

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....14th July 2022

1. Title of Item/Report

Xentrall Annual Report

2. Record of the Decision

Consideration was given to the Xentrall Annual Report 2021/22.

The annual report allowed Members to review the progress and performance of Xentrall Shared Services, the Stockton and Darlington partnership.

The annual report demonstrated how Xentrall had delivered savings across the board whilst continuing to improve performance and customer satisfaction.

In the second year of the global pandemic, Xentrall continued to be a critical element in the support of both Councils.

Xentrall Shared Services, the Stockton and Darlington partnership, was established in May 2008 and was in its fifteenth year. The Xentrall services were:

- ICT (strategy and operations)
- Transactional HR (payroll, pensions, recruitment, sickness absence)
- Transactional Finance (creditors, debtors, banking, schools finance)
- Design & Print (professional buyer, in-house design and print)

The original business case identified a number of efficiencies and benefits to be delivered resulting in initial savings of £7.4m over the original ten-year period of the partnership. The successful partnership arrangement had delivered all these plus additional efficiencies and benefits and significant additional savings as reported to Members over previous years. At the same time the quality and performance of services had not been compromised but improved, with both customer and staff satisfaction increasing over the life of the partnership.

This was a significant achievement for a public/public partnership and it compared very well to other private sector partnerships many of which had failed over the same period or been brought back in-house for a variety of reasons. Both Councils had benefited both financially and through a continued programme of service improvements brought throughout the lifetime of the partnership.

Xentrall continued to explore new opportunities for external business as and when these arise, which was in-line with the partnership's objective of tactically growing the business. Like the one preceding it, 2021/22 had been an unusual year, yet Xentrall HR had taken on nineteen new schools and two new academy trusts and also during the year ICT had assisted the Combined Authority with their office relocation. In addition, existing external customers had been retained and had signed up to new service level agreements for the current year.

Xentrall generated external annual income of over £1m continued to form a significant part of the overall Xentrall financial model and thereby reduce the Xentrall funding required by both Authorities.

Despite the pandemic, Xentrall continued to function successfully and perform well throughout the year. In terms of the pandemic, 2022/23 looks "more normal", but now the war in Ukraine, global shortages and increased costs of some products and rising inflation to contend with. Whatever the next year or two brings, Xentrall services would continue to strive to deliver quality and timely services to both Councils and our external customers and support them as they navigated and responded to these and other emerging challenges that come with public service delivery. Xentrall activities were detailed within the report.

As with previous years, the continual service improvement mentality within Xentrall would be applied to leverage any further service improvements and/or savings for both Councils. Xentrall would also continue to assess new partnering and business opportunities as and when these arise, which fits in with its business plan of tactically growing the business and in turn help to support both Council's Medium-Term Financial Plans.

3. Reasons for the Decision

N/A

4. Alternative Options Considered and Rejected

None.

5. Declared (Cabinet Member) Conflicts of Interest

None.

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

N/A

Proper Officer  
18 July 2022