



# A group becomes a team

Four internal audit and counter fraud teams have been merged across Medway Council and Gravesham BC. With shared services now the 'new normal', **Katey Arrowsmith** explains how this was achieved

**W**hile shared services are fairly common in Kent and Medway and even more so in internal audit, there are a few things which make ours stand out. We merged four teams from two specialisms, from different tiers of local government and got a new service up and running in less than 10 months.

Just over a year ago I was working for Gravesham and managed its internal audit and fraud investigations teams. I knew my opposite number at Medway had left but I had no reason to leave Gravesham so didn't apply for the job when it was advertised.

I realised something was up when during a one-to-one, my boss Stuart Bobby, Gravesham's S151 officer, slid a copy of the Medway advertisement across the desk and asked if I was interested.

He had received a call from Phil Watts, Medway's S151 officer asking if he could borrow me on secondment. The two quickly agreed a shared service would be better and rather sheepishly asked if I'd consider it. I started at Medway six weeks later.

In 2013 the Government announced the responsibility for investigating housing benefit fraud would transfer from local authorities to the Department for Work and Pensions (DWP) single fraud investigation service.

This meant the grant paid to local authorities to do this work would be cut and that all investigations staff could be transferred to the DWP. This cut in funding equated to £230,000 for Medway and Gravesham and between them the two had 12 investigations staff. This was all scheduled to happen in February and March 2016.

Both Medway and Gravesham understood their fraud risk didn't begin and end with benefits and both had investigation teams which already had successes in other types of fraud – particularly housing tenancy fraud.

Our brief was to create one team which could deliver internal audit services to both councils at the same level they had before and to keep as much fraud resource as

possible, while saving enough to cover the £230,000 cut in funding. It had to be up and running in 10 months.

At the time I was managing two distinct and culturally very separate internal audit and fraud investigation teams at each site, but was constantly struck by how similar the disciplines were.

Both teams were small, so small that even one person being off sick could be disastrous for performance.

Due to the sizes and structures in place, there were limited opportunities for staff to develop and progress.

## While there were endless technical tasks involved in this project, the most challenging was leading staff through a period of significant and relentless change

We agreed to merge four teams into one and have a pool of multi-disciplined staff which could be flexible and resilient, applying a range of skills and experiences to bring fresh eyes to audit and investigation work.

Shared services are a simple concept, but in practice there can be a lot of politics involved – fears about loss of organisational identity, jostling for positions, who hosts or leads.

What followed was true partnership working. We pulled together a group of excellent staff from both councils into a project team with representatives from each council's HR, finance, legal, ICT and property services.

We worked out a project plan and each representative spent weeks working on tasks that were vital but which no-one else understood.

**Katey Arrowsmith, who helped lead the successful merging of counter fraud teams in Kent and Medway**

We had some tremendous successes. The shared service is underpinned by a legal agreement we refer to because it is clear and concise. We managed two TUPE transfers and a restructure to 14 entirely new roles. We stretched Medway's ICT network to an office in Gravesham BC's Civic Centre so my staff have the same access to systems wherever they are.

By the end, the group was a team – an example the two councils can look to as they set about exploring other services they could share.

Anyone who has ever been through a restructure will attest they are not fun. While there were endless technical tasks involved in this project, the most challenging was leading staff through a period of significant and relentless change.

I told my staff as much as possible, as soon as I possibly could, about what was happening. I listened to every concern and took them on when setting up the new team. I constantly asked for my team's views on everything so they helped shape the way everything works.

Our shared service has now been in place for seven months and while it has taken time for everyone to adjust, we are now in a new normal. The team is performing well, delivering work I'm proud of and has a higher profile and more impact than before.

The credit for this has to go to the leadership of my bosses, Phil Watts and Stuart Bobby. Together, they set a tone which was open, pragmatic and focused on delivering an effective service. I'm grateful I work for two such forward-thinking, pragmatic employers who were able to make this shared service a success. ▶

*Katey Arrowsmith is head of audit and counter fraud shared service at Medway Council and Gravesham BC*