



KENT PUBLIC SECTOR NETWORK GOVERNANCE IN PRACTICE...



Jon Aldington, SSA, is the member of the KPSN Management Board representing the higher and further education and research community in Kent.

Jon graduated with a Postgraduate Certificate in Shared Services in 2012 and holds Shared Service Architect Recognition

The Kent Public Service Network (KPSN) is a communications network connecting around 1300 sites across the county of Kent.

The sites include schools, libraries, local government offices, universities and colleges, fire & rescue, police and health sites. The term “KPSN” also refers to the partnership that procured and governs the network.

Today KPSN has eighteen partners from across the public sector, with a total spend of around £8M/year, and savings estimated conservatively at £3-4M/year. All the partners enjoy a higher quality and more flexible service than they could afford on their own.

The partnership is structured as a membership organisation and is not a legal entity. To join requires the signing of a Memorandum of Understanding. This talks about *partnership working and the greater good* as well as being a little more formal in sections dealing with the delivery of service.

Kent County Council (KCC) holds the contracts with suppliers on behalf of the partnership. However, it is always made very clear to suppliers that it is the partnership they answer to, except when it comes to specific contractual matters where KCC takes the lead on behalf of the partnership.

Absolutely critical to the success of the KPSN, or any shared service with eighteen partners, is a governance structure that works. When KPSN was in the process of being set up, those at the helm had the insight, and probably the good luck, to make decisions that have stood the test of time.

Crazy Governance is Important

The first and, in my mind, the most important decision of all was the fundamental principle that every partner should have equal say.

At first sight this looks crazy. The largest KPSN partner spends almost £4M/year with the consortium, the smallest less than £10k.

However, if any partner feels they have no real influence there is a very good chance that they will simply walk away, or more likely would never have joined.

In practice the large partners are very involved and well represented at governance meetings. The small partners, meanwhile, often don't attend the meetings. However, they know that if something comes up that matters to them, they will have a seat at the table and real influence.

An ever present concern is that in theory the small partners could club together and outvote the big ones. In practice there is strong trust and shared vision between the partners, and everyone realises that this would be massively counterproductive.

Indeed, a KPSN decision has never gone to a vote – all decisions have been made by consensus. The discussions can be lively and sometimes time-consuming, but the benefits, not least in savings, are plain for everyone to see.



It's important that all these groups have very clearly defined and agreed terms-of-reference, which particularly need to be clear about what gets approved where.

Governing the Right Things (and dealing with unwanted murine incursions!)

KPSN, as a larger partnership, has several distinct groups dealing with different areas. While different shared services will choose to structure things differently, particularly depending on scale, the headline areas are important in any shared service organisation.

KPSN's governance "engine room" that deals with the day-to-day aspects of the service consists of four separate groups:

- The Finance Working Group tracks spend against budget and makes recommendations concerning the way costs are divided up across the partnership;
- The exotically named *Strategic Change and Innovation Group* discusses possible new developments, turns these into proposals, and tracks delivery of smaller service development projects to completion, acting as a project board for this part of its role
- The Service Delivery Group handles operational issues. For example, when rats recently chewed through fibres in Canterbury and took out several connections across the city, this group

! The feline and murine references in this article are not coincidental

discussed how the incident was handled as well as steps to lessen the impact of future similar occurrences

- The Contract Review Group handles the contractual relationships with suppliers and deals with issues such as performance against SLAs and service credits

These four groups all report to the KPSN Management Board.

This organisation handles the more important issues and decisions on behalf of the partnership.

For example, it approves proposals for more significant spend and more substantial service development projects. It acts as the project board for larger projects, and considers summary reports for the most serious operational issues. It also considers the strategic fit for activities and works with the Executive Board to set the strategic priorities.

An Executive Board sits above the Management Board. The Executive Board includes heads of organisations and CIOs for the largest partners. It meets less frequently, and makes the big strategic decisions about the partnership.

Governance is an overhead in any shared venture, but when done properly the benefits massively outweigh the effort

KPSN has just kicked off a programme to re-procure the main contract. As part of this, the Executive Board considered the big strategic questions for KPSN such as whether to extend the geographic scope, and whether to include support for rural broadband and SME connectivity within the upcoming re-procurement.

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Do it well and it gets easier

Another obvious issue is the overhead of all these groups – a lot of time and effort goes into governance. Not every partner is represented at every group, but there's always a seat at the table for them if they want it.

Meetings used to be scattered across the diary, but the Strategic Change & Innovation Group and the Service Delivery Group now happen one after the other, as there's a lot of overlap in membership.

Over time, a lot of trust has developed between individuals and between KPSN partners. Because of the trust and shared experience of the benefits, increasingly people are happy to make decisions offline by email and meet less frequently face-to-face.

However a shared service is structured, aspects of finance, service development, operations, and the relationship with suppliers will need to be managed, so it's important to think about how to structure the governance of these items.

Top five tips for your governance structure

If you are about to set up a collaborative project then here are my top five suggestions on your approach to governance:

1. Structuring shared service governance should start well before the service goes live
2. Setting and agreeing terms of reference is essential
3. The new governance structure's first job is to plan, design and roll out a new shared service, not to be called into being the first time there's an operational issue
4. Every partner must have a meaningful say in what happens
5. Governance is an overhead in any shared venture, but when done properly the benefits massively outweigh the effort