

**REPORT TO:** Business Efficiency Board

**DATE:** 3 June 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. This is provided in Appendix 1.

## **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**

None.

## **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**

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 and next steps – May 2009**

#### **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

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

Workstreams currently underway are;

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

A Programme Office is now in place to coordinate 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 Workstream:**

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. Impact assessments are currently underway to assess the effects of changing existing structures.

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.

**Non-Transactional & Transactional Support Services workstream:**

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 are currently being 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.

Next Steps:

- 'To-be' Workshops completed across all Support Services throughout May 2009
- Detailed transition plan to new structures to be developed July 2009

### **Service Delivery Options Workstream:**

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

Green-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

#### Next Steps:

- Future delivery options to be set out and presented for consideration
- Detailed transition plan will follow

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. That programme is currently being developed.

### **Customer Relations & ICT Improvement Workstream:**

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.

#### Next Steps:

- Determine the 'As-is' position – June 2009
- Evaluate options and begin to develop the 'To-Be' position

### **Property Workstream:**

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 a report is due in June 2009.

#### Next Steps:

- Consider CIPFA report
- Evaluate options and begin to develop the 'To-Be' position

## **Staffing Protocol:**

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

A draft staffing protocol has been developed, which 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.

Current Status of the Protocol:

It is important to emphasise that the Protocol is still subject to negotiations with the Trade Unions and approval by the Appointments Committee.