

# Report

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Report to:	<b>Performance and Review Scrutiny Forum</b>
Date of Meeting:	<b>13 July 2010</b>
Report by:	<b>Executive Director (Finance and Information Technology Resources)</b>

Subject:	<b>Efficient Government - National Diagnostic, Alternative Service Delivery, and Working Towards 2011 projects update</b>
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## 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, and Working Towards 2011 projects

## 2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendations:-

- (1) that progress on the National Diagnostic, Alternative Service Delivery and Working Towards 2011 projects be noted
- (2) that it be noted that further update reports will continue to be reported as appropriate

## 3. Background

3.1. It was agreed previously that the Forum would receive information on progress being made on each of the Council's National Diagnostic and Alternative Service Delivery projects. This report takes account of information which has been considered by the Corporate Management Team (CMT) up to 17 June 2010, and Executive Committee where appropriate.

3.2. In March 2010 the CMT identified a number of improvement/efficiency projects under the heading of 'Working Towards 2011'. These are also included within this update.

## 4. Progress to date

4.1. Summary information is provided on progress as follows:

- Appendix 1 - National Diagnostic projects
- Appendix 2 - Alternative Service Delivery projects
- Appendix 3 - Working Towards 2011 projects

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

## 5. Employee Implications

5.1. As each project continues to develop, employee implications will be highlighted.

## **6. Financial Implications**

- 6.1. Opportunities for efficiency savings 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. Appropriate consultation has been carried out in terms of the contents of these reports.

**Linda Hardie**

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

30 June 2010

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

- Improvement Theme – Efficient and effective use of resources

### **Previous References**

- None

### **List of Background Papers**

- None

### **Contact for Further Information**

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

Helen Black, Improvement Manager

Ext: 4618 (Tel: 01698 454618)

E-mail: [helen.black@southlanarkshire.gov.uk](mailto:helen.black@southlanarkshire.gov.uk)

## National Diagnostic Projects - progress to 17 June 2010

Project	Comment
Administration/Clerical	Following report to Executive Committee on 28 April 2010, Phase 1 (design phase) of this project is complete and has moved to Benefits Tracking. Work will commence on the delivery of the project (Phase 2).
Asset Management	<p>A report was submitted to CMT on 13 May 2010 seeking approval for the following key points:</p> <ul style="list-style-type: none"> <li>• Principle of establishing four geographical public access hubs at Hamilton, East Kilbride, Cambuslang and Lanark plus Headquarters as core offices</li> <li>• undertake negotiations to establish the cost and savings to secure these properties on a long term basis</li> <li>• develop a business case to confirm the preferred location for one non core office to accommodate staff numbers</li> <li>• agree further satellite public access properties at Rutherglen, Blantyre, Larkhall and Carluke</li> <li>• hold non core and satellite offices in the short to medium term</li> <li>• Executive Director (Housing and Technical Resources) to develop a detailed costed business case and programme to implement these proposals and report back in August 2010</li> </ul> <p>The key drivers for the review are to develop a model which will support the changing service delivery model within the Council and also reduce costs. Other potential measures such as reduced operating hours will be considered as part of a comprehensive efficiency package.</p> <p>Detailed costs have yet to be developed for these proposals and it is proposed that these form part of a detailed, costed business plan to be reported to CMT on 26 August 2010.</p>
Customer Contact	There is no further update from that reported in March. The Executive Director (Housing and Technical Resources) will report to CMT on 22 July 2010.
Finance Service Review	<p>Phase 1 of this project is complete and has moved to Benefits Tracking.</p> <p>Phase 2 of the review was led by a cross Council Review Group and focussed on the devolved finance function. Consideration was given to the current position; numbers of finance employees and budget; and a time analysis (including job profiles and duties) to identify activities carried out by these employees.</p> <p>The review identified two options – i.e. a centralised model or the status quo. Whilst there were clear benefits in considering a centralised model, a move away from the current structure could be viewed as a high risk strategy. The recommendation, therefore, was for the structure to remain unchanged at present, but that options for efficiencies are sought from the finance function across the Council (including Finance &amp; IT) to a level of 8%. This equates to £1.4m over 3 years and a profile has been agreed across Resources.</p> <p>The review also considered the delivery of Personnel and Policy to ensure all Support Services were treated consistently. The conclusion was that Personnel Managers should remain within Resources. Policy and Research should be included in any future review of Council structures.</p>

Flexible Working	This project is complete and has moved to Benefits Tracking.
ICT	<p>The revised Business Systems Team configurations have been confirmed as Business Systems Manager, Project Manager, Team Leader and Business Systems Engineer level. Transition to this new model is in progress.</p> <p>Analysis is being undertaken of the level of staffing reductions for the Target Operating Model which will be necessary to achieve the efficiency savings targets of 8% over the period 11/12 to 13/14.</p> <p>Next steps are to agree the expected level of efficiency savings likely to be required from post reductions, profile these section using the model devised, and to identify how best to deliver the required number of post reductions.</p> <p>Employee and Trade Union consultation is scheduled for September 2010, following consideration by CMT on the Preferred Operating Model in July/August 2010.</p> <p>Implementation is planned for April 2011.</p>
Management Structures	This project is complete and has moved to Benefits Tracking.
Procurement	Progress reports are now scheduled on a six monthly basis, with the next update due on 18 November 2010.

## Alternative Service Delivery - progress to 17 June 2010

Project	Comment
SEEMIS	<p>A Service Development report was submitted to CMT on 20 May and to Executive Committee on 26 May 2010. Key points include:</p> <ul style="list-style-type: none"> <li>•The most appropriate future service delivery option for SEEMIS is a Limited Liability Partnership (LLP) which will commence operation in June 2010.</li> <li>•SLC will join the LLP as a partner</li> <li>•SEEMIS staff TUPE transfer on 1 July 2010 following Admitted Body Status to Strathclyde Pension Fund</li> <li>•Pension commitments of SEEMIS staff will be shared by LLP partners proportionate to annual membership contributions</li> <li>•The elected member for SLC will chair the LLP Board</li> </ul> <p>A major benefit of a LLP structure has identified that ownership of assets including Intellectual Property will be clarified.</p> <p>A Service Level Agreement will be finalised to enable SLC to provide payroll, invoice processing, recharging to other member councils and other services to the LLP.</p>
Arts and Cultural Services	There is no further update from that reported to the last of the Forum on 18 May. A report is scheduled for CMT on 12 August 2010.
Property Needs Solution	Reporting process not yet underway. A report is scheduled for CMT on 26 August 2010.
Fleet Services	Reporting process not yet underway.

## Working Towards 2011 - progress to 17 June 2010

<b>Project</b>	<b>Comment</b>
Energy forward strategy	<p>There is no further update from that reported to the last meeting of May 2010.</p> <p>A future report on the development of the Financial Efficiency Model and identification of potential carbon reduction savings will be presented towards the end of 2010.</p>
Finance Review	Details included with National Diagnostic Project (Appendix 1)
Review of overtime	No report at this time
Asset Management – 4 Geographical areas	Details included with National Diagnostic Project (Appendix 1)