

SHARED SERVICE – BUSINESS CASE
Summary Options Analysis

APPENDIX 1

The Project Board assessed each of the possible long term ‘delivery vehicles’ (as set out in paragraphs 23 and 29) against a series of agreed key criteria linked to the vision and objectives of the shared service. The results of this analysis are given below:

Options

- Option A – Joint Working Arrangement
- Option B – Contract to Supply Services
- Option C – Joint Committee
- Option D – Function Delegated by one Council to the other
- Option E – Company Limited by Shares or Guarantee
- Option F – Joint Venture Vehicle
- Option G – Fully Outsourced Service

| Criteria | Options (delivery vehicles) | | | | | | |
|---|------------------------------------|----------|----------|----------|----------|----------|----------|
| | A | B | C | D | E | F | G |
| OWNERSHIP AND VISION | | | | | | | |
| Will this option be able to deliver the vision for the shared service and are there clear links to both Council’s Corporate Objectives? | | | ✓ | | ✓ | ✓ | ✓ |
| Will the service be perceived as a genuine equal ‘partnership’ between the two Councils? | ✓ | | | | ✓ | | |
| Will both Councils have sufficient control and influence over the strategic direction and future development of the service? | ✓ | | ✓ | | ✓ | | |
| Would this option avoid the need for one or both Councils to establish a separate ‘client’ structure to monitor the contract? | ✓ | | ✓ | | ✓ | | |
| IDENTITY | | | | | | | |
| Will this option allow the service to develop its own identity? | | | | | ✓ | ✓ | ✓ |
| AFFORDABILITY | | | | | | | |
| Are the set up costs / required investment for this option likely to be affordable? | ✓ | ✓ | ✓ | ✓ | ✓ | | |
| COST EFFECTIVENESS | | | | | | | |
| Is this option likely to be affordable on an ongoing basis, and does it represent value for money? | ✓ | ✓ | ✓ | ✓ | ✓ | | |

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| Will this option achieve economies of scale and deliver the expected efficiencies in service delivery? | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| IMPLEMENTATION | | | | | | | |
| Are the skills and resources readily available to implement the proposed option? | ✓ | ✓ | ✓ | ✓ | ✓ | | |
| Is there general support from within both Councils to implement this option? | ✓ | | ✓ | | ✓ | | |
| Would both Councils be able to support the change management needs associated with this option? | ✓ | ✓ | ✓ | ✓ | ✓ | | |
| SERVICE AND CAPACITY IMPROVEMENTS | | | | | | | |
| Is this option able to provide continuity of service in the long-term, irrespective of short-term problems and/or changes in key personnel? | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Is this option likely to deliver the required improvements in operational capacity? | | | ✓ | | ✓ | ✓ | ✓ |
| Is this option likely to achieve the required focus on quality and enhance the professionalism of the service? | | | ✓ | | ✓ | ✓ | ✓ |
| FINANCIAL / BUSINESS OPPORTUNITIES | | | | | | | |
| Does this option allow external income to be generated by selling services to other public sector bodies? | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Does this option offer the capability and capacity to identify and develop other business opportunities? | | | | | ✓ | ✓ | ✓ |
| LEGAL CONSIDERATIONS | | | | | | | |
| Do both Councils have the legal powers to implement the proposed option? | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Does this option avoid the need to undertake a EU compliant tender exercise? | ✓ | | ✓ | ✓ | ✓ | | |
| RISKS | | | | | | | |
| Are the financial risks associated with this option considered to be acceptable to both | ✓ | ✓ | ✓ | ✓ | ✓ | | |

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| Councils? | | | | | | | |
| Are the risks to future service delivery associated with this option considered to be acceptable to both Councils? | ✓ | | ✓ | | ✓ | | |
| Does each Council have an equal share of risk and reward? | ✓ | | ✓ | | ✓ | | |
| INNOVATION / SERVICE TRANSFORMATION | | | | | | | |
| Is this option innovative and does it offer the opportunity to address the government's transformational policy agenda? | | | ✓ | | ✓ | ✓ | ✓ |
| Is this option suitable for helping to develop new methods of partnership working and service delivery in the future? | | | ✓ | | ✓ | ✓ | ✓ |
| Can this option allow the service to be expanded to provide other back office functions to both Councils? | ✓ | | ✓ | | ✓ | ✓ | ✓ |
| Would this option be attractive to other potential partners in the future? | ✓ | | ✓ | | ✓ | ✓ | ✓ |
| Unweighted Totals | 15 | 9 | 22 | 10 | 25 | 13 | 13 |