

# Report

Report to: **Performance and Review Scrutiny Forum**  
Date of Meeting: **2 March 2010**  
Report by: **Executive Director (Finance and Information Technology Resources)**

Subject: **Efficient Government - National Diagnostic/Alternative Service Delivery Projects Update**

## 1. Purpose of Report

1.1 The purpose of the report is to:-

- ◆ provide the Performance and Review Scrutiny Forum with updated information relating the Council's agreed National Diagnostic/Alternative Service Delivery Projects

## 2. Recommendation(s)

2.1 The Forum is asked to note:-

- (1) progress on the National Diagnostic/Alternative Service Delivery projects
- (2) further update reports will continue to be reported to the Forum and Committees as appropriate

## 3 Background

3.1 The Forum agreed in May 2009 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 takes account of information on projects which were considered at CMT meetings to 18 February 2010.

3.3 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.

3.4 Following a report to Executive Committee on 16 December 2009, interim and final reporting timescales for Alternative Service Delivery projects have now determined. Targeted dates for Executive Committee are:

- |  |                   |
|--|-------------------|
| ◆ Fleet Services (final report)                      | 26 May 2010       |
| ◆ Property Needs Solutions (preferred option report) | 23 June 2010      |
| ◆ SEEMIS (final report)                              | 23 June 2010      |
| ◆ Arts and Cultural Services (final report)          | 25 August 2010    |
| ◆ Property Needs Solutions (final report)            | 15 September 2010 |

◆ IT Services (final report)

February 2010 (to be revised)

3.5. Interim reports on Alternative Service Delivery projects will be provided to CMT as appropriate and will be included in future updates to the Forum.

#### **4. Progress to date**

4.1 Summary information relating to the Council's National Diagnostic Projects to 4 February is included within Appendix 1.

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

4.3 There are no updates at this time on Alternative Service Delivery projects.

#### **5. Employee Implications**

5.1 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.

#### **8.2 Consultation**

Appropriate consultation has been carried out in terms of the contents of these reports.

**Linda Hardie**

**Executive Director (Finance and Information Technology Resources)**

19 February 2010

#### **Link(s) to Council Objectives/Improvement Themes**

◆ Improvement Theme – Efficient and effective use of resources

#### **Previous References**

◆ Performance and Review Forum report 29 September 2009 – Efficient Government – National Diagnostic Projects update

#### **List of Background Papers**

None

**Contact for Further Information**

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

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## National Diagnostic Projects - progress to 18 February 2010

Project	Comment
Administration/Clerical	<p>Work on this project commenced in August 2009. Resources are completing a standard template detailing structure, areas excluded due to other reviews, proposed reduction of FTEs, and approximate cost savings.</p> <p>A number of reviews and changes underway or ongoing have resulted in a large number of relevant posts/employees being removed from consideration under this project.</p> <p>The process is currently underway to identify posts and subsequent savings.</p>
Asset Management	<p>This review covers operational property and aimed to achieve a 10% reduction in floor space. A review of 753 operational properties was been carried out, confirming the use by Resources and detailing cost, sufficiency and core fact information. Properties were ranked and proposals developed by Resources detailing reductions in the property occupied.</p> <p>Challenge meetings were held with Resources to establish the level of financial savings possible.</p> <p>A detailed progress report was presented to CMT on 28 January 2010.</p> <p>Outcomes from the report included the following:</p> <ul style="list-style-type: none"> <li>• Executive Director (Housing and Technical Resources) to continue with existing working group and expanded remit to review current office use and available space in the medium to longer term and across geographical areas, identifying further opportunities to deliver savings in office portfolio and report back to CMT in July 2010. When this work is available, consideration to be given to further challenge process.</li> <li>• Review Board to be set up to oversee working group - Executive Director (Finance and IT Resources and Depute Chief Executive), Executive Director (Housing and Technical Resources), Executive Director (Enterprise Resources) and Head of Improvement.</li> </ul>
Customer Contact	<p>The aim of this project was to review existing customer contact and reporting lines and to produce a single customer contact access strategy.</p> <p>A comprehensive public consultation exercise was undertaken with 4,500 responses.</p> <p>A detailed report was submitted to CMT on 21 January 2010, with the following recommendations.</p> <ul style="list-style-type: none"> <li>• two contact centres to be established</li> <li>• work is finalised to publicise Contact Centre numbers and</li> </ul>

	<p>reduce the number of telephone numbers currently circulated to five by using Interactive Voice Recognition</p> <ul style="list-style-type: none"> <li>• revised structure approved</li> <li>• management of customer contact functions to be undertaken by Executive Director, Housing and Technical Resources</li> </ul> <p>Implementation plan will run until late 2010 taking account of critical milestones. As a major programme of change it is anticipated that the full project will not complete for between 3-5 years.</p> <p>Outcomes from the CMT report include:</p> <ul style="list-style-type: none"> <li>• Further work to be carried out by Executive Directors (Housing and Technical Resources) and (Corporate Resources) to finalise and articulate the strategy for the delivery of customer services throughout South Lanarkshire.</li> <li>• Corporate working group to be set up and led by Housing and Technical Resources looking at project implementation. Project plan to be prepared including milestones, required IT investment, potential savings and potential opportunity for office rationalisation.</li> <li>• Executive Director (Housing and Technical Resources) to come back to CMT with a revised report for Executive Committee and Performance and Review Scrutiny Forum.</li> </ul>
Finance Service Review	<p>Phase 1 of this project is complete and has now moved to the Benefits Tracking stage.</p> <p>Phase 2, which will consider the Finance Function across the Council is now underway and will complete in March 2010.</p>
Flexible Working	<p>Tasks associated with BT workstreams clarified and now complete.</p> <p>A final report to be presented to CMT in February 2010.</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. A change to the original Terms of Reference was agreed by CMT in October 2009, focussing on a 5% efficiency saving over the next five years.</p> <p>IT Managers are now making progress with identification of alternative Target Operating Models for IT Services deliverables. Consultation with Resources on strategic requirements was completed in December 2009. Options will be reported to CMT in February/March 2010.</p> <p>Glasgow Housing Association advised the Council was unsuccessful with the submission for the provision of Payroll Services. Dialogue continues with South Ayrshire Council on the provision of HR/Payroll Shared Services. Initial discussions on HR/Payroll Shared Services have taken place with Clackmannanshire and Fife Councils.</p>
Management Structures	<p>This project is complete and has now moved to the Benefits Tracking stage.</p>

Procurement	<p>The Head of Procurement Services took up post in September 2009. Two Procurement Manager posts have been filled and recruitment for other post is underway. All except two Procurement Officer posts filled internally. The Procurement Service organisation is finalised. Alignment of teams to Resources and categories to teams also complete.</p> <p>Procurement team completed move to Floor 12 location early February 2010.</p> <p>During the next 2/3 months next steps for the project include:</p> <ul style="list-style-type: none"><li>• Identify areas of opportunity to deliver efficiencies in the short term</li><li>• Identify and agree efficiencies and target for 2010/11</li><li>• Consider period 2011/12-2013/14, where efficiency target of £9m has been set</li></ul>
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