

East Midlands Shared Services Joint Committee

Minutes of the meeting held at Loxley House, Nottingham on 9 December 2024 from 10.30 am - 11.18 am

Leicestershire County Council

- ✓ Councillor Lee Breckon (Vice Chair)
- ✓ Councillor James Poland

Nottingham City Council

- ✓ Councillor Linda Woodings (Chair)
- ✓ Councillor Pavlos Kotsonis

Colleagues, partners and others in attendance:

Susan Baum	- Finance Business Partner (LCC)
Simone Hines	- Assistant Director Finance, Strategic Property and Commissioning (LCC)
Lee Mann	- Strategic Director of HR and EDI (NCC)
Elaine Simpson	- Head of East Midlands Shared Services
Jill Turner	- Business Development Manager, East Midlands Shared Services
Phil Wye	- Governance Officer (NCC)

Call-in

Unless stated otherwise, all decisions made by the East Midlands Shared Services Joint Committee are subject to call-in. The last date for call-in is 20December 2024. Decisions cannot be implemented until the next working day following this date.

17 Apologies for Absence

None.

18 Declarations of Interests

None.

19 Minutes

The minutes of the meeting held on 16 September 2024 were confirmed as a correct record and signed by the Chair.

20 East Midlands Shared Service Performance Report 2024/25

Elaine Simpson, Head of East Midlands Shared Services (EMSS), presented the report provides the Joint Committee with a summary of the performance of EMSS Q2 2024-25, highlighting the following:

- (a) EMSS is operating under the strategic plan agreed for 2023-25. The strategic plan for 2026-29 has not yet been agreed. The plan has been shared with Nottingham City Council (NCC) and Leicestershire County Council (LCC), however there has been a lack of engagement from NCC. It is hoped the new plan will be agreed by the end of January;
- (b) all the work to resolve the issues from the Oracle Cloud Infrastructure health check are now complete and a new check run to confirm there are no outstanding issues run. The only defects identified are known issues around users logging into Oracle using a user name and password instead of single sign on. These have been resolved by requiring all users to use multi factor authentication when accessing the system outside of the active directory;
- (c) the trend for customer satisfaction has continued to decline slightly. It should be noted that of the quality checks against negative feedback, many of them were not a negative reflection on EMSS, but rather the user not appreciating the self service requirements;
- (d) the accuracy rates of the payroll are based upon the number of errors identified by employees, managers or EMSS after payday. The performance for Q2 is 54 errors out of a total of 43,539 payments (a rate of 0.12 %). Out of over 43,000 payments, this rate remains extremely low. This demonstrates that managers are using emergency payments less as an alternative to the designed process and it is now largely being used to correct oversights;
- (e) after much discussion with Mastek, Teachers Pensions and the management team, the decision was made to delay the implementation of Seeded Teachers Pension Scheme and MCR until after the pay award had been implemented. This work will now commence in February 2025;
- (f) a best value review of the Finance Service Centre was completed in 2024 and aimed to inform stakeholders about the current state and future direction of the Finance Service Centre. The report covers key areas including performance, productivity, effectiveness, and potential improvements.

The following points were raised during the discussion which followed:

- (g) due to recent changes of staffing, advice will be sought on who the NCC point of contact should be for EMSS strategic plan and other issues. Discussions on adult social care debt can be raised with the new Corporate Director of Adult Social Care;
- (h) a new part time role is proposed to manage the relationship with Mastek, including ensuring work and requests are being completed to time and to the required quality and oversee the quarterly update processes;
- (i) the implementation of Redwood, the new look and feel for Oracle is still on-going and is set to complete by Autumn 2025;
- (j) a self-serve portal to get copies of invoices and view accounts is currently on hold following Oracles decision to charge license fees per customer per month for the use of this. A Customer self-serve portal is still a high priority, so currently other products and options are being investigated as an interim fix to be able to deliver documents securely to all

customers;

- (k) to tackle the decline in customer satisfaction, guidance is available on sites, and user engagement sessions are available for regular complaints. In some areas this has improved but there is more to do in others. Oracle Guided learning will provide instructions on the screen to make it easier.

Resolved to note the performance of EMSS during Q2

21 East Midlands Shared Services Financial Update 2024/2025 and Draft Medium-Term Financial Plan 2025/2026 to 2028/2029

Susan Baum, Finance Business Partner, Leicestershire County Council, presented the report providing an update on the 2024/25 financial performance and the draft proposed budget for EMSS for 2025/26 to 2028/29, highlighting the following:

- (a) the overall forecast outturn position for EMSS as at end September 2024 (period 6) is £5.52 million, which represents an underspend of £123 thousand (or 2.2%) against the budget for the year. A major component of the underspend is due to lower staffing costs;
- (b) in recognition of the revised underspend position, it is forecast each partner will receive a reimbursement of £93,000;
- (c) the opening reserve balance at the start of 2024/25 was £105,000 and is fully committed to pay for the works related to the seeded absence project during 2024/25. The closing balance of the reserve on 31st March 2025 will be zero;
- (d) the overall EMSS funding requirement for 2025/26 is £5.93 million, which represents an increase of £290,000 (or 5.2%) compared to the current level of partner contributions. Included within this amount is the cost of EMSS stabilisations (£74,000) that would otherwise have been funded separately, a provision for the 2025/26 pay award (£80,000 net of the prior year adjustment) and the change in employers' national insurance contribution (£97,000). A like for like cost comparison is effectively a £39,000 increase, which can be directly attributable to the one-off costs associated with project resource for the implementation of Redwood, OGL and Freshserve (£57,000).

Concerns were raised that no finance representative from NCC was present at the meeting.

A request was made for an update on EMSS internal audit arrangements from NCC's internal audit team.

Resolved to

- (1) note the financial forecast position for EMSS for 2024/25;**
- (2) note the draft EMSS budget for 2025/26;**
- (3) note the forecasted budget requirements and partnership requirements for 2025 onwards**

22 Future Meeting Dates

East Midlands Shared Services Joint Committee - 9.12.24

The provisional dates for the 2025-26 municipal year were noted.