difference, support services must deliver on all three roles and influence and integrate with front-line delivery, passing on detailed business knowledge that informs management decisions. Achieving this for support services requires an organisation-wide focus on:

- delivery of agreed business plans in support of overall corporate aims and outcomes
- improving management skills, capabilities and competencies for staff both in the support services and throughout the organisations
- joining up the people and processes involved in planning, performance management and operational delivery, so that resources can be directed to those areas which are most critical whilst avoiding needless duplication and inefficiencies
- understanding the drivers of performance and building comprehensive performance management frameworks that provide effective tracking against targets and early warning of underperformance

- establishing fit for purpose shared service, finance and resource governance structures that integrate performance, risk and controls.

5.6 Vision

- We operate efficient and effective shared services.
- Our vision is shared, and all parties have a desire to deliver this vision because it makes a positive difference to them.
- There is reciprocal trust and confidence between the partners.
- Shared services support our business objectives, and both view themselves and are viewed as an integral part of the organisations, providing a seamless and consistent, customer-focussed service.
- The importance of our organisations' needs, and culture are recognised and shared services support the different corporate identities and values.
- Shared services functions are integrated into the planning process for developments and proposals i.e., are given the opportunity to contribute as early as possible to shaping change.
- Shared service functions involve both organisations at an early stage when considering possible changes and developments.
- We periodically evaluate the benefits of shared services to drive improvement.

5.7 Day to Day Operations

- Services are delivered in line with agreed service and performance standards.
- Shared services managers have regular meetings with stakeholders about proportionate and appropriate support levels to ensure that business needs are being met.
- Shared services managers are viewed as an integrated part of the management of both organisations.
- Shared services can adapt to the corporate entity and ethos of each organisation appropriately.
- There are change control processes and, as appropriate, project management processes in operation.
- Where constraints are identified, there is clear decision-making and agreed prioritisation both within and between organisations.
- There is a mutual recognition of the competing priorities and respect for each other's business needs.
- There is a shared understanding of shared service working practices and the organisations work in partnership to develop them to meet the collective needs.
- Information and good practice is shared between the partners.
- We have service standards that are fit for purpose.
- We strive for continuous improvement in shared service delivery outcomes including Best Value, customer focus and high quality.

6. THE STRATEGIC AIMS FOR SHARED SERVICES

The following are the Strategic Aims for Shared Services

Aim 1: We will develop a commitment to shared services based on collaboration, consolidation and jointly managed shared services that support the delivery of the Corporate/Strategic Plans.

- Shared services need not be restricted to corporate support functions or between services shared between the CI and the SSSC. Shared services should be the first option considered for support services when deciding how to deliver services and that this should not be limited to between the SSSC and CI but with other organisations too.
- We will have a simple, consistent process for identifying and developing shared service opportunities for both the SSSC and the CI.
- We will identify the full costs of different options to inform management decision making.
- We will recognise that the ultimate success of the shared service will rest with establishing a culture which supports a good working relationship, creating a sense of joint interest, trust and commitment between the user and the provider. A customer focussed attitude is a key element in the establishment of this desired culture.

Aim 2: We will operate shared services that focus on innovation and good practice, sharing investment costs, minimising transaction costs and service improvement strategies.

- We will promote the development of shared services processes and systems that are able to inform and adapt to changes in service delivery arrangements.
- We will use shared services to improve the quality of services to our customers.
- We will aim to reduce costs and avoid duplication of effort.

Aim 3: We will develop shared services on the basis of the realistic benefits of collective provision and reallocation of resources to service improvement.

- We will identify and realise opportunities for efficiency savings and service improvements through the adoption of shared service initiatives.
- Any additional shared services will be built on the strength of a robust business case.
- We will monitor performance and measure effectiveness to drive improvement.

Aim 4: We will value the staff of the shared service partners and work with them and the Partnership Forums to jointly address the change management issues resulting from the development of shared services.

- As with other aspects of developing our services, we will work in partnership with the Partnership Forums as we develop and implement shared services.

7. GOVERNANCE OF THE SHARED SERVICES ARRANGEMENTS

- 7.1 The establishment of effective governance and management of shared services has a major influence on the eventual effectiveness of service delivery.
- 7.2 The Chief Executives of the SSSC and CI must ensure that shared services can function by ensuring they have provided the governance and management direction and resources, both staffing and financial, for the shared services to deliver against the identified requirements of both organisations. This will be achieved by the following primary mechanisms:
- a. joint leadership of an annual review process between September and January of each year
 - b. identification of a named senior officer in their organisation to act on a consistent basis as the focal point in their organisation for delivery of the shared services against the organisations' business needs and objectives
 - c. joint leadership of a Service Review Board which will hold quarterly meetings.
- 7.3 The Chief Executives of the SSSC and CI will be responsible for reporting matters related to the operation of the shared services to the SSSC Council and CI Board and any external bodies such as the sponsoring departments of the Scottish Government.
- 7.4 The Convener and Chief Executive of the SSSC and the Chair and Chief Executive of the CI shall meet annually to review shared service delivery. A report on shared service performance will be submitted annually to a meeting of the Council for the SSSC and the Board for the CI.

8. PERFORMANCE MONITORING AND REVIEW

Strategy Review

- 8.1 The Shared Services Strategy will be formally reviewed each time there is a significant change in priorities and corporate objectives as determined by the Strategic Planning process. Progress against objectives will be monitored on a quarterly basis at the Service Review Board.

8.2 A risk register for the Shared Services strategy has been developed and will be considered/maintained at the quarterly Service Review Board meetings. As part of their role in providing strategic governance of the shared service arrangements, the Council and Board will be advised of any material changes to the risk profile that may impact on the implementation of the strategy.

Management Agreement

8.3 A Management Agreement that covers:

- detailed governance arrangements
- funding of shared services
- details of the services to be provided with referenced to the detailed service specifications
- performance framework.

8.4 There is a need for an appropriate, pragmatic approach to the Management Agreements as if the parties treat colleagues as suppliers and third parties, the shared service will not deliver the third element of the vision of providing value and insight (see Section 5.4).

8.5 The Management Agreement is intended to ensure:

- a clear understanding of expectations for all parties
- there is operational planning to a level of detail that enables resources to be identified and prioritised
- transparency and agreement in the charging/cost allocation regime
- a clear performance monitoring system
- a clearly understood escalation procedure in the event of poor service or a dispute.

Performance Monitoring

8.6 The real success of a shared service programme comes from ongoing service delivery together with a management focus on continuous improvement. The longer-term benefits arise from changing the business to take advantage of the economy, efficiency and effectiveness opportunities that are presented by shared services whilst ensuring that the requirements of each organisation are met.

8.7 Performance monitoring of support services should be done through a proportionate regime of service level reporting, that incorporates an escalation process to ensure performance issues are addressed quickly.

Strategic Principles – Future Shared Services

8.8 For future additional shared services, whether between the SSSC and the CI or with other parties, engaging with each party and establishing how knowledge transfer is to proceed will be important e.g., through a transition services agreement. When developing a shared service, there is a need to develop a relationship of trust, openness and shared goals, to recognise when the relationship is not going well and take action (for example through pre-defined escalation procedures).

8.9 A business case should be developed for any future shared service, covering topics such as:

- Strategic Fit and Potential Impact
- Options Appraisal
- Review of Commercial Aspects
- Affordability
- Achievability

9. SUMMARY

9.1 This Shared Services strategy has been developed to set out the aims and activities for ensuring that the support services maximise their potential through appropriate sharing arrangements. The intention is that shared services are both aligned with and recognised for their contribution to delivering the Corporate/Strategic Plan objectives for both organisations.