

REPORT TO: Business Efficiency Board
DATE: 23 May 2012
REPORTING OFFICER: Strategic Director, Policy & Resources
PORTFOLIO: Resources
SUBJECT: Efficiency Programme Update
WARDS: All

1.0 PURPOSE OF THE REPORT:

To inform the Board of progress made to date with the Efficiency Programme (refer to Appendix 1).

2.0 RECOMMENDATION:

The board is asked to note the contents of the report.

3.0 SUPPORTING INFORMATION:

None

4.0 POLICY IMPLICATIONS

None identified at this stage. Activity within the Efficiency Programme may result in recommendations to change policies as individual workstreams progress.

5.0 OTHER IMPLICATIONS

It should be noted that since commencing in 2009, the Efficiency Programme, and activity associated with it, has identified savings in the region of £10m. This has assisted the Council in the difficult task of dealing with the budget gap.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The Efficiency Programme is designed to improve the effectiveness of services across the authority and reduce costs associated with service delivery. This affects all of the Council's priorities.

7.0 RISK ANALYSIS

Given the financial constraints facing the Council in the immediate and medium terms, failure to continue to progress Efficiency Programme workstreams into future stages may result in the Efficiency Programme not achieving its objectives – primarily service improvement and cost reduction. This could result in services being underfunded, with departments unable to meet the costs of staff and other resources required to deliver to the community of Halton.

8.0 EQUALITY AND DIVERSITY ISSUES

N/A

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

N/A

Halton Council Efficiency Programme

Progress update - May 2012

Progress to date against each of the current workstreams is given below.

Wave 4 of the Efficiency Programme has commenced and new workstreams are now in progress.

Review of Operational Fleet & Client Transport (Wave 2)

Improvement opportunities that were identified in late 2011 continue to be followed up as part of the 'To Be' phase of the workstream. Some options to be considered are of a longer term nature and may require changes in policy.

£201,000 of the £400,000 savings target has been achieved to date.

Transactional / Non-Transactional: Process Review (Wave 2)

Updates on the projects that are currently part of this workstream:

- HR Processes – An IT based 'I want HR' portal has been successfully launched and the payment of mileage claims for the majority of users is now automated. This has reduced paper based processing in HR significantly. Further processes are being looked at and will be added to the portal in the future.
- Document Imaging & Workflow – An electronic document workflow system went live in the HR Division in April 2012. This has eliminated the need for paper files, and facilitates the moving around of work electronically. This has enabled a net budget saving of around £26,000 within the division. Implementation of the same system is in progress within the Insurance team, and the Client Finance team.
- Review of Invoice Payment Process (P2P) – An application designed by the in-house IT teams is being implemented to automate the processing of non-Purchase Order invoices. This negates the need for paper forms and manual signatures, thereby increasing officer productivity.
- Review of officer authorisation processes – A review of individual authorisations undertaken by officers at all levels has concluded and revised levels of authorisation will be implemented. This will free up management capacity across the organisation.
- Review of the use of Outlook & Telephony. Microsoft Lync has now been implemented in many areas and is assisting staff to work in a more agile manner.

Each of the above projects is resulting in more efficient working practices, enabling teams to operate with reduced resources and adopt more automated processes.

Review of Income & Charging (Wave 3)

The first phase of this workstream has indicated that full cost recovery is not evidenced across the Council. Further work is required to examine services that are charged for in more detail. An action plan has been put in place to facilitate this, with the top ten income generating services being given priority.

Review of the Contact Centre (Wave 3)

A new service delivery model was put in place on 15th March 2012. The full range of Council services is available 8am to 6pm, Monday to Friday. An out of hours emergency response service now operates from 6pm to 8am weekdays, and at weekends. This is delivered by the Community Wardens service.

Savings from this workstream were £418,000 net against a target of £110,000.

Review of Business Development & Regeneration (Wave 3)

A revised structure has been implemented from 30th April 2012. Operationally, this has rationalised lines of reporting and in strategic terms has aligned the work of the service with the Council's Core Strategy and the local regeneration agenda. The markets, town centres management and town centre regeneration will now operate together rather than as separate business units. Analysis of the utilisation of the Council's Industrial Estate portfolio has indicated that it is viable and cost effective for the Council.

There was no savings target for this workstream, however savings of £50,000 have been secured.

Review of Development Services (Development Control, Building Control, Contaminated Land) (Wave 3)

The As-Is report has been completed. This has illustrated some operational issues related to the processing of planning applications through the system. More detailed work is now in progress to establish where the issues arise. This information will inform the design of the 'To-Be' model. In the meantime, interim measures to address the issues are being considered.

Review of Adults' and Children's Social Care Commissioning (Wave 3)

This workstream has not commenced formally due to other priorities within the programme. There are several lines of activity ongoing within the Communities and Children & Enterprise directorates which are influencing the Council's commissioning activity. In addition, the powers and duties of the Business Efficiency Board have been revised to bring about increased member scrutiny of the procurement process. This in itself relates to the commissioning activity that occurs prior to the procurement process. This is the subject of a separate report on the agenda for this board. The workstream is currently 'on-hold' and the Efficiency Programme may provide input to directorate activity rather than progress this workstream.

Review of Community Services (Wave 3)

This review has concluded with a number of measures having been put in place to generate savings.

The original target for the workstream was £196,000, however this was amended to £96,000 due to a revision to the areas in scope as the workstream progressed.

Savings of £95,000 have been achieved against the target of £96,000.

Traded Services Workstream (Wave 3)

This review has considered the legislative environment that applies to Local Authority Trading, and has reported the range of trading arrangements currently in place.

The workstream will not progress any further, however it provides a framework within which trading opportunities can be being considered and evaluated. These may be opportunities identified in other workstreams, or opportunities brought forward by service managers.

Review of Waste Management (Wave 3)

This review is currently at the As-Is stage. An analysis has been undertaken of how staff are deployed to deliver the Waste Management Service, how the fleet of vehicles is used, and how the service in Halton compares to that of other Councils.

Work to identify improvement opportunities will commence shortly.

The workstream has a 10% savings target of £700,000, based on an annual expenditure of circa £7m. It is noted however that a large proportion of that expenditure is contractual to cover waste disposal and is long term. There may be limited scope to reduce contract related expenditure. As the workstream progresses, the target may need to be adjusted.

**Review of Policy & Strategy,
Review of Performance & Improvement,
Review of Communications & Marketing (Wave 4)**

This is the first Wave 4 workstream.

These three services came into operation in April 2010 when the Centres of Excellence were implemented. Given the relationship between these service areas, the three are being reviewed concurrently under the umbrella of one workstream. A detailed activity analysis is in progress to assess what is delivered and whether all activity is necessary. The impact of ceasing any activity will be carefully considered.

There is a savings target of £125,000 across the three areas.

Review of Child Protection (Children in Need Service) (Wave 4)

The Efficiency Programme Office is working with this service to look at ways in which productivity can be enhanced in order to reduce the caseload per practitioner, as well as addressing on-going recruitment issues that affect this area of children's social care.

A baseline of the service, its structure, high level processes, and day to day activity is currently being drawn up.

There is no savings target for this workstream.

Name of Board: Business Efficiency Board

Date of Meeting: 23 May 2012

Report Title: Efficiency Programme Update

Author: Strategic Director, Resources

STANDARD SECTIONS – CHECKLIST		
All reports must be submitted together with the following checklist fully completed		
	Yes	No
<p>Resource Implications The financial, manpower and land (buying or selling) considerations should be clearly detailed including any corporate implications of following the recommended course of action.</p>	N/A	
<p>Social Inclusion Implications Any implications relating to social inclusion/anti poverty should be highlighted</p>	N/A	
<p>Sustainability Checklist Any implications that affect the sustainability themes of economy society and the community and the environment should be included,</p>	N/A	
<p>Best Value Any Best Value implications should be included.</p>	Yes	
<p>Legal Implications Any Legal implications should be included.</p>	N/A	
<p>Crime and Disorder Issues Any crime and disorder implications should be included.</p>	N/A	
<p>Community Impact Review & Assessment (CIRA) Is a CIRA relevant to this report? Has a CIRA proforma been completed?</p>	N/A	
<p><i>Please review these potential effects, within the context set out overleaf, to compose your summary assessment</i></p>		
<p>Summary assessment of Implications: <i>The report is an update on activity across the Efficiency Programme and is presented for information.</i></p> <p><i>Detailed implications are dealt with within the governance of individual workstreams within the programme on a case by case basis.</i></p>		