

Report

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Report to:	Performance and Review Scrutiny Forum
Date of Meeting:	26 October 2010
Report by:	Chief Executive

Subject:	Corporate Improvement Projects – Benefits Tracking
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ to provide a position statement on the monitoring status and benefits tracking progress for those improvement projects reported through the Corporate Improvement Unit (CIU)

2. Recommendation(s)

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

- (1) that the status of the current improvement programme and benefits tracking arrangements be noted; and
- (2) that progress will continue to be monitored and reported as appropriate.

3. Background

3.1. In June 2009 the Council approved the Mid Term Review of Connect. Part of the review involved the preparation of a Corporate Improvement Plan (CIP) as part of Connect. The key purpose of the CIP was to prioritise, coordinate and drive improvement activity through strong corporate governance and by embedding improvement in the planning process and organisational culture. The approach was founded upon an already established and understood system of performance monitoring and reporting.

4. Current position

4.1. The CIP comprises a range of actions and measures around the corporate improvement themes of:-

- ◆ Vision and strategic direction
- ◆ Governance and accountability
- ◆ Partnership working
- ◆ Community leadership and engagement
- ◆ Performance management and improvement
- ◆ Efficient and effective use of resources

4.2. While governance arrangements relating to a number of the actions and measures within the CIP lie appropriately with Resources, there are a range of corporate improvement projects which are driven by the CMT and where, monitoring and management responsibility lies with the CIU.

- 4.3. This work covers a range of activities driven by the dual aims of achieving cost savings/efficiencies and improving service delivery. While progress made to date by the Council is positive, the requirement to deliver increased savings and efficiencies over the next few years is set to increase markedly against previous years.
- 4.4. The current programme involves a variety of work-streams which have been pursued in addition to the more traditional approaches of annual revenue savings and targeted efficiency savings for each resource. As a result, the undernoted areas of work now form part of the Council wide improvement framework with benefits monitored in a coordinated and centralised way:-
- ◆ Best Value Service Reviews
 - ◆ National Diagnostic projects
 - ◆ Alternative Service Delivery
 - ◆ Working Towards 2011 projects
 - ◆ Lean Reviews
 - ◆ Leadership Development Reviews

5. Monitoring arrangements

- 5.1. All of these work-streams are individually project managed with regular progress reporting in place. In addition the strategic level benefit targets are now monitored for their delivery through the Council's Figtree system, pending use of the Council's performance management system, Improve.
- 5.2. As these work programmes have been established to develop an ongoing programme of improvement and efficiency throughout the Council, they should be viewed as an integral part of the Council's activities, and should be supplemented and developed accordingly. On this basis, it is anticipated that the programme may be further updated in due course reflecting the outcome from the 2011/12 revenue savings exercise.
- 5.3. Appendix 1 reflects the extent of the current programme and associated reporting arrangements as at the end of Quarter 1 June 2010/11. This will be updated and reviewed as progress is reported six monthly.
- 5.4. Appendix 1 dates from December 2008. This is primarily to capture all activity undertaken after a Council internal audit of Best Value recommended the creation of a central catalogue of all reviews following best value principles. This date also coincides with the establishment of the CIU.

6. Benefits tracking

- 6.1. Individual projects are now considered in terms of benefits tracking through the Council's Figtree system. This comprises high level financial and non financial benefits accrued and also identifies the targets anticipated when the reviews were initially reported.

6.2. Summary financial outcomes from the Improvement Programme are detailed below.

Summary of financial benefits as at 30 July 2010

	Service Reviews			Diagnostics	Lean/ Leadership	Total
	£ 1	Efficiency/cost avoidance 2	Funding secured 3	£ 4	£ 5	£ (excluding columns 2 and 3)
(Dec) 2008/09	55,000		458,000		6,000	61,000
2009/10	391,000	258,000	318,000			391,000
2010/11	786,000	152,000	1,770,000	*5,842,000		6,627,000
2011/12	88,000			880,000		967,000
2012/13				112,000		112,000
Total	£1,320,000	£410,000	£2,546,000	£6,834,000	£6,000	£8,158,000

(*Total Diagnostics saving of £6,032,000 minus £190,000 reflecting 3 posts included elsewhere as part of Best Value reviews equates to net saving of £5,842,000)

6.3. Exceptions reporting

In general the programme is progressing on schedule. However, where achieved outcomes differ significantly from anticipated outcomes, both in terms of over recovery and under recovery, brief details are included below.

AC/3651 Grounds Maintenance and Street Cleaning

Whilst no target was set for additional investment within the Best Value review, a total of £776,000 additional investment has been achieved for play areas from external funding sources during 2008/09 and 2009/10.

AC/3529 Passenger Services

The initial Best Value report identified potential savings figures as speculative and highly dependent on external factors. As such, they represented a 'best case' scenario in the longer term. Higher end estimates were used to maximise buy in from other parties and encourage change in current practice. That said, to date a saving of £261,000 has been achieved from Land and Fleet Services budgets for 2010/11 and it is likely that a future target will be set for 2011/12 thus increasing the total savings achieved from this review.

AC/3745 Legal Services

Whilst the structure savings anticipated from this review have been delayed, this is mitigated by the savings achieved from reducing outsourcing by £206,000 and the identification of cost avoidance and efficiency initiatives totalling a further £258,000.

AC/3652 Environment Health and Consumer and Trading Standards (CATS)

The projected property saving anticipated by vacating premises in Hamilton has been achieved but as the Leisure Trust will now occupy these premises, the efficiency saving to the Council will not accrue until the Leisure Trust transfer takes place and the accommodation currently used by the Trust staff is vacated.

AC/3646 Benefits and Revenue Service

The projected outturn savings from 2010/11 are £250,000 as against the estimated £337,000. This relates to a projected shortfall of additional income from debt recovery of approx £90,000. It is anticipated that the shortfall in 2010/11 will not impact on future years outturns.

AC/3643 Management Structures

To date £5.359m has been achieved from the Management Structures Diagnostic. This is significantly above the estimated target level for 2010/11 and well on the way to meeting the three year target of £6m.

AC/3885 Admin/Clerical Phase 1

To date £673,000 has been achieved with a further £168,000 identified for 2011/12. While the cumulative total of £841,000 is somewhat short of the anticipated £1.5m, Personnel Services have confirmed that the target sum will be achieved by the end of Year 2.

7 Next steps

- 7.1. Significant projects anticipated to be added to the benefits tracking system over the next six months include the Diagnostics Asset management and customer contact reviews.
- 7.2. In addition, account will be taken of any refreshed programme of targeted reviews, following consideration of the outcomes from the 2011/12 savings proposals later in the year.

8. Employee Implications

- 8.1. Employee implications are detailed within each project report.

9. Financial Implications

- 9.1. Financial implications are detailed within each project report.

10. Other Implications

- 10.1. The Council recognises the management of change as being a top risk area. The continued development of the improvement programme serves to mitigate against this risk by:-
 - ◆ consolidating and prioritising improvement activity
 - ◆ contributing towards the achievement of the Financial strategy which focuses on the impact of the financial pressures on the councils structure and operation

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. 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.

Archibald Strang
Chief Executive

19 August 2010

Link(s) to Council Objectives/Improvement Themes/Values

- ◆ Performance Management and Improvement
- ◆ Efficient and Effective Use of Resources

Previous References

Forum Report (29 September 2009) Future Best Value Service Review Programme and Council-wide Improvement Framework

List of Background Papers

Resources' Figtree Benefits Tracking returns

Contact for Further Information

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

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Corporate Improvement Projects		Lead Officer	Review ongoing	Monitoring arrangements	Final report due	Report approved	Benefits tracking	Benefits realisation complete
1	Diagnostics							
	•Customer Contact Phase 1	N Anderson		4 weekly to CMT	December 2009	CMT 21 January 2010	c/f to Phase 2	
	•Customer Contact Phase 2	L Freeland	✓	Initial report CMT 19 Aug 2010.				
	•Management Structures Phase 1	R McIlwain		4 weekly to CMT	June 2009	CMT 27 August 2010 Executive Committee 9 September 2010	✓	
	•Management Structures Phase 2 (Executive Committee 9 September 2009 signposts)							
	Integrated working at local level	L Forde/N Anderson	TBC					
	School Support Services	L Forde		Part of savings exercise (Educ 7%)				
	Advisory Service (including Quality Service)	L Forde		Services now merged and now part of Admin/Clerical Phase 2 Diagnostic				
	Early Years	L Forde		Best value review				
	Library Service	L Forde		Part of ASD Culture Trust				
	Schools Modernisation	L Forde		c/f Sept 2010 to assess continuing need (PPP monitoring etc)				
	•Admin/Clerical Phase 1	R McIlwain/L Forde		4 weekly to CMT	January/February 2010	CMT 1 April 2010 Executive Committee 28 April 2010	✓	
	•Admin/Clerical Phase 2							
	Licensing and Registration	R McIlwain	TBC					
	Quality and Performance	L Freeland	TBC					
	Advisory Service (including Quality Service)	L Forde	TBC					
	•Asset Management Phase 1	J Hayton		4 weekly to CMT	January 2010	CMT 28 January 2010	c/f to Phase 2	
	•Asset Management Phase 2	L Hardie/L Freeland	✓	Monthly Review Board CMT reports scheduled 13 May and 26 August 2010	TBC			
	•Flexible Working	J Hayton		4 weekly to CMT	February 2010	CMT 25 February 2010 PRSF 18 May 2010	✓	
	•Information and Communications Technology	L Hardie	✓	4 weekly to CMT	August 2010			
	•Procurement	L Hardie		4 weekly to CMT until May 2010 thereafter six monthly to CMT (Nov 2010)		Executive Committee 10 June 2009	✓	
	•Accounting and Budgeting (Phase 1)	L Hardie		4 weekly to CMT	September 2009	PRSF 29 September 2009	✓	
	•Accounting and Budgeting (Phase 2) (Working towards 2011) Finance Review	L Hardie		Part of working towards 2011 – progress report to CMT first meeting per month. Thereafter monitored via Finance as part of 8% savings exercise 2011/12 onwards	March 2010	CMT 29 April 2010 PRSF 18 May 2010	Finance to monitor	

Corporate Improvement Projects		Lead Officer	Review ongoing	Monitoring arrangements	Final report due	Report approved	Benefits tracking	Benefits realisation complete
2	Alternative Service Delivery			<i>Reports to CMT and Executive as set down in timetable agreed by CMT 14 January 2010</i>				
	•Arts and Cultural Services	N Anderson	✓	CMT 1 April 2010 (Interim)	12 August 2010 (CMT) 25 August 2010 (Executive Committee)			
	•Fleet Services	N Anderson	✓	Scope report due CMT 13 May 2010 Executive Committee 26 May 2010 New date TBC	TBC			
	•SEEMIS	L Forde	✓	CMT 25 February 2010 (Interim)	27 May 2010 (CMT) 23 June 2010 (Executive Committee)	20 May 2010 (CMT) 26 May 2010 (Executive Committee)	✓	
	•IT Services	L Hardie	✓	Updates incorporated in ICT Diagnostic	August 2010			
	•Property Needs Solution	J Hayton/L Freeland	✓	CMT 18 February 2010 (draft prepared - not required) Further dates TBC				
3	Best Value Reviews			<i>CMT/PRSF preset schedule</i>				
	• Lanarkshire Property Advice service	C McDowall		As above		November 2008	✓	
	• Grounds Maintenance and Street Cleaning	N Anderson		As above		December 2008	✓	
	• Passenger Services	N Anderson		As above		December 2008	✓	
	• Refuse Collection	N Anderson		As above		December 2008	✓	
	• Legal Services	R McIlwain		As above		December 2008	✓	
	• Better Regulation – Environmental Health and CATS	N Anderson		As above		May 2009	✓	
	• More Choice, More Chances	L Forde		As above		May 2009	✓	
	• IT Help Desk Service	L Hardie		As above		May 2009	✓	
	• Accounting and Budgeting (Service Review/ Diagnostic)	L Hardie		As above		September 2009	✓	
	• Gas and Solid Fuel Servicing	J Hayton		As above		September 2009	✓	
	• Benefits and Revenues Review	J Hayton		As above		September 2009	✓	
	• Repairs and Maintenance Service	J Hayton		As above	March 2010	2 March 2010	✓	
	• Day Opportunities for Adults with Disabilities	H Stevenson	✓	As above	TBC			
	• Community Service (Adult and Justice Services)	H Stevenson	✓	As above	July 2010	CMT 24 June 2010	TBC	
	• Reception Services (Adult and Justice Services)	H Stevenson	✓	As above	TBC			
	• Early Years Service (linked to Care Commission schedule)	L Forde			Scope September 2010 – Review 2011/12			
	• Curriculum for Excellence (revised start date)	L Forde			October 2011			
• Review of New Management Structures in Schools (revised start date)	L Forde			October 2011				
• Youth Learning	L Forde							
• Inclusive Education	L Forde							

Corporate Improvement Projects		Lead Officer	Review ongoing	Monitoring arrangements	Final report due	Report approved	Benefits tracking	Benefits realisation complete
	<i>Education Resources BV proposals (Exec June 2009) not included above</i> Integrated Childrens Services/Community Learning IT Service (RM contract element only) Operations Service Support Service Schools Service			Part of Mgt Diagnostic Ph 1 Part of ICT Diagnostic Part of Admin/Clerical Diag Part of Admin/Clerical Diag Part of Mgt Diagnostic Ph 1				
	• Gas and Solid Fuel (2011)	L Freeland						Review two years from 2009 report
	• Sustainable Development Strategy (2010)	N Anderson		Mid Term Review September 2009	CMT 4 February 2010 Executive Committee June 2010 (TBC)	CMT 4 February 2010	Via Connect	
	• Personnel Services	R McIlwain						See CMT improvement Workstream
4	CMT Improvement workstreams (September 2009 and March 2010 CMT away days)			<i>Progress report to CMT – first meeting each month (September 2009 – February 2010) Thereafter subject specific reporting</i>				
	• Capital Programme Commitments	J Hayton/C McDowall		As above	January 2010	CMT 21 January 2010	N/R	
	• Energy efficiency	L Freeland	✓	As above plus CMT update 29 April 2010 and December 2010				
	• Statutory v Discretionary Service Provision	R McIlwain	✓	As above		Returns and analysis informed 2010/11 revenue savings exercise by contributing to identification of 'protected' services	N/R	
	• Governance Framework	L Hardie	✓	As above	October 2009	CMT 1 October 2009	N/R	
	• Employment (Overtime)	R McIlwain	✓	As above plus	March 2010	CMT 24 June 2010	TBC	
	• Asset Management (now incorporated in Phase 2 Diagnostics Asset Mgt)	J Hayton/L Freeland	✓	As above (See National Diagnostic Asset Mgt Phase 2 project above)	January 2010			
	• Support Services – co-ordination of work	L Hardie		As above (see National Diagnostic Acc and Budgeting Phase 2 project above)		CMT 29 April 2010 PRSF 18 May 2010	Finance to monitor	
	Support Services – Finance	L Hardie/P Manning		As above	March 2010	As above	As above	
	Support Services – Personnel	R McIlwain/K McVeigh		As above	March 2010	As above plus CMT report 24 June 2010	TBC	
	Support Services – Policy	A McKinnon		As above	March 2010	As above	N/R	
	• Communication Strategy	R McIlwain/D King		As above	October 2009	CMT report 10 December 2009 Hard Choices/ Smarter Choices	N/R	✓

Corporate Improvement Projects	Lead Officer	Review ongoing	Monitoring arrangements	Final report due	Report approved	Benefits tracking	Benefits realisation complete
					rollout: Chief Exec Question Time 19 February 2010 Heads of Service Forum/Manager Engagement Sessions 1 and 2 March 2010		
• Future Seminars	A Strang/L Hardie	✓	As above			N/R	
5 Lean Reviews							
• Planning Act Implications	C McDowall		CMT and PRSF	PRSF January 2011			
• Vocational Programmes (2010/2011)	R McIlwain		CMT and PRSF				
• Blue Badge – streamlining current service provision	Simon Cameron (cross Resources)		Management Team (cross Resource) agreed for project	February 2009		✓	
• Review of Corporate Complaints Process	Gill Bhatti		CMT	October 2009	CMT report 22/10/2009	✓	
• Events Support	Benny Martin (cross Resources)		Management Team (cross Resource) agreed for project	May 2010 signalled further work			
6 Leadership Reviews							
• Engaging the Private Sector in Sponsorships	David Booth		CMT	March 2009	CMT 19 March 2009	✓	