

Shared Resource Service Follow-Up Review

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Summary report

Summary

What we reviewed and why

- 1 The Gwent based Shared Resource Service (SRS) is a collaborative technology provision to deliver shared Information Technology (IT) services between five partners:
 - Blaenau Gwent County Borough Council;
 - Monmouthshire County Council;
 - Newport City Council;
 - Torfaen County Borough Council; and
 - Police and Crime Commissioner for Gwent and Chief Constable of Gwent Police (Gwent Police).
- 2 In 2015, Wales Audit Office published a review of the establishment of the SRS. Since then, the number of councils who are partners of SRS has doubled. Also, information management and technology (IM&T) has evolved significantly in that time and has become the bedrock to enabling various public sector transformation programmes.
- 3 In October 2019, we held a helpful initial joint scoping workshop with representatives from each of the local government partners, followed by a conversation with Gwent Police. Both highlighted some key areas for consideration as part of our follow-up review of the collaboration.
- 4 Audit Wales and the SRS collaboration then agreed a project brief for a facilitative review of the SRS collaboration. This review sought to identify ways to strengthen the SRS collaboration to ensure it is sustainably delivering an effective, efficient and economic provision within this dynamic environment, for now and for the future, for its partners both individually and collectively.

Methodology

- 5 In Spring 2020, Audit Wales undertook initial workshops with the delivery groups (local implementation groups) with each partner organisation, except for Torfaen due to staffing availability at that time. As a result of those workshops Audit Wales developed a series of statements against the review's key questions.
- 6 The outbreak of the COVID-19 pandemic in Spring 2020 led to the planned workshops with the 3 strategic boards (Finance and Governance, Business and Collaboration, and Strategic Board) understandably being delayed as the public bodies responded to the pandemic and its impact on local communities.
- 7 Audit Wales then facilitated the workshops with the Finance and Governance and Business and Collaboration Boards in Autumn 2020. Due to the increased pressure caused by the pandemic, the Strategic Board workshop was postponed until late April 2021.

- 8 We asked all workshop participants a standard set of survey questions. The survey questions and the responses from each workshop are available at Appendix 1.

Output

- 9 Audit Wales' role in this review was to facilitate discussions between the SRS collaboration partners. As such, the outputs from the review reflect the views of the collaboration rather than those of Audit Wales.
- 10 We previously issued a summary of discussions at each of the workshops held with the three strategic boards. This document is the final output from the review and provides a high-level summary of the key themes coming out of those workshops. It sets out the overall finding of the review and summary findings against each of the key questions. We have drafted the headings to reflect the views shared by the workshop attendees.
- 11 We have not included proposals for improvement or recommendations. Instead, this document includes the key areas for development or conditions that could be strengthened, as identified by workshop participants, to ensure that the collaboration is well placed for the future.

What we found

- 12 The review sought to understand:

Is the shared resource service (SRS) collaboration delivering effectively now and what conditions could be strengthened so it is well placed for the future?

A) Shared vision and plan

Is there a shared understanding of the SRS collaboration's vision and tactical plan and have the partners been involved in shaping them?

B) Direction and priorities

Does each of the partner organisations provide sufficient strategic steer on their individual and collective digital aspirations?

C) Aligning and supporting the delivery of technical and strategic requirements

Is the SRS collaboration effectively supporting each of the constituent partners individually and collectively to maintain current IT resilience whilst helping them to develop and deliver against their 5-10 year digital roadmaps?

D) Benefits realisation of collaboration

Does each partner organisation effectively contribute to maximising the shared learning and efficiencies the SRS collaboration offers?

E) Oversight, accountability and outcomes

Do the current governance arrangements provide effective oversight of the tactical plan, performance, resources and outcomes, now and for the future?

- 13 Overall, SRS partners consider that the collaboration has delivered effectively during the pandemic and, to be well placed for the future, it would benefit from improved communication, more effective sharing of digital aspirations and learning, addressing its workforce challenges, and being able to demonstrate value for money. We reached this conclusion because:
- partners have a shared understanding and input into the collaboration's vision and tactical plan and partners have seen increased benefits from collaborating through the Covid pandemic.
 - partners recognise the importance of providing more strategic input in a timely manner around their individual digital aspirations to inform collective action.
 - partners recognise that the collaboration has effectively supported the IT resilience of each partner through the pandemic, however it faces staffing challenges. Partners identified the need to develop rolling digital roadmaps to inform the collaboration's strategic direction.
 - partners acknowledged the need to share learning more consistently and effectively across the collaboration to demonstrate it is achieving greater efficiency.
 - partners told us that the SRS governance arrangements provide oversight but that communication between the boards and within each partner needs improving.

Detailed report

Partners consider that the collaboration has delivered effectively during the pandemic and, to be well placed for the future, it would benefit from improved communication, more effective sharing of digital aspirations and learning, addressing its workforce challenges, and being able to demonstrate value for money

- 14 The following pages summarise the findings of the workshops with the Finance and Governance, Business and Collaboration and Strategic Boards organised against each of the key questions for the review.
- 15 We set out the interim findings for each question as identified in March 2020 and then the final finding in Summer 2021.
- 16 We present the following information for each question:
 - **What we found**

This section summarises the key points arising from discussions by workshop participants. A more detailed summary of discussions at each workshop can be found in the workshop output summaries shared with the three strategic boards.

This section also summarises the findings from the survey questions we asked workshop participants. Charts showing the full breakdown of survey responses for each board workshop are available at Appendix 1.
 - **Key areas for development**

Workshop participants were asked to identify the key areas for development / conditions that could be strengthened so that the collaboration is well placed for the future. This section summarises their responses.

Shared vision and plan

Is there a shared understanding of the SRS collaboration's vision and tactical plan and have the partners been involved in shaping them?

March 2020 finding: varying views on level of partner involvement in shaping the strategy and tactical plan.

Summer 2021 finding: partners have a shared understanding and input into the collaboration's vision and tactical plan and partners have seen increased benefits from collaborating through the Covid pandemic.

17 What we found:

- Nearly all survey participants agreed that the outcomes and aspirations of both the vision and tactical plan are clear.
- Nearly all survey participants agreed that their organisation is involved in shaping the vision and tactical plan.
- Most survey participants agreed that linkages between strategy, tactical plan, delivery groups and governance boards need to be more explicit.
- There have been significant improvements since the original work, particularly since the workshops held in 2019, e.g.:
- revised strategy and improved tactical planning and sustained focus on delivering against them;
- improved clarity on role of, and links between, Finance and Governance and Business and Collaboration Boards;
- improved understanding of partners' aspirations.
- the outcomes and aspirations of both the vision and tactical plan are clear
- partner organisations are involved in shaping the vision and tactical plan
- COVID has cemented the importance and benefits of SRS on a local footprint.
- the roll out of Teams and 365 at pace demonstrates the value of SRS.
- partners were initially in different places but are now more aligned. Though some councils noted that their individual transformation priorities do not always fully align to the SRS strategy and tactical plan.

18 Key areas for development:

- align organisation-level transformation activity with SRS strategy
- identify opportunities that will drive the greatest return and ensure the SRS collaboration is maximising its potential
- linkages between strategy, tactical plan, delivery groups and governance boards need to be more explicit

Direction and priorities

Does each of the partner organisations provide sufficient strategic steer on their individual and collective digital aspirations?

March 2020 finding: most participants felt that strategic input was inconsistent.

Summer 2021 finding: partners recognise the importance of providing more strategic input in a timely manner around their individual digital aspirations to inform collective action.

19 What we found:

- Most survey participants agreed that strategic input by their organisation is sufficient to achieve its digital aspirations within the collaboration.
- Most survey participants agreed that strategic input by other partners is sufficient to achieve their collective digital aspirations.
- Most survey participants think that the collaboration's strategy and tactical plan are complementary to their organisation's own digital aspirations.
- Most survey participants agree that differing levels of IT infrastructure, maturity of business change, and digital aspirations make a shared vision more challenging.
- individual organisations are at different levels of digital maturity and have different timelines and priorities, which presents challenges, but the gap in digital maturity between organisations is closing.
- these gaps, along with differing priorities, mean some partners are pursuing digital plans outside of the collaboration through their own digital teams. Potential therefore for SRS to focus on joint working aspects.
- SRS are providing the platform but there is further scope to do more together as partners.
- sometimes collective agreement and differing contract arrangements can be a barrier to progress and slow things down.
- a greater focus on infrastructure rather than systems has led to improved traction. The collaboration is effective in assessing the key priorities that they need to work on to enable partners to move forward, with individual partners responsible for their own systems approach.
- some partners acknowledged the need to review and update their own digital strategy or further develop their digital transformation priorities to better provide strategic steer for the collaboration.
- some partners warned about the danger of doing too much too soon and to keep things manageable. Balance to be struck between ambition and focus.
- recent work on business plan for moving infrastructure has shown there are still outstanding questions that need a clearer view and plan.

20 Key areas for development:

- although progress has been made over the last year, more could be done to share digital aspirations across partners to understand each other's aspirations and gaps and work together to move them forward.
- there is also scope to develop more ambitious digital plans.

Aligning and supporting the delivery of technical and strategic requirements

Is the SRS collaboration effectively supporting each of the constituent partners individually and collectively to maintain current IT resilience whilst helping them to develop and deliver against their 5–10 year digital roadmaps?

March 2020 finding: recently there has been a strengthened approach to working with each partner, however further development is needed of both individual and collective digital roadmaps.

Summer 2021 finding: partners recognise that the collaboration has effectively supported the IT resilience of each partner through the pandemic, however it faces staffing challenges. Partners identified the need to develop rolling digital roadmaps to inform the collaboration's strategic direction.

21 What we found:

- Some survey participants agreed that their organisation has a fully developed 5-10 year digital roadmap.
- Most survey participants agreed that uncertainty on future financial funding and IM&T resources are hampering progress on longer term priorities.
- Nearly half of survey participants agreed that from the information provided to the collaboration, it is difficult to have a clear view of the whole picture of the issues facing the current IT resilience.
- Many survey participants agreed that their organisation has a workforce plan that will provide sufficient in-house IT staff for local application support and new projects.
- Most survey participants agreed that the SRS service has sufficient capacity of IT staff to deliver the tactical plan.
- All survey participants agreed that the SRS collaboration is delivering appropriate and acceptable levels of IT resilience and efficiencies.
- IT resilience considered to be very strong, as demonstrated by the pandemic. Cloud technology is further strengthening resilience as will data centre move.
- staffing resilience (skills availability) is an issue. Recruitment and retention of staff is a challenge as staff are being lost to central government bodies who pay higher salaries for the same role.
- SRS collaboration seen as providing economies of scale as well as the ability to shift resources to priorities / emergencies.
- 5-10 year roadmaps considered too ambitious given the fast-moving nature of IT. Struggles to develop a long-term roadmap is impacting on collaborative planning. A flexible 2-3 year roadmap is seen as a more realistic aim.

- capacity issues within SRS can impact on strategic support as they are primarily focussed on delivering technical services.
- need to ensure sufficient investment is available as resources are key to delivering digital roadmaps and a sustainable delivery model.
- some partners suggested that cost savings and efficiencies in using the same systems could be very powerful.
- SRS has a longer-term (5-6 year) programme but would benefit from an annual plan to provide shorter term focus.

22 Key areas for development:

- all partners to develop medium-term rolling roadmaps which are 'live' and reviewed regularly.
- identify ways to tackle the issue of staffing resilience and skills availability.
- consider the benefits of using the same digital systems across partners.

Benefits realisation of collaboration

Does each partner organisation effectively contribute to maximising the shared learning and efficiencies the SRS collaboration offers?

March 2020 finding: each of the partners recognised the need to share learning more widely and drive greater efficiency.

Summer 2021 finding: partners acknowledged the need to share learning more consistently and effectively across the collaboration to demonstrate it is achieving greater efficiency.

23 What we found:

- Most survey participants agreed that organisations equally contribute to support the SRS collaboration to be more efficient and share learning.
- Just over half of survey participants agreed that they are clear on the arrangements for shared learning within the partnership.
- sharing learning and driving greater efficiencies is seen as important and beneficial to all and partners are happy to share their experiences and learning. However, arrangements for shared learning are not universally understood.
- there are positive examples of sharing learning across partners, e.g. Office 365 rollout. Participants noted that shared learning often takes place at an operational level for specific delivery issues. This is reflected in improved implementation as partners learn from each other.
- not all partners contribute to the same level because of where they are on their digital journeys, but this was considered natural and not a problem.
- open and constructive dialogue at the Business and Collaboration Board meetings is also helpful in helping share learning and considering efficiencies.

- learning is captured through both informal and formal channels but is not always structured or proactive, eg examples of 'stumbling across' shared learning from other partners.
- without the collaboration, knowledge of good/bad practice would unlikely be shared. Largely due to a lack of efficient structure to allow this. SRS is seen as a solution that allows partners to share information.
- time can be a barrier to sharing learning as usually move straight on to next thing once a project is complete, without setting aside time to reflect and share learning.
- the digital journey of individual organisations is less well shared and there is scope for each organisation's digital lead to play a greater role in sharing and collaboration.

24 Key areas for development:

- explore how to bring together learning from an operational level as well as the Business and Collaboration board in a more structured but non-cumbersome approach. Potential for 'sharing sessions'.
- recognise that SRS central team can help drive efficiency and have done so already, so maintain that learning..
- Continue to demonstrate success, as recently shown with Teams and Office 365.
- build in time to share learning.
- opportunity to share Digital Roadmaps as organisations. Shared learning and informing next iteration of tactical plan.

Oversight, accountability and outcomes

Do the current governance arrangements provide effective oversight of the tactical plan, performance, resources, and outcomes, now and for the future?

March 2020 finding: Partners had differing views on the effectiveness of the current governance arrangements.

Summer 2021 finding: Partners told us that the SRS governance arrangements provide oversight but that communication between the boards and within each partner needs improving.

25 What we found:

- All survey participants agreed that current governance arrangements provide effective oversight of the tactical plan.
- Most survey participants agreed that current governance arrangements provide effective oversight of performance.
- Nearly all survey participants agreed that current governance arrangements provide effective oversight of resources.
- Most survey participants agreed that current governance arrangements provide effective oversight of outcomes.

- Most survey participants agreed that SRS board meetings are always well attended by all organisations.
- Most survey participants agreed that there is a clear rationale why agenda items are discussed at the Boards within the governance structure.
- Many survey participants agreed that the decisions made by SRS boards are both easily accessible and clearly communicated.
- Most survey participants agreed that their organisation efficiently and effectively scrutinises the SRS collaboration.
- Most survey participants agreed that their organisation has acceptable oversight of internal audit activities and outputs.
- Most survey participants agreed that there are sufficient levels of challenge and scrutiny within the SRS governance arrangements to assure itself of its effectiveness and efficiency.
- current governance arrangements were generally considered to be effective and had improved over the last year.
- many participants felt that decision-making by the boards is now more clearly communicated but there was agreement that communication could be further strengthened.
- there is regular scrutiny of SRS at an individual organisation level but no joint scrutiny.
- communication arrangements at partner level vary by organisation. There is scope to improve flow of information between board members at some partner organisations.

26 Key areas for development:

- there is potential for joint scrutiny of SRS (rather than individual partners doing it) to enable better scrutiny of the collaboration element
- the technical aspects of delivering the service are sometimes at odds with the focus on collaboration – these tensions need to be managed
- all partners need to attend Boards as this can limit agreement/collaboration
- communication and ease of access to information was felt to be an area of improvement that could be easily and quickly made. Suggestions include:
 - develop a single repository of documents and decisions relating to the various boards to aid communication and understanding. Agendas and reports are currently not easy to share from the MS Teams circulation format.
 - improve communication between board members within partner organisations. Some participants noted a disconnect caused by lack of understanding, e.g. tensions around financing technical investments, which could be resolved through better internal communication.

- improve communication between the three boards to ensure they are properly aligned. An annual away day may help board members to better understand issues outside their board.

Overall review question

Is the shared resource service (SRS) collaboration delivering effectively now and what conditions could be strengthened so it is well placed for the future?

March 2020 finding: whilst all partners felt that the collaboration had value and was moving forward, collaborative governance needs to facilitate better communication and relationships between partners, to demonstrate whether the collaboration is collectively and individually achieving value for money.

Summer 2021 finding: partners consider that the collaboration has delivered effectively during the pandemic and, to be well placed for the future, it would benefit from improved communication, more effective sharing of digital aspirations and learning, addressing its workforce challenges, and being able to demonstrate value for money.

27 What we found:

- participants felt the pandemic had highlighted the benefits of SRS – it has delivered an effective service in a timely way, and the collaboration is now working much better together.
- the collaboration was seen to provide added value over a commercial organisation and is driving improvements that would not have been achieved individually. Some participants highlighted the need to manage expectations; that the collaboration cannot magically solve all problems with current resources.
- the SRS collaboration was generally seen as good value for money and a cost-effective way of delivering IT services, but there was a lack of evidence to confidently demonstrate/quantify that it was providing good value for money to all partner organisations.
- participants weren't aware of any work done on cost comparison / benchmarking to help demonstrate value for money.
- evidencing value for money was considered challenging given:
 - each partner is likely to class value for money as something different; and
 - as new partners become involved in the SRS it has changed the parameters of costs and each partner has come from a different starting point.

28 Key areas for development:

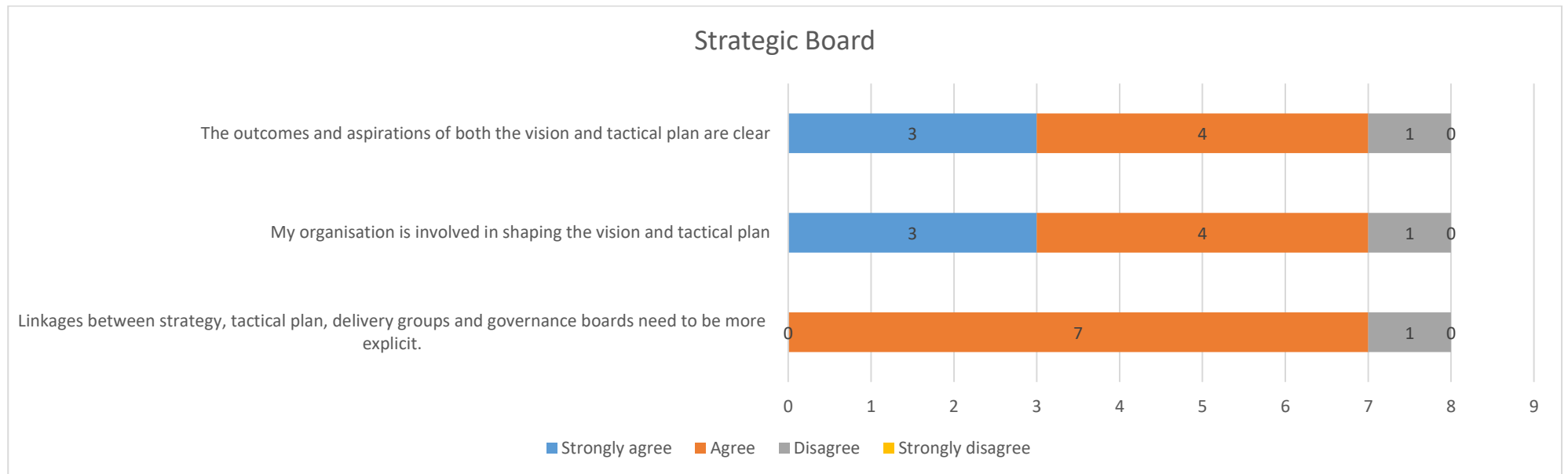
- evidencing that the SRS collaboration is providing value for money for all partners. Although the criteria for assessing value for money will vary from one organisation to another, some common agreement will help ensure that

the correct information is provided by SRS to help individual organisations make their own assessment.

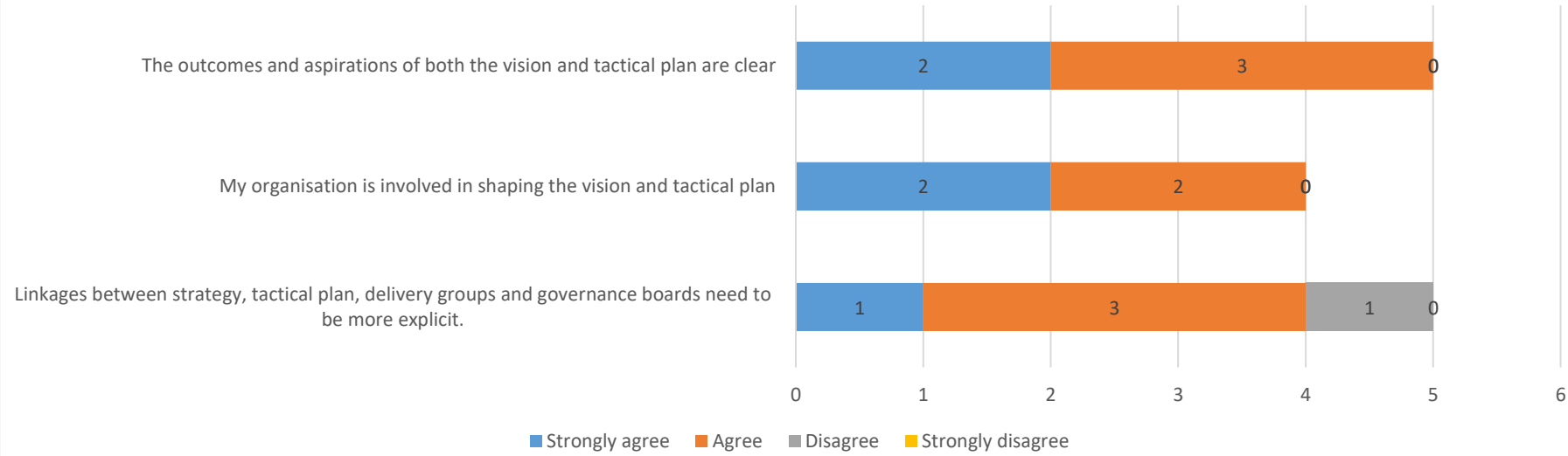
Appendix 1

Survey results

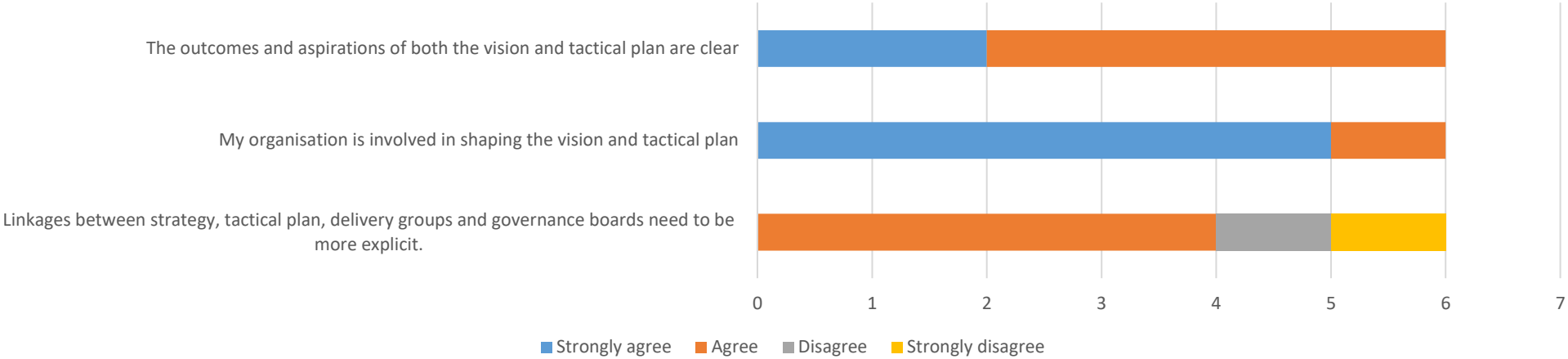
Shared vision and plan



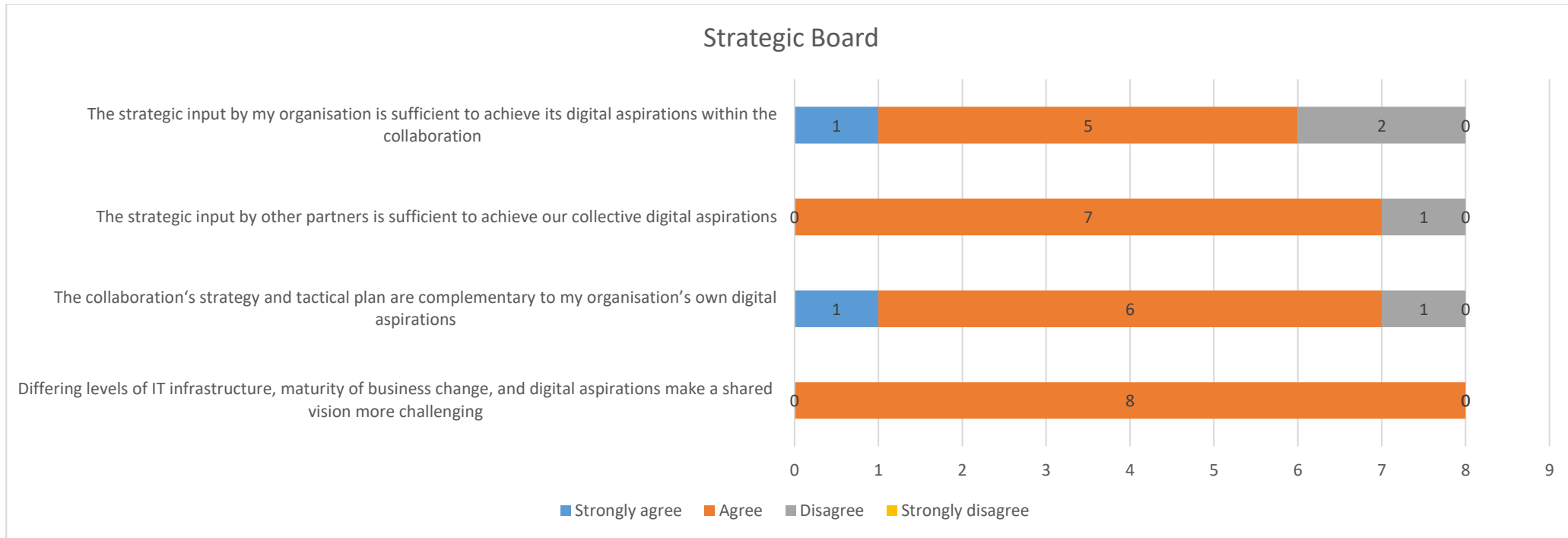
Business & Collaboration Board



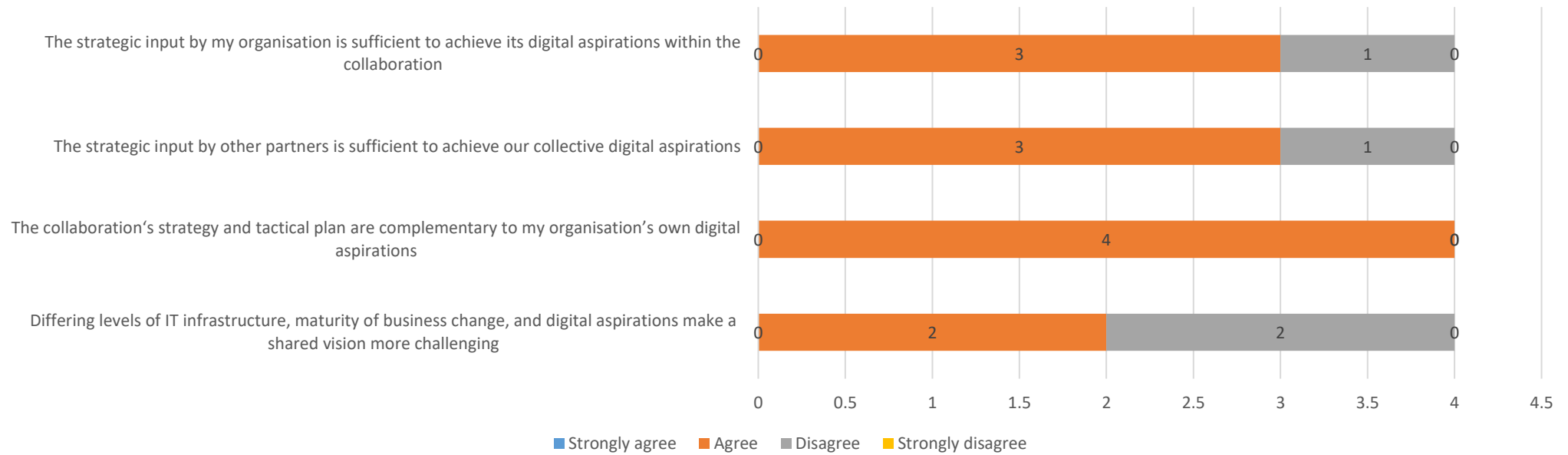
Finance & Governance Board



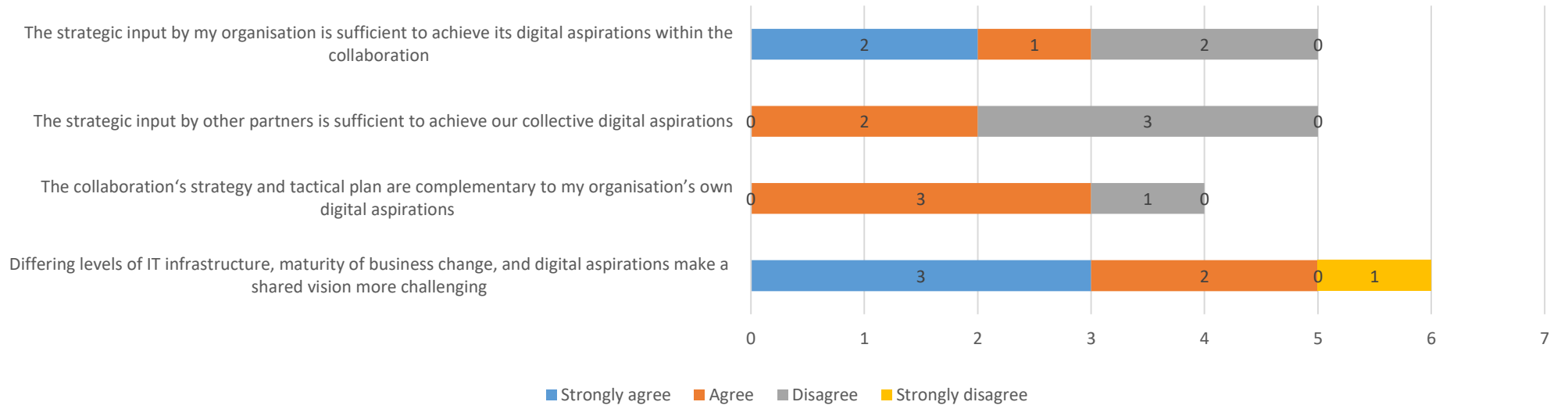
Direction and priorities



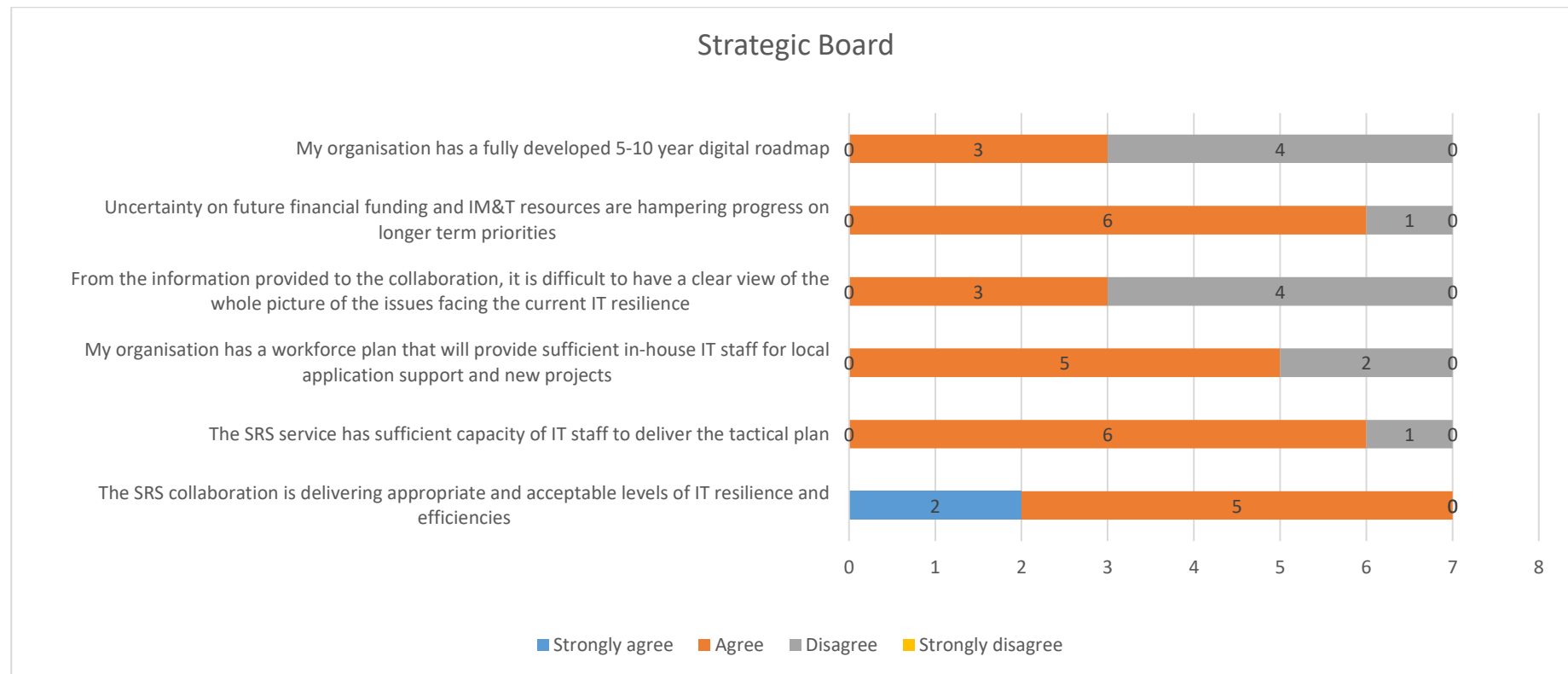
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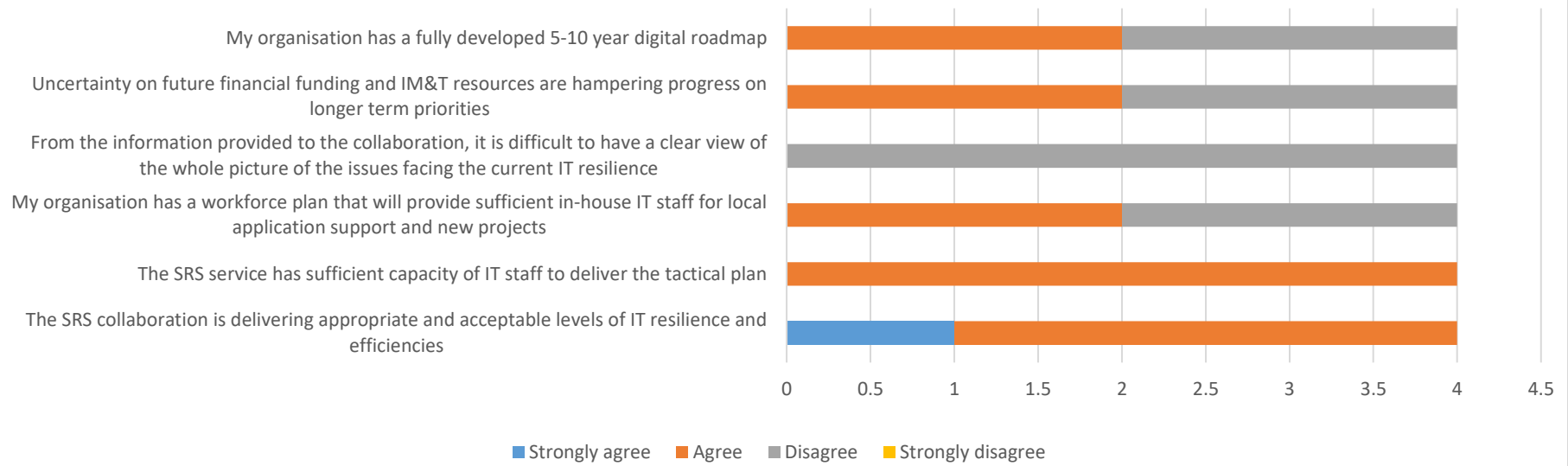
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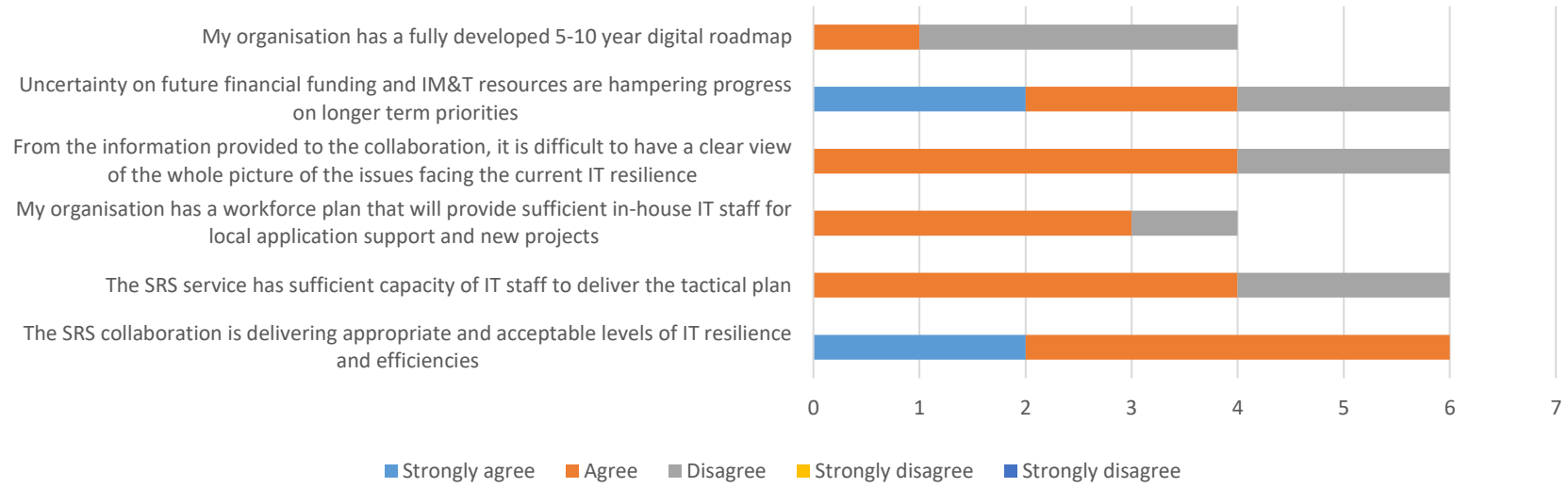
Aligning and supporting the delivery of technical and strategic requirements



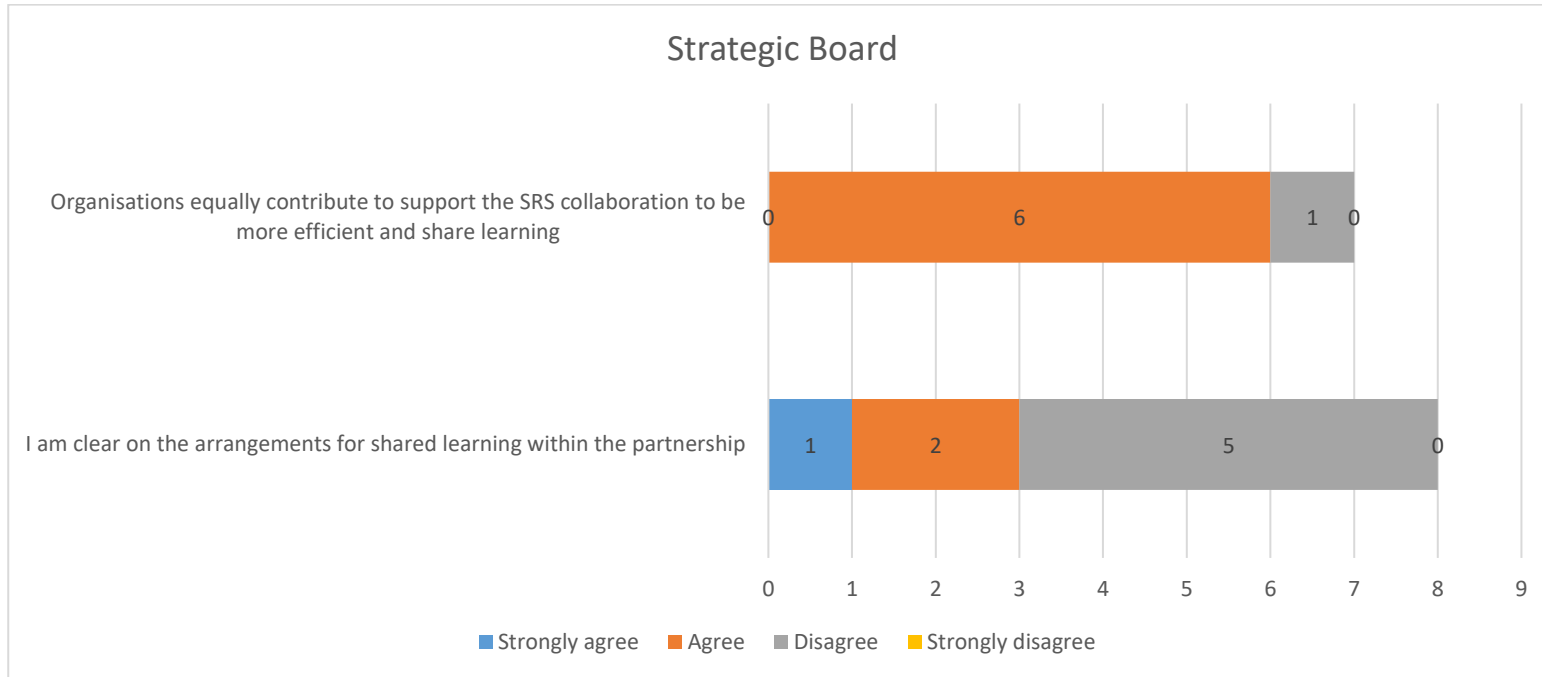
Business & Collaboration Board



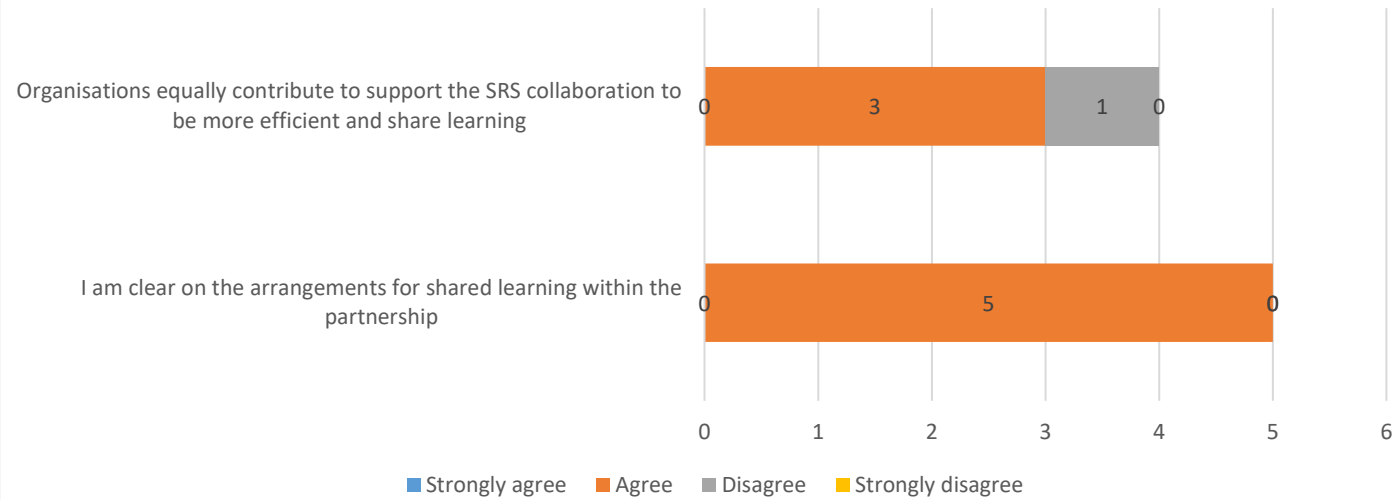
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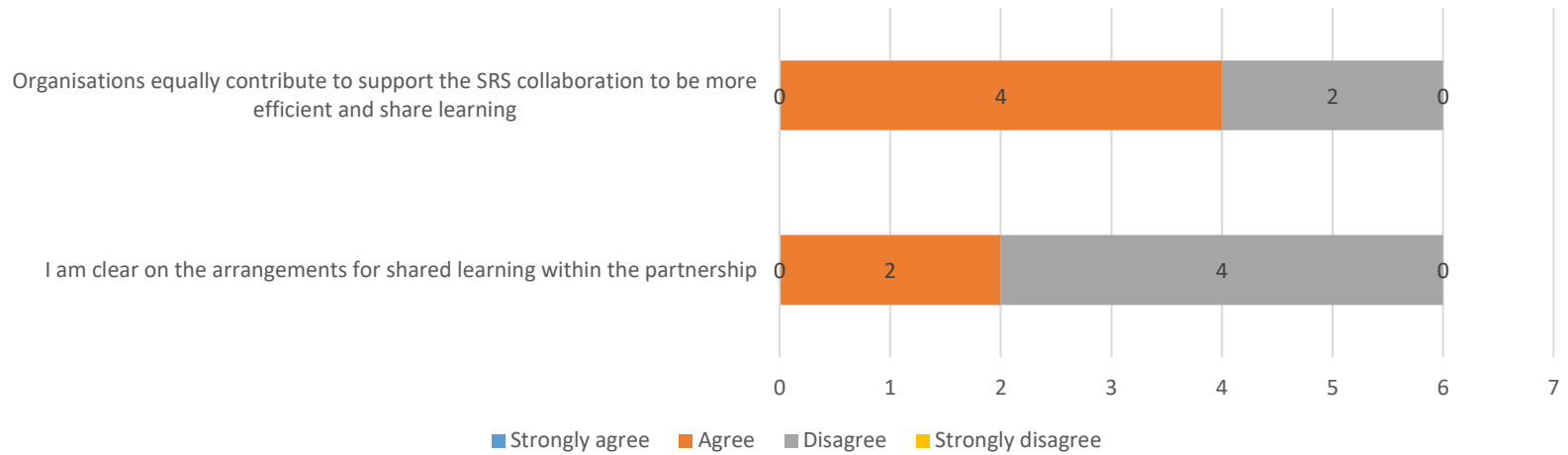
Benefits realisation of collaboration



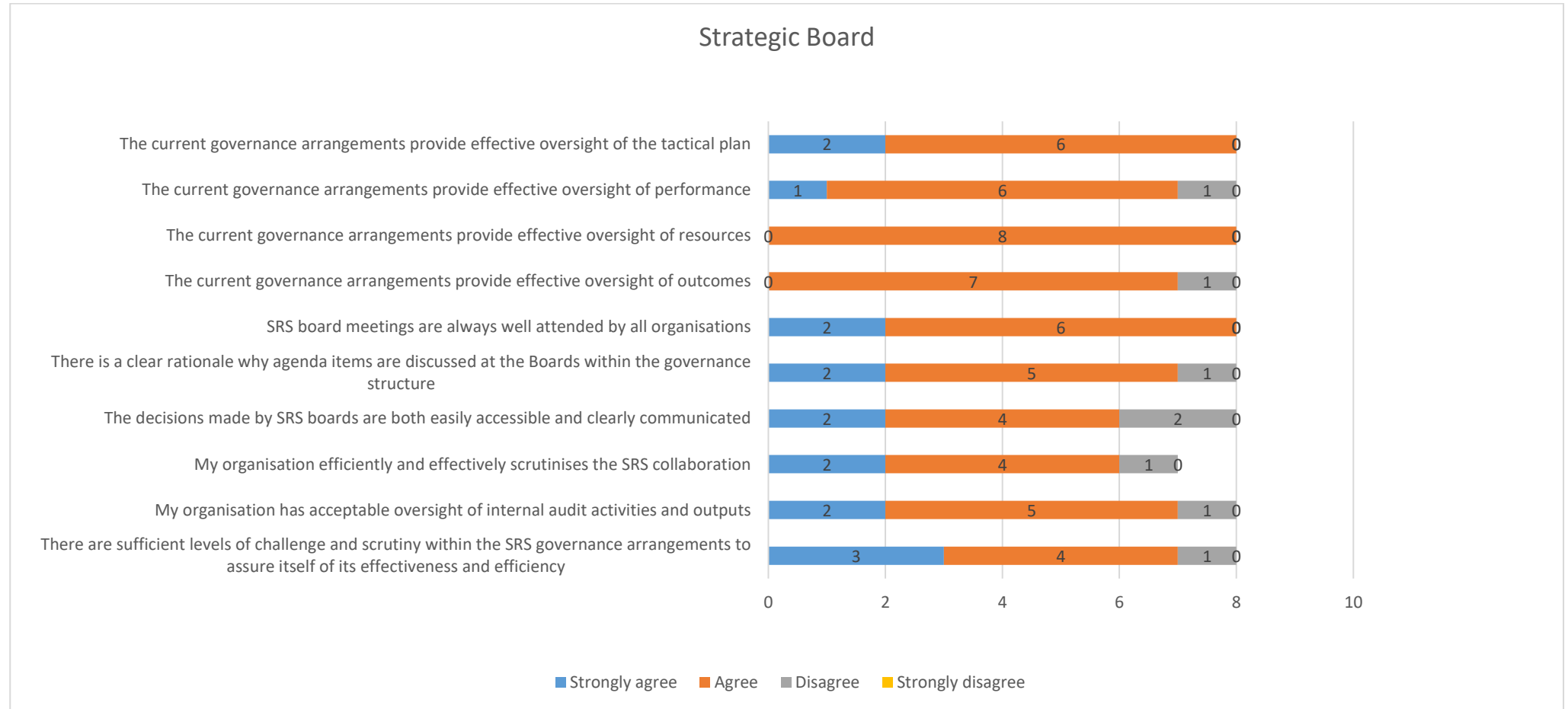
Business & Collaboration Board



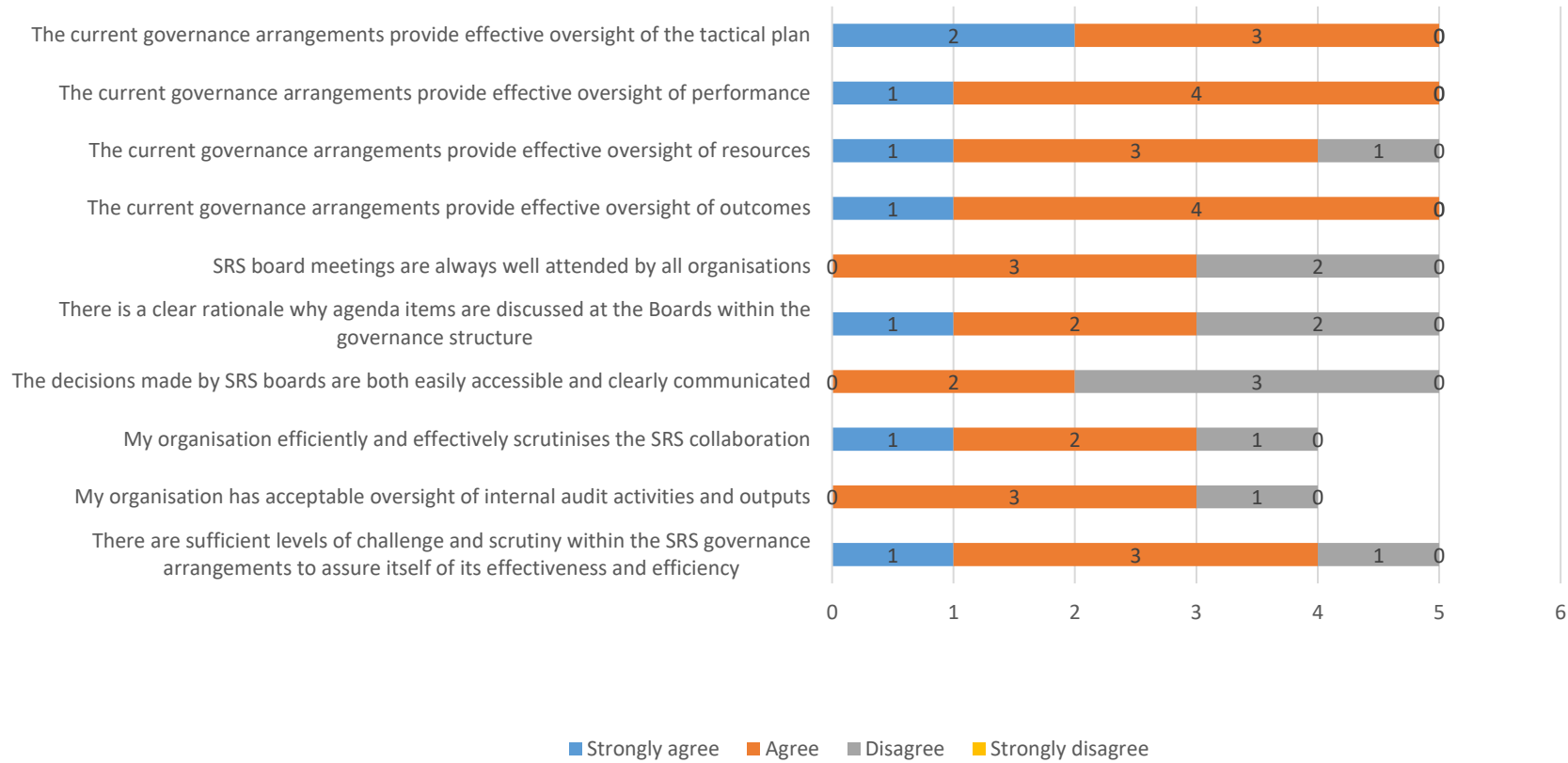
Finance & Governance Board



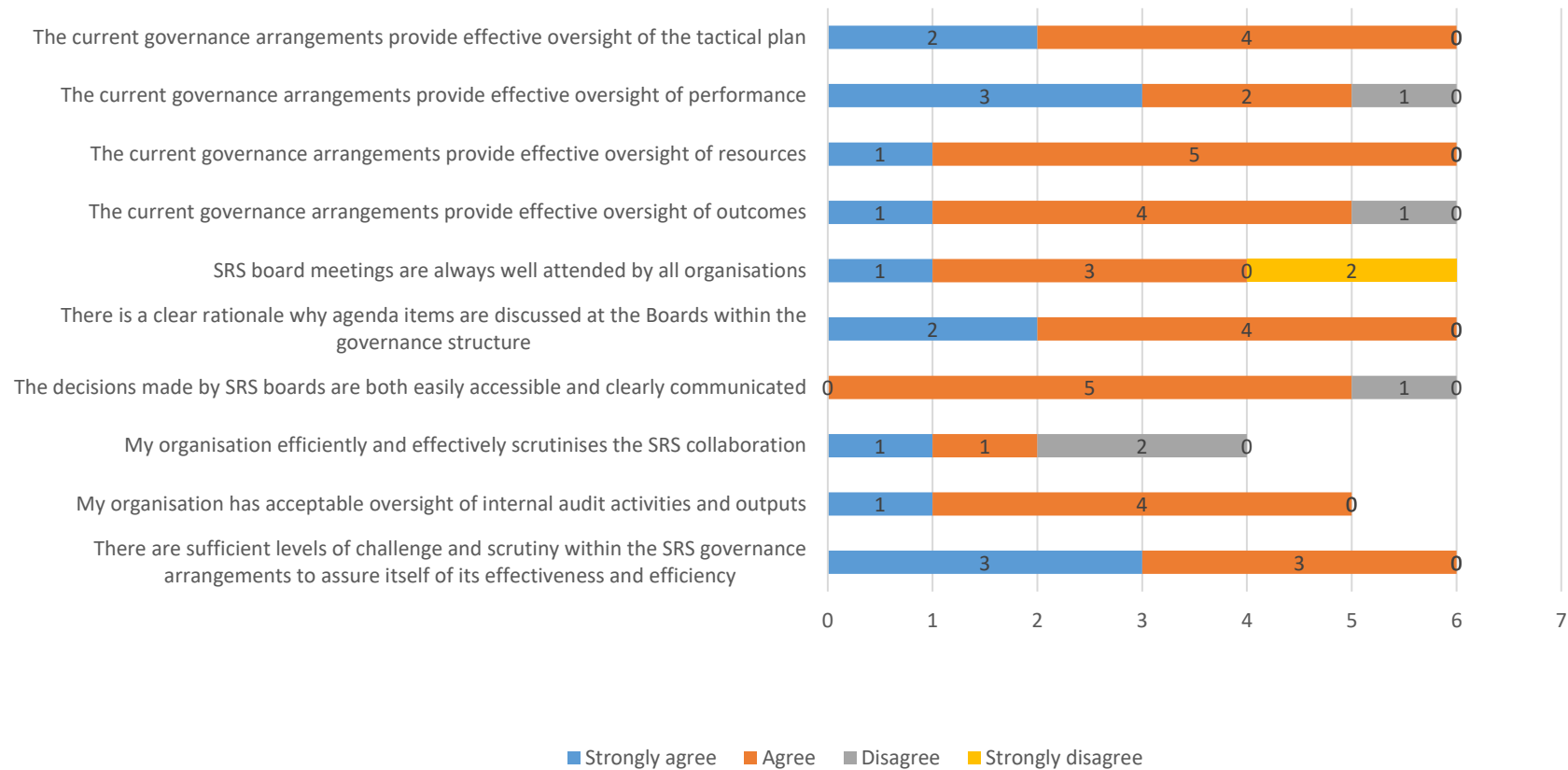
Oversight, accountability and outcomes



Business & Collaboration Board



Finance & Governance Board



Appendix 2

SRS Follow-Up Review



Partners consider that the collaboration has delivered effectively during the pandemic and to be well placed for the future it would benefit from improved communication, more effective sharing of digital aspirations and learning, addressing its workforce challenges and being able to demonstrate value for money.

STRATEGY



All agreed that the outcomes and aspirations are clear



Most agreed that linkages between strategy, tactical plan, delivery groups and governance boards need to be more explicit

GOVERNANCE



Generally considered to be effective and had improved over the last year



Many review participants agreed that the decisions made are both easily accessible and clearly communicated

DIGITAL ASPIRATIONS



Most agreed that strategic input by their organisation is sufficient to achieve its digital aspirations within the collaboration



Most agreed that strategic input by other partners is sufficient to achieve their collective digital aspirations

SHARED BENEFITS



Half agreed that they are clear on the arrangements for shared learning within the partnership



Most agreed that organisations equally contribute to support the collaboration to be more efficient and share learning

VALUE FOR MONEY



Seen as good value for money and a cost-effective way of delivering IT services and driving improvements but there is a lack of evidence to demonstrate this

RESILIENCE



All agreed that the collaboration is delivering appropriate and acceptable levels of IT resilience and efficiencies



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