

WHITE PAPER

## What IT Departments Need to Know about Implementing Shared Services in Local Government

### Executive summary

Shared services are being used by many local authorities to make savings and tackle the budget cuts. But what are the practicalities from an IT perspective of joining forces with other councils? This white paper tells you how to get started, what pitfalls to avoid and how other shared services achieved their savings.

# CAPITA

## A shared future

**A problem shared is a problem halved. Joining forces isn't just about saving money, it can also be about reinvesting in an even stronger IT infrastructure.**

Working in local government means you will have undoubtedly watched many shared partnerships spring up over recent years, and heard stories of the massive savings that can be gained as a result. Almost certainly, you will also have heard a few of the possible downsides too: insufficient bandwidth or councils unable to 'see' each other on their networks.

As an IT professional, it is your job to turn someone else's vision of a shared service into a reality, on time and on budget. There is a lot riding on the success of every new partnership – not least job security and the vital services the local authorities deliver to the customer.

Delivering a new technology-led shared service can be a challenge. You know your own IT infrastructure, its strengths and weaknesses, and those of the team who maintain it. Now, you will have to get to know possible new systems or those of your new partner or partners. Systems, software and new colleagues will have to communicate effectively. Differences may have to be put aside in order to achieve a common goal.

But these can all be overcome with careful planning and the benefits of a successful shared service far outweigh any challenges.

At a time when funding to local government is being cut by 28.4% before 2014, a shared service can save literally millions of pounds, protecting both jobs and front line services.

From an IT perspective, a shared service can also mean the opportunity to start with a clean slate. In order to gain the greatest efficiencies from the shared service, you will need reliable, robust hardware and software, some of which you may already have at your disposal, some of which your partnership may purchase, taking advantage of the fact costs can be spread across two or three partners.

The development of the cloud and ever more options for hosting, mean the ability to share services is more accessible than ever.

This is the chance to work on a project that will shape the way you and your colleagues work and the way your council's customers access and interface with their local services. And coming later to the game, you can benefit from the experience of others who have gone before you to avoid the common pitfalls, to flag up your requirements and to ensure you meet expectations and deadlines with minimum disruption and down time.

In this white paper, we will look at how other authorities have implemented shared services in revenues and benefits, payment management and libraries. We will examine how they have made the move and what they have learned along the way.

*"Wider adoption of shared services across local government offers one of the most compelling ways to transform the services delivered by authorities across the country."*

Susan Anderson, CBI Director of Public Services

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## Why us, why now?

Necessity is the mother of invention: in hard times we must think creatively.

*“Local government needs to make a step change in the way services are delivered in order to provide greater value to citizens. A range of options are available, but breaking down the barriers between local organisations is a key part of almost every solution.”* Paul Clarke, Lead Partner, Local and Regional Government, Deloitte

Local government thinking has changed beyond recognition in recent years. Thinking in isolation is no longer a viable option as budgets are stretched to breaking point and the economy puts extra strain on council services.

The latest shared services research, published by Informed Publications in partnership with SOCITM and Capita, gathered opinion from 479 senior directors and officers spanning the whole UK public sector. Almost all public sector managers (94%) surveyed agreed shared services present an opportunity to cut costs, with seven out of ten respondents agreeing shared services also provide an opportunity for innovation.

Undoubtedly, the main driver for shared services is savings. The cost of almost everything can be reduced if a council purchases as part of a larger group. Facilities and staff can be shared to cut costs further and processes can be streamlined so they run faster and smoother.

Information technology is at the core of every shared service. Back office functions such as revenues and benefits are the low-hanging fruit that can deliver the early significant financial returns. In most cases this is where a shared service will

start, however, it seldom ends there. Many councils have continued to realise savings by expanding their partnerships or even extending the participation to front line services.

Below we illustrate the kinds of figures local authorities have managed to save by sharing services:

*“Benefit claims nearly doubled at the peak of the recession and yet we have achieved £1 million in savings and are on target to do so year on year.”*

Nick Jefferies, Head of South Worcestershire Shared Services Partnership

*“Over 10 years the savings will add up to £30 million.”*

Stephen Bayliffe, MD, Compass Point Business Services (the shared services company established in Lincolnshire by East Lindsey District Council and South Holland District Council)

*The new shared service has helped the councils involved realise a saving of £1.3 million across the three authorities, with an additional £500,000 expected over the next two years. Benefits applications now take half the time they previously took to process, down from 40 to 20 days.*

The South Dorset Revenues and Benefits Shared Service Partnership

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## What do we need to consider?

### Working processes

Are there major differences in the way the councils work?

Can you agree upfront about the way you are going to work in future?

Remember, if you keep everything the same as before, you will not be able to realise the expected savings.

### IT infrastructure

Are you all currently using the same management system?

What is the state of your network, how old are your servers?

### Scalability

Would you be able to scale up the infrastructure if you wanted to take on new partners in the future?

How could you achieve this and what further savings could you make?

Would you be able to accept partners outside of local authorities, e.g. some local authorities are taking payments for the Police, the courts and even private businesses?

### Location

Is there any possibility of moving all the partners onto one site?

**Fools rush in where  
IT professionals fear  
to tread.**

**Here are some  
important subjects to  
cover in your first few  
meetings in order to  
be prepared for the  
journey ahead.**

### IT contracts

What are the existing contracts with key suppliers?

Will you need to wait until contracts are finished, pay penalties or negotiate new deals?

### Environment

Can you introduce any green initiatives while designing your shared service?

Fewer servers could require less energy to run, while innovative printing solutions could cut down dramatically on paper wastage, for example.

### Staffing

What hours do staff work in different locations?

What hours will you all work once the partnership is in place?

How will this impact on system peaks and troughs in usage?

### Servers

Will you keep your servers on the premises? If so, where?

Would you consider renting space on a remote server to save money on hardware?

Would you consider making use of cloud services?

### System protection

What security measures would you have to put into place?

How would you get a back-up up and running in the event of a system failover?

### Software upgrades

How will these be managed?

Will you be able to ensure they can be rolled out at the same time across all partners?

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## Ten burning questions

The devil is in the detail. Here we answer the most commonly asked questions from IT professionals considering a technical shared service and provide examples of what other local authorities have done.

### 1. How much will this cost?

There will clearly be some costs in setting up the shared service that will need to be factored into the overall savings that can be realised – which can be huge.

As a general rule of thumb, the implementation costs reduce in relation to the number of new partners coming on board. So set-up costs will be halved for a second partner and be about a third for the third partner to join.

As we mentioned in the previous section, your starting point will need to be a thorough analysis of your existing infrastructure and that of your partners. From here, you should be able to make some key decisions as to what you can retain and take into the shared service, and what might need to be overhauled.

*"There was no existing network infrastructure linking us with our partners. This was a major part of the set-up costs as we needed to pay for a communication channel to span the 90 mile distance between sites and to triangulate the network. However, it has provided a sound basis for future shared services and related projects."*

Elaine Turner,  
Performance Manager, Carlisle City Council

If you have brand new servers, then it would make sense to use them. However, if there is some doubt over their age or capacity, it may be as well to invest in new, more powerful servers or consider a hosted option.

The ability to use the cloud and virtualisation mean huge sums of money

are no longer required to provide the infrastructure you need, whereas using older hardware to deal with the greater demands of the shared service could be a false economy. You will not be able to achieve the efficiency required to make the savings necessary and you will increase the chances of the system crashing, with perhaps double or triple the number of frustrated staff, managers and customers affected.

As we also mentioned before, there will also be some hidden costs relating to supply contracts that may run on beyond the start of the new shared service. You will need to consider the best option in each case, whether it is best to terminate the contract and incur charges, or to let the contract continue.

One of the most important considerations will be which management system to use, as it will be essential for all the partners to be working from the same system. If you are all already using the same system then you are starting out at a distinct advantage. However, if you need to migrate a new partner over, this will incur transitional costs as the data is translated and transferred from one system to another.

*"We soon realised we would need to bring two of the partners, Malvern and Wychavon over to the new system and doing the conversion for both was costly. We built these transitional costs into the savings we had predicted and although the*

*savings have been less as a result, we have still achieved the anticipated £1 million in savings. The set-up costs are necessary to realise greater savings."*

Caroline Smith, Shared Services Manager,  
South Worcestershire Council

### 2. How long will it take?

The amount of time needed to set up a shared service depends on a number of variables. Firstly, how many partners are joining the consortium? Then, as before, what is the existing infrastructure? Are all the partners using the same system and can they see each other on the network? If the situation is relatively straightforward, then a shared service can be set up in as little as three months. Most shared services can be set up in six months to a year.

*"The data transfer side and the application change can become quite considerable so try and factor this aspect in. If it is over multiple functions of an organisation then that will define how fast the change will be. For example, are you changing from an SQL platform to an Oracle platform? Or vice versa? Is it a Microsoft platform, is it a Unix platform? There are lots of different variables that can be applied in respect to what the start point is and what the end game looks like."*

Logan Tweedie,  
IT Director, Compass Point Business Services

It is worth remembering while the new shared service is being set up, everyone involved will also be doing their day jobs. For this reason it would be good

to have a dedicated project manager or team to move things forward.

Don't forget, you may encounter some resistance from staff who do not want to change the way they are working or 'share' with neighbouring councils. Change management in the short term will pay dividends in the long-term when it comes to bringing people on board and helping them to accept a new way of working.

*"We prepared for a year and started for real with our shared service in April 2010, but it did not entirely end there. We are still winning over people's hearts and minds due to the different sets of salaries, terms and conditions. I think that process may go on for another year before it really settles down."*

Elaine Turner, Performance Manager,  
Carlisle City Council

Try to be realistic and take as long as you need. If everyone is rushing around then resistance to the new project will build and mistakes may creep in. You are entering into a number of new relationships and you may need to give them time to grow stronger.

*"We converted two authorities' data onto new software in six months due to tight time constraints. If I were to do it again I would build at least a year into the plan for this. I would leave more time for people to get to know the new systems they would be using as they were being introduced. Some people took longer to learn the new ways than others."*

Caroline Smith, Shared Services Manager,  
South Worcestershire Council

### 3. Where will the benefits and efficiencies actually be coming from?

Shared advice: Don't leave any stone unturned when looking for savings – you may find that your neighbour is paying half the amount you are for an item or service. Leverage the deals you all have already in place. Don't assume that the lead partner

in the shared service is always going to have the best deal.

The consolidation of two or more local authorities into a shared service will traditionally offer up a number of benefits and efficiencies.

Firstly, there is the issue of staffing. By combining certain processes and automating others, it is often possible to reduce the overall head count. This does not always have to be in the form of forced redundancies, some councils have managed this process through retirement and not replacing staff who leave for other reasons. This provides both an initial and ongoing saving.

In most councils it is now possible for individuals who were covering several functions to concentrate and specialise in one area and this has efficiency benefits for the organisation as a team of 'jacks-of-all trades' become masters of one. It also has benefits in terms of job satisfaction as staff can take on bigger roles.

Meanwhile, by taking a shared desktop approach to working, staff from one council can process enquiries from any other in the partnership because they will have access to their partners' databases in exactly the same way as they access their own. This has benefits for the customer who is dealt with more quickly and efficiently. It also means if there is a problem at one site, with a number of people away or a sharp increase in workload, the work can be shared out easily across the partnership. This leads to greater consistency in customer service within the group.

*"We created a central performance team to cover the whole of the partnership. The team facilitate audits, provide statistics and management information, carry out balancing and reconciliation of systems, ensure data integrity and quality, and generally standardise the management*

*of information within the partnership. The team ensures consistency across the three partner authorities.*

*"Our software allows us to select statistically valid samples assessing for quality control checks and use the results to inform our training. The system tells us if training needs to be improved for an individual or across a whole team and this helps us to continue to improve our services to the customer."*

Elaine Turner, Performance Manager,  
Carlisle City Council

By bringing several authorities together to share one system, there is less overall equipment to look after and this saves money, not only on maintenance but also in the power needed to keep the servers running and cooled. In a worked up example of three councils coming together for a payment management solution, it has been estimated that they could save £160,000 a year in running overheads and third party maintenance costs alone by moving from 11 servers to two. Further savings may result from using a hosted or cloud option.

There is also the benefit of purchasing as a group. This cannot be underestimated. By buying together, shared services are able to invest in the latest technology that they would not be able to afford alone. This will not only enable them to maximise their savings going forward, but it will also improve the service to the customer. Take online payment systems for example, a secure new system will allow customers to pay their Council Tax bills at any time convenient to them. It will also save the shared service money in administration.

*"Take the efficiencies that can be derived from an up to date telephone switch versus a more manual telephony platform that you might inherit. Investment in new technology will give you the return on investment plus savings downstream."*

Logan Tweedie, IT Director,  
Compass Point Business Services

#### 4. Do we need to consolidate our data?

The simple answer is that it depends on what is suitable for your particular situation. If it is not practical or desirable to consolidate data then it is perfectly possible to share data without merging it together. This means that each individual council can still make its statutory reports to government. It also means that at any time in the future, a partner can walk away with their database intact should they so wish.

In many other situations councils do wish to merge their data, for example, if they are sharing a payment management system, where there are advantages to being able to report on payments centre-wide, rather than on an authority-by-authority basis. This can be accommodated equally by the software and systems employed.

*"We didn't need to consolidate any data, in fact we didn't even bring any data forward from the old systems, we just started from scratch and this was a lot easier all round. Although data from the two authorities is now consolidated in one database it can be reported on an authority basis as well as on a combined basis."*

Jean Hewitt, System Support & Development Analyst IT, Worthing Borough Council

#### 5. Do we need to buy new hardware?

Not necessarily – your existing hardware may be perfectly adequate, or you may decide to have your data hosted on a remote server or in the cloud.

From an IT perspective, one of the biggest advantages of introducing a shared service is the opportunity to upgrade the necessary hardware.

As servers have an average life of around five years, the introduction of a shared service often provides the perfect opportunity to invest in the latest technology. By joining forces to buy new

hardware, significant savings can be realised right away.

For example, if there were three individual customers buying small Unix-based servers, these might cost in the region of £29,000 each. If the databases were transferred to one mid-sized, top of the range server costing £58,000, this is an instant saving of £19,000. In this situation, virtualisation will allow the data to continue to be stored separately if this is desired.

*"It is probably fair to say that there are a lot of authorities that are using older equipment but there are others that have taken a more leading-edge approach with respect to the refresh rate. To provide the correct level of performance scalability and business continuity we have made some investments in the core platform, the network layer and the telephony."*

Logan Tweedie, IT Director, Compass Point Business Services

*"We made an investment in terms of new servers because of the speed at which servers become outdated. We also invested in a set of backup servers and, with the servers placed at different locations, were able to provide the resilience and disaster recovery measures required for effective operation. However, we negotiated a good deal with our IT suppliers so still made overall savings on the existing contracts."*

Elaine Turner, Performance Manager, Carlisle City Council

#### 6. How do we manage the maintenance of servers and software?

This needs to be worked out from the very beginning with your new partners. You now have an opportunity to structure your team according to your new needs. For example, you may have had three database administrators before, now you may only need one or two, and the additional member of staff can be redirected to other tasks.

If you are going for a hosted system on remote servers this service will be managed for you. However, for those services maintained on site, you will need to nominate responsibility to an individual or team. Previously, you may have found you didn't have the resources to dedicate people to specific tasks, now you may have these resources to have someone permanently managing one area of maintenance.

Increasingly, the location of individuals is not of major importance as many jobs can be managed remotely.

*"Good vendor relationships and partnerships are essential to support the core applications and infrastructure. Make sure there is a robust relationship and support contract in place. You also need expertise in bringing together IT functions, so there is a pool of individuals across the split site working as a virtual support centre."*

Marcus Hobbs, Transformation Lead, Compass Point Business Services

#### 7. How will staff access the shared service?

If staff members are accessing a web-hosted application then there should be no difference in the way they log in as part of a shared service.

However, there are a number of management systems that are not web-based. A thin client desktop solution, such as Citrix, has a good record in shared services, while application streaming and virtualisation solutions, such as Microsoft's App-V, have now become viable alternatives and remove the need for locally installed applications.

There are a number of advantages to this. Firstly, it means whatever the age of the desktop hardware, the user experience should not be compromised by slow-running applications. Secondly, it means software updates can be carried out

much quicker. This makes a considerable difference when there are 500 PCs to update at one time.

Of course, not all applications will be suited to this type of deployment. If you have a high demand cash office, for instance, a Citrix application will not be ideal in terms of meeting demand and possibly security, but they are certainly a cost-saving option for most applications.

*"We have our standard office users, which for efficiency are provided through a Citrix front end on a thin client. But we also have laptop users and we have to allow certain functions to have more flexibility, such as IT support, so we allow remote working through secure access."*

Logan Tweedie, IT Director,  
Compass Point Business Services

## 8. What will happen in the event of a system failover?

It is useful to keep in mind that moving to a shared service provides the opportunity to upgrade the system infrastructure.

By merging services that would normally require multiple sets of hardware to run, councils can consolidate their investment and purchase a server with greater fault tolerance levels, for example. Or invest in a mirrored disaster recovery site to take over in the unlikely event of a flood or fire.

In fact, overall, it should be easier and cheaper to establish a single back-up plan for the partnership, rather than a number of separate disaster plans for each council. This is definitely the opportunity to put some money into a better infrastructure to protect the partnership, more than you could have afforded on your own.

*"Back in 2005, we lost everything when our offices were flooded during freak weather. It could have been a disaster but for the dedication and commitment from staff to restore the services as soon as possible."*

*Now we have two sets of servers on different sites and feel confident of being able to cope in most situations."*

Elaine Turner, Performance Manager,  
Carlisle City Council

*"We are considering using a hosted server to hold our database so that we can have greater security and peace of mind."*

Hywel James, Principal Librarian Gwynedd, TalNet  
North Wales Consortium of Libraries

## 9. How much bandwidth will we need?

The amount of bandwidth required depends not on the number of users in the partnership, but the number of people actually logged on at any one time. There may be 1000 users but only 100 of them connected at any one time.

Think about how many people will be logged on at peak times of the day, such as first thing in the morning. For one shared service, trebling the bandwidth you currently have and assuming it will cover three local authorities in the partnership may not be enough to cover peaks in demand. For another shared service, doubling the bandwidth may be more than ample.

## 10. How do we cope with printing and scanning?

There are a number of ways in which you can approach printing and scanning now you have multiple sites on one network. Moving to a shared service offers up an opportunity to review the whole print, scan and copy estate. You can rationalise and introduce a more streamlined and more cost effective set of equipment and processes as a result.

SMS and email can be used where suitable to remove some print processes entirely. For example, emailed Council Tax bills or reminders to pay via text can significantly reduce printing and postage costs.

Some local authorities outsource their printing to a third party who will automatically add headers to letters and invoices, saving a significant amount of money on headed notepaper.

Otherwise, it is still possible to have printers and scanners located in strategic places that can be accessed by staff. Why not use a pin number or swipe card so the printer can recognise the user and print off their items on request? That way you avoid a situation where there are piles of paper spilling on the floor and users have to sift through to find their own documents.

*"For scanning we have a separate administration team. For printing, we have one set of templates across the three authorities and use ProPrint software which recognises which authority the documents relate to and prints the appropriate logo and header."*

Caroline Smith, Shared Services Manager,  
South Worcestershire Council

*"A lot of the desktop printers and separate office printers have been removed and a few colour-capable printers are now strategically placed around the corridor or principal office areas and they are all accessed via a swipe card. Scanning is fairly straightforward as we scan directly to email. As a result of these changes we have saved a lot of money and cut down dramatically on the amount of paper wasted."*

Marcus Hobbs, Transformation Lead,  
Compass Point Business Services

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## What services can we share?

Actions speak louder than words. Here we look more closely at the technical aspects of three areas of shared services: revenues and benefits, payment systems and libraries.

### 1. Revenues and benefits

Usually the starting point for most shared services, revenues and benefits has been described as 'low hanging fruit' for those looking to make large, quick savings. This back office function lends itself perfectly to partnership working and it is more than possible to improve customer service levels at the same time.

#### Revenues and benefits case study: Carlisle, Copeland and Allerdale Councils

Elaine Turner, Performance Manager,  
Carlisle City Council

"We started to provide management support to Copeland Borough Council on an informal basis during 2007. Copeland BC had just come through a full systems conversion combined with a major staffing restructure and they needed some additional support when the consultants left. This helped to establish strong relationships between the two councils and the decision to explore a business case for shared revenues and benefits services became a logical option.

The Benefits Administration Grant was reducing year on year and all services had to find savings. We looked to enter into a full shared service with Copeland Borough Council and neighbouring Allerdale Borough Council also expressed an interest. Once the business case was accepted we put out a tender for a new IT contract covering all three authorities.

We had some big challenges to overcome, such as the fact that Allerdale BC was on a different revenues and benefits system, which was no longer to be supported. We were also using different EDRMS systems.

Carlisle CC had an existing licence in perpetuity for the revenues and benefits system, while Copeland BC was tied into theirs for a couple of years and Allerdale would be a new customer. We negotiated a new deal which bought out the existing contract, provided enhanced technology for all and made a commitment for a period of six years.

Our biggest fear was the scale of the challenge to pull it all together but we were motivated by the desire to protect everyone's jobs and provide a better service for less money.

To make it work we needed to streamline all our processes, which is a big challenge as everyone is still working over three locations.

The key to our integration is a shared desktop. We will keep our separate databases sitting underneath and provide our separate returns, claims and statistics to the DWP/DCLG. However, on the surface, our staff are able to access data seamlessly from all three councils and this means they are able to do the work of any of the three authorities using the same software.

One innovation we are very excited about is the electronic claim forms, which feed automatically through to benefit assessment screens, doing away with

double entry keying. Future improvements include customers being able to access their own correspondence and information online via pin numbers so we can reduce the need for unnecessary contact.

Allerdale BC went live on the new revenues and benefits software at the end of November 2010 and Carlisle CC and Copeland BC went live on new EDRMS software in July 2011. We now have the new servers and are finalising the process of testing all databases on the most up-to-date releases before moving them on to the new servers. We are using the Citrix thin-client desktop solution so we know the performance of the applications will still be good even on some of the older PCs.

In exploring the business case for a shared service, we did consider the option to move the whole operation onto one site as this may have delivered the biggest savings. However, that was likely to be problematic in terms of the distances apart and the impact on jobs and economies within the respective areas."

**Total predicted savings:  
£1.5 million over the six year plan  
(made up from £1.05 million for  
staffing and £0.45 million for ICT)**

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## 2. Payment systems

There are many council services and goods that need to be paid for by the general public. It's not only Council Tax or parking fines, there is also the reprinting of a birth certificate for example, the ordering of a new wheelie bin or payment for a repair to a private road.

The general public expects to be able to pay online and over the telephone these days, which can be a lot more convenient than having to take time off work and stand in line at their local council offices.

By consolidating all payment services across a council into one central service, running costs can be significantly reduced. One step beyond this is taking payments on other organisations' behalf to realise further efficiencies.

Your shared service can explore many ways in which to offer a combined payment solution to your customers, whether it is a web-based offering, an automated telephony application or even a mobile chip and pin service, all enabling officers to take payments in the field with a mobile device. The latest innovations in this field even include kiosk self-service payments, similar to the machines in train stations.

Your main concern will understandably be security and you will need to ensure your card processing system supplier adheres to the stringent standards defined within the Payment Card Industry Data Security Standard (PCI-DSS).

Once set up, your payment service will only need managing one day a week and this work can be handled by one person. If your shared service encompasses five or six partners, then this could be a specialist full-time job for one of your team.

Payment systems can be set up in a number of different ways to suit the size and scale of your shared service, and there

are savings to be made by establishing a partnership to access payment services, including lower card processing rates.

For complete peace of mind you could consider a hosted service, with a full disaster recovery service and staff on call 24/7.

### Case study: payment management

Jean Hewitt, System Support and Development Analyst IT, Worthing Borough Council

"The first service we shared with Adur District Council was waste management and that worked well. In February 2010, we decided to extend this to cover payment management. Our main driver was that we needed to be Payment Card Industry (PCI) compliant.

We were not sure whether it would be possible to share a payment management system as we knew we would have to keep our bank accounts separate. We had the added problem that Adur DC's payment system was so old it would need to be replaced completely. We found out it would be possible to keep our bank accounts and merchant IDs separate and still save a lot of money by sharing our software. This meant we would be able to upgrade Worthing BC's payment system at the same time.

Now we are able to interchange staff between the two sites if we need to, because of sickness or holiday cover, for example. We also only need one chief cashier rather than the two previously. The system deals with banking, internet and telephone payments, and all other payments taken by other departments.

The most challenging aspect of the project was finding out how the other team at Adur DC worked. We had to understand this fully before we could establish the service. We decided to go live at Worthing BC first with the new system as we knew that system better. Then we introduced it into Adur DC, once we had got it up

and running and dealt with the teething problems. I think this was a more sensible option than if we had gone live with both sites at the same time.

We have to keep funds separate but we can share all aspects of managing the payment methods.

The system is hosted on two virtual servers owned by Worthing BC. We have saved a lot of money that way and also on the software licence, which was very good value for our shared service.

Overall, our shared service took around 12 months to implement, mostly because we had a lot of work to bring Adur DC up to speed. Thankfully the decision to go live with Worthing BC first allowed us to iron out any issues on one side and learn from them before we got Adur DC on board.

Staff access the new system using a thin client on their desktop and the staff at the contact centre use a web browser.

The main benefits are that we saved money on purchasing the software together, and the fact that we need less IT support. It is a great benefit that staff can work across both authorities as well. The maintenance of the system is also less costly as is the fact that it is hosted on two virtual servers."

**Reported savings: approximately £40,000 in software related costs, £20-25,000 in staff costs per annum, plus undisclosed savings resulting from Adur DC no longer outsourcing telephone payments.**

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## 3. Libraries

Architecturally, systems managing local councils' libraries are split into two halves. Firstly, there is the core library management suite, which is kept on the premises and deployed within a network. But there is usually also an online public access catalogue where customers can browse for books and reserve them.

When looking at shared services in this area, local authorities can choose a hosted library management system or they can keep their server and database on the premises. A hosted system can save money in hardware and staff time, and reduces the need for dedicated system administrators.

Shared services can adopt a multi-tenant solution so the public visits one central website so customers can see not only the books in their local library but also those in neighbouring libraries. This offers a greater choice and the possibility to reserve books or have them delivered to a convenient location for collection.

### Case study: libraries management

Hywel James, Principal Librarian Gwynedd, TalNet North Wales Consortium of Libraries incorporating Anglesey, Conwy, Gwynedd, Coleg Menai and Coleg Llandrillo

"Our shared service stems from the last time North Wales reorganised. Prior to 1996, Anglesey and Conwy were one county and we had invested in a new library system. It was quite a substantial investment for a rural county and we felt it would be foolish to break up the arrangement just because the county boundaries had changed. So we took the decision fairly early on that the library management system (LMS) would be used by us all.

We operate a common card policy, so customers from within the consortium can use their card in any library in the area.

Although the server is located in Gwynedd, we also deal with two other IT departments. The spirit of cooperation is in our nature, as it tends to be in libraries in general.

More recently we extended the use of our LMS to two local further education colleges, mainly on the online side. Over the last 15 years we have shown that shared services not only work in three counties, but across other services as well.

The biggest challenge has been bringing the colleges on board and upgrading the web access to improve the range of options we could offer to users. Working out how to share the costs and sorting out the IT problems with five different users has been a challenge too.

When joining with the colleges we had to consider how developed their IT departments were, how well staffed they were and how much they understood about library systems. A good understanding is needed on what connections are in place, how they are routed and what firewalls exist too.

We decided to consolidate our data and maintain one database for the three local authorities, but the colleges wanted to keep their databases separate because of concerns regarding the security of students' data. So we have three databases, one for each college and one for the councils.

Managing servers has been a little burdensome recently, so we are now considering moving to a hosted server as this will give us greater security and peace of mind.

Certainly, we were looking for value for money with our shared service and it was clear if we shared we would get a better quality system at much cheaper rates as a group than if we had gone it alone. By sharing, we have got a system that offers more to our customers. We could never have afforded it otherwise."

**Reported savings: based on a cost comparison exercise, the approximate savings have been £50,000 per annum.**

## Conclusion

A technical shared service will only be successful if it is built on firm foundations. It is about careful planning and learning from the experience of others that has gone before.

Despite the fact that we are talking about a technical service, people are the most important factor in its success.

Ultimately this is a change programme and needs to be managed accordingly. Communication with your own staff and with your new colleagues is not only desirable – it is absolutely essential.

If you have planned well, any IT challenges can be overcome. Networks can be created, data can be migrated and servers updated.

You need to focus on the end goal of the huge potential savings that can be realised, and which can help protect council services and jobs. Think of the implementation of a shared service as a new start. It is an opportunity to change the way you do things for the better, to improve services, implement self-service and upgrade IT platforms or back-up services.

As the organisations within this white paper have shown, it can all be achieved.

*“Our revenues and benefits partnership proves it is possible to do things at a lower cost while improving performance, with in excess*

*of £1 million worth of savings achieved so far. Customer service levels have increased and this, together with the cost savings realised by sharing resources and software, has certainly benefited our citizens.”*

Stuart Dawson, revenues and benefits manager,  
South Dorset Revenues and Benefits Shared  
Service Partnership

If you would like to know more about the savings that can be achieved from shared services, please read the Capita white paper: ‘What Every CEO Needs to Know about Shared Services - The Why, When and How of Developing Technology-led Shared Services in Local Authorities’ which you can download from [www.capita-software.co.uk/sharedservices](http://www.capita-software.co.uk/sharedservices)

A free copy of the research report ‘The First Steps: building a culture of trust to deliver shared services’ published by UKauthorITy with support from Capita and SOCITM can be requested from [ann@infopub.co.uk](mailto:ann@infopub.co.uk)

Capita would like to thank the local authorities and other organisations that kindly gave their time to help with the research for this paper.

Your biggest support as an IT professional establishing a shared service will come from your suppliers. Make sure you choose a company with experience in dealing with other shared services. Look for a name you can trust that will work with you every step of the way. It will be the best investment you can make.

Capita has extensive knowledge and experience concerning shared services, and we consider ourselves the go-to for any local authority contemplating joining or forming a shared service. No matter what size or location, Capita can help you manage the challenges, leading you into a money-saving, successful shared service operation.

We currently partner with over 20 shared services operating throughout the UK, with more coming on board and going live each month.

To arrange a **FREE** consultation and to start exploring how a shared service could benefit your organisation, call us now on  
**08701 631800**  
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## CAPITA

Capita  
Manvers House  
Manvers Street  
Trowbridge  
BA14 8YX

08701 631800  
[shareservices@capita.co.uk](mailto:shareservices@capita.co.uk)  
[www.capita-software.co.uk](http://www.capita-software.co.uk)



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