

Report

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Report to:	Performance and Review Forum
Date of Meeting:	29 September 2009
Report by:	Executive Director (Finance and Information Technology)

Subject:	Efficient Government - National Diagnostic Projects update
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide the Performance and Review Forum with update information relating the Council's agreed National Diagnostic Projects

2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendation(s):-

- (1) that progress on the National Diagnostic projects is noted
- (2) that further update reports will continue to be reported to the Forum and Committees as appropriate

3. Background

3.1. It was agreed at the May 2009 meeting of the Forum that update reports would be presented to future meetings in respect of information on progress being made on each of the Council's National Diagnostic projects.

3.2. The system in place to monitor these projects is that four-weekly updates are provided to the Corporate Management Team (CMT) and summarised thereafter for Forum meetings. This report to the Forum takes account of information on projects which were considered at CMT meetings to 24 September 2009.

3.3. CMT reports are based on a standard reporting framework which includes information on milestones completed and/or slipping, as well as identifying any corrective action and risk/change issues occurring.

4. Progress to date

4.1. Summary information relating to the Council's National Diagnostic Projects to 24 September is included within Appendix 1.

4.2. Projects are considered to be progressing satisfactorily, with no significant slippage or issues raised.

4.3. The Forum may recall that a briefing was issued to all employees in June 2009 relating to 'Post Budget update' which included reference to work underway on some of the National Diagnostic projects.

5. Employee Implications

- 5.1. Employee implications are recorded in respect of Management Structures project and were reported to Executive Committee on 9 September 2009. As each project continues to develop, employee implications will be highlighted.

6. Financial Implications

- 6.1. It is intended that opportunities will provide efficiency savings, which will be quantified and reported as projects develop.

7. Other Implications

- 7.1. There are no other implications.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. At the present time this report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.

Linda Hardie

Executive Director (Finance and Information Technology Resources)

11 September 2009

Link(s) to Council Objectives/Improvement Themes

- Improvement Theme – Efficient and effective use of resources

Previous References

- Performance and Review Forum report 30 June 2009 – Efficient Government – National Diagnostic Projects update
- Performance and Review Forum report 5 May 2009 – Efficient Government – National Diagnostic Projects

List of Background Papers

- Executive Committee Report 9 September 2009 – National Diagnostic Project – Management Structures

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Helen Black

Ext: 4618 (Tel: 01698 454618)

E-mail: helen.black@southlanarkshire.gov.uk

National Diagnostic Projects - progress to 24 September 2009

Project	Comment
Administration/Clerical	<p>Work on this project commenced in August 2009. The project group has begun gathering information on administration and clerical activity within each Resource and will consider information contained within the original National Diagnostic report. Vacancies will be recruited on a temporary basis throughout the project. Proposed changes will be reported to Committee in December 2010.</p>
Asset Management	<p>This review covers operational property and aims to reduce the existing portfolio. A review of 753 operational properties has been carried out, confirming the use by Resources and detailing cost, sufficiency and core fact information. Properties have been ranked and initial proposals developed by Resources detailing reductions in the property occupied.</p> <p>Challenge meetings were held with Resources during August 2009 to establish a clear brief on levels of savings. The project aims for a target 10% reduction in operational property/floor area, associated financial savings and potential capital receipts.</p> <p>Next steps being taken forward are:</p> <ul style="list-style-type: none"> • agree financial savings with Resources and prepare a detailed Implementation Plan by the end of September 2009. • report final proposals to CMT in December 2009, and Committee thereafter.
Customer Contact	<p>The aim of this project is to review existing customer contact and reporting lines and to produce a single customer contact access strategy.</p> <p>Initial information gathering and an analysis of customer contact data is complete. Technology review work is progressing with call centre telephony and call recording solutions implemented for out of hours call centre at Pollock Avenue; the award of contract for the new queue management system and go live scheduled for October 2009; shortlist of supplier for replacement of Content Management System; CRM upgrade commencing October 2009. Further technology review work continues around text messaging and digital TV.</p> <p>Development of strategy, ownership and employee staffing considerations will be considered between September and December 2009.</p>
Finance Service Review	<p>This review was extended to include not only Accounting and Budgeting, but also Financial Performance section. The review is complete and improvement action plan reported to Performance and Review Forum on 29 September 2009. Progress of the details included within the action plan will now</p>

	<p>be monitored as part of the Council's approach to benefits tracking.</p>
Flexible Working	<p>Following appointment of BT as consultants to produce a detailed business case, an agreed activity plan was agreed including detailed workstreams. The Space Utilisation Survey was carried out in August within Council Headquarters, Montrose House and Civic Centre in East Kilbride. This is a physical audit of workspace and how it is used over the course of a typical working day. It is part of a wider study to look at flexible and mobile working.</p> <p>During September, work carried out will include Resource workshops and 'day in the life studies', as well as finalising data for inclusion in Risk analysis and Cost/Benefit analysis.</p>
Homecare	<p>Reporting on this area of service provision has been transferred from National Diagnostics, and is now integrated in overall reporting on Out of Hours service.</p>
ICT	<p>The key opportunities and benefits from this project are customer advantages; a reduction in hardware and software costs and development of a corporate approach to business applications which have the potential to share systems outwith the Council.</p> <p>The Hosted and Shared Services Strategy was approved by Finance and Information Technology Resources Committee on 19 May 2009.</p> <p>Key milestones completed in recent weeks relate to:</p> <ul style="list-style-type: none"> • establishment of the Corporate ICT Programme Board including agreement of Terms of Reference, role and remit • in respect of payroll shared service – the submission of Pre Qualifying Questionnaires (PQQs) to Strathclyde Fire and Rescue, Glasgow Housing Association and University of Glasgow. Also indicative pricing for the provision of HR/Payroll system to South Ayrshire Council. <p>Next period activity will focus on :</p> <ul style="list-style-type: none"> • undertaking the inventory of all business application assets • group/classify business systems application by function or category • consider responses from PQQs as noted above
Management Structures	<p>Work on the design and challenge stages of this project are complete and were reported to Executive Committee on 9 September. Proposals in respect of changes to establishments were approved together with associated service changes. As part of the wider efficiency and improvement programme a number of areas for future review were also identified.</p> <p>Progress in respect of taking forward the planned future reviews will be monitored and reported to the Performance and Review Forum.</p>

Procurement	<p>The Head of Procurement took up post on 8 September 2009 and recruitment/matching for the remainder of the section is underway.</p> <p>Formal reporting arrangements in respect of progress towards efficiency targets and best practice in procurement will commence when the service is fully established.</p> <p>KPMG estimated that the new structure and method of service delivery will enable the Council to deliver a savings opportunity of 1% p.a. (£3m) from a baseline spend of £297m over 24-36 months.</p>
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