

processing all parking-related payments on the Council's behalf. Through the managed services partnership, new capabilities have helped Haringey anticipate and respond well to new opportunities. For example, Haringey became one of the first authorities capable of enforcing new DVLA powers for untaxed vehicles. As processes improve, key targets are being met, such as 90% of letters dealt with inside 10 days and over 70% of abandoned vehicles removed within 5 days.

"The move to a managed service approach has transformed our service delivery. Everything is managed off-site by Civica – we just switch on the system and it works. As we grow and expand, our IT solutions are already there waiting for us." - Parking Services Manager, Haringey Council.

### 8 What's an SLA?

A Service Level Agreement (SLA) is the backbone of the managed service, defining the minimum service standard to be delivered and ensuring full accountability of the provider for achieving it. SLAs need to be measurable and enforceable, albeit with the flexibility to take account of change. They must balance business requirement and cost and relate to IT-based processes, not as traditionally to the technical performance of hardware.

### 10 Are managed services always appropriate?

Certain functions stand to gain more from managed services than others. Front line services and core income and expenditure departments are particularly appropriate because any loss of service represents a direct impact on the delivery of key public services or on the treasury. For high volume areas, or organisations with distributed sites and resources, the efficiency and consistency gains from managed services can be particularly significant. And, with the challenge of data protection combined with the advent of the Freedom of Information Act, managed services can ease information access and security across all departments and provide a foundation for business continuity.

### 11 Why should I consider Civica as a managed service provider?

Civica is one of the UK's most experienced providers of consulting, software and services to the public sector. The company combines the people, processes and infrastructure necessary to deliver effective solutions and sustained service levels. Services range from infrastructure management, including networks, servers and websites, through specialised IT-based solutions such as tax and benefits processing, to business functions. Civica's managed services customers include the London Borough of Southwark, Manchester City Council, Transport for London, WRVS, Lincoln City Council and the Local Government Association of Queensland.

# Your **3** minute guide to Managed Services in the Public Sector



### 9 Is this a kind of partnership?

Successful managed services demand a long-term relationship between customer and supplier, with short-term contracts unlikely to deliver maximum benefit. Trust, cooperation and flexibility are among the essential ingredients, as is customer confidence about the supplier's financial stability, past track record and future prospects. Partnership implies that both parties play to their own strengths but at the same time understand each others needs.

#### Civica – our expertise is public knowledge

Supplying many customers in the UK, Australia and the USA, including over 700 local authorities, Civica has a 20-year history of delivering effective solutions to local government, law enforcement, healthcare and education organisations.



## 1 What are managed services?

A managed service is a contracting arrangement whereby, on behalf of the customer, an external service provider manages and operates either individual IT systems or whole business processes, together with key elements of the associated IT infrastructure. The service provider takes responsibility for managing the processes or systems to guaranteed levels. This is not the same as rolling activities into an all-encompassing outsource.

## 2 So it's an alternative way to deliver technology?

Yes and no. Whilst a managed service offers an effective technology platform, it is not just about an IT solution but rather a business solution. It's about ensuring that critical public services are available and achieving value for money. For example, the London Borough of Hounslow contracted Civica to provide a managed debt recovery service in order to reduce the backlog of debt from road traffic contraventions.

## 3 How can managed services help local authorities?

Under pressure to modernise and faced with a growing workload and constant change, local government is tough. The aim of a managed service is to enable authorities to focus on managing core functions rather than the day-to-day running of supporting processes and systems. By passing this responsibility onto a specialist, authorities can concentrate on their priorities, assured that a trusted partner is helping to deliver continuous service quality at a predictable cost.

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## 4 Aren't managed services just for those with poor in-house IT?

Not at all. The model of working recognises that the business need is best served when the local authority and service provider focus on what they are each best at. Running supporting processes, including IT, is not a core function of local government, but it is the core competence of a company such as Civica. Using a managed service is often a sign of an effective in-house department, which is focused on improving service provision.

A managed service can help overcome resource and performance issues. But it will not fix existing poor business processes. It is simply a management tool that integrates people, processes and technology in the search for better performance and reduced risk.

## 6 Is the managed services model proven, and can it help with CPA?

More than 80% of private companies purchase managed services. Although the proportion is not yet as high in the public sector, it is growing rapidly. At the IT level, SOCITM reports that nearly three quarters of local authorities have contracted out at least some of their services, and there is a clear link between commitment to IT and the delivery of good public services.

A recent SOCITM Insight report into CPA results and various IT-related performance measures implies that improving IT service performance will lead to better CPA results.

## 7 Are there examples of managed services working effectively in the public sector?

Civica's relationship with the London Borough of Haringey is one. The company is delivering a 10-year service to help Haringey improve performance in parking and traffic management while handling ever-growing volumes, including 200,000 penalty



As the potential of IT to deliver better public services and greater efficiency increases, so does the complexity. Organisations often feel overwhelmed by the need to update business processes, to consolidate back-office systems and integrate these with front-office, e-services or mobile solutions, and to deliver responsive joined up government. This is compounded by resource and scalability constraints and the risk of technology becoming obsolete. Rather than buying hardware and software, authorities are increasingly looking to external service providers who can pass on best practices gleaned from deep experience and who have the resources and capacity to support service delivery now and in the future.

## 5 Can managed services deliver cost savings?

Typically cost reduction is a feature of a managed service when considering total cost of ownership (TCO). TCO includes costs related to management, recruitment and training, data centre environment, set-up, maintenance and back-up support.

A managed service represents a predictable cost. It replaces unpredictable or fixed costs with a monthly charge or a fee based on usage. It replaces the need for up front capital expenditure on hardware and software.

notices, 13,000 permits and 60,000 items of correspondence a year. The service provides the platform for on-street parking, bus lane enforcement and abandoned vehicle removal.

Haringey was one of the first local authorities to adopt an integrated parking system to automate processes, but over time found it increasingly difficult to deliver the IT service required. Today, Civica manages systems, equipment, correspondence and data to agreed levels. The company also manages links to the DVLA, credit card systems and the London-wide TRACE system,