

**Manchester City Council  
Report for Resolution**

**Report To:** Resources and Governance Overview and Scrutiny Committee –  
13 January 2011

**Subject:** Business Planning 2011-14 – Advanced Draft Business Plan for  
Review: Shared Service Centre

**Report of:** Deputy Chief Executive (Performance)  
City Treasurer

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**Summary**

The report introduces the Shared Service Centre delivery plan for review by the committee.

In summary, this report:

- provides an outline of the purpose of the delivery plan components of the business plan
  - introduces the Shared Service Centre delivery plan
  - details the next steps in the business and budget planning process, including the necessary revisions to plans to take account of the information within the financial settlement and future submissions to this committee
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**Wards Affected:**

All

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**Contact Officers:**

Name: Carol Culley  
Position: Assistant Chief Executive (Finance and Performance)  
Telephone: 0161 234 3406  
E-mail: [carol.culley@manchester.gov.uk](mailto:carol.culley@manchester.gov.uk)

Name: Julie Price  
Position: Head of Revenue and Benefits  
Telephone: 0161 953 8202  
E-mail: [j.price2@manchester.gov.uk](mailto:j.price2@manchester.gov.uk)

Name: James Hand  
Position: Head of Organisational Improvement and Service Inclusion  
Telephone: 0161 234 1843  
E-mail: [j.hand@manchester.gov.uk](mailto:j.hand@manchester.gov.uk)

Name: Sam McVaigh  
Position: Programme Manager, Organisational Improvement  
Telephone: 0161 234 3976  
E-mail: [s.mcvaigh@manchester.gov.uk](mailto:s.mcvaigh@manchester.gov.uk)

**Background documents (available for public inspection):**

RAGOS Report: 21/10/10 *Business Planning 2011/14*

RAGOS Report: 18/11/10 *Business Planning 2011/14 – Business Plan Self Assessments*

RAGOS Report: 16/12/10 *Business and Budget Planning 2011-14: Update on the Planning Process and Selection of Full Business Plans*

Executive Report 22/12/10 *Provisional Local Government Settlement*

## **1.0 Introduction**

- 1.1 At its meeting on 18 November 2010 the Committee received copies of draft business plan self assessments from a number of Council Services. The Committee noted that a number of functions previously undertaken by the Financial Management and Human Resources and Organisational Development (HR/OD) services had transferred to the new Shared Service Centre and asked to review the developing business plan for this service at its January meeting.
- 1.2 Appended to this report as Appendix B is the delivery plan component of the business plan for the Shared Service Centre. This year, business plans comprise of two components; a self assessment and delivery plan. It should be noted however that, as a new service, no self assessment has been completed for the Shared Service Centre. Self assessment of the functions performed by the new service formed part of the Financial Management and HR/OD self assessments, reviewed by this Committee in November 2010.
- 1.3 To support the committee with its review of the Shared Service Centre Business Plan, a number of best practice lines of enquiry, as agreed by the Overview and Scrutiny Coordinating Group, are appended to this report as Appendix A.
- 1.4 The Committee previously agreed to review business plans from Legal Services and Democratic and Statutory Services at its January meeting. However, given both the lateness of the provisional financial settlement (13 December 2010) and the changes needed to these business plans to take account of the content of the settlement, it was agreed by the Executive Committee and with the Chair of the Resources and Governance Overview and Scrutiny (RAGOS) Committee to delay submission until the committee's February meeting.
- 1.5 It should also be noted that the Chair has asked that business plans from Children's Services and the Directorate for Adults are submitted to a special meeting of this Committee on 22 February 2011.
- 1.6 It is important to stress that, whilst the plan appended below provides an effective overview of the service's priorities and resource plans; business plans are 'live' documents and will continue to be updated between now and 1 April 2011. Updates will, in particular, be needed to ensure all savings following the financial settlement are fully reflected within the financial templates and that workforce plans are coherent with the agreed principles of MPeople and its potential impact for services.
- 1.7 All final business plans will be approved by both Executive Members and Strategic Directors prior to the beginning of their operational lifetime on 1 April 2011.

## **2.0 The Delivery Plan**

- 2.1 The delivery plan component of the business plan builds on the strengths and weaknesses identified through the self assessment and identifies the service's key delivery objectives for the coming three years in support of the Council's overarching vision and priorities.
- 2.2 This year, a number of amendments have been made to the delivery plan component of the business plan to:
- allow the delivery plan to act as a stand alone document; in effect the business plan used for communicating service objectives and future activity to staff, internal and external partners and Manchester residents.
  - ensure transformation is a core theme running through plans, with the addition of the 'key changes to be delivered' section at the beginning of the plan and the clear integration of transformation within finance and workforce plans.
- 2.3 The delivery plan consists of sections which provide:
- an overview of the service structure and role (the business overview section);
  - details of what the service aims to achieve over the business planning period in terms of both delivery and transformation (the key changes to be delivered, overall objectives and communications sections);
  - information on how the service's resources will be deployed and will need to change to deliver the objectives described (the finance and workforce plans which included detailed information, including detailed information on neighbourhood funding strategy (NFS) proposals and sources of income);
  - assurance that systems are in place to monitor and improve performance, ensure equity in delivery and manage risks (the performance, equalities, risk and business continuity sections).
- 2.5 The business planning process is key to setting out the priorities for the coming year. Plans are 'live' documents and will be updated as the budget process continues. It should be noted that the Shared Service Centre is already working to achieve considerable savings through its creation, as part of the AIM programme, and this plan is unlikely to change significantly between now and 1 April when the plan becomes active.

### **3.0 Next Steps**

- 3.1 As noted, business plans will not be finalised in full until 1 April 2011. Nevertheless the plan appended below represent effective document in setting out the intended future direction, priorities and resources of the service over the three year business planning period.

- 3.2 The Organisational Improvement and Service Inclusion team will continue to work with services to ensure plans are updated between now and April to reflect any changes.

## **APPENDIX A: BEST PRACTICE LINES OF ENQUIRY FOR REVIEWING BUSINESS PLANS**

The Overview and Scrutiny Co-ordinating Group commended the following questions to scrutiny committees as best practice lines of enquiry when considering business plans:

1. Have all relevant service priorities been identified?
2. Will the activities identified lead to the delivery of better quality services?
3. Are appropriate actions in place to address the challenges that the service will face?
4. Does the service demonstrate that it will maximise the impact of the resources available to it?
5. Do the contents of the business plan reflect Council priorities or are there better alternatives to focus resources on?
6. How have requests under the Neighbourhood Funding Strategy been incorporated into the Business Plan?
7. How will the workforce plan help to achieve the service objectives?
8. How does the business plan demonstrate that the service is delivering value for money?
9. How does the business plan demonstrate that the views of residents/customers have influenced the objectives or outcomes for the service?
10. Has the business plan identified the key risks facing the service and how these will be managed?
11. How is the service planning to deliver its savings targets?
12. How robust are any proposals for budget growth included in the plans?
13. How will the Council's transformation objectives be delivered through the service?

**People. Pride. Place.**

# Shared Service Centre Business Plan

Business Planning 2011-2014

Updated Business Plan for 2011-2012



## 1. Business Overview

### Vision Statement

To achieve the best results that we can by continuing to challenge, develop and integrate the service areas, working with our customers and partners and using and developing the SAP system and self-service.

- Provide fast, accurate and efficient services that are good value for money, meet our aims and follow recognised best practice;
- Improve both the accuracy and speed of transactional processing;
- Collect the maximum amount of revenue owed to the Council;
- Deal with all incoming work in accordance with corporate standards;
- Improve customer service and deliver efficiencies extending individual, partner and supported self service.
- Provide excellent support to the evolving corporate core functions

In three years we will be a fully integrated Shared Service Centre delivering transactional work for the whole Council. We will generate revenue by delivering services to our partners.

### Service Overview

This business plan is the first for the Corporate Shared Service Centre (SSC) and it outlines the way that management and staff will work together to deliver the necessary improvements and efficiencies identified in the Corporate Services / Chief Executive's Blueprint.

The Service recognises the requirement to reduce spend and will create efficiencies by removing duplication and creating economies of scale. The Shared Service Centre (SSC) will bring together a range of transactional back office services into one centralised service centre, including:

- The current exchequer services including Payroll and Pensions and the Finance Shared Service Centre (which includes management and reconciliation of the Council's bank accounts, payments to suppliers and the collection and recovery of miscellaneous income to the Council),
- The transactional Personnel, Organisational Development and Training functions.

The current establishment for the existing discrete service areas totals 219 full time equivalent (FTE) posts. They are split as follows:

- 66 FTE in Finance;
- 58 FTE in payroll and Pensions; and
- 95 in transactional personnel and organisational development.

The Payroll and Pensions Service provides the following services on behalf of the Council:

- The general administration of both the Local Government and Teachers' Pension Schemes, including advice and guidance to all members of staff on the rules and regulations of the schemes.
- The administration of the monthly payment of the top up pension to over 2,000 retired teachers.
- Creation and maintenance of the SAP files that result in employee bank accounts being credited with their salary/wage payments.
- The creation and submission of all statutory returns relevant to the service and the provision of reports for payroll checking and reconciliation.
- The general administration of the salaries and wages of over 22,000 staff, of which approximately 11,000 work in schools. This amounts to the production of 350,000 payslips and expenditure of over £580 million per annum (2009/10 figures)
- The delivery and management of 22 external contracts for payroll administration including Academies and Housing Trusts, with over 2,400 employees.

The Finance Service provides the following services:

- Providing a full invoice payment function for the whole of the Council paying approximately 130,000 invoices per annum.
- Collecting and recovering miscellaneous debt on over 55,000 invoices raised per annum with an average collectable debt amount of £60 million per month.
- Managing the Council's Purchasing Card Programme with a spend of approximately £48 million per annum.
- Managing the Debt Recovery process for an average value of £53M debt per month.
- Reconciling both of the Council's main bank accounts with a throughput of over £2.7 billion per annum.
- Reconciling and accounting for an average of £6.5 million cash income per month.
- Managing and maintaining SAP master data relating to Vendors and Customers.

The Personnel Service provides the following:

- Administration and support of recruitment activity for all managers across the Council and the advertisement of Council vacancies in both local and national publications where required.
- The processing and administration of appointments including all pre-employment checks.
- Processing around 8,500 Criminal Records Bureau (CRB) checks per year and receiving, recording and quality checking these in line with CRB requirements and updating CRB information to all employee records in relation to OFSTED requirements in line with the Council's statutory requirements.
- Creation and maintenance of organisational structures in line with the Scheme of Delegation, Personnel Committee and budgeting for the whole of the Council. The

team supported 108 restructures, 2,546 business area changes and the creation of 1,039 Organisational units 2009/10

- The procurement and administration of training delivered to Council employees and staff in partner organisations and the independent voluntary sector. This involves an average of 150 courses per month attended by 3,000 delegates (figures for June 2010). This includes establishing and managing contracts with training suppliers with a spend of around £1.4 million per year and associated finance activities.
- The management and administration of a range of learning and organisational change activities including the m people support for change programme (including 100 career coaches), supported study, the Council's mentoring scheme and access to e-learning.
- Creation and maintenance of SAP records (relating to training and qualifications), the learning and development intranet, and producing reports on activity to inform business planning and to meet corporate inspection requirements.
- The creation and maintenance of over 22,000 employee files, including production of all relevant contractual documentation.
- Provision of support and guidance to schools staff and managers across the Council on basic Human Resources policies and procedures. This includes more than 400 personnel contractual changes or enquiries weekly.
- Supporting managers with information and reports regarding temporary changes and resourcing requests.
- Administrating over 40 personnel processes in line with legislation and Council policy.
- Developing and supporting electronic workflow between the business and the shared service.

### **Our customers**

Our key customers include:

- Members and senior managers
- Budget holders
- Users of SAP
- Staff whose salaries we pay
- Schools
- External customers and suppliers

We aim to continue to develop excellent working relationships with our customers and partners to improve self service and customer service, reduce failure demand and provide value for money.

### **Our strategic impact and contribution to the Council's priorities**

Our strategic priorities are to ensure that the Council's back office and transactional services are delivered in the accurate, timely and cost effective way.

Our performance ensures that the Council's priorities can be achieved. This is by ensuring that our employee data and resources are accurate and up to date, that

wherever possible streamlined and standard financial processes are put into place and we have systems and processes in place that support the Council's revised ways of working. We must be set up to promptly and accurately deal with the personal, structural and financial administration of our employees and where possible employees and managers should be allowed to self service their requirements.

The SSC will be pivotal to be supporting the Council in its efficiency agenda with particular support to the m people programme. This is in terms of the maintenance of employee records and the continued flexibility, support and development of all Council employees.

We also support the Council in a financial capacity by ensuring that any money due is accurately and promptly billed and collected and the Council supports the local economy and its suppliers by paying for any goods and services promptly. This is extremely important in the current economic climate when many Manchester businesses are relying on the public sector for revenue.

The Shared Service Centre supports the following key priorities as follows:

Neighbourhood Focus:

- The provision of admin support and procurement for voluntary sector training including adoption panels and families, foster carers and child minders.
- The efficient and effective turnaround for CRB clearance for the voluntary sector groups identified above.
- Supporting the Connect Events.
- The SSC makes a significant contribution to the health of the local economy and employment by paying the Council's suppliers promptly and we aim to pay them all within ten days. (A recent study has revealed that £183m spend with the Council's top 300 suppliers (by spend) was with businesses with a Manchester postcode. This represented 51.5% of the Council's spending on goods and services).

0-5s / Think Family:

- The provision of effective support and monitoring of safeguarding for children and vulnerable adults.
- The provision of support and the procurement of excellent training for adoption panels and families, foster carers and childminders.
- Supporting and delivering efficient and effective teacher/professional and school support staff recruitment.

Environmental Sustainability:

- The development of a Low Carbon Plan with identified targets and actions.
- Working with other parts of the Council so they can use SAP to understand and challenge their spend to enable efficiency targets to be achieved.
- Ensuring the Council complies and maximises the opportunities associated with carbon accounting.
- Offering flexible working and remote working to reduce carbon emissions and contribute towards the green agenda.

- We are reducing the level of printing by the use of document imaging and electronic data management.
- We are co-locating staff to reduce the associated property footprint.

Worklessness and Skills:

- Continuing to deliver against the Council's Skills Pledge targets.
- Supporting the Future Jobs Fund initiative and placements.
- Supporting the Assistant Chief Executive (People) on the development of proposals for the m people Pathway which will support the delivery of more flexible and skilled workforce as part of the Council's transformation.
- As mentioned earlier, promptly paying suppliers helps businesses to maintain employment opportunities for local people.

## **People. Pride. Place.**

### **What our staff are going to contribute in the year ahead.**

**These quotations were suggested by staff as part of their involvement in the business planning process and support our contribution to the Council's values.**

### **People.**

'Come hell or high water we will run all operational processes to ensure employees are paid on time.'

'I appreciate that for an employee to be able to fully concentrate and carry out their duties to the best of their abilities I have to ensure that I meet our commitment to pay their salary accurately and on time.'

'I will ensure that the lifestyle change to a pensioner is achieved smoothly and with the correct level of support.'

'I will make sure that deaths in service are dealt with in a compassionate and timely manner.'

'I will provide advice and support to employees contemplating opting - out of the pension schemes.'

'I will ensure that people who contact the SSC receive an excellent service.'

'I will strive to develop excellent working relationships with managers and employees.'

'I will assist colleagues who make requests for training to ensure they receive the best possible service.'

'I will aim to procure training that is the most cost effective and of the highest quality for Council employees and our partners.'

'I will ensure that learning opportunities will be allocated fairly and consistently to all employees.'

### **Pride.**

'I will always strive to deliver and get it right first time.'

'We will strive to be the all singing and dancing team of shared service and we will deliver our excellent service with expert knowledge and experience in our roles and install confidence within our clients.'

'I will continuously examine my performance and endeavour to improve.'

'I will strive to provide a first class recruitment service to all our customers.'

'I will ensure that I continuously seek to find new and improved ways of working, which brings about excellence in service delivery.'

'We are a dedicated team who will endeavour to not only meet but exceed our targets on service delivery output.'

'I will ensure as much as possible that training courses are filled to capacity.'

'We are a committed workforce who understands our customers and will work proactively to adapt our service to meet their needs.'

'I will strive to ensure that the learning and development intranet is up to date and accurate.'

'I will continuously look at ways to improve our processes and recording of information to maximise the efficiency of our service.'

## **Place.**

'I will endeavour to support the Council in its statutory obligation to ensure all employees have the necessary employment checks in place at all times.'

'I will train and support Jobs Fund people coming into the SSC so they can learn new skills for their future.'

'I will pay suppliers promptly and accurately so they can be in profit and employ Manchester people.'

## 2. Key Changes to be Delivered

The Shared Service Centre, as part of the overall Corporate Services Target Operating Model (TOM) will continue to transform as transactional (back office) functions are consolidated within centres of excellence.

Our key drivers for change include:

To reinforce the Council's corporate objectives:

- People: Improve the customer journey;
- Pride: Build on the good work and be proud of the Council's shared services;
- Place: Operate as a fully integrated SSC.

- The Council wide transformation programme and the need for continuous improvement in all that we do.
- The changing economic climate and budget pressures.
- The requirement for integration to 'share' service areas and capture efficiencies.
- The SSC will have a key role supporting the corporate core.
- Supporting the m people agenda.

The key changes to be delivered during the course of this plan include:

1. Achievement of significant savings and efficiency targets.
2. The move of the three service areas into one corporate Shared Service Centre.
3. Changes and improvements to the SAP system and business processes to deliver further efficiency savings not only within the SSC but across the Council as a whole.

### Achievement of savings and efficiency targets

As part of this transformation the Shared Service Centre is expected to make recurring savings of at least £0.9 m by 2013/14. These savings will be achieved by:

- Shared Services will undertake all transactional work for Finance, Payroll, Human Resources and Organisational Development. This will include the rationalisation of staffing resources.
- Shared Services will be co-located in a single location.
- Customers will be encouraged to access shared services through self service (for example via the internet).
- There will be a Shared Service 'front office' to handle the majority of customer enquiries.
- The 'back office' will focus on processing the transactional work.

The intention is to deliver savings of £700,000 by April 2011 as a result of a service redesign (workload and staffing) Followed by further savings during 2011 and 2012.

The SSC will move to a smaller leaner workforce over the next three years. This will be achieved through developing the skills of existing staff, greater flexibility and movement of people around the service. The proposed service redesign that is due to be delivered by 1 April 2011 will reduce the staffing headcount by 18%, from 219 staff to 179 staff (40 full time equivalent posts).

One of the key developments to enable further development of the service we provide to our customers and stakeholders will be the upgrade of SAP and workflow from the supporting ICT related systems to enable employee and manager self service. The development of the Shared Service Centre will help achieve this change by improving the quality and consistency of the basic human resource, organisation development and finance processes which managers and employees use. This will include bespoke helpdesk facilities, staff self-service options and improved access for managers to high quality intranet based guidance, tools and information through a front office function

#### The move of the three service areas into one corporate Shared Service Centre

Although covered in the above target, this is a key change in its own right and can also bring substantial efficiencies by co-locating staff from three venues into one using modern office protocols. The move from Barlow House alone will result in savings of rent, service charges and rates of £160,000 per year.

This is a considerable piece of work and will mean moving the staff and equipment from three service areas (Barlow House in the city centre, the Belle Vue Centre and from Daisy Mill) to Fujitsu Tower in West Gorton.

#### Changes and improvements to the SAP system and business processes to deliver further efficiency savings

Between 2011/14, the SSC will be required to make further savings to achieve the overall savings targets of at least £0.9 m.

However, many of the savings identified are dependent upon the main SAP software being upgraded to provide the new functionality to allow streamlined processes and self service to be introduced. Introducing more elements of employee self service (ESS) and manager self service (MSS) will mean that data is captured at the point of entry into the SAP software rather than staff being needed to re-enter data from claim forms etc. including giving staff the ability to maintain their own personal details such as home address and emergency contact numbers.

Opportunities also exist to further extend the use of document imaging technology to automate the processing of supplier invoices although this will require some initial investment before the full benefits and associated savings can be achieved.

The SSC will also actively pursue the early introduction of electronic payslips where possible, manager self service in areas such as attendance returns and employee self service for personal details and various claim forms.

### Supporting the Council through the transformation agenda

The SSC will be impacted by wider changes to the Council's workforce bringing about short term spikes in activity around support for service redesigns, m people and pensions advice.

It is important that we are set up to deliver the expected levels of support so that efficiency savings and targets across the Council can be achieved.

There will also be further work required as a result of external and legislation change. For example any changes to the local authority pension scheme that will further increase our short term workload.

### **How will we measure success?**

- From assessment with accrediting bodies, for example the Chartered Institute of Public Finance and Accountancy (CIPFA).
- Service Level Agreements and a performance management framework to monitor service delivery.
- Customer and staff feedback to improve service delivery.
- Robust management information indicators.

### 3. Overall Objectives

The key objectives for the main areas of the Shared Service Centre, referenced to the Performance Measurement table below where relevant, are set out below. The SSC will also develop a regime of quarterly performance reporting to the City Treasurer and Executive Member and is intended to create a culture of continuous improvement within the SSC. This performance regime is expected to develop and be extended as the new management team are established, the service redesign is effective and service level agreements are developed and extended.

#### Cross cutting objectives

- To deliver the agreed efficiency and savings target of at least £0.9m by 2013/4.
- To deliver further efficiencies through the use of improved technology and the removal of duplication and historic service area boundaries and barriers.
- To develop service level agreements with customers and stakeholders across all service areas.
- To work with colleagues in the Customer Service Centre to review and if possible withdraw the cash receipting function. This will be supported by alternative, local provision for customers.
- To extend, and where necessary introduce, the use of performance indicators and monitoring across the SSC.
- To capture opportunities elsewhere in the Council to consolidate other transactional business processes to achieve further efficiencies.
- To develop training and user guides across all processes and develop our staff with the service redesign and a move towards generic working and a 'right first time', customer focussed approach to the work.
- To take an active and participative role within the Association of Greater Manchester Authorities (AGMA), CIPFA and the North West Shared Service Centre Project.

#### Business Services Objectives

- To deliver efficient and effective exchequer services to our staff, managers, customers and suppliers.
- To improve the effectiveness and efficiency of business processes to deliver further efficiencies.
- Develop more effective relationships with major suppliers and customers (for example electronic billing).
- Improve the performance of the SSC with stretch targets for payments times and debt collection.
- To deliver further efficiencies through the implementation and exploitation of improved technology.
- To introduce 'working from image' for all invoice processing.
- Working with other parts of the Council and schools staff to deliver collective efficiencies, including a move to self service and compliance and support of new business processes.

Employee Objectives:

- To merge all transactional payroll and personnel services.
- To provide specific support as part of the m people pathway in both managing movement within the organisation and ensuring that education, development and training requirements are delivered in a timely and cost effective way.
- To ensure that employees of the SSC have the right skills to complete their role effectively and that there is a performance management system embedded in the service.
- To provide support for compliance with statutory training requirements.
- To encourage positive and reciprocal behaviour allowing people to develop and move positively around the SSC.
- To improve attendance levels.
- To support the implementation of the future Target Operating Model
- To agree and implement service standards including customer care measures, response times and financial targets.
- To introduce electronic payslips and save 50% on postage costs (£50,000 per annum).
- To develop a local employee performance indicator to measure and improve m people placement and recruitment times across the Council.
- To locate all personnel files in one place and investigate the implementation of electronic data records management.

## 4. Performance Measures

Objective	Performance Measure	Target performance			Actual performance
		2011/12	2012/13	2013/14	2010/11
Improving the performance of Exchequer Services	Speed of payments to suppliers (days)	30	20	10	34
	% payments paid within 30 days	90	95	100	75%
	% of total miscellaneous debt cleared in the reporting period	100%	100%	100%	93%
	% of pursuable miscellaneous debt over 365 days old	0%	0%	0%	10%
Improve the speed of recruitment	Average time taken from recruitment to employment (dependent on notice period)	12 weeks	11 weeks	10 weeks	13 weeks
Reduce the number of 'avoidable' salary overpayments	Number of avoidable salary overpayments	>350	>300	>250	400
Improve response time to correspondence	% of written correspondence in 10 working days	90%	91%	92%	Not available
	% of customer emails within 5 working days.	90%	91%	92%	
Improve speed of response times to customer complaints	% of complaints responded to in 10 working days	90%	92%	95%	90%
Improve attendance levels	Average days lost figure	9 days	8 days	7 days	17 days Personnel Shared Service 8.5 days

					Finance Shared Service
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## 5. Financial Plan

### Financial Plan Summary

Service Analysis <sup>1</sup>	Current (2010/11) Cash Limit Revenue Budget		Proposed Gross Cash Limit Revenue Budgets			Budget Funding <sup>2</sup>	Budget Funding			Are there any links with Capital (Y/N) <sup>3</sup>
	Gross £'000	Net £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	Source	2011/12 £'000	2012/13 £'000	2013/14 £'000	
Finance Shared Service Centre	1,364	1,151	1,264	1,264	1,264	Mainstream	1,051	1,051	1,051	
						Internal Income	213	213	213	
Payroll	1,820	(43)	1,820	1,820	1,820	Mainstream	(43)	(43)	(43)	
						Internal Income	954	954	954	
						External Income	909	909	909	
Banking & Receipting	271	251	271	271	271	Mainstream	251	251	251	
						Internal Income	20	20	20	
Personnel Shared Service	1,926	1,359	1,926	1,926	1,926	Mainstream	1,359	1,359	1,359	
						Internal Income	567	567	567	
Training Shared Service	460	460	460	460	460	Mainstream	460	460	460	

<sup>1</sup> Individual service areas shown should be agreed with Executive Member, Strategic Director and Head of Finance

<sup>2</sup> For each Service Area all funding sources should be shown e.g. Government Grant, Fees and Charges, Mainstream Funding etc.

<sup>3</sup> If any capital investment is required to achieve the service objectives within the level of budget identified, or if the budget contains any growth arising from the revenue consequences of projects included within the current capital programme then this should be shown as Yes and details **must** be provided within the business plan and on the appropriate business plan capital template



Details of Capital Investment required to fulfil Business Plan but not yet included In the Capital Programme							
Stage of Gateway Process cleared	CPG Ref. No. (if any)	Service Area	Description of investment	Justification for investment (e.g. Service Need, Statutory Requirement, VFM, to further council objectives)		Will this be subject to a capital bid for 2011/12 to 2013/14 programme (Y/N)	Potential Impact on Revenue Costs (for proposals that will be subject to bids)
				Ranking	Explanation		
			<b>None identified although it needs to be noted that the SSC's medium term efficiency savings and targets are heavily dependent of ICT investment and continuing development of the SAP system.</b>				

**Ranking:**

- 1 Crucial to continuation of the service
- 2 Essential to achievement of the Business Plan
- 3 Supports the achievement of the Business Plan

**Potential impact:**

- 1 Will increase revenue costs within planning period
- 2 Will increase revenue costs but outside planning period
- 3 Will reduce revenue costs within planning period
- 4 Will reduce revenue costs but outside planning period
- 5 Will increase income within planning period
- 6 Will increase income but outside planning period

**NOTE:** If achievement of Business Plan requires any Capital Investment that is not already in the Capital programme or going through the Capital Gateway process then a gateway submission will need to be completed as soon as possible.

<b>Detailed Proposals on Income from Charges For Services</b>									
Charge / Income Budget	Current Income £'000	Estimated Income			Reason for proposed increase / decrease	Current Charge £.p.	Proposed Charges		
		2011/12 £'000	2012/13 £'000	2013/14 £'000			2011/12 £'000	2012/13 £'000	2013/14 £'000
<b>Finance Shared Service Centre:</b>									
Internal recharges	213	213	213	213		n/a	Charges based on cost		
<b>Payroll:</b>									
Internal recharges	954	954	954	954		n/a	Charges based on cost		
Payroll recharges to external clients	909	909	909	909			See payroll recharges methodology below		
<b>Banking &amp; Receipting:</b>									
Internal recharges	20	20	20	20		n/a	Charges based on cost		
Personnel Shared Service:									
<b>Internal recharges</b>	567	567	567	567		n/a	Charges based on cost		

*Reason for increase/decrease should show:*

- 1 Inflationary Increase
- 2 Above Inflationary Increase
- 3 Below Inflationary Increase
- 4 Decrease to Improve Demand
- 5 Decrease to meet Council Objectives

Neighbourhood Funding Strategy Proposals				
Proposal	Benefits To Residents	Reasons Why This Cannot Be Addressed Through Existing Resource Allocation	Options For Future Resourcing	Strategy Director And Executive Member Approval Yes / No
<b>None identified</b>				

## 6. Workforce Plan

### Management Introduction

This is the first workforce plan for the newly established Corporate Shared Service Centre (SSC). The SSC is undergoing a major transformation journey and has brought together staff from all parts of the Council, including staff who would have until recently been in departmental payroll, human resources and service development teams.

There is therefore a major piece of work to consolidate the service areas to deliver the required efficiencies and to work with our staff to development the identity of the new SSC in the future as a centre of excellence.

This plan outlines the current position and the approach we are taking to work with our workforce to deliver the required changes and efficiencies.

The service areas that will make up the Shared Service Centre include the following back office functions:

- Finance support services
- Payroll and Pensions
- Personnel support services
- Training support services

### Our Workforce Statistics

This workforce summary is based on the 209 employees in post at the end of September 2010.

The 209 employees are split between the grades as follows:

Grade	Number of employees	% of total
1 - 5 (or equiv)	172	82.3%
6 - 8 (or equiv)	31	14.8%
9 -10 (or equiv)	5	2.4%
Above 10	1	>.05%

- 41% of the workforce are Manchester residents

### Our Equality Information

This includes a split in respect of ethnicity, sex, age profile and disability and provides a comparison against the Council's full assessment in this area.

This is based on holding general equality data for 201 (96%) of our staff.

\*Equality Information (only counts staff that have provided equality data)

Grade	Shared Service Centre				Council figures			
	No of Employees	% BME staff	% Female	% Disabled	No of Employees	% BME staff	% Female	% Disabled
1 - 5 (or equiv)	164	20.1%	68.3%	6.1%	6,861	19%	65%	4.17%
6 – 8 (or equiv)	31	6.5%	54.8%	-	3,742	16%	60%	4.41%
9 -10 (or equiv)	5	-	40%	-	726	9.5%	56.5%	3.06%
Above 10	1	-	-	-	344	3%	57%	3.88%
	201	17.4%	65.2%	5%	11,673	17.1%	62.6%	4.17%

### Age Profile

	Shared Service Centre					Council
	Grade 1 – 5	Grade 6 – 8	Grade 9 – 10	Above 10	Overall % split	Overall % split
Totals	172	31	5	1	-	-
Under 24	6	-	-	-	3%	4%
25-34	32	1	-	-	16%	19%
35-44	36	8	2	-	22%	25%
45-54	66	14	2	1	40%	33%
55-59	22	7	1	-	14%	12%
60+	9	1	-	-	5%	7%

Management Comments on equality data:

- The overall level of black and minority ethnic (BME) staff within the service area at 17.4% is satisfactory, is representative of the local community and compares to the Council average of 17%.
- We are under-represented in respect of BME staff at grade 6 and above with only 5.4% BME at Grade 6 and above.

### **Workforce Skills**

As part of the Council's Skills Pledge, the SSC has assessed the skills of our workforce against the Council's target for Level 2 and Level 3 qualifications.

Level 2 can be workbased (NVQ 2) or non workbased (5 GCSEs grade A-C)

Level 3 can be workbased (NVQ 3) or non workbased (2 A levels)

The Council's target is that by 2015, 100% of staff are at Level 2 and 65% are at Level 3. We will be working towards compliance in the next three years with many of our staff currently undertaking a course of study.

Several Future Jobs Fund placements have been provided/will be provided by the SSC.

Within the next few years the SSC will be undergoing radical changes and this will require further investment into the training and development of staff. This is particularly relevant across the areas of personnel and payroll where there are currently service specific staff, that for some processes results in double handling and duplication. The service redesign recognises this and the new structure proposes a new team that is responsible for the employee lifecycle of Council staff. This group of staff will be generic and will deal with all aspects of an employee's employment and payroll. Furthermore all grades will be transferable within the SSC areas to ensure that succession planning and workforce planning can be more effectively managed.

## **Attendance Management**

Up to this point the attendance management statistics have been split between the two functional areas of Finance (including Payroll) and Personnel.

The statistics for the Finance area show an average annual day's lost figure of 8.46 days per employee and for the Personnel area 16.67 days . This compares to a Council average of 13.25 days per year. Although the statistics for the Finance area are acceptable the statistics for Personnel are below what is expected and will be a key improvement area in the future.

The Unit's managers have now been trained on the revised attendance management policy that was launched at the beginning of 2010. The new approach will require out managers taking a fair but robust approach to improve attendance levels in the SSC. The target is to improve attendance levels to below a 9 day average by next year (March 2012) with further incremental improvements following this.

## **Workforce Vision and Drivers for Change**

### **The Vision for our Workforce**

The vision for our workforce in 2013 is ambitious and will require continual, incremental change, linking into the skills and flexibility of our staff and capturing the efficiencies offered by improvements to our systems and business processes.

By April 2011 all service areas will be fully integrated in the SSC structure and delivered from one location. The SSC service redesign will be complete and the SSC will be split into two functional areas of Business and Employee Services reporting to the Head of Revenues and Benefits.

The service redesign will result in efficiencies and a reduction in staffing numbers from 219 to 179 by April 2011 and a further reduction by April 2012.

The Shared Service Centre will have a group of generic and knowledgeable front office staff whose role it will be to encourage self service and assist managers and staff throughout the Council. There will be strong links to the Council's corporate core and we will be classed as a centre of excellence in respect of back office transactional services.

Our back office functions and business processes will be more generic and we will have closer working arrangements across Finance and Personnel and across the Council. The back office will have introduced improvements to SAP and other business processes and will mean that our staff will work in a very positive and proactive way to ensure data accuracy, prompt resolution and customer satisfaction. Staff performance will be managed based on output and quality and customer impact. By 2013 we will have a range of flexible working schemes across the SSC that support the business and staff's work/life balance.

### **Workforce change models**

Over three years the workforce the SSC will change as follows:

<b>Our Workforce in March 2013</b>
There will be a reduced number of staff with increased skills and capabilities, working together more efficiently as a well established Single Shared Service Centre. Staff and upgraded SAP technology will enable a more proactive self service which is customer focused and able to adapt to the changing workforce needs.
Our back office staff will be generic across some areas of Finance and Personnel, particularly where this supports SAP activity and customer service.
The number of back office staff will have been incrementally reviewed to take into account the corporate consolidation/efficiency agenda, our changing workload, our work with stakeholders and the impact of new ways of working and new technology. <ul style="list-style-type: none"><li>• 219 to 179 by April 2011</li><li>• 179 to 170 by April 2012.</li></ul>
Our office accommodation will have been reviewed and we will be working to modern and flexible working practices.
Our office staff will be highly skilled with a baseline skill level. <ul style="list-style-type: none"><li>• 98% of our staff will have the qualifications equivalent to Level 2.</li><li>• 65% will have qualifications equivalent to Level 3.</li><li>• 90% of our Team Managers will hold the Institute of Leadership and Management (ILM) Level 3 in supervisory management.</li></ul>
There will be effective monitoring regimes across all job roles measuring quantity, quality and customer impact. The focus will be on 'right first time' and working with customers in a flexible way to improve satisfaction and reduce failure demand and duplication.
100% of appraisals will be carried out and these will be of a high quality.
Our recruitment for main grade staff will be linked to the Council's apprenticeship scheme and M People programme.

<b>Our Workforce in March 2013</b>
Homeworking will be available to back office (subject to business requirements) to staff that are achieving the necessary performance standards.
Our managers will be visible and accessible to their staff and will demonstrate a compliance and commitment to the Council's Management Standards. We will also require our managers to be qualified to the appropriate management qualification level commensurate with their grade.
We will have strong relationships with Personnel and trade unions so that we can adapt to our challenging change agenda.
There will be a high attendance culture with the following results: Our average days lost will be below 9 days. 40% of staff will have no absence at all over a twelve month period. 100% of return to work interviews will be completed

<b>Workforce Development Objective</b>	<b>Responsibility</b>	<b>Timescale</b>
Communicate service redesign and office move changes with staff and trade unions and ensure that there are regular meetings, updates and dialogue events to share the vision and the required changes.	J Price	Ongoing
Organise move to new office accommodation for the SSC.	Shared Service Centre Management Team (SSC MT)	April 2011
Work with colleagues in DOT to set up new generic structure and work through population of the structure in accordance with Council protocols.	SSC MT	April 2011

Work with the Directorate of Transformation on the Target Operating Model (TOM) for the Unit. This may include taking on other service areas. Keep staff informed of developments and actions in this area.	SSC MT	ongoing
Undertake baseline skills assessment against the new roles and responsibilities and deliver role specific training in the first instance recognising future development and the move to more generic skills and responsibilities.		
Produce SSC learning and development plan for both short, medium and long terms training and development needs (linking into succession planning for more specialist roles).		
Investigate the implementation a more flexible working scheme for all back office staff at Grade 7 and below.	SSC MT	Oct 2011
Develop SMART performance measures and targets for all roles in the SSC and roll these out with baseline and incremental improvement targets.	SSC MT	Oct 2011
Consider baseline output and performance measure for some back office posts, above which homeworking would be considered.	SSC MT	April 2012
Ensure all back office staff are trained basic communication and plain English either as part of their induction or as part of a refresher programme.	SSC MT	ongoing
Review office space and meeting room requirement in accordance with Council's office space protocols.	SSC MT	ongoing
Ensure that all appraisals and ongoing performance review meetings are carried out ensuring that poor performance is dealt with and good performance is recognised.	SSC MT	ongoing
Ensure that the staff that do not have the equivalent of the level 2 qualification as required by the Skills Pledge have access to the appropriate training and support.	SSC MT	March 2012
Undertake a training programme for management in the Unit to ensure that they have the appropriate management qualification commensurate with their grade.	SSC MT	March 2012
Review the approach to training main-grade staff across Payroll and Finance and ensure that this supports the Council's m people approach.	SSC MT	April 2011
Produce training and development plan capturing individual training and development as well as wider and generic development, legislation and role based training to ensure all staff are flexible, competent and confident in their new roles.	SSC MT	March 2011
Managers take an active role in the management of attendance policy	SSC MT	Ongoing

<ul style="list-style-type: none"> <li>• Ensure that 100% of return to work forms are completed</li> <li>• Issue improvement notices as required</li> <li>• Team Managers to take control of the attendance issues of their team and undertake all related meetings and activity.</li> <li>• Undertake team manager workshops to share good practice and learning.</li> </ul>		
Consolidate existing office protocols into one SSC document and launch this with staff.	SSC MT	April 2011
Where and if necessary ensure SSC core standards, culture and ethos are shared with any new service areas.	SSC MT	Ongoing
<p>Develop middle and senior managers and ensure consistency in management skills and approach by continuing with the Unit leadership team meetings.</p> <ul style="list-style-type: none"> <li>• Review approach with disciplinary and attendance management within the unit</li> <li>• Continually evaluate staffing resources, performance management and working arrangements</li> <li>• Have specific briefings and workshops on key developments/issues, for example risk workshop, business planning and m people support and approach.</li> </ul>	SSC MT	April 2011
Take on Future Jobs Fund Placements as required	SSC MT	ongoing

## 7. Equalities Action Plan

### Strategic objective 1- Knowing your communities and equality mapping

Target	Activities	Officer responsible	Deliver by	Outcome
To improve the prosperity of Manchester residents and businesses	To monitor the level of spend with Manchester businesses and report this within the Council.	Lol Nugent	ongoing	Increased percentage spend

### Strategic objective 2 – Place shaping, leadership, partnership and organisational commitment

Target	Activities	Officer responsible	Deliver by	Outcome
Ensure that all managers at Grade 7 or above have attended equality and diversity training and can provide leadership to ensure equality	Attendance at training course and discussion with their manager on the outcomes from the training	CSC MT	April 2011	All managers are skilled to provide leadership required
Develop flexible working scheme for all back office staff	Review the current processes and if possible replicate current revs and bens scheme	CSS MT	April 2011	Improve work life balance for staff Reduced absence levels

### Strategic objective 3 – Community engagement and satisfaction

Target	Activities	Officer responsible	Deliver by	Outcome

<b>Strategic objective 4 – Responsive services and customer care</b>				
<b>Target</b>	<b>Activities</b>	<b>Officer responsible</b>	<b>Deliver by</b>	<b>Outcome</b>
Implement the action plan arising from the Equalities Impact Assessment undertaken in the Finance Shared Service Centre	Implement action plan	Lol Nugent	1 April 2011	All services delivered to customers are sensitive and responsive to the needs of all sectors of the population
<b>Strategic objective 5 – Modern and diverse workforce</b>				
<b>Target</b>	<b>Activities</b>	<b>Officer responsible</b>	<b>Deliver by</b>	<b>Outcome</b>
All staff are aware of the work of and supported to attend the Staff Groups	Work with staff group leads and managers to raise awareness of the groups and what they do Ensure all managers support attendance of groups by their staff	CSC MT	Ongoing	Staff can attend and receive support
Ensure that the office move and the new accommodation meets the needs of all our staff	<ul style="list-style-type: none"> <li>• Ensure that all staff receive a move and new office questionnaire to capture individual needs and support.</li> <li>• Where specific needs or support are identified (due to any equality requirement) ensure that a meeting takes place and the needs are captured and explored.</li> <li>• Undertake a full equality</li> </ul>	CSC MT	April 2011	Staff feel confident and happy with the new office space

	impact assessment of the move and the new accommodation.			
The SSC is a modern and flexible place to work that allows staff to manage their personal needs and domestic commitments,	Review the current working arrangements and look at introducing a more flexible scheme similar to the scheme operating within Revenues and Benefits.	CSC MT	July 2011	Turnover is reduced and staff are able to work flexibly.
Staff are trained in equality and diversity and provide excellent service to internal and external customers.	Examine baseline equality and diversity awareness across the three service areas and if necessary ensure all staff receive a refresher briefing	CSC MT	Sept 2011	Staff are confident and aware of their responsibilities.

## 8. Risk Register

Ref	Date opened	Date closed	Risk Description	Existing Controls	C	L	Risk Rating	Additional Controls / Notes	Lead for mitigating plan
1	Oct 2011		Failure to deliver efficiency savings	<ul style="list-style-type: none"> <li>Robust project management in place around savings activity however in event of slippage/less than expected savings/new pressures contingency arrangements will be implemented.</li> </ul>	4	4	R	Work with DOT. Monthly monitoring of project plan	Julie Price
2	Oct 2011		SAP upgrade fails to go ahead which means process improvements can't be delivered	<ul style="list-style-type: none"> <li>Interim solutions (including more limited abortive investment)</li> <li>Development of less efficient work –arounds</li> </ul>	5	4	R	Awareness of importance highlighted at senior level. Raised at improvement board.	Julie Price
3	Oct 2011		ICT infrastructure and capacity is insufficient to deliver/maintain or be at a quick enough pace – critical dependency	<ul style="list-style-type: none"> <li>Close working with ICT and early escalation of issues</li> <li>ICT governance in place to ensure organisational requirements are prioritised appropriately</li> </ul>	4	4	R		Julie Price
4	Oct 2011		Loss of key staff – succession planning	Workforce planning activity	4	3	A	Close monitoring of Voluntary	Julie Price

Ref	Date opened	Date closed	Risk Description	Existing Controls	C	L	Risk Rating	Additional Controls / Notes	Lead for mitigating plan
								Early Retirement (VER) and succession planning if necessary using m people placements	
5	Oct 2011		Lose confidence of our customers/reputational impact of not delivering level of support required on a timely basis	<ul style="list-style-type: none"> <li>• Development of Service Level Agreements/transparency over service levels</li> <li>• Communication with customers and management of expectations</li> <li>• Customer feedback mechanism</li> <li>• Focus on key requirements/risks</li> </ul>	3	3	A		Julie Price
6	Oct 2011		Failure to smoothly transition staff from existing locations to the Fujitsu building may disrupt service delivery.	<ul style="list-style-type: none"> <li>• Close working with Corporate Property, the Directorate of Transformation and Corporate Technical Services and early</li> </ul>	3	3	A	Project plan and regular meetings	Julie Price

Ref	Date opened	Date closed	Risk Description	Existing Controls	C	L	Risk Rating	Additional Controls / Notes	Lead for mitigating plan
				escalation of issues. <ul style="list-style-type: none"> <li>Careful planning of moves to ensure continuity of key services.</li> </ul>					

## 9. Business Continuity

### Management Progress Statement

#### Progress Statement

##### **The current status is as follows:**

The Business Continuity Plan for the Finance Shared Service Centre has now been documented and disseminated. The Finance Shared Service Centre (FSSC), based in Barlow House near Piccadilly, is a crucial service for the Council as all payments to suppliers and service users are processed via this service.

The overall strategy following a serious incident at Barlow House is to relocate staff to either home-working or to other offices at One first Street, the Town Hall, Daisy Mill or the Fujitsu building in Gorton. The offices at Daisy Mill have all the basic systems capability to enable FSSC processes to continue as normal

In relation to the payroll service, all of the staff undertake the same basic functions so there is a relatively high degree of resilience in this area. In the event of disaster resulting in an inability to actually run payrolls the plan is to repeat the payments from the last successful payroll that was run - this would involve some under and over-payment of staff but would be preferable to not running the payroll at all

All areas of the Division are highly reliant on the availability of computer systems and hardware and, it is assumed that the ICT Business Continuity Plan (BCP) will deal with this particular issue

##### **Future issues**

The planned consolidation into one location for the whole SSC will require that a new Business Continuity Plan will need to be produced covering all services. The location of the Corporate Shared Services Centre (CSSC) has now been determined as being the Fujitsu building and a revised BCP will be produced by June 2011.

Management will also have to consider the business continuity model during any planned moves particularly in areas where there are strict timescales linked to computer systems including payroll and supplier and customer payments and the fact that the staff relocations are likely to take place in March – one of the busiest times of the year for the financial aspect of the CSSC.

Thematic Area	Risk Being Addressed	Development Objective	Agreed Actions	Target Date
<b>Service Continuity Planning</b>	Move to new building- new business continuity plan required	Ensure that we can provide services in the event of an emergency	<ul style="list-style-type: none"> <li>- Produce new business continuity plan</li> <li>- Carefully project manage move to new building to ensure business preparedness and continuity throughout.</li> </ul>	April 2011
<b>Incident Management</b>	Consolidation of property portfolio	Ensure that options are available should Fujitsu Tower be unavailable	Work with corporate property to understand impact of any changes on BCP (Daisy Mill and Alex House availability)	Ongoing
<b>ICT Resilience</b>	System failure	Look to expand system availability	<ul style="list-style-type: none"> <li>- Examine system access via the web</li> </ul>	Ongoing
	System issues affect business	Improve resilience and availability of systems	Regular meetings with ICT Keep up to date with system developments including all new releases.	Ongoing
<b>Premises/Facilities Resilience</b>	To avoid building maintenance problems	Regular meetings with landlord and Health and Safety	Quarterly meetings	Ongoing
<b>Third Party Resilience (Supply Chain, Contractors, Partners)</b>	Software not updated to supported platforms	Monitor and contribute to product development plans of suppliers	Attend relevant design team meetings	Ongoing
<b>Exercising and Maintaining</b>	Business Continuity Plan becomes out of date	Annual review of business plan	<ul style="list-style-type: none"> <li>- Check content and contact details in BCP</li> <li>- Undertake test and incorporate any learning</li> </ul>	August 2011

<b>Awareness/Embedding Activity</b>	Staff changes affect evacuation success	Ensure smooth evacuation within 3 minutes	<ul style="list-style-type: none"> <li>- Practice evacuation and learn from these.</li> <li>- Review evacuation marshals and send on appropriate training.</li> </ul>	Ongoing
	Management awareness	Improve ownership and awareness with managers	<ul style="list-style-type: none"> <li>- Hold scenario based test</li> <li>- Ensure all named managers understand their responsibilities and have copies of the plan at home.</li> </ul>	August 2011
	Staff awareness	Ensure staff are aware of business continuity plan	<ul style="list-style-type: none"> <li>- Article for newsletter and minute in UMT</li> </ul>	August 2011

## 10. Communications

Planned key strategic communications activity for 2011/12	Key Timings	Target Audience	How will you measure success?	Which Partners will be involved (if appropriate)?
Development of SSC Intranet page	2011/12	Whole Council including schools	Increase in self service Achievement of savings targets	DOT Comms schools