



Section 33 arrangements – ICT Partnership **Powys County Council and Powys teaching Health Board**

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The team who delivered the work comprised Andrew Doughton, Clare James and Justine Morgan.

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Summary report

Background

1. In July 2012, Powys County Council (the Council) and Powys teaching Health Board (the Health Board) entered into a formal partnership (the partners) to deliver information and communications technology (ICT) services from a joint team formed by the integration of the ICT teams from both organisations. The partners employed a section 33 agreement¹ as a mechanism to create pooled revenue and capital funding. The section 33 agreement provides a formal basis for partnership working into which individual partnership schemes slot. The first scheme to enter into the agreement was the ICT scheme, which became operational from 1 July 2012.
2. The Council and Health Board developed the section 33 agreement with the intention that it lasted for a minimum of four years (to 2016) with an annual review allowing amendment as appropriate. The agreement will continue in perpetuity after the initial term until one of the partners invokes the termination clauses. The overarching agreement is supplemented by a set of schedules that have been tailored to each individual service (scheme) of function entering the agreement. These schedules set out the following:
 - Schedule 1 – Description of the service or function to be pooled including its aims and objectives;
 - Schedule 2 – Functions of the Partners;
 - Schedule 3 – Scope of the service to be provided;
 - Schedule 4 – Funding contributions and use by either party;
 - Schedule 5 – HR requirements under the agreement; and
 - Schedule 6 – Governance of the agreement.
3. The Council is the host of the ICT joint service and the agreement. The host's financial management and financial accounting rules apply. This means that the joint service can reclaim VAT² as well as utilising other financial flexibilities available to local government bodies.
4. We have not previously formally reviewed or reported on the section 33 agreement adopted in 2012 or, in particular, the effectiveness of the joint ICT partnership. This review has been included in our regulatory programme at both the Council and the Health Board. The purpose of the review is to determine whether:
 - the joint ICT arrangement has delivered against its operational service aims and its annual plans as set out at initiation;
 - the service is currently meeting users' needs, has effective governance and oversight, and is financially sound; and
 - there are clear medium-term plans that support achievement of Council and Health Board wider strategic and service aims.

¹ Section 33 agreement of the National Health Service (Wales) Act (2006) Part 3, Section 33 http://www.legislation.gov.uk/ukpga/2006/42/pdfs/ukpga_20060042_en.pdf

² Value added tax manual: <http://www.hmrc.gov.uk/manuals/vatgpbmanual/VATGPB4000.htm>

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5. This work has not reviewed any detailed IT controls or security measures.
 6. This report presents findings and conclusions from a single integrated review of the section 33 agreement ICT joint working arrangements. This work took place during October and November 2014 and was reported in February 2015. Our conclusions are set out in the following headings.

The Powys ICT partnership has improved service resilience and reduced IT risk, and section 33 arrangements provide a good basis for integrated working

The section 33 ICT partnership has delivered against most of its agreed objectives, but there are greater challenges where improvements depend on a third party

The Section 33 partnership's business aims were agreed and effectively designed to help focus the work of the new partnership

7. The Joint Partnership Board developed, agreed and clearly set out the aims and objectives for year one of the ICT Scheme as required in the section 33 agreement (Exhibit 1). The aims and objectives for the initial year focussed on building the foundations of an integrated ICT service model. This was appropriate, realistic and necessary to ensure that partnership arrangements and the new integrated service model would meet both organisations' needs.

Exhibit 1 – Section 33 ICT scheme year 1 objectives

2012 Partnership objectives

Transition staff to the new working arrangements within 12 months of the start of the agreement.

Create an integrated team structure within 12 months of the start of the agreement, in line with the ICT Resource Utilisation project.

Review ICT governance arrangements within 12 months of the start of the agreement.

An agreed single set of programme and service measures will be developed in year 1 of the agreement.

Agree a plan and commence co-location of staff, where required, within 12 months of the start of the agreement.

Create a single point of contact and process for ICT support during the first year of the agreement.

2012 Partnership objectives

Review processes for ICT procurement.

An agreed set of operational procedures will be developed in year 1 of the agreement to provide a robust framework for working practice and service delivery.

Create a joint skills development plan within 12 months of the start of the agreement in line with the ICT Resource Utilisation project.

Propose a PC refresh plan and process for Powys tHB by the end of the first year of the agreement.

Agree aims and objectives for years 2 and 3 of the agreement by the end of the first year of the agreement.

Source: Powys ICT partnership section 33 scheme objectives

8. In year 2, the ICT partnership's aims and objectives were focussed in two main areas:
 - implement the changes that were designed and developed in year 1; and
 - start to implement technology infrastructure projects such as nationally hosted email services, technology refresh and re-location of Powys tHB computer suite facilities.
9. The design of the aims and objectives over the first two years were sufficiently clear, challenging and achievable to enable the ICT partnership to deliver and improve services against shared and agreed expectations from both partners.

The ICT partnership effectively delivered against most of the objectives and has reduced overall service risk but it has had more difficulty achieving changes which were outside the direct control of the ICT partnership and in integrating teams

10. The ICT partnership has largely delivered the agreed objectives and there is a strong improvement and performance focus demonstrated by management. Setting up an integrated service requires consideration of not only the process, policies and approaches that need to be introduced, but also the softer more complex issues relating to staffing and change.
11. Although the partners were committed to this integration, there were still some reservations about cross-subsidy of service, risks of reducing service quality and alignment of staff terms and conditions over this period. Although it took time to form, the ICT partnership largely achieved the objectives, and successfully managed many of the softer 'change' risks.
12. The ICT partnership delivered on nine out of the 11 objectives in year 1. The service did not achieve two of the objectives for the reasons set out in Exhibit 2.

Exhibit 2 – Section 33 ICT scheme year 1 objectives not achieved

Year 1 aim	Reason for non-achievement within intended year
<p>Create a single point of contact</p>	<p>The national network did not provide a platform for a single integrated helpdesk software solution.</p> <p>While technology is an enabler to improvement, the implementation of a single point of contact is an example where technology was a barrier to achievement of the objective. Health Boards and Councils both use a Welsh Government commissioned network called Public Sector Broadband Aggregation (PSBA). This network was set up in a way that allows effective data communication within a government sector, but did not easily allow data communication across sectors. This made implementation of the single point of contact difficult, as it was not possible to create a single helpdesk system that could operate across both Powys Council and Health Board networks.</p>
<p>Create in integrated team structure</p>	<p>The ICT partnership was tasked with integrating the team structure. It did not achieve this in year 1 but partially achieved this aim as at October 2014.</p> <p>We understand the main two barriers were:</p> <ul style="list-style-type: none"> • technological as set out above (ie, no single integrated help desk); and • differences in employee terms and conditions which made fully integrating the team challenging. <p>The ICT partnership has been successful in creating a stronger, integrated business-focussed management team and the capability of IT management has been integral to the success of this particular section 33 arrangement. The ICT partnership has also enabled integrated approaches to project working to help develop integrated solutions to common problems.</p>

13. The ICT partnership also largely achieved the year 2 objectives. Whilst objective slippage is undesirable, the partnership seems to remain committed to the work programme and maintains the objectives across years.
14. The first year's objectives did not specify any formal financial objectives, although there is a clear requirement to set annual budgets and an expectation that the budgets must be controlled. In practice, the partnership has developed and controlled the financial budgets and financial expenditure effectively to ensure it met its financial aims both in the initial and subsequent years.
15. The ICT partnership has also provided an opportunity for both partners to reduce risks. For example, the Council now uses the all Wales Microsoft Exchange email service which has reduced overall risks associated with locally hosting an Email server platform. The ICT partnership has also worked to reduce reliability and downtime risks associated with Council servers. The Health Board's ICT service has relocated from very poor portakabin units next to Mansion House in Bronllys to appropriate facilities in the main Bronllys Hospital site.

The ICT partnership is set up effectively to deliver annually agreed services and to support continuous improvement

There is effective and fair budget setting and financial management for pooled funds

- 16.** The ICT partnership operates two funding approaches, pooled funds and lead funds. This approach allows the organisations to mutually fund the ICT partnership where there will be mutual benefits and also to flexibly fund non-partnership activity:
- Pooled funds are pure partnership funds where both organisations contribute a proportion of funding. These funds are pooled into a single pot that is then used to fund the activities of the ICT partnership. The total pooled funds for the current financial year are £2.01 million. At present, the proportion of the contribution to the pooled fund is around two-thirds from the Council and one third by the Health Board.
 - Lead funds relate to money that is ring-fenced to a single organisation for which only that organisation will benefit.
- 17.** There is a clear annual process for pooled-fund budget setting, and this approach ensures both the Council and the Health Board understand their financial commitment, and that the ICT partnership understands its financial expenditure control requirements. While the Health Board and the Council are contributing different proportions of the funds, there is no evidence to indicate that there is a cross-subsidy where one organisation is funding proportionately more than the equivalent service it is receiving. At present because the operational teams remain largely separate, there is a relatively clear line on how staff resources are funded, utilised and deployed. However, there are operational efficiency and resilience gains by further integrating IT operations teams and this is appropriate, but this approach may also make it more difficult to understand the financial inputs and productivity outputs by organisation in future.
- 18.** There is an effective approach for financial management and the track record indicates that expenditure has been well controlled since the creation of the ICT partnership. The section 33 arrangement has created a clear process for setting, reviewing and controlling budgets and a clear expectation that the ICT partnership must financially manage and control its finances. The ICT partnership has a transparent approach to financial management that helps to build trust across the partners. There is a clear process for financial oversight; if there are exceptions where additional expenditure is required, then there is a process to ensure additional funding approval, for example, when replacing faulty IT kit.
- 19.** The Council, as the host of the pooled budget, is required to prepare a memorandum set of accounts each year, which require auditing by the external auditor. However, the Council has not submitted a memorandum of accounts to the external auditors to date. The Council must prepare a memo account for the pooled budget each year and ensure that the appointed auditor undertakes an audit of these annually by the required deadline.

The ICT service is tightly resourced to meet current needs and partnership management is effectively integrated, but more could be done to integrate operational service teams to create efficiencies and further strengthen ICT team resilience

20. The ICT partnership is currently operating under a single integrated management function, which is responsible for providing the leadership, direction and management of a combined ICT service. There is a clear organisational structure although the operational IT teams remain split by organisation.
21. The ICT partnership has identified business benefits from further integrating the teams both to create additional resilience and gain economies of scale. The ICT partnership intends to achieve integration in the next 12 months. As identified previously, there are some barriers from technology (no shared/common helpdesk support system) and employee terms and conditions that will need to be, and are in the process of being, remedied. The additional benefits identified and the opportunities to staff for cross skilling will help ensure that a fully integrated ICT service will provide a strong model in future.
22. The ICT service reviewed its workforce resources. In the Council, the ICT service has restructured its IT workforce, particularly IT staff working in devolved services such as social services and education. The ICT service has centralised a number of these devolved Council roles and in doing so has made some additional savings in IT workforce costs overall, which will affect the Council lead funds. Health Board ICT workforce savings are limited because the department is already tightly resourced.
23. Maintaining technology skill sets is a difficulty of ICT services in general and more so in rural areas. The ICT partnership focuses on ICT skills development and cross-skilling, and they are assessing the untapped skills of its staff members to provide more resilient and better-equipped ICT teams. This area will require continuous focus to ensure that ICT workforce is appropriately skilled to meet challenges going forward. Increasingly public sector ICT skill sets in demand include business analysis/consultancy skills, systems integration, network and communications, and development of dynamic/interactive web environments. The ICT partnership will need to assess its workforce skill sets against its strategic objective requirements.

There is effective and appropriate oversight and governance of the section 33 ICT partnership

24. There are clear arrangements set out in the section 33 ICT scheme schedules for the governance of the ICT partnership. The Joint Partnership Board is responsible for the management of the ICT partnership arrangements established under the section 33 agreement, tracking delivery of individual partnership scheme aims and objectives within defined resources and agreeing any changes to scope.
25. The governance schedule (schedule 6) establishes the Joint Partnership Board. The membership of the Joint Partnership Board includes the Chief Executive of the Council, the Chief Executive of the Health Board or a named deputy, a member of the Council's Cabinet and an Executive member of the Health Board.

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- 26.** There is a defined role of the Joint Partnership Board to oversee the implementation of the agreement, which includes but is not limited to:
- confirming and agreeing funding;
 - receiving reports on the operation of the agreement;
 - agreeing the aims and the ICT partnership scheme schedules; and
 - reviewing delivery and progress against the aims and objectives.
- 27.** The Joint Partnership Board is responsible for ensuring that the ICT partnership meets the requirements of the section 33 agreement. The Joint Partnership Board is however, not responsible for providing leadership and direction for the partnerships. This is an important point in relation to developing new integrated services under the section 33 framework. Section 33 is simply the legal framework or mechanism that supports pooled funding and integrated partnership working. The Joint Partnership Board ensures rigour and process so that an integrated partnership is set up to succeed, but the leadership, direction and objectives should still be set at local service board and organisational level.
- 28.** We have observed the effectiveness of the Joint Partnership Board, reviewed the scope and function of the Board and discussed the role of the Board during our interviews. This work indicates that for the purpose of oversight of the ICT partnership, the Joint Partnership Board is providing an effective governance function. It is not clear, however:
- How assurances flow from the Joint Partnership Board to the formal governance functions of the Council and Health Board's committees.
 - Whether the terms of reference needs to be more clearly defined to accommodate more complex external facing service partnerships. For example, where the role of service scrutiny and strategic decision making sits for front line integrated services, such as integrated nursing and social care.
 - If the timeliness of papers is affecting the member's preparation for the Joint Partnership Board meeting, and if so whether this is impacting on the quality of scrutiny and challenge of the Section 33 partnerships.
- 29.** While this does not appear to present an issue for the ICT scheme, this clarity may be increasingly important as the two organisations move into formal service-based partnership arrangements. We understand that the partners are in the process of initiating a review of the current Joint Partnership Board arrangements.

There are reasonable performance metrics in place but more now needs to be done to redesign performance measures to include revised service standards, operational aims, project impact and using ICT as enabler for wider service change.

30. The ICT partnership originally set up with different performance measures for the Health Board and the Council. The Council's measures were based on a combination of Socitm³ key performance indicators and also local measures which were related to resiliency (uptime/downtime) of key infrastructure. The Health Board did not have meaningful ICT performance measures in 2012.
31. Over the last two years, the Council's ICT performance metrics have largely stayed the same, and the Health Board has gradually seen the introduction of some basic ICT operational performance measures. Where there are performance pressures, additional resources have been identified to help address these issues.
32. The ICT partnership recognises that both the Council and Health Board performance measures need to evolve so that they are current and relevant, and give an overview of both IT operational performance as well as giving an indication on the overall progress of the delivery of key projects.
33. Given there is an advantage for having an integrated ICT operational team, it would also be beneficial to agree common service standards. At present, the Council helpdesk workload is prioritised using ITIL⁴ standards whereas the Health Board's approach is more traditional 'first come, first served'.
34. Given that industry standards exist for helpdesk management, it would be beneficial if the ICT partnership agreed common standards to which an integrated team could work.

There are good approaches for developing ICT strategy, but there remain opportunities for using technology to support wider service efficiency

The ICT partnership has, in the main, successfully delivered against its 2011 strategy and has developed a stable service

35. The 2011-14 strategy provided a good overall analysis which considered both local and national opportunities for service improvement and efficiency. This assessment was undertaken in both health and Council services.

³ The Society of IT managers (Socitm) provide a benchmarking service which compares key operational ICT metrics across participating sites. Many of these measures have become a standard tool for evaluating performance in Council's ICT departments across the UK.

<http://www.socitm.net/research/benchmarking/ict-service/about-benchmarking-ict-service>

⁴ ITIL (formerly known as the Information Technology Infrastructure Library) is a set of practices for IT service management that focuses on aligning IT services with the needs of business. https://www.axelos.com/Corporate/media/Files/Brochures/ITIL_Product_Brochure_Conference_Version_v1.pdf

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36. The 2011 strategy was the first local cross-sector integrated ICT strategy in Wales. The strategy successfully bridged the gap between the former two separate organisations in 2011 and described its aims for an integrated ICT service. The strategy contained both ICT infrastructure aims as well as some projects developing use of technology in services.
 37. Each year the joint ICT service agrees an annual plan of work with partners. There has been a clear read-over between the 2011-2014 ICT strategy that sets out a longer-term direction, and the aims which are set out annually in the section 33 ICT scheme objectives. This has helped to ensure continuity between the original direction set out in the strategy and annual plans.
 38. This approach to setting the direction and annual business planning creates a clear understanding of priorities, resource and investment requirements and provides a high-level measure to track progress against plans over time. Over the first three years, the strategic direction has helped create a stable integrated ICT service, which has demonstrated improvement and reduced risk.

The ICT Partnership are developing the 2015-2018 ICT strategy and this will need to focus the development of technology as an enabler for both service modernisation and cashable efficiencies across both organisations

39. Both the Health Board and the Council have significant financial pressures and there is no sign that these pressure will abate in the next four years. The recent Williams' report recommends a full merger of the two bodies, which, if implemented, would present significant opportunities as well as challenges for the Council and the Health Board.
40. Technology and information systems can create significant financial savings, but only if designed and implemented effectively as part of a wider efficiency programme, and only if action is taken to cut costs on the back of the efficiency measures taken.
41. The Council and Health Board both need to achieve financial savings across the organisation. Given that a large element of any local service delivery costs relate to staff resources, it is clear that this is where financial opportunities lie. Examples of ICT related financial savings could be achieved through:
 - Implementing systems that support better deployment and tracking of health and council service staff in the field, so that staff are routed on jobs in the most efficient way (for example, social services and community health staff).
 - Systems that support integrated and multi-disciplinary working, so that fewer staff are required to make home visits.
 - Stock control systems to minimise wastage and over-ordering, ensure retrieval of loan equipment (eg, joint equipment stores) and reduce the number of return-to-base visits to pick up parts/stock (eg, housing maintenance).
 - Increased use of video-conferencing, telemedicine etc, to reduce meeting travel expenses, time lost travelling and also to enable access to skills, knowledge and expert service and medical advice from out-of-county locations.

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- Using technology to support people to live in their own homes for longer. This could help manage the increasing demand for complex health and social care needs and reduce future cost growth, by avoiding costly care placements and inpatient stays.
- 42.** The ICT partnership is actively seeking views on service improvement and efficiency areas from Council services and is using this to develop its strategy. The ICT partnership is also aligning its strategy to the Powys One Plan. However, the Health Board does not yet have a clear and agreed integrated medium-term plan and so it is harder for the ICT partnership to clearly link the ICT strategy to the health corporate strategy. While the strategy is currently being drafted, work has already taken place to develop the next year's objectives. The draft objectives for 2015/16 were shared at the Joint Partnership Board in January. These are set out below:
- seek approval of the joint business case for telephony, and commence the implementation of the preferred option for a joint telephony solution for both the Council and the Health Board;
 - continue to implement a cross border (English providers) capability with NWIS;
 - support the joint Powys 'one plan' programmes with IT where appropriate, notably the implementation of the National Community care information system (CCIS) for both the Council and the Health Board;
 - implement the joint business case to provide a joint ICT security capability;
 - review and define the next phase of the joint skills development plan;
 - continue the NWIS programme notably the Welsh Clinical Portal and define the next phase of implementation;
 - review the Digital Powys Programme of trials; and
 - continue process integration notably desktop services, network services and data centre services with a view to have a single support team. (c/f from year three)
 - Agree aims and objectives for years five of the agreement.
- 43.** As identified previously, more can be done to focus and use IT systems to help improve workforce utilisation and efficiency, but this needs to be led by the front-line services, and not by the ICT service. However, the ICT partnership has the potential to further develop a business ICT consultancy function to provide technology advice and options appraisals which are technically feasible and result in tangible business benefit. To date, the ICT partnership has worked within a relatively fixed financial revenue funding allocation. This ensures good cost control and provides a basis for stable service provision. However, both the Council and the Health Board should be prepared to invest in ICT where a strategic investment in ICT will deliver cashable savings efficiencies in other services.

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44. There is a national agenda for ICT in health, led by the NHS Wales Informatics Service (NWIS). NWIS has produced a long-term plan that the ICT partnership can use to plan the national initiatives, which the Council or the Health Board could deploy. The partnership will need to work with NWIS to ensure that NWIS understands and effectively responds to the strategic technological needs of the Council and Health Board.
45. The new integrated health and social care system presents a real opportunity to support integrated working. The Health Board and the Council should ensure that sufficient Social Service and Health Staff resources are available to effectively implement the system. Our observation of the previous Draig and Paris social services systems implementations, which started across Wales in 2004, identified some significant under-estimation of the effort and planning required to implement such a system. Both organisations would benefit by effectively supporting the implementation of this system as part of wider transformation and modernisation of the health and social care pathways.

Recommendations

ICT performance framework

- R1 By October 2015, develop a revised ICT service performance framework to ensure identification, recording, monitoring and reporting of:
- project milestones delivered in the medium term;
 - ICT-related cashable efficiencies; and
 - relevant ICT performance operational metrics and targets to agreed service standards.

Financial accounting

- R2 By July 2015, ensure that a section 33 memorandum of set of accounts is completed and provided annually for audit.

Partnership working

- R3 By October 2015, ensure that good practice demonstrated in the management and financial control of the ICT partnership is shared with other current or emerging partnerships. This could be achieved by:
- developing formal standards for partnership working; and
 - developing training and guidance for partnership managers (including financial management, business planning, performance management and risk management).

Innovation funding

R4 Seek additional national funding where available to develop and pilot innovative community health and social care IT solutions. The partners should evaluate these initiatives and, if successful:

- deploy these across Powys; and
- promote these across Wales where there is a clear benefit.

Implementation of integrated community health and social care system

R5 Ensure that there are clear implementation plans for the new all Wales Community Social Services and Health system. This should include:

- identification of overall executive responsibility for leading the project;
- allocation of sufficient ICT and Service staff resources to the project;
- clear deliverable milestones and plans to prepare, test, and switchover to the new system; and
- development of integrated health and social care pathways and processes, which enable the system to support the desired future model of working, rather than the future model of working being dictated/limited by the system.

Appendix 1

Action Plan

Page	Ref	Recommendation	Senior Management responsibility	Priority (H/M)	Agreed	Actions	Planned Completion date
12	R1	<p>Develop a revised ICT service performance framework to ensure identification, recording, monitoring and reporting of:</p> <ul style="list-style-type: none"> • project milestones delivered in the medium term; • ICT-related cashable efficiencies; and • relevant ICT performance operational metrics and targets to agreed service standards. 	Allen Hart	H	Yes	Revised KPI for service, Projects and efficiencies in definition Q1 expected completion and to be BAU into JPB by Q2 2015/16.	End Sept 2015
9	R2	Ensure that a section 33 memorandum of set of accounts is completed and provided annually for audit.	Jane Thomas	M	Yes	Previous years to be completed by Q1 2015/16. Then BAU from 2015/16 as part of the annual accounts process.	July 2015

Page	Ref	Recommendation	Senior Management responsibility	Priority (H/M)	Agreed	Actions	Planned Completion date
All	R3	<p>Ensure that good practice demonstrated in the management and financial control of the ICT partnership is shared with other current or emerging partnerships.</p> <p>This could be achieved by:</p> <ul style="list-style-type: none"> • developing formal standards for partnership working; and • developing training and guidance for partnership managers (including financial management, business planning, performance management and risk management). 	Andrew Durant in support of the OPD programme of the Powys One Plan	M	Yes	<p>Create s.33 guidance / standards – Q1 2015/16.</p> <p>Create training capability for s.33 – Q2 2015 /16.</p>	End September 2015
13	R4	<p>Seek additional national funding where available to develop and pilot innovative community health and social care IT solutions. The partners should evaluate these initiatives and, if successful:</p> <ul style="list-style-type: none"> • deploy these across Powys; and • promote these across Wales where there is a clear benefit. 	Andrew Durant	M	yes	<p>The digital Powys programme of technology trials is nearing the end of phase 2 and a review of digital innovation will be undertaken by June 2015. It is anticipated that in the short to medium term to link health and social care Innovation bids to the CCIS project.</p> <p>We will continue to seek national funding through the WG innovation teams.</p>	June 2015 for outcome of review of current programme

Page	Ref	Recommendation	Senior Management responsibility	Priority (H/M)	Agreed	Actions	Planned Completion date
15	R5	<p>Ensure that there are clear implementation plans for the new all Wales Community Social Services and Health system. This should include:</p> <ul style="list-style-type: none"> • identification of overall executive responsibility for leading the project; • allocation of sufficient ICT and Service staff resources to the project; • clear deliverable milestones and plans to prepare, test, and switchover to the new system; and • development of integrated health and social care pathways and processes, which enable the system to support the desired future model of working, rather than the future model of working being dictated/limited by the system. 	Andrew Durant	H	Yes	<p>CCIS national Programme is being defined.</p> <p>Powys (PCC / PtHB) Regional joint project is being commissioned Q1 2015/16 to include pooled Project funding and resources.</p>	End June 2015 for fully commissioned CCIS project for PCC and PtHB

Appendix 2

Lessons learnt

46. As part of our fieldwork, we asked interviewees about their lessons learnt from the development and introduction of the section 33 arrangements and the ICT partnership. The following provides an overview of the messages from this exercise.

Lesson learnt

Use of section 33 to mitigate partnership risks

- Section 33 is a good mechanism but it is underutilised. Both partners might have reservations about entering into partnership, particularly when also agreeing a financial commitment. However, the section 33 arrangement if developed properly provides the structure and formality required to ensure any key concerns can be mitigated. The ICT partnership scheme of the section 33 agreement included sufficient clarity to ensure that it identified and controlled its risks.
- There is no no-risk option, but section 33 is a good mechanism to bring together the required discipline to proactively manage and control risks.

Section 33 development

- The time invested in the section 33 and ICT scheme was valuable. The development of the section 33 took some time but the discussions, challenges and development of solutions provided a sound footing and strong business discipline to ensure that the ICT partnership is effective.
- Use of an external specialist consultant to support development and drafting of the section 33 agreement brought experience from other partnerships and prevented a parochial approach.
- It would have been beneficial if there were greater communication at a national level at the outset so that national IT partners, including NWIS understood the arrangements, the opportunities and the need for national strategic input, development and commitment.

Implementation of ICT arrangements

- The ICT partnership should have moved faster at the outset. Although there was benefit taking time in the development of the formal S33 agreement and scheme, once agreed it took too long to integrate both staffing and ICT network integration.
- Communication and engagement with the ICT teams and across the ICT teams was and is still important to success.
- The use of pooled funds has helped ease the mad march spending and smooth procurement across financial years.

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