

**CABINET MEMBER DELEGATED DECISION BY DEPUTY LEADER OF THE  
COUNCIL – 13 MARCH 2012**

**PROPOSED PARTNERSHIP AGREEMENT FOR ICT SERVICES  
BETWEEN OXFORDSHIRE AND HAMPSHIRE**

**REPORT BY DIRECTOR FOR ENVIRONMENT AND ECONOMY**

**Introduction**

1. At its meeting on 20 December 2011, the Cabinet approved the proposal to establish a collaborative partnership arrangement for ICT Services between Oxfordshire and Hampshire County Councils. Initially, this centred on the opportunity presented around the provision of joint SAP support. Under decision 149/11, Cabinet agreed to delegate authority to agree and sign the finalised Partnership agreement to the Deputy Leader of the Council in his role as the Cabinet portfolio holder for ICT. A copy of the finalised Partnership Agreement is now attached at Annex 1.

**Partnership Proposal**

2. The proposed Partnership Agreement is based on the Shared Services Agreement for the Joint Discharge of Functions under Section 101(5) Local Government Act 1972.
3. The proposal is for a framework agreement that allows the Authorities jointly to pursue collaborative initiatives.
4. The modular nature of the framework approach, as underpinned by the Partnership Agreement, ensures that there are clear, cost justified decisions with mitigation of the identified risks, for each separate initiative.

**Benefits to Oxfordshire**

5. The immediate benefit is to replace the current Serco contract for SAP support with a support arrangement with Hampshire which will deliver cost savings in excess of £1m over the next three years.
6. The Council will also avoid the significant cost of a procurement exercise to determine a commercial successor to the Serco contract in October 2012.

7. The Council will have access to a pool of SAP expertise for additional engagements.
8. Further benefits are anticipated as the Partnership develops and addresses other service areas of mutual benefit.

### **Benefits to Hampshire**

9. Revenue to Hampshire (c. £162K per annum) will help to protect the existing pool and range of SAP expertise they maintain in-house.
10. Further benefits are anticipated as the Partnership develops and addresses other service areas of mutual benefit.

### **Monitoring & Review**

11. The partnership agreement requires a Partnership Board to be established comprising officers from each Council. The Board will meet quarterly. It has the responsibility to discuss and accept new business initiatives within the partnership framework and to ensure the performance levels of all existing service operations within the current framework.

### **Duration of the Partnership**

12. It is proposed that the Partnership Agreement between the two Councils should be active from 20 March 2012 and should run for five years in the first instance. SAP support activities will commence on a date to be agreed and subject to satisfactory agreement with the existing supplier.

### **Financial and Staff Implications**

13. The proposal will enable ICT Business Delivery to achieve its Medium Term Financial Plan
14. There is no intention that staffing levels will reduce as a result of the Partnership. The partnership is expected to foster skills and knowledge sharing and through establishing a degree of resilience that neither organisation can sustain individually. It is also anticipated that through knowledge transfer, OCC staff will increase their capacity and capabilities.

### **Partnership Agreement**

15. A Partnership Agreement document has been prepared and agreed between the legal teams in Oxfordshire and Hampshire County Councils which will establish the collaborative partnership on the basis of the principles set out in this report and in the report to Cabinet on 20 December 2011.

## **RECOMMENDATION**

- 16. The Deputy Leader is RECOMMENDED to approve the Hampshire/Oxfordshire ICT Partnership agreement, as set out at Annex 1.**

NAME Huw Jones  
Director for Environment and Economy

Background papers: NIL

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