

REPORT TO: Business Efficiency Board

DATE: 11 November 2009

REPORTING OFFICER: Strategic Director, Corporate & Policy

SUBJECT: Efficiency Programme – update on progress to date and next steps.

WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

To inform the Board of progress made to date with the Efficiency Programme, and outline the next steps to be taken.

2.0 RECOMMENDATION: That

- (1) the Board is asked to note the contents of the report; and**
- (2) further update reports be brought to the Board.**

3.0 SUPPORTING INFORMATION

Progress on the Efficiency Programme and its next steps are shown in Appendix 1.

4.0 POLICY IMPLICATIONS

None identified at this stage. Activity within the Efficiency Programme may result in recommendations to change policies in the future.

5.0 OTHER IMPLICATIONS

None identified at this stage.

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 next three years, and beyond, failure to progress the Efficiency Programme 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

8.1 Not applicable

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

9.1 Not applicable

Efficiency Programme Progress update and next steps – October 2009

The Efficiency Programme is an overarching programme consisting of a number of workstreams. These workstreams were selected in summer 2008 in partnership with KPMG and a Programme Business Case was approved

Objectives of the Efficiency Programme:

- Reduce costs to the Council while maintaining and improving the quality of services provided to the community.
- Find new and more flexible ways of working while maintaining the authority's excellent performance rating;
- Minimise the impact of changes on front line services and improve management and support processes;
- Provide opportunities for skills and capability development;

Scope of the Efficiency Programme:

All council services across all directorates are within the scope of the Efficiency Programme

Staffing Protocol:

As new structures are designed, approved and implemented there will be an effect on staff across all levels.

Following negotiations with the Trade Unions the Staffing Protocol has been agreed by Appointments Committee on 21st September 2009

The staffing protocol is a framework that can be applied across the Council to affected staff. A key commitment of the Protocol is:

“Every effort will be made to ensure that everyone who is currently employed and who wants to remain with Halton Borough Council will have the opportunity to remain employed by the Council”

The protocol does several things;

- Recognises the need to consult and involve Trade Unions throughout.
- Outlines the 'At Risk' procedure.
- Outlines Voluntary Retirement / Voluntary Redundancy schemes.
- Describes the TUPE protocol (if and when required).
- Emphasises the need to communicate throughout the process.
- Outlines training and welfare services.

All staff have been invited to express an interest for voluntary early retirement or voluntary redundancy (closes 30th October)

Progress and Next Steps on each Workstream

Workstreams currently underway are;

- Management Structures
- Transactional Support Services
- Non-Transactional Support Services
- Service Delivery Options (Pilot – Open Spaces)
- Customer Relations & ICT improvement
- Property

The Programme Office is in place to co-ordinate and support the delivery of the overall programme and to develop further efficiency initiatives in the future.

The approach is to understand the current 'As-is' position, then move forward to develop and implement a transition to a more efficient and effective 'To-be' situation.

Progress made on each of the workstreams and planned next steps are detailed below.

Management Structures:

The aim of this workstream is to review existing management structures across the Council, with a view to making them more streamlined, efficient and effective. A Corporate Management Framework (CMF) has been developed which sets out a number of key principles around the management structure of the Council.

This includes;

- the number of tiers of management;
- spans of control, and;
- the cost of management as a percentage of direct spend.

A detailed analysis of all management posts and structures has been undertaken together with impact assessments to assess the effects of changing existing structures.

The detailed Management Structures have been out for formal consultation which ended on 21st October

Next Steps:

- Redesigned structures will be considered and a transition plan developed during May and June 2009.
- New structures will be signed off in July 2009.
- Appointments Committee to meet 26th October to consider new Management Structures
- Communicate agreed Management Structures.
- Process Expressions of Interest for VER / VR
- Fill structure - implement assimilation, ring-fence, and at-risk processes.

Transactional & Non-Transactional Support Services:

These two workstreams are being delivered together. The aim is to review all support service functions across the Council.

These services are:

- Human Resources;
- Finance;
- Administration;
- Policy, Strategy and Performance Management;
- Democratic Services;
- Project & Programme Management
- Procurement and Contract Management; and
- Communications and Marketing.

A detailed analysis of all Support Services has been undertaken.

Through the Efficiency Programme Board and Management Team a number of 'in principle' decisions about the broad design of the 'To Be' structure for support services.

'To-be' Workshops were held and there is an opportunity for staff and managers to influence the detail of the design for Support Services. The workshops and the discussions that follow it are such opportunities.

The first stage informal consultation has been completed along with Directorate Briefings

The revised structures have been developed and are currently out for formal consultation (closes 11th November)

Next Steps;

- Review draft structures in light of consultation responses
- Job descriptions & person specifications to be produced for posts in new structures
- Posts in new structures to be subjected to job evaluation.
- Final Transactional Support Services structures to be agreed on 20th November.

Service Delivery Options:

The aim of this workstream is to examine current delivery arrangements, performance, cost, and customer perception in order to generate revenue savings.

Open spaces was selected as the pilot service for this workstream.

A detailed analysis has been undertaken of the service, its structure, management, cost, impact, and the wider external market in which it operates.

Early discussions around options for the service have taken place

Draft 'To-Be' structure completed following consultation with Trade Unions. Potential saving identified.

Formal staff consultation period commenced (ended 26th October)

Next Steps:

- Future delivery options to be set out and presented for consideration
- Refine structure in light of consultation responses, and agree structure for implementation.
- Appoint Open Spaces Service Manager
- Implement new structure for service
- Commence work on other elements of transition plan to recover slippage in work stream incurred over the summer.

During the first stages of this workstream, a service assessment framework methodology has been developed. Using the workstream approach, this methodology will be applied to all services as part of a coordinated service review programme.

The next two service reviews to be undertaken will be Housing Benefits/HDL (to be led by Strategic Director Environment) IT (to be led by Strategic Director Health & Community). In both cases the Outline Business Case (OBC) & Project Initiation Document (PID) have been approved by the Programme Board.

Next Steps:

- Work stream project team to be convened
- Baseline to be drawn up and agreed
- Process reviews to be undertaken
- Commence work on 'As-Is' position

Customer Relations & ICT Improvement:

The aim of this workstream is to ensure that the Council is making best use of technology and infrastructure to make services more efficient.

This workstream is an 'enabler' to achieve improvement in and across other services. There are opportunities to rationalise and streamline existing IT hardware and software provision that are currently being implemented. The efficiencies generated from this will support compliance with new regulation and also provide capacity to support front line services more effectively.

This work stream has been completed in terms of the original OBC requirements and is now closed.

Property:

The aim of this workstream is to ensure that the Council is making best use of its property base.

An assessment of the Property management function has been undertaken by CIPFA Property Services and reported in June.

The Executive Board considered the options at its meeting on 15th October and agreed to "soft" market test all property services.

Next Steps:

- Work to commence to identify and develop an "in-house" a strategic/client management function to manage the transition and any new contract arrangements.