



Business Plan 2011 - 2014

March 2011

Version 1.0



Document History:

Version	Date	Author	Change Reference
V0.1	01 Feb 11	Sue Reay	Initial Draft document
V1.0 Final	5 th May 11	Sue Reay	Included comments from Exec Board

Reviewers:

Name	Project Role	Date	Comments
XMT			

Sign Off:

Name	Date	Version	Comments
Exec Board	22/3/11	1.0	Comments included in final report

File Location:

Q:\Xentrall_Support\Xentrall Business Plans\Xentrall Business Plan 2011-14 v1.0
 110505.doc

Contents

1. Introduction	4
1.1 Vision.....	4
1.2 Strategic Objectives:	4
1.3 Background	4
1.4 Xentrall Business Development Phases	5
1.5 Key supporting strategies and policies.....	6
2. Stockton and Darlington Councils Corporate Priorities.....	7
2.1 Strategic Framework	7
2.2 Priorities for Stockton and Darlington Councils 2011 – 2012	7
2.3 Planning Framework	8
2.4 Performance Management and Reporting Frameworks	8
3. Services Provided by Xentrall.....	9
4. Key Achievements / Challenges and Priorities	10
4.1 Major Achievements in 2010/11	10
4.2 Xentrall Priorities for Next Three Years.....	11
5. How we will measure success	14
6. Overview of Governance Arrangements.....	15
7. Workforce Development Strategy.....	15
8. Customer Strategy	15
9. Equality and Diversity	16
9.1. Actions for Xentrall	16
9.2. Supporting Actions	16
9.3. What we do – What we have done already.....	17
Appendix 1 – Balanced Scorecard 2011/2012.....	18
Appendix 2 – Glossary of Terms.....	19

1. Introduction

1.1 Vision

Our Vision is: to create a seamless partnership with clear, shared objectives, collaborative relationships and a common culture to enable each Council to achieve more than it could on its own

Our Core Values are:

- Valuing our Employees
- Delivering Customer Service Excellence
- Delivering High Performing / High Quality Services

Our Culture is:



1.2 Strategic Objectives:

Our overall strategic objectives are set out in the legal agreement and are:

- To jointly provide a range of corporate and transactional services to Darlington and Stockton Borough Councils;
- To secure efficiencies whilst retaining highest rated performance;
- Improve service capacity and resilience;
- To form a nucleus around which both Councils and future partners could align service delivery;
- To build capacity in partnership councils, securing intellectual capacity, recruitment and retention and sustainability;
- Act as an exemplar or prototype of collaborative working for the North East;
- To ensure that the partnership is both “future proof” and expandable.

1.3 Background

In December 2005 approval was given for detailed work to be undertaken looking into the possibility of joint working between Stockton and Darlington Borough Councils.

The report concluded that benefits could be achieved by bringing together a number of

services into a Shared Services Partnership, as follows:

- Transactional HR;
- Transactional Finance;
- Design and Print;
- Information and Communications Technology.

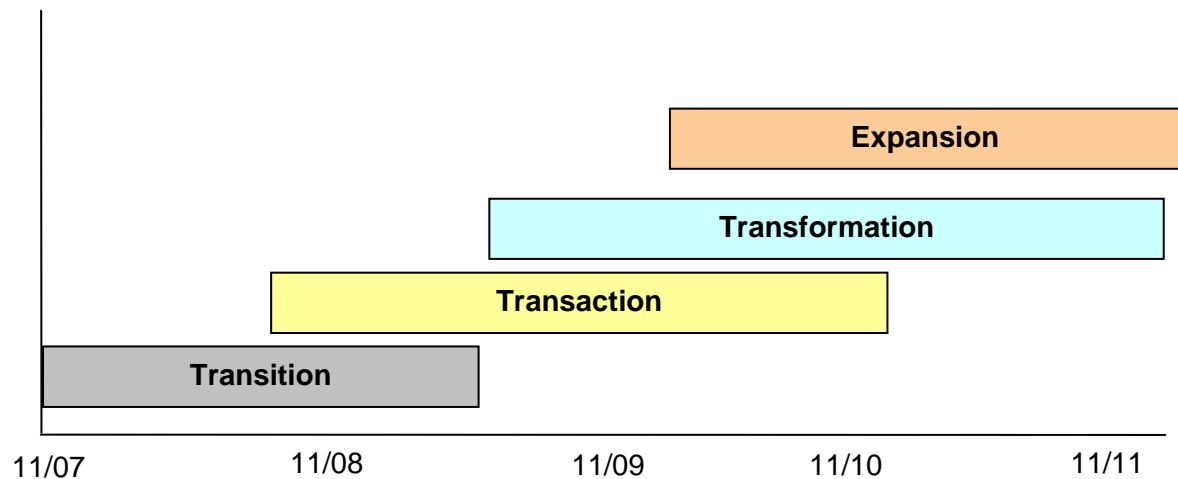
Following the development of a robust business case, in November 2007 both Councils gave the go ahead for the partnership to be established.

Xentrall Shared Services was established on 1st May 2008.

1.4 Xentrall Business Development Phases

Xentrall Shared Services has been established for nearly three years. It has completed the first and second phases of its development and in the next two years will be about Transforming the services and Growing the business. The stages of the development of Xentrall are:

- ❖ Transition – the services need to be fully established, co-location needs to be completed and the business framework needs to be developed and implemented. During this phase the culture of Xentrall will also be developed. It is important to note that ICT have a transition phase of two years which takes account of the need for employees to move from existing roles to new roles. **COMPLETE**
- ❖ Transaction – from going live on 1st May 2008, the first priority for Xentrall was to ensure service delivery was at least as good as it was prior to setting up the partnership i.e. business as usual. The next stage is to look at all the processes and improve them either by implementing new ways of working or through business process re-engineering (i.e. doing the same thing better). **COMPLETE**
- ❖ Transformation – changing the way we do things over a period of time (some may be quick wins) to deliver the financial and qualitative aspirations of the Outline Business Case, giving customers added value. It is anticipated that by working differently, for example: introducing new technology; self service; e-procurement; the Councils will get even greater benefits and savings than those originally anticipated.
- ❖ Expansion – it was always expected that Xentrall would grow over time. This will include taking on additional services, additional customers and possibly additional partners.



1.5 Key supporting strategies and policies

Xentrall has developed a number key supporting strategic, policy and framework documents which set out how it will manage and govern its business. These are separate documents which will be developed and then updated on at least an annual basis. They form our operational governance framework (aka: The Way we do Business Around Here) which is set out in appendix 1 the key components of which are:

- Workforce Development Strategy (incorporating the Organisational Development Strategy)
- Customer Strategy
- Stakeholder Management and Communication Strategy
- Performance Management Strategy
- Benefits Management Strategy

2. Stockton and Darlington Councils Corporate Priorities

2.1 Strategic Framework

Xentrall is part of two Councils which have their strategic frameworks within which Xentrall will operate.

Darlington Vision: ‘One Darlington : Perfectly Placed’

Darlington is in the process of developing a business model for the future role of the Borough to include:

- Champion the interests of citizens and businesses
- Support strong partnerships to set a vision and direction for the Borough and its services
- Promote the Borough to secure investment and support
- Ensure the provision of good quality services

Stockton Vision:

‘We are passionate about creating a clean, green and vibrant place where people are safe, healthy and happy.

We are ambitious, open and fair.

We deliver great services for your money.’

2.2 Priorities for Stockton and Darlington Councils 2011 – 2012

There has been a considerable climate change in local government over the last twelve months. Local Government funding is set to decrease by about 27% over the next four years. Both Stockton and Darlington Councils are responding to this by identifying significant savings which can be made over the coming years. Xentrall Shared Services has undertaken a full review of its service with the aim of delivering savings over and above the original business case.

Xentrall Shared Services still needs to respond and support the significant change agenda in both Councils:

- Stockton Council is continuing with a process of Efficiency Reviews for all services which should be completed next year
- Darlington Council has also undertaken a review of its services and has also established a transformation team which will drive through further efficiencies
- Both Councils are continuing to look for more ways to partner either with each other or appropriate bodies to improve services and deliver further efficiencies

In addition to the need to make savings, the priorities for Stockton and Darlington Councils are set out below:

Workwise	new ways of working, including more flexible working, asset management
Infrastructure refresh / review	particularly network infrastructure, print strategy and virtualisation

Procurement Strategies	linked to e-procurement and more automated procurement, contract spend
Use of Resources / Data Quality	delivering effective services which provide value for money
Information Governance / Security / Business Continuity Management	improving standards and compliance linked to national standards
Equality and Diversity	continually striving to ensure equality of access for all
ICT Strategy	Stockton and Darlington have individual strategies but there are many common elements including common infrastructure where appropriate
Agresso Financial Management System developments	ongoing improvements to Financial management and automation of processes
PSE HR/Payroll system developments	Introduction of self service and improved management information

2.3 **Planning Framework**

Both Stockton and Darlington Councils have a number of plans underpinning their service delivery. These plans impact on Xentrall in different ways:

Xentrall as a provider of services	Needs to ensure that it complies with key plans so that it can deliver a service to Stockton and Darlington customers in a way which is consistent with the requirements of each Council. An example would be equality and diversity.
Stockton Council as lead authority	Xentrall needs to ensure that it complies with the frameworks determined by the lead / employing authority. An example would be HR policies.
Xentrall as a strategy developer	Both Councils have an ICT Strategy. These strategies are developed and delivered by Xentrall in conjunction with both Councils.

2.4 **Performance Management and Reporting Frameworks**

Performance Information

Performance information can be broken down as follows:

- Performance information provided by Xentrall and used by the two Councils e.g. sickness absence

- Performance targets set by the two Councils to which Xentrall contributes e.g. availability of ICT network
- Performance targets set by Xentrall and approved by the Executive Board which are used to ensure that Xentrall is delivering its core objectives.

Performance is monitored and reported quarterly to both Councils and also to the Executive Board and the Partnership Consultative Panel.

Major Projects

All major projects in Stockton and Darlington Councils and Xentrall are managed under a project management framework and highlight reports are produced and reported on at least a quarterly basis.

Stockton Level 1	Stockton Level 2	Darlington Transformation Programme
	Xentrall Business Case	Xentrall Business Case
	ICT Strategy	ICT Strategy
	Information Governance	Information Governance

Budget Management

The Xentrall budget is managed on the basis of a risk assessment some services have a monthly review others are done quarterly. The budget variances are reported on a quarterly basis to the Executive Board.

Risk Management

The risk log is monitored on a monthly basis and reported to the Executive Board. In addition to this, a high level risk for Xentrall sits on Stockton and Darlington's Corporate Risk Registers and these are updated on a quarterly basis.

Annual Corporate Assurance

Every year Xentrall produces an annual certificate of assurance for the Statement on Internal Controls and Risk Management.

Annual Report

The Partnership Consultative Panel will produce an annual report which will go to Stockton and Darlington Council's Cabinets at the end of the year.

3. Services Provided by Xentrall

ICT Service

The ICT service provides quality services, which are both effective and efficient, which make a positive contribution to Stockton and Darlington Councils achieving their key priorities.

The service guides and advises on the strategic direction of ICT services and is proactive in identifying opportunities to exploit information and communication technologies. In addition, it ensures that solutions are made available and maintain to their optimum capability and to maintain a service which responds and adapts quickly to change. Services provided are:

Project Managers; Business Analysts; Service Centre; ICT Training; End User Support; Server Support; Network support; Systems support; Systems Development; Member's ICT Services; Strategic Services including Information Security Management, Information Governance, Technology and Process Excellence.

Design and Print Service

The Design and Print service deliver cost effective design and print solutions. They have a range of different print equipment and are capable of producing high quality print solutions. In addition to the design and print services, they also deliver a purchasing service which can be used to procure externally for any work which can't be undertaken by the in-house team.

Transactional Finance Service

The Transactional Finance service provides efficient and effective transactional services to its customers. It embraces new technology maximising the benefits from it and ensuring a smooth interface between operational and front line services. Services provided are: Creditors; Debtors; Banking; Income; Car Mileage processing; and the development and support of the Financial Management System, Agresso.

Transactional HR Service

The Transactional HR service provides efficient and effective transactional services to its customers. It embraces new technology maximising the benefits from it and ensuring a smooth interface between operational and front line services. Services provided are: Payroll; Recruitment; Contracts; Absence Reporting; and the development and support of the HR Management System, PSE.

4. Key Achievements / Challenges and Priorities

4.1 Major Achievements in 2010/11

Set out below are the main achievements made by the services during 2010/11.

- Supported five service areas in Stockton and Darlington which have been reviewed for possible joint working
- Supported Building Control partnership review
- Completed a fundamental review of all Xentrall Services and implemented findings
- ISO 27001 certification for Xentrall ICT services
- Gateway Review 5 – Delivery of the Business Case – Full Assurance
- Delivered the budget target for 2010/11
- Implemented a review of Design and Print including an extensive improvement programme
- Implemented new working arrangements with Stockton's Communications team, in line with the Stockton review of this service – similar changes are being implemented in Darlington.
- Reduced sickness absence across all services
- Implementing major ICT infrastructure programme including the new Disaster Recovery arrangements and server virtualisation
- Developed the business case for Printer Consolidation, procurement process is nearly complete
- Major Agresso upgrade implemented in Stockton and at the same time, merged the Stockton and Darlington systems onto a single database
- Rolling out Agresso training across Stockton Council and Stockton Schools

- All 38 Darlington schools on Agresso by April 2011
- Won work for the new North Shore Academy in Stockton
- Won work for the new Hurworth Academy in Darlington
- Completed a Procure to Pay review in Darlington – implementing the improvements
- HR Online developed and successfully launched
- Improvements in Contracts performance following closer working with services.

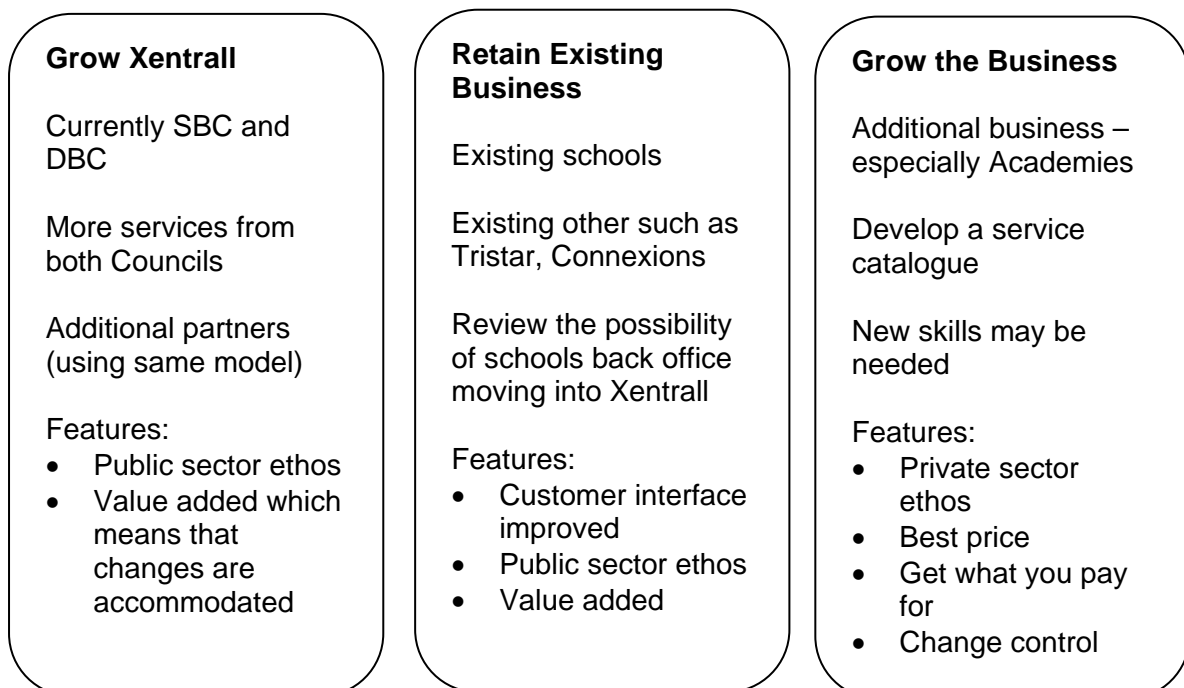
The main challenge for 2010/11 has been the financial settlement in both Councils. Xentrall has undertaken a review of its services and identified additional savings of about £400k but it will need to continue to be responsive to the changing needs of both Councils.

4.2 Xentrall Priorities for Next Three Years

Xentrall is still implementing the improvements needed to deliver the original business case as well as continuous improvements which are aimed at improving the efficiency of the service. The ongoing priorities are:

1. **Building and Strengthening Relationships**, across Xentrall and with Stockton and Darlington Councils, which includes ensuring that the organisations are meeting together regularly to agree the overall strategy for improvement.
2. **Continuous Improvement**, which includes reviewing all our process and including our customers in the process reviews.
3. **Automation of processes**, developing the Finance and HR systems to improve the service delivered to our customers and reduces overall staffing levels.

The Xentrall fundamental review focussed not only on the savings which could be made by working in a different way, it also looked at the future of the organisation. The review identified the need for Xentrall to grow where there is a strong business case and to focus on retaining existing business especially from schools.



Set out below are the service priorities for the next three years.

Overall Business Case – Responsibility: Xentrall Shared Services Manager

Key Actions to Implement Priority	By When
Deliver overall savings identified in Xentrall Business Case and subsequent reviews	31 Mar 12
Understand the impact of change in both Council over the next two to three years – Xentrall may need to be reviewed again to take these changes into consideration	On Going

ICT Priorities – Responsibility: Head of ICT and Design and Print

Key Actions to Implement Priority	By When
Complete ICT Restructure	Apr 11
Implement video conferencing capability	Jun 11
Commence implementation of print and copier consolidation programme	Jul 11
Complete Desktop Strategy review	Aug 11
Complete Disaster Recovery Suite	Aug 11
SBC/DBC 2011/14 ICT Strategies published	Aug 11
Implement ASSYST Self Service Portal	Sep 11
Achieve ISO9001 certification	Sep 11
Conclude restructure through implementing new ways of working	Dec 11
Commence review of NextiraOne contract as part of a wider networking/WAN review	Dec 11
Complete server virtualisation and consolidation programme	Dec 11
Upgrade Assyst to version 10	Dec 11
Achieve ISO25999 Business Continuity Management certification	Dec 11
Complete implementation of Government Connects security standards	Jan 12
Pilot Sharepoint Portal Server	Mar 12

Design and Print Priorities – Responsibility: Head of ICT and Design and Print

Key Actions to Implement Priority	By When
Continue to improve service and develop external business opportunities	Ongoing during 2011 / 12
Review service due to down turn in demand	July 11

Transactional Services – Responsibility: Head of Transactional Finance and HR

Key Actions to Implement Priority	By When
Deliver overall financial savings and manage budgets within medium term financial plan	31-Mar-12
Improve business relationships with schools and develop new business relationships with Academies	31-Mar-12
Implement and embed new structures further to Xentrall EIT Review	30-Jun-11
Continuous improvement in process efficiency and effectiveness utilising LEAN principles, tools and techniques	31-Mar-12

Transactional Finance – Responsibility: Head of Transactional Finance and HR

Key Actions to Implement Priority	By When
Support DBC, SBC and Xentrall in the implementation of service restructures and reviews (changes to: Agresso, finance processes, cost centres, organisation structures, requisitioners, authorisers, system reports, management information etc)	31-Mar-12
Support SBC and DBC in improving finance, procurement and procure to pay practices	31-Mar-12
Support DBC sundry debtors review (includes associated impact on formal escalated debt recovery processes)	31-Mar-12
Support DBC income management system review (includes associated impact on bank reconciliation processes)	31-Mar-12
Ongoing implementation of Agresso self-service car mileage processing	31-Mar-12
Ongoing implementation of Version One OCR technology for invoice processing	31-Mar-12
Review and Refresh Agresso Strategy	31 Oct 11

Transactional HR – Responsibility: Head of Transactional Finance and HR

Key Actions to Implement Priority	By When
Review and Refresh PSE Strategy	31 Oct 11
Support DBC, SBC and Xentrall in the implementation of service restructures and reviews (changes to: PSE, HR processes, organisation structures, issue contracts of employment employees, managers,	31-Mar-12

system reports, management information etc)	
Ongoing implementation of HRonline self-service system and associated processes	31-Mar-12
Ongoing development and modernisation of recruitment system and associated processes	31-Mar-12
Ongoing development of PSE training module	31-Mar-12
Take account of any additional changes need to accommodate employees transferred from Health as part of the Public Health responsibilities	31-Mar-12

5. How we will measure success

Our key objective is to deliver the original Outline Business Case and the further savings identified in subsequent reviews. The revised target of savings is now approximately £11m. We will measure our success using a range of performance indicators which form our Balanced Scorecard attached at appendix 1.

Our Resources – will measure how we are delivering value for money by using a basket of financial measures. There are some measures looking at the cost of individual services but the main measure of success will be in ensuring we meet our budget targets over the next 10 years, thereby delivering the £7.2m savings set out in the approved financial business case. The resources indicators have been chosen on the basis that they can be benchmarked to demonstrate value for money in comparison to other providers.

Our Business – will measure how well we deliver our services using indicators which our customers will recognise. These measures will form part of our customer charters which clearly set out the service our customers can expect; these indicators will then measure our ability to meet our commitment to our customers. Some of these measures have been chosen because they can be benchmarked.

Our People – measures our employee satisfaction at working for Xentrall. It also measures how successful our Workforce Development Strategy is at reducing sickness absence and improving turnover figures. Staff satisfaction should lead to improved customer service.

Our Customers – measure our customers' satisfaction with the services they receive. Overall customer satisfaction is measured but customer commendations, comments and complaints are also reported.

We will also **benchmark** our services on an annual basis to demonstrate our ability to deliver value for money to both Councils. The benchmarking services we will use are:

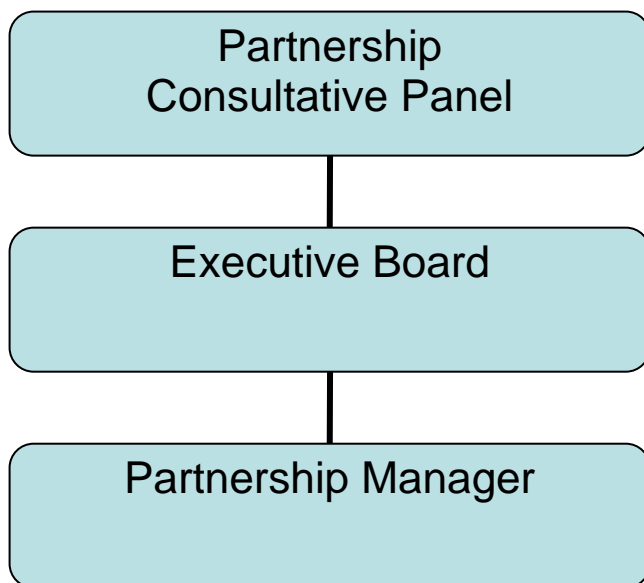
- CIPFA – Debtors, Creditors and Payroll
- SOCITM – for all ICT
- CIPFA Value for Money – Finance, HR and ICT

It has been acknowledged that Xentrall will deliver the benefits as outlined in the business case, but that it will also deliver benefits much wider than this in both Councils. Therefore a **Benefits Tracking and Benefits Realisation** system has been introduced to report all the benefits to both Councils.

6. Overview of Governance Arrangements

A legal agreement was signed between Stockton and Darlington Borough Councils on 30th April 2008. The legal agreement clearly sets out the governance and reporting arrangements and the terms of reference for each of the key roles.

The lead authority and therefore the employing authority is Stockton Borough Council and Xentrall operates under Stockton's scheme of delegation which includes the elements of delegation from Darlington Borough Council as appropriate.



The membership of the Partnership Consultative Panel is the two cabinet Members for Resources / Corporate Services in the two Councils. Their main purpose is to challenge and support the partnership. The Panel meets on a quarterly basis to consider progress and performance issues.

The membership of the Executive Board is the Corporate Director of Resources, Stockton and the Director of Corporate Services, Darlington. They have delegated authority to make key decisions for the Partnership. The Partnership Manager reports to the Executive Board on a monthly basis where they consider progress and performance issues.

Other decisions outside the delegated authority of the two Directors are made by the Cabinets of each Council as appropriate.

7. Workforce Development Strategy

Xentrall has its own Workforce Development Strategy which incorporates organisational development and its high level training programme / framework for development. This is reviewed on an annual basis in line with the employee satisfaction survey.

8. Customer Strategy

Xentrall has a Customer Strategy which sets out its approach to delivering customer service excellence. It also has a Stakeholder and Communications Strategy which set out details of its key stakeholders, the way in which Xentrall engages with the stakeholders and its

communications plan. Both these plans are reviewed on an annual basis.

Xentrall has been externally assessed and achieved the Customer Service Excellence standard.

Our customers are consulted every year on the quality and satisfaction of our services. This informs our customer improvement action plan which is implemented and monitored by the Xentrall Customer and Communications Group.

9. Equality and Diversity

Equality is important to the way we deliver all our services. We want to ensure that our services are of the highest quality and accessible by all.

Xentrall Shared Services must comply with all the relevant legislation with regards to equality and diversity. We must also demonstrate positive action planning in response to the equality and diversity agenda.

All Xentrall employees are employed by Stockton Borough Council but we deliver services to customers on behalf of both Stockton and Darlington Councils.

Equality Impact Assessments have been completed for all Xentrall services. The main actions are:

9.1. Actions for Xentrall

- Train all our staff in the scheme – in accordance with the Stockton Borough Council training programme
- Make sure our customer complaints process meets the needs of the standard
- Access, if we need to, the various translation services available when dealing with our customers
- When we consult our customers (external) we should ensure that we take advice from the diversity team / head of policy on which groups we can consult (understand our customer's needs and adapt our services accordingly)
- Make sure we are generally a good employer using flexible working appropriately to meet the needs of our employees
- As a good employer, making reasonable adjustments to jobs to accommodate people with disabilities
- Attend Job Fairs and promote the brand of Stockton and Darlington Councils especially in the context of equality and diversity
- The Xentrall, Stockton and Darlington web sites must be fully accessible
- All our services must have an equality impact assessment

9.2. Supporting Actions

In addition to the actions we need undertake as a business ourselves, it is important that our service supports the action plans of the two Councils. This will be achieved as follows:

- HR system will need to be developed to assist the two Heads of HR in providing all the monitoring information
- Recruitment services continue to be developed to provide the services required to meet the needs of all potential applicants
- Recruitment services to work with the two Heads of HR to develop a more strategic approach to recruiting from different BME groups

- ICT may need to support a number of services to deliver their objectives

9.3. *What we do – What we have done already*

- Involvement in the development of the NE recruitment portal
- Recruitment teams have attended job fares and other various events
- All our services have been assessed under the Customer Service Excellence standard
- Some of our employees have completed corporate equality and diversity training
- We had a robust Management of Change policy which supported our initial recruitment process to Xentrall, including moderation meetings – we also made reasonable adjustments to a number of posts
- We have implemented a new flexible working policy

Appendix 1 – Balanced Scorecard 2011/2012

Our Resources	Our Target 2011/12	Our Business	Our Target 2011/12
Year on year savings apportioned as agreed	£700k	Invoices paid within 30 days	95%
Cost of design and print for basket of documents		Bank Rec completed within 5 days of month end	99%
Number of workstations supported per specialist (as per SOCITM benchmark)	2 nd Quartile	Debtors – average days to collect debt	Monitor
Cost per invoice (creditors)	£1.85	% accuracy of payroll	99.84%
Cost per invoice (debtors)	£4.97	Average time to fill a vacancy	Monitor
Cost per payslip	£3.52	% ICT incidents resolved within agreed service levels	98%
Cost of design and print for basket of documents	£2,400	ICT projects delivered on time/budget as set out in ICT strategy	80%
Number of workstations supported per specialist (as per SOCITM benchmark)	1 st Quartile	Availability of ICT systems	99.5%
		Availability of ICT Network (SBC indicator only)	99.9%
		Time taken to issue a contract	98% within 6 weeks
		Time taken to vary a contract	99% within next pay run
		Time taken to process CRB checks	97% within 38 days
Our People	Our Target 2011/12	Our Customers	Our Target 2010/11
Staff satisfaction with Xentrall as an organisation to work for	3.7 (n/a)	Customer satisfaction with Transactional HR	4.0
% appraisals for Xentrall staff (% of available staff)	100%	Customer satisfaction with Transactional Finance	3.7
Staff satisfaction with learning and development opportunities	3.5 (n/a)	Customer satisfaction with ICT	4.0
Sickness absence	7 days	Customer satisfaction with Design and Print	4.0
Staff Turnover	Monitor	Customer Charter Standards:	
Top 5% earners women	50%	• Letters and emails answered within 10 working days	98%
Top 5% earners black and minority ethnic	3.15%	• Answering telephone calls within 5 rings	90%
Top 5% disabled	6.3%	Commendations, Comments, Complaints	Monitor
% employees declaring they meet the DDA definition	6.81%		
% employees from a BME community	2.00%		

Appendix 2 – Glossary of Terms

Term / Acronym	Meaning
Agresso	Stockton and Darlington Borough Councils financial management system
Executive Board	The Director of Corporate Services, Darlington; the Director of Resources, Stockton. The Partnership Manager reports to the Board on a monthly basis.
ITIL	Information Technology Infrastructure Library version 3. This is the recognised industry standard of best practice for ICT services. ICT are implementing this standard and one of the stages is the overall awareness and training of all ICT employees.
Outline Business Case (OBC)	<p>This is the business case which was approved by Members in both Councils in November 2007. It sets out all the major milestones and deliverables for the Partnership over the ten year period of the Legal Agreement.</p> <p>The business case will be monitored and reported on a quarterly basis.</p>
Partnership Consultative Panel (PCP)	The Lead Members for Resources in Stockton and Darlington Councils. The Executive Board report to the PCP on a quarterly basis.
PSE	Stockton and Darlington Borough Councils HR and Payroll management system
Xentrall Shared Services	The name for the Stockton and Darlington Shared Services Partnership.
Xentrall Management Team (XMT)	Partnership Manager, Head of ICT and Design & Print, Head of Transactional Finance and HR, Organisational Development Officer, Performance Officer.