

Appendix A: Table of Outsourced \ Shared Services
(CFO/193/10)

Support Service/Back office Function	Current Outsourcing	Current Shared Services/Partnership working	Future opportunities
<p>ICT – MFRS is the only Fire & Rescue Authority to have outsourced its ICT in full.</p>	<p>In March 2009 the Authority approved the award of the contract for the provision of ICT Infrastructure Service Provision to telent for a period of 5 years with effect from 1st April 2009.</p> <p>In November 2009, the Authority agreed to extend the contract with telent to its maximum life (from five years to seven) as part of the overall financing arrangement for the new Incident Ground Management System (IGMS).</p> <p>At the time of ICT Service Provision tender an independent review resulted in the following comments:</p> <p>The outcomes from the Joint Development Plan with the incumbent contractor yielded savings of some £400k for 2008/2009.and these efficiencies have now been</p>	<p>As part of the ICT Service provision contract with “telent”, a Gainshare agreement is in place.</p> <p>Gainshare covers opportunities during the contract for the ICT Service provider to propose new or different ways of providing service to the Authority which will realise potential benefits be they financial or otherwise (in accordance with Schedule A8 of the Provision of ICT Services Contract).</p> <p>Currently, as one example, Avon and Somerset Police share the logging of their ICT incidents through the MF&RS Service Desk System generating a Credit to MF&RS in the region of £1,200 per annum.</p>	<p>The ICT Partnership and Gainshare group meet 4 times a year and at the next scheduled meeting of 10th December 2010 the Gainshare portfolio will be reviewed resulting in clear opportunities for future years</p> <p>A past example of an item on the Gainshare portfolio was the change of mobile operator from Orange to o2 expected to generate annual savings of £20k. These savings were made possible by MF&RS “piggy backing” telents existing contract with o2.</p>

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	<p>formalised as a minimum level of savings within the new contract. The new contract price is made up of a fixed element of £1.7m and a variable element of £0.3m. The new contract represents a £400k saving on the previous contract. In line with the ICT savings target of over 10% of total cost, this will contribute a £2m worth of savings over the life of the contract, the next 5 years as part of the procurement process.</p>		
Estates	<p>Most current General Building (fabric, civils, mechanical / electrical) works and Specialist Services are currently conducted by the private sector (i.e. all works outsourced)</p> <p>PFI - 7 MFRS community fire stations approved to be outsourced to Balfour Beatty Workplace to provide Estates Maintenance \ Regulatory Services (see below).</p>	<p>A number of contracts are currently being reviewed for shared authority contracted services i.e. Appliance Bay Doors (Merseyside, Lancashire and Cheshire)</p> <p>The Authority actively seeks partners to share usage of the community facilities and this is a strong driver to work with others.</p>	<p>Rationalising the number of Estates/ Building Support Services contracts.</p> <p>Considering PFI management model for all Estates building stock (Regulatory Compliance, Planned Preventative Maintenance and Re-active Maintenance which would lead to major extension of outsource model.</p>

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		<p>Currently work with Health Service to combine resources in respect of Emergency Response Teams plus a number of other shared sites (i.e. Southport \ Newton-Le-Willows).</p> <p>The Authority is currently involved with local transport providers in the development of a Rescue Centre on a new terminal development at the Pier Head for the Marine Inshore Rescue Service. Major PFI project for 7 new community fire stations and a new fire station developed in the most at risk community in the county through New Deal.</p>	<p>Continued development of partnership working – NWS Transport dept at MFRS Engineering Centre of Excellence and NWS back office staff and vehicle sterile unit with MFRS SHQ.</p> <p>MFRS and Liverpool City Council, Fire Station / Leisure Centre initiative in Toxteth.</p>
PFI (see also Estates above)	<p>Certain legal, financial and technical elements of procurement are outsourced due to specialist knowledge of PFI process (not available in-house).</p> <p>The seven new Merseyside stations (plus the nine new</p>	<p>Joint procurement between Merseyside, Cumbria and Lancashire FRS. Costs of core Project Team shared between the three Authorities. An excellent working relationship has developed at all levels and across various disciplines including Principal Officers</p>	<p>The working relationships established and experience gained will have lasting benefits for each of the Authorities.</p> <p>The Authorities will be managing the contract for the new stations collaboratively for</p>

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	<p>stations in Cumbria & Lancashire) are being designed, built, financed & operated by Balfour Beatty Fire & Rescue. They will maintain the stations for the next 25 years.</p>	<p>(Executive Board), lead officers, in-house financial and legal officers. Firefighters from the three Authorities have been on joint site visits. This has led to better, more cost effective design solutions for the stations. This was evidenced in detailed negotiations with bidders. Formal Joint Working Agreement & Co-operation Agreement signed between the Authorities. An Outline Business Case and Final Business Case agreed co-operatively between the Authorities.</p>	<p>the duration of the contract (25 years). Merseyside will provide the core contract management team with costs being shared between the three Authorities. It is possible that the contract management team could take over managing the current Lancashire FRS PFI contract (2 existing stations).</p>
Transport Workshops			<p>Transport Workshops have relocated to a state of the art facility at the recently acquired Vesty site. The Engineering Centre of Excellence provides significant opportunity for shared services with partners and discussions are on-going with NWS to maximise use of that facility to deliver more effective working practices and</p>

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			generate savings for both organisations.
Finance	<p>Treasury Management – outsourced to Liverpool City Council in order to receive the benefits of the Council’s dedicated treasury management staff and have access to the Council’s broker arrangements. (£14,000 per annum)</p> <p>Internal Audit Service – outsourced with Liverpool City Council’s Internal Audit service following competitive tendering process. (£40,000 per annum) For the price of 1 FTE junior qualified auditor the Authority gets access to a team of auditors with a range of skills and experiences.</p> <p>Management of the financial systems IT contract and systems is outsourced to 2E2.</p> <p>Administration of the Authority’s various pension</p>		<p>The North West Fire Authorities Finance Group is considering opportunities to work together for the purchase, running, and the management of future finance & payroll IT systems</p> <p>The Service is in discussions with NWAS over sharing the use of the current MFRA property portfolio, but also any potential efficiency gains from looking at sharing some back office processes.</p>

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	<p>schemes is outsourced to Wirral MBC.</p> <p>Technical support for the Authority's document management system operated by Finance and HR is outsourced to Scanfile.</p>		
Procurement		<p>The Authority has had a joint procurement team with Lancashire FRS for 6 years, increasing resilience within the Authorities and reducing duplication. In addition, collaborative purchases between the Authorities have led to greater economies of scale. During this time, MFRS have also provided purchasing services to a District Council.</p> <p>In addition to this, the Procurement department work closely with Liverpool John Moores University, to support its under graduate scheme, and in respect of the ongoing Knowledge Transfer Partnership.</p>	<p>The Authority is actively seeking to offer services to other organisations seeking purchasing services including training in purchasing related subjects.</p>

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		<p>Virtual NW Procurement group established led by Sharon Matthews. The successful delivery of the working model should enable each Authority to benefit from increased levels of cashable savings as well as cost containment and business improvement. A range of initiatives are currently ongoing to deliver these efficiencies and benefits for each Authority in the Region.</p>	
<p>Knowledge & Information Management</p>	<p>Areas of Consultation are outsourced to Opinion Research Services (ORS) as part of our membership of the Fire Service Consultation Association.</p>	<p>Sefton MBC has entered into an agreement with knowledge and information management to provide a draft Business Intelligence Strategy.</p>	<p>As part of our Service Plan, we will create the Merseyside Observatory; which will provide commercial knowledge and information management services to other agencies and organisations.</p>
<p>HR – People & Organisational Development</p>	<p>Executive search for Senior Positions within the Service (Veredus).</p> <p>Professional external scrutiny for Uniform Assessment and Development Centres.</p>	<p><u>Recruit Courses</u> Merseyside ran recruits course for Manchester. Merseyside gave their recruitment literature template to Manchester and Hampshire FRS which saved both</p>	

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	(North West Employers & Stuart Robertson & Associates)	<p>authorities design costs of £3,000.</p> <p><u>Physiotherapy</u> GMC adopted Merseyside Model for physiotherapy services and saved on overall contract costs.</p> <p><u>Job Evaluation</u> Regional sharing, benchmarking, grades and Consultation Strategy. Merseyside supported Lancashire on the design of a co-budget model and evaluation of specific posts saving Lancashire £800 per day consultancy costs</p> <p><u>Disciplinary</u> Merseyside and Lancashire have collaborated in hearing disciplinary cases when line accountability has been exhausted. Also similar process with West Yorkshire.</p>	<p>Potential sharing of assessors for ADC's with colleagues from NWFRS and Merseyside Local Authorities.</p> <p>This includes sharing exercises and facilities</p>

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		<p><u>Occupational Health IQMP</u> All North West Services committed to providing Medical Practitioner Support to the IQMP process and so reducing specialist doctor costs.</p> <p><u>Compromise Agreement</u> Merseyside provided Lancashire with support on Compromise Agreements within a disciplinary environment that saved Lancashire external legal costs.</p> <p><u>Regional Control Senior Management Recruitment</u> Merseyside Director was part of Regional Panel in the appointment of both North West and Yorkshire region Fire Control Director.</p> <p><u>Regional Control Terms and Conditions</u> All North West H.R. Directors contributed to the design and delivery of the revised policies and T & C's for the Regional</p>	

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	<p>Specialist training provision such as culture change programmes (Liquid Thinking) and specialist operational training e.g. Fire Service College.</p> <p>Up to 60% of all MFRS training is delivered externally.</p>	<p>Control Centre and the Recruitment Process.</p> <p><u>Employee Assistance Programme</u> Merseyside provided access to its E.A.I programme to Highlands & Islands for emergency use.</p> <p>Sharing delivery of leadership programmes and other training provision such as coaching, mentoring, e-learning. Partners include NWFRS and Merseyside Local Authorities. This has been supported by NWIEP funding but has now created momentum.</p>	<p>Consultation ongoing with Greater Manchester FRS to enable them to be part of Merseyside Employee Assistance Programme so reducing costs by £20k, accommodating small local businesses within the current Occupational Health Contract Agreement for health screening with a local school and one external company already. Income between £150-£300 per session.</p> <p>Continuation of shared leadership/management provision for middle and strategic leadership. Development of income generation through specialist provision such as Chartered Management Institute (CMI) and NEBOSH Accredited Centre Status.</p>

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Legal	<p>Employment tribunal advocacy is outsourced to Barristers Chambers in Liverpool (whilst claims and responses relating to this is done internally) to ensure that the advocacy skills of a Barrister are used to best effect to protect the Authority whilst in-house solicitors undertake all the background work to assist Officers.</p>	<p>The Clerk to the Authority is the Clerk to the RCC and RMB and chairs the Regional Lawyers Group – which is considering ways to work together.</p> <p>The Deputy Clerk is the lead internal legal advisor on the PFI project.</p>	<p>Discussions are underway with Legal Services in Merseyside and with Fire Authorities regionally to develop some partnership working.</p>
Strategy & Member Services	<p>Insurance claims handling, with the exception of casualty, provided by ZM. This guarantees that rigid time limits for motor claims in particular can be met. Less rigid time limits for casualty mean that such claims are proven to be more cost effectively handled in-house saving both the £12k pa fees and resulting in lower and faster settlements.</p> <p>Insurance related litigation/legal services provided by Weightmans.</p>	<p>Improvement and peer review work carried out by the Fire Improvement Group (FIG) consisting of MFRS, Staffordshire, Cleveland, Kent and West Yorks FRS.</p> <p>Sharing of best practice with NW insurance Officers and NW risk managers groups.</p> <p>Joint tendering for insurance services with GMC to achieve more value for money from our insurance contract.</p> <p>Joint working with Sefton Committee Services to share</p>	<p>Potential to market risk methodology services to other FRS – currently advice and guidance provided free.</p> <p>Income opportunities - Potential to offer full end-to-end conference organisation services in addition to current conference facilitation services.</p> <p>Potential to offer debt recovery services (not purchasing debt off others)</p>

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		<p>best practice.</p> <p>Joint working with number of FRS to share best practice on risk methodology and IRMP.</p> <p>Joint development of FIRS Risk modelling tool with Process Evolution, resulting in MFRS not having to pay licensing charges to Process Evolution.</p>	