



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 10 April 2012

To: Members of the
IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE

Councillor Graham Arthur (Chairman)
Councillor Neil Reddin FCCA (Vice-Chairman)
Councillors Julian Benington, Nicholas Bennett J.P., Eric Bosshard, Stephen Carr,
Judi Ellis, Robert Evans, Russell Jackson and Russell Mellor

A meeting of the Improvement and Efficiency Sub-Committee will be held at Bromley Civic Centre on **WEDNESDAY 18 APRIL 2012 AT 6.30 PM** *

***PLEASE NOTE STARTING TIME**

MARK BOWEN
Director of Resources

Copies of the documents referred to below can be obtained from
www.bromley.gov.uk/meetings

A G E N D A

- 1 **APOLOGIES FOR ABSENCE**
- 2 **DECLARATIONS OF INTEREST**
- 3 **QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**
In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Thursday 12th April 2012.
- 4 **MINUTES OF THE MEETING HELD ON 18TH JANUARY 2012 (Pages 3 - 8)**
- 5 **MATTERS ARISING FROM PREVIOUS MEETINGS (Pages 9 - 12)**
- 6 **INVEST TO SAVE (Pages 13 - 18)**
- 7 **ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE (Pages 19 - 28)**
- 8 **TRANSITION REPORT (MOVING TOWARDS OUR CORPORATE OPERATING PRINCIPLES) (Pages 29 - 36)**
- 9 **SHARED SERVICES UPDATE (Pages 37 - 42)**

10 LOCAL GOVERNMENT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006, AND THE FREEDOM OF INFORMATION ACT 2000

The Chairman to move that the Press and public be excluded during consideration of the item of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

- | | |
|--|--|
| <p>11 EXEMPT MINUTES OF THE MEETING HELD ON 18TH JANUARY 2012 (Pages 43 - 44)</p> | <p>Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> |
| <p>12 ALIGNING POLICY & FINANCE: SUMMARY & PROGRESS REPORT (Pages 45 - 68)</p> <p>Members may wish to refer to the originating reports presented at the meetings held on 26th October and 2nd November 2011 when considering this item.</p> | <p>Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> |

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IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE

Minutes of the meeting held at 7.30 pm on 18 January 2012

Present:

Councillor Graham Arthur (Chairman)
Councillor Neil Reddin FCCA (Vice-Chairman)
Councillors Julian Benington, Nicholas Bennett J.P., Judi Ellis,
Robert Evans and Russell Mellor

23 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Eric Bosshard and Councillor Stephen Carr. Apologies for lateness were received from Councillor Judi Ellis

24 DECLARATIONS OF INTEREST

There were no declarations of interest.

25 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

26 MINUTES OF THE MEETINGS HELD ON 26 OCTOBER AND 2 NOVEMBER 2011

RESOLVED that the minutes of the meetings held on 26th October and 2nd November 2011 be agreed.

27 MATTERS ARISING FROM PREVIOUS MEETINGS

Report RES12004

Following discussion, Members agreed that in future, meetings of the Improvement and Efficiency Sub-Committee would be scheduled to start at the earlier time of 6.30pm.

Updates on progress in energy reduction and renewable energy projects and aligning policy and finance reviews would be provided later in the meeting.

RESOLVED that matters arising be noted.

28 CHANNEL SHIFT PROGRAMME

The Sub-Committee received a presentation from the Head of Customer Service providing an update on the channel shift programme and requesting that the remaining funds allocated for customer service improvement be released.

A number of service migrations to the customer contact centre had now been completed, including Registrars, the Fostering Helpline and Green Space. Contact centre staff were also working to support anti-fraud measures developed following changes to the Blue Badge scheme. Further services with high call volume being considered for potential migration included Housing and the Planning Service. Councillor Nicholas Bennett JP queried whether school admissions would be prioritised for channel shift. The Head of Customer Services confirmed that the number of online applications received in Bromley for school places was lower than in some other boroughs. Staff in Children and Young People Services were working to improve this and the customer contact centre would be happy to provide support where appropriate.

Work to co-locate Liberata and Housing reception points was continuing, and the co-located reception was likely to open in April 2012, with Liberata moving into the provision in late June 2012. An appointment system would be used for general housing queries and it was hoped that a queue management system could be introduced to support self-service check in. Internet linked PCs would be made available to customers applying to the Housing Register, and four PCs had already been introduced to main reception. Following the closure of the cashier's office, customers were being encouraged to pay using chip and pin, and a payment machine in main reception was currently handling 2,000 cheque and cash payments a month.

The Voice Recognition System had now processed over 300,000 calls, which represented a 75% channel shift. Phase 3 of the Voice Recognition project was currently in development which would support the automated reporting of missed bins and recycling box requests. There was potential to roll out this system to manage other requests, including tip permits, green waste stickers and application forms for blue badges and parking permits.

Development of web-based services included missed bin and recycling box e-forms, Twitter Gritter and an Amazon link installed as part of the approve revenue principle for the website. A new look complaints form had been launched, and use was being made of Friendly Links and Quick Response codes to direct people to service specific areas of the website. Work was also being undertaken with search engine providers to ensure users of Bromley website were directed appropriately. Potential future developments for self-service on the website included user registration, mapping, increased use of social media and development of a mobile web option for portable devices. Additional e-forms were also being developed for areas including tip permits, free school meals, rolling registration and trade waste enquiries.

Councillor Nicholas Bennett queried whether there had been a move to print on

demand for customer information leaflets. The Head of Customer Services confirmed that the co-located reception could display copies of leaflets which customers could request as printed copies.

RESOLVED that the request to release the remaining funds allocated for customer service improvement be agreed by Members

29 CARBON MANAGEMENT FUND: PROGRESS REPORT 2010/11

Report ES12006

In October 2008, the Executive agreed to establish a ring-fenced Carbon Management Fund to invest in energy efficiency projects, with the aim of reducing the Council's carbon emissions by 25% over five years and avoiding unnecessary energy costs. The Sub-Committee received a report providing an update on the progress of Carbon Management Fund projects.

Members considered the report. In response to a question from Councillor Nicholas Bennett JP around the potential use of solar panels and LED lighting, the Environmental Development Manager confirmed that it was possible to use solar panels to power some lit street furniture, but that there was a significant cost implication to installing solar panels. LED lighting used significantly less energy than standard lighting and the use of LED in both street lighting and on Council owned-sites was currently being investigated.

Councillor Evans highlighted the proposed SON Lamp Replacement Dimming project, which was still at the feasibility testing stage. High Pressure Sodium (SON) Lamps were typically used for street lighting, car parks and other similar environments, and the Environmental Development Manager confirmed that if this project proved to be viable under the Fund's rules, it should avoid significant energy use and spend.

Councillor Julian Benington queried what progress had been made in the proposed photovoltaic energy schemes at the Civic Centre and Central Depot. The Environmental Development Manager confirmed that the proposed schemes had not yet been agreed, and that a recent change in the value of Feed-in tariffs would impact the feasibility of investing in renewable energy schemes.

RESOLVED that:

- 1) The progress of completed, current and proposed Carbon Management Fund projects be noted.**
- 2) A further update report be provided to the Improvement and Efficiency Sub-Committee in January 2013.**

30 ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE

Report CEO1189

The Sub Committee received a report updating Members on the progress of the Organisational Improvement Programme.

With regard to customer service improvement, Councillor Nicholas Bennett JP highlighted a number of recommendations made by the New Technology Working Group, which included generating savings through the rollout of tablet PCs to all Members, installing a wireless internet connection in the Civic Centre committee rooms and Council Chamber and undertaking improvements to the Council Chamber to enable it to be marketed as a conference venue. The Director of Resources noted that a wireless internet connection had been installed in North Block during the refurbishment process and that the opportunity to expand these works to include the committee rooms and Council Chamber was currently being explored. The costs of introducing presentation equipment to the Council Chamber and committee rooms could also be reviewed. Councillor Ellis underlined the need to provide improved access for people with disabilities as part of any improvements made to the Council Chamber.

Following the success of the shared services conference in October 2011, a further conference was proposed to be held in Spring 2012 to ensure that projects in the shared services workstream were progressing. The libraries shared service went live on 1st January 2012, and back office and managerial savings were in the process of being realised. There was potential for further savings through a Libraries' trust (Bexley and Bromley) and this was currently being explored. The Legal Team now provided a property lawyer to Bexley for 2 days per week which generated salary cost savings and was working well. The Chairman requested an update be provided on shared services at the next meeting of the Improvement and Efficiency Sub-Committee.

In considering organisational design, Members noted that services for adult social care, children social care, education and commissioning would be brought together in the new Education and Care Services Department. Councillor Nicholas Bennett JP highlighted the potential to generate transport cost savings by bringing together transport services for adults and children. There was also an opportunity to utilise the commissioning model used for adult social care for all social care functions across the Council, allowing increased use of e-procurement and joint commissioning with key partners such as Health and other local authorities.

The workstream on civic centre accommodation was progressing, with the refurbishment of North Block now reaching the space planning stage for the new accommodation. All Directors had signed up to a 0.7 desktop provision per full time employee (FTE), and the possibility of moving towards 0.5 desktop provision per FTE was being considered. The Assistant Director: Organisational Improvement noted that smaller workspaces would be provided to employees, but that existing furniture would be reused where appropriate. In discussion, Members

highlighted the importance of considering how documents should be stored in the future.

RESOLVED that the progress made to date on projects led by the Organisational Improvement Team and the new work projects that members of the team were currently supporting be noted.

31 LOCAL GOVERNMENT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006, AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the items of business listed below as it was likely in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present, there would be disclosure to them of exempt information.

32 EXEMPT MINUTES OF THE MEETINGS HELD ON 26 OCTOBER AND 2 NOVEMBER 2011

RESOLVED that the exempt minutes of the meetings held on 26th October and 2nd November 2011 be agreed.

33 ALIGNING POLICY AND BUDGET REVIEWS - UPDATE

Report CEO1190

The Sub-Committee considered progress made across a range of services following the Aligning Policy and Finance reviews, which had been commissioned by Cabinet in Spring 2011.

RESOLVED that the progress made to date on the reviews led by the Organisational Improvement Programme Team and the Future Leaders cohort be noted.

The Meeting ended at 9.05 pm

Chairman

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Agenda Item 5

Report No.
RES12063

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement and Efficiency Sub Committee

Date: 18th April 2012

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **MATTERS ARISING FROM PREVIOUS MEETINGS**

Contact Officer: Kerry Nicholls, Democratic Services Officer
Tel: 020 8313 4602 E-mail: kerry.nicholls@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Resources

Ward: N/A

1. Reason for report

Appendix A updates Members on matters arising from previous meetings.

2. **RECOMMENDATION(S)**

The Committee is asked to consider progress on matters arising from previous meetings.

Corporate Policy

1. Policy Status: Existing policy. The Committee received an update on matters arising from previous meetings at each meeting.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: No cost
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £344,054
 5. Source of funding: Existing 2011/12 budget.
-

Staff

1. Number of staff (current and additional): There are 9 posts (8.22 fte) in the Democratic Services Team.
 2. If from existing staff resources, number of staff hours: Monitoring the Committee's matters arising takes at most a few hours per meeting.
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance
 2. Call-in: Call-in is not applicable. This report does not involve an executive decision.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for Members of this Committee
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

Non-Applicable Sections:	Policy Implications; Financial Implications; Legal Implications; Personnel Implications
Background Documents: (Access via Contact Officer)	Strategies and plans for each corporate area

MATTERS ARISING FROM PREVIOUS MEETINGS

Minute Number/Title	Decision/ Agreement	Update	Action by	Completion Date
28 Internal Audit and Value for Money Reporting: Report LDCS10180 (from the minutes of I&E Sub Committee on 13 th October 2010)	A Member requested that the outcomes from the new approach to Value for Money reporting be reviewed in due course.	Outcomes from the new approach to Value for Money reporting to be reported to a future meeting of Improvement and Efficiency Sub Committee.	Organisational Improvement Team	TBA
17/1 Aligning Policy and Finance Reviews (from the minutes of I&E Sub Committee on 26 th October 2011)	Following consideration of aligning policy and finance reviews across a range of services, Members requested progress against the reviews be reported to Improvement and Efficiency Sub Committee.	Progress to be reported to Improvement and Efficiency Sub Committee on 18 th April 2012.	Organisational Improvement Team	April 2012
22/1 Aligning Policy and Finance Reviews (from the minutes of I&E Sub Committee on 2 nd November 2011)	Following consideration of aligning policy and finance reviews across a range of services, Members requested progress against the reviews be reported to Improvement and Efficiency Sub Committee.	Progress to be reported to Improvement and Efficiency Sub Committee on 18 th April 2012.	Organisational Improvement Team	April 2012

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Agenda Item 6

Report No.
CEO1200

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement and Efficiency Sub-Committee

Date: 18th April 2012

Decision Type: Non-Urgent Non-Executive Non-Key

Title: INVEST TO SAVE

Contact Officer: Chris Spellman, Assistant Director, Organisational Improvement
Tel: 020 8461 7942 E-mail: chris.spellman@bromley.gov.uk

Chief Officer: Doug Patterson, Chief Executive

Ward: Borough-wide

1. Reason for report

To inform Members of the proposals in relation to the management of Invest to Save Proposals in future

2. **RECOMMENDATION(S)**

Members request from delegated authority from the Executive to determine Invest To Save bids requiring up to £200k in Capital

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Chris Spellman
 4. Total current budget for this head: £328k
 5. Source of funding: Existing revenue budgets
-

Staff

1. Number of staff (current and additional): 5
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Dependent on Member Decision Making. Potentially all customers
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 In order to address the significant “budget gap” in future years reflecting reductions in government funding and various cost pressures, the organisation is seeking to support through capital those initiatives which will reduce ongoing revenue requirements. This is in addition to the ongoing Capital Programme.
- 3.2 In recent years the number, scale and scope of the schemes coming forward has been disappointing. This may reflect partly the considerable changes that services have been going through in order to adjust to the impact of the Comprehensive Spending Review but also the process and lead time to access funding may have discouraged some managers from developing proposals.
- 3.3 It is essential that over the next 12-24 months we stimulate a flow of new and robust bids and where appropriate release funds to initiate these projects quickly. Without this investment and the savings and service benefits that flow from it we may be forced to drastically reduce the range and level of services we offer to public.
- 3.4 In acknowledgement of Member support for invest to save bids Members have earmarked a reserve of £17m specifically for invest to save projects. This represents a “loans fund” with the expectation that any savings made will exceed the repayment of the investment monies and contribute to an improved financial and service position for the Council.
- 3.5 Formerly, invest to save bids were handled as part of the normal Capital Programme cycle or on a piecemeal basis. This was beneficial for management of the Capital Programme and for medium term financial stability but the number of bids submitted was minimal. Given the significant budget gap we face in 2 years’ time we need to develop a system that actively encourages more invest to save bids. We need a process which can be triggered as and when an invest to save business case is ready and enable support to be available to ensure successful outcomes.
- 3.6 The business case for new invest to save schemes will be evaluated with the same rigour as before by Officers and Members and we propose that greater tracking of savings and benefits be introduced via the Improvement and Efficiency Sub Committee.
- 3.7 It is also proposed that the I&E sub committee request that authority to decide on business cases up to £200k be delegated from the Executive to I&E sub committee. This will facilitate a more efficient decision making process, releasing capital for investment more quickly where the case is made.
- 3.8 All bids requesting more than £10K investment will be reviewed by a new Officer Investment Panel with oversight from the Chairman of I&E Sub. This panel will provide robust quality assurance through appropriate levels of both challenge and support prior to releasing business cases for Chief Officer and/or Member consideration.
- 3.9 The table below sets out a suggested pathway through which it is proposed bids will be processed based on the level of investment requested:

Investment Requested	Initial Scrutiny & Support	Endorsement	Final Approval	Monitoring/reporting on outcomes
£10K or less	AD Organisational Improvement	Finance Director	C/Exec	I&E Sub
+ £10K - £200k	Investment Panel	Director & Finance Director	I&E Sub	I&E Sub
Above £200k	Investment Panel	Director & Finance Director C/Exec	Exec	I&E Sub

- 3.10 In order to ensure savings are delivered monitoring will also be incorporated into our current revenue budget control process and promised savings included in future budgets in line with the approved business case.
- 3.11 It is proposed that the manager responsible should monitor the delivery of their savings through their existing arrangements with Finance and that progress is included in the regular budget monitoring reports already made to DMTs and Members.
- 3.12 There will be no change to the fundamental requirements of an Invest to Save bid. Schemes need to demonstrate quantifiable net financial savings to the Council in the longer term and make progress towards achieving the Council's priorities.
- 3.13 A key requirement in ensuring effective use of resources through Invest to Save projects is the need to explicitly identify which areas of the Council's objectives the projects will support and how savings will be realised.
- 3.14 Specifically the scheme must demonstrate that it:
- Provides net financial savings to the Council;
 - Provides additional progress towards meeting the Council's top priorities;
 - Has a reasonable pay-back period;
 - No further or alternative external funding is available;
 - Clear identification of accountable officer, performance outcomes and monitoring arrangements to enable corrective action to be taken where required;
 - Contributes towards additional performance or improvement or stabilises current problem areas; (this does not preclude the requirement to realise cashable savings)
 - Evidence from other similar schemes/practices, where possible, to be considered and alternative options to be evaluated and dismissed.

4 Policy Implications

- 4.1 The invest to save process has been established to support Council priorities and the Building a Better Bromley objective of being an Excellent Council

5 Financial Implications

- 5.1 As outlined in the report the release of funding over £10k will involve scrutiny by the officer investment panel and Members through the I&E Sub Committee and/or Executive.
- 5.2 Projected savings will be included within future budgets and monitored and reported via the regular quarterly budget monitoring process.

6 Legal Implications

- 6.1 Legal implications will vary of a case by case basis and be reported to Members as part of the business case presentation to release funding.

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Agenda Item 7

Report No.
CEO1196

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement and Efficiency Sub-Committee

Date: 18th April 2012

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE**

Contact Officer: Chris Spellman, Assistant Director, Organisational Improvement
Tel: 020 8461 7942 E-mail: chris.spellman@bromley.gov.uk

Chief Officer: Doug Patterson, Chief Executive

Ward: Borough-wide

1. Reason for report

To update Members on the progress of the Organisational Improvement Programme.

2. **RECOMMENDATION(S)**

Note the progress made to date on projects led by the Organisational Improvement Team and the new work projects that members of the team are currently supporting.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A No additional costs at this stage
 2. Ongoing costs: N/A. Opportunity cost of Organisational Improvement Team. No additional ongoing costs at this stage. Any business cases for future projects will include ongoing costs.
 3. Budget head/performance centre: Organisational Improvement Team
 4. Total current budget for this head: £328k
 5. Source of funding: Existing revenue budgets
-

Staff

1. Number of staff (current and additional): 5 FTE
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Dependent on Member Decision Making. Potentially all customers
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Since the last I&E Sub-Committee, a corporate decision has been made to use the Organisational Improvement Team in a slightly different way.
- 3.2 Some staff have been transferred to other departments to take forward their projects within the relevant service area and others remain as they are still working on cross departmental issues where a corporate lead or support is required, either on a full time or part-time basis.
- 3.3 Details of the work being supported by the team and progress on the cross-cutting projects are provided for Members below.

Education & Care Services – Commissioning

- 3.4 The Programme Manager, Organisational Improvement is supporting the Assistant Director of Commissioning and Partnerships (ACS) on a full time basis on the creation of a central commissioning unit for the new department.
- 3.5 The new structure has been drawn up and presented to the Chief Executive and his new Departmental Management Team for Education & Care Services. The functions that will be covered within the new division include strategic commissioning, business development, contracts & compliance, and placements & panel management. These four key areas cover the end-to-end activities that make up the commissioning cycle, and the new teams within the Division have been drawn up to reflect this.
- 3.6 The restructure has since been agreed and all staff within the new Commissioning Division are now being made aware of their new reporting lines. This coming together of the new Commissioning Division is just the first phase in establishing the right structure for delivering on our objectives.
- 3.7 The physical relocation of staff within the new division up onto 3rd floor Stockwell will take place as part of the wider corporate accommodation moves happening during May/ June, although the new Commissioning Division will officially be in place from 1st April.
- 3.8 The new model will focus on bringing together the activities of commissioning, procuring, gate keeping and brokerage as set against the new commissioning model for the division. The core activities are very much in line with our Corporate Operating Principles which confirm that Bromley is *'A commissioning organisation seeking who is best placed to deliver services to the community, based on value for money principles'*.
- 3.9 This is the first phase in bringing together these activities across the former CYP and Adults' Departments where the new Department will now account for around 80% of the Council's spend. Work will continue over the next year to:
 - Redesign previously devolved business processes and tighten our contracting and compliance activities
 - Develop roles around commissioning and market intelligence to strengthen our commercial understanding of best practice services available in the market place
 - Further integrate the work of this new division with our colleagues in Public Health and the newly formed Clinical Commissioning Group over in Health where they continue to opportunities to align resources to achieve better outcomes.
 - Continue to make efficiency savings through contract negotiation, redesigning services and decommissioning services if they are no longer fit for purpose.

Public Health

- 3.10 The Project Manager, Organisational Improvement has been seconded for two days a week to the Public Health Transition team at NHS London supporting the transfer of Public Health from PCTs to Local Government.
- 3.11 The work is being carried out predominantly with the 6 South East London Boroughs, supporting the design process of setting up a model for Public Health which is fit for purpose for that local authority, or cluster of local authorities.
- 3.12 Workshops are being carried out with health and local authority leads from Greenwich, Lambeth, Lewisham and Southwark to establish whether a shared model of public health across 4 boroughs is viable and if so to what extent, taking account of risks and benefits.
- 3.13 Support is also being given to LB Bexley to analyse their PCT's financial submission to Department of Health (DH) which led to them receiving the lowest Public Health shadow allocation across the country.
- 3.14 Across the South East London cluster, work is ongoing to support boroughs with their transition planning process, collating the information in such a way as to summarise and feedback to DH as part of their assurance process.
- 3.15 In Bromley, the Project Manager, Organisational Improvement, is working closely with the Director of Public Health to plan the transition process locally and ensure that each of the workstreams are delivered to meet the April 2013 transfer date.
- 3.16 Work is also ongoing supporting the Health & Wellbeing Board, and specifically planning development opportunities for the Board using the £15k grant from NHS London, working closely with the Portfolio Holder for Resources and the Director Public Health.

Customer Service Improvement (CCC)

- 3.17 Several projects are underway as part of the overall development of customer service to provide new and wider channels for customers to contact the council, carry out transactions, make appointments, etc. The main areas are summarised below:

Voice recognition

- 3.18 The main focus of this work is to extend the use of the voice recognition system to services, starting with the highest volume services provided by environmental services. The first piece of work is on reports of missed bins which is currently being tested prior to making necessary amendments before going live. Once that is complete further services will be added.

Extended use of the contact centre

- 3.19 Landscapes calls have been transferred to the contact centre, and work is underway to develop further integration of the confirm system to link information captured at the point of contact directly through to the team's back office system which will be more efficient. This is expected to be completed by May 2012.
- 3.20 Appointments for the Registrar service are now on line and exploratory work on business cases are being developed for bulky waste collections, Housing needs and Council Tax benefit / Housing benefit.

3.21 As part of the refurbishment of North Block and upgrading on main reception we will bring in a queue management system the new reception facilities to help manage the flow of customers and provide them with better information about their appointments and expected waiting times.

New Technology Working Group recommendations

3.22 Recommendations from the New Technology Working Group are being progressed including:

- Developing the use of technology options used, e-forms, and social media systems , e.g. Facebook and You Tube,
- As part of the centralisation of support services the intention is to bring together the management of all the web portals (e.g. MyLife, Planning Portal etc) over time, which will provide increased consistency and efficiency.

Tell Us Once

3.23 Tell Us Once (TUO) the service that allows customers registering a death to inform several Council and Government departments at once has been live since October 2011. An updated version now allows customers to take away a reference number and self-serve online, choosing themselves, which public services they wish to inform of the death.

3.24 Subsequent to a follow-up meeting between the Superintendent Registrar and Department of Work and Pensions (DWP) on 10 January, the service has decided not to progress with the Tell Us Once service for births at this point in time due to limited resources and capacity.

Shared Services

3.25 The Shared Services Board, comprised of the Chief Executives and one other Chief Officer from Bromley, Bexley and Croydon, continue to meet on a 6 weekly basis to review the workstreams with the greatest potential for sharing. The three Leaders and Chief Executives meet on a quarterly basis.

3.26 The Library shared service with Bexley went live on 1 January 2012, ahead of schedule. Further work is now underway to investigate whether front office savings could be achieved, as well as whether the formation of a Libraries' Trust would generate savings through Business rate relief.

3.27 This item is subject to a fuller report, elsewhere on the agenda. It is worth noting that the areas that are being pursued with the greatest momentum given their potential for forming a shared service are:

- - Regulatory Services (Croydon/Bexley/Bromley)
- - Property services – asset management and facilities management (Bexley/Bromley)
- - Shared transport – Adults' and SEN transport (Bexley/Bromley/Croydon)
- - Parking – IT systems, enforcement contracts, back-office processes (Bexley/Bromley)
- - Parks – reduced contract costs (Bexley/Bromley)

3.28 The Chief Executives' Shared Services Board has been in place since July 2010. Given the momentum of the projects on the shortlist, it is considered that a board of directors across the three boroughs may be necessary to keep the pace and unblock any obstructions as a result of the service leading the shared service project in their area.

Regulatory Services

- 3.29 In 2011 the Shared Services Board requested that evaluative work be undertaken to consider if defined 'regulatory services' could be delivered more efficiently and effectively on a shared basis. Subsequent work commissioned by the three Chief Executives recommended moving the operational delivery of the services into a single shared provider unit on a phased basis with the provider ultimately forming a separate legal entity if beneficial to the commissioning authorities.
- 3.30 This target operating model was endorsed by the Shared Services Board and a project was initiated to transition incrementally to a Bromley hosted provider. Services are intended to be provided back to all three organisations and monitored through a client function retained in each local authority.
- 3.31 The 'basket' of regulatory services in scope for this shared service has changed slightly from the original brief based on Chief Officer advice. An amended list of services now in scope is set out below and are consistent with the original proposal.

- Trading Standards
- Licensing
- Food Safety
- Pollution Control
- Pest control
- Internal Health & Safety
- External (public) Health & Safety
- Stray dogs
- Public Health Nuisance
- Private Sector Housing

- 3.32 At the last Leader's Shared Services Board in February a scoping exercise was requested by London Borough of Bexley to establish greater certainty around future standards of service delivery for each Borough and the financial benefits that would be achievable.
- 3.33 This has now been completed and supports the findings of the initial work that in the first instance a management cost saving of 20% is deliverable by moving to a shared arrangement. The combined cost of providing the current separate arrangements is c. £1.4m.
- 3.34 It is anticipated that additional and greater levels of savings are likely to be generated through integration and review of services, once a shared management structure is in place.
- 3.35 As detailed analysis of this integration has not yet been undertaken, the costs and benefits are less certain but savings are likely to be significant. In other similar shared service examples between 15-20% of the total service expenditure is generally achievable. The total combined expenditure across the three authorities is circa £7m. However, it should be reinforced that this level of saving is not guaranteed and is dependent upon the outcome of the review of services and the transition costs and complexities.
- 3.36 Apportionment of costs and savings has been agreed by the boroughs based on the respective share of gross expenditure as at the 2012/13 budget and the list of management posts that would potentially be in scope of the shared service has been clarified.
- 3.37 The formal mandate to proceed with these arrangements are currently being sought through the relevant Portfolio Holders, PDS Chairmen and are likely to go to a special meeting of the Executive.

- 3.38 Assuming Members are supportive of this proposal a shared management team is projected to be in place by January 2013 with phase 1 savings being realised from April 2013.

Civic centre accommodation

- 3.39 As Members will have observed, works on the Civic Centre site are well underway. The current estimated completion of the refurbishment of North Block is 11th May. The basement areas in Exchequer House and the Old Town Hall, which were used for storage, have been completely cleared in preparation for vacating the buildings once the accommodation works are completed.
- 3.40 Property Division and Organisational Improvement have been working with Chief Officers to agree the future allocation of space to departments and teams, taking account of the corporate restructure taking place with effect from April 2012. Discussions with managers are now taking place to finalise their detailed requirements so that the all the operational matters involved in scheduling and implementing the whole set of moves can be known and arrangements put into place. It is expected that all the main moves will take two months to complete and will start as soon after delivery of North Block as possible.

The first move, which will be done as soon as possible and independently from the main schedule, will be to assist the formation of the Education & Care directorate by bringing the senior management team, and their direct support, together in Stockwell on 13th April.

- 3.41 Once all staff, including partners' staff, are relocated then the three buildings planned to be vacated (Old Town Hall/Exchequer House, Joseph Lancaster and Ann Springman) will be available.
- 3.42 Consistent with the findings of the accommodation policy/budget review, all Chief Officers have agreed to aim for departmental teams to be co-located as far as possible and , in some cases, to as low as 70% desk/FTE ratio - to the extent this is possible given the limitations of some of our existing buildings and without incurring any cost beyond the approved budget limit.
- 3.43 Further developments, for example, consideration of whether further buildings can be released are dependent on higher level strategic decisions, for example whether the Council will remain on this site or move to a different site as part of the overall town centre developments.

Organisational Design

- 3.44 The organisational restructure is now in place (wef 1st April) and officers are now operating within their new departmental reporting lines. The Education and Care department's senior management team, chaired by the Chief Executive pending the appointment of a new director, is leading the integration of adults and children's services and teams.
- 3.45 To assist the integration and visibility of the integration the assistant directors will be the first to be relocated as part of the accommodation changes, and will be co-located (on the third floor of Stockwell) from 13th April.

Centralisation/Rationalisation of Support Services

- 3.46 A project, led by the Director of Resources and Organisational Improvement is reviewing the distribution of support services across the organisation with a view to delivering £350K full year savings.
- 3.47 Some staff (and associated budgets) in respect of Customer Services and ICT functions have already been brought into the Resources directorate and further moves will take place, for example, staff providing financial support services in Adult services will transfer to Finance and

others linked in with future projects under the customer services improvement work mentioned above.

- 3.48 The establishment of the Education and Care department together with the accommodation moves will also enable some consolidation of functions, e.g. the commissioning functions covered in paras 3.4 – 3.9, and other strategic and business support functions.
- 3.49 Generally the Director of Resources (in the main) and Chief Executive to a lesser extent will deliver the full range of generic business support to the whole organisation, and the three 'service' departments will continue to manage their 'local' support, i.e. direct support for senior managers and their service teams.
- 3.50 Work is now underway pulling together all the 2012/13 generic business support running expense budgets (ICT related costs, all furniture & equipment (F&E) and other general office expenses), which are currently distributed across many departments and teams. The intention is that all these budgets will also be consolidated so that savings can be achieved through economies of scale, corporate prioritisation and by utilising the skills of the central procurement team on those areas. By way of example it is expected that, as the accommodation moves will involve fitting out many offices with space efficient furniture there will be a much reduced need to spend on F&E for the foreseeable future.

Invest to Save for Special Educational Needs Provision

- 3.51 The CYP department have engaged an external specialist consultant to lead a project team on the development of an invest to save case to enhance local provision for secondary aged children with autism to help to address a projected increased demand of 156 places over the next ten years. If no action is taken to develop additional capacity locally these places would be commissioned from independent providers at a far higher unit cost, averaging £14K pa per place. Development of local provision will also result in lower SEN transport costs as in borough costs average
- 3.52 As this is closely aligned to the policy /finance review of SEN & Disability, carried out by Organisational Improvement, the team is represented on the invest to save project team.
- 3.53 The work has included involvement of the Member officer Working Group on Special Educational Needs (MOWGSEN) and, in addition to a comprehensive analysis of children's needs has included appraisal of different options in terms of future provision which concluded that the expansion of existing special schools offers the best value for money.
- 3.54 The CYP department have engaged an external consultant to lead a project team on the development of an invest to save case to enhance local provision for secondary aged children with autism to help to address a projected increased demand of 156 places over the next ten years, equivalent to three additional forms of entry. If no action is taken to develop additional capacity these places will be commissioned from independent providers at a far higher cost to both the Dedicated Scholls Grant (DSG) which funds the educational placements and the Revenue Support Grant (RSG) which funds the SEN transport costs. The do nothing option, by 2021, would drive up costs each year resulting in extra demand of £4.2M pa on the DSG and £675K pa on RSG.
- 3.55 As this is closely aligned to the policy /finance review of SEN & Disability, carried out by Organisational Improvement, continuity has been maintained through representation on the invest to save project team.
- 3.56 The work has progressed with the involvement of the Member officer Working Group on Special Educational Needs (MOWGSEN). In addition to a comprehensive analysis of children's needs, has included appraisal of different options in terms of future provision which concluded that the expansion of existing special schools offers the best value for money.

- 3.57 The first practical option, which has been agreed by the Portfolio Holder for CYP and MOWGSEN subject to statutory consultation and approval by the Executive on 11 April, is to expand the Riverside School site in St Paul's Cray by one additional form of entry which, within seven years, will be able to meet the needs of an additional 52 pupils.
- 3.58 Financially this will require £1.2M investment to be met from Basic Need Capital allocations and this was agreed by the CYP portfolio Holder in March. By 2018/19 cumulative savings on placements (DSG funded) will be £ 3.05M (£728K pa) and on SEN Transport (RSG funded) savings will be £462K (equivalent to £110K pa).
- 3.59 Members can access further details on this specific development from the report to the Executive on 11 April, which can be viewed via the following link: [Link to report to Executive](#)
- 3.60 Further detailed work is underway looking at the further expansion to create two additional forms of school entry and at the issue of extended short breaks (respite) provision to gain an accurate projection of future needs and the likely implications, if any, on the use of out of borough residential placements. The work will include detailed modelling of any effects on DSG funded placements, and RSG funded short breaks and transport.
- 3.61 The programme going forward aims to complete a fully detailed business case, covering all elements, by July 2012 for presentation to the Executive.

4 POLICY IMPLICATIONS

- 4.1 Many of the workstreams that propose a shared service across boroughs or integration of services across Council departments within Bromley are likely to lead to changes in existing policies.

5 FINANCIAL IMPLICATIONS

- 5.1 All of the workstreams referred to in this report are being progressed as components of the organisation's Financial Strategy to deliver the substantial savings necessary following the Comprehensive Spending Review. Some of the cross-cutting workstreams address smaller efficiency savings which are still of note.

6 LEGAL IMPLICATIONS

- 6.1 Many of the areas of work highlighted in this report may risk legal challenge due to proposed changes in organisational structure and/or policy. In others, such as market testing, shared services and Public Health, issues including TUPE will be relevant.

7 PERSONNEL IMPLICATIONS

- 7.1 Many of the projects mentioned above may have personnel implications as we continue to move towards a well skilled but smaller workforce.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	Report to Executive 11 April . ES 12005 Development of Autism Spectrum Disorder (ASD) Secondary Provision.

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Report No.
CEO1198

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement and Efficiency Sub-Committee

Date: 18th April 2012

Decision Type: Non-Urgent Non-Executive Non-Key

Title: TRANSITION REPORT (MOVING TOWARDS OUR CORPORATE OPERATING PRINCIPLES)

Contact Officer: Doug Patterson, Chief Executive
Tel: 020 8461 7942 E-mail: doug.patterson@bromley.gov.uk

Chief Officer:

Ward: Borough-wide

1. Reason for report

To seek Members' views on how this work should be progressed

2. **RECOMMENDATION(S)**

Comment on the approach to be taken to progress towards the Target Operating Model.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Chris Spellman
 4. Total current budget for this head: £328k
 5. Source of funding: Existing revenue budgets
-

Staff

1. Number of staff (current and additional): 5
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Dependent on Member Decision Making. Potentially all customers
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Bromley's Corporate Operating Principles articulate the Target Operating Model that the organisation is transitioning towards. This positions the organisation as a Member led, agile commissioning council with flexibility to choose the delivery model best placed to offer value for money in the longer term. (Appendix 1: Corporate Operating Principles).
- 3.2 Having just completed a challenging financial process to set the budget until 2014 and with a significant further budget gap to find from that point on now is an opportune time to consider the major challenges and opportunities ahead and how the organisation will confront these.
- 3.3 The major issue for the organisation over the coming 12-24 months is how it will prepare itself for a significant reduction in revenue funding while maintaining as far as possible its high quality front line services.
- 3.4 Due to strong financial management and clear decision making since the Comprehensive Spending Review we are well positioned for this and if the correct action is instigated we may be left with positive service and revenue investment decisions to make over the next few years.

Key Issues:

Markey Testing & Outsourcing

- 3.5 Our policy of commissioning services from those that can demonstrate better value for money than direct service provision has historically served us well and it is suggested we continue with this direction of travel. In order to take this forward a programme of activity to ensure we have the most appropriate service delivery model in each area is necessary.

Shared Services

- 3.6 In addition to assessing any existing market in the private sector that could provide the same or more for less we will look for opportunities to deliver services as part of a shared service arrangement.
- 3.7 Specifically Bromley is looking for opportunities to share services with LB Bexley and LB Croydon although opportunities to share with other councils and public sector organisations will also be pursued where they would represent value to our residents.

Alternative Delivery Vehicles & The Right to Challenge

- 3.8 The Community Right to Challenge enables voluntary and community bodies as well as employees of the authority that wish to form a mutual organisation to deliver the services. The authority must consider expressions of interest and, where they accept them, run a procurement exercise for the service.
- 3.9 The Community Right will hand the initiative to groups with ideas about how services can be run differently and aims to ensure their ideas get a fair hearing, and that they get the time they need to prepare effective bids for services.
- 3.10 The recent government announcement of the new financial institution set up to resource groups such as staff, charities and community groups will provide financial backing to those that can repay the investment through the income they generate.
- 3.11 We must therefore consider what scope there is for services to be delivered by these alternative delivery vehicles such as: Mutuels, Social Enterprises and Local Authority Trading Companies and how this should be managed in a Member led authority.

Driving Value from Our Existing & Future Third Part Suppliers

- 3.12 As well examining where currently directly provided services could be provided more cost effectively via one of the models above we must maintain and improve our focus on our existing third party spend, increasingly driving value from our current suppliers and new incumbents as we have done recently in areas such as waste and IT support.

Supporting Service Modernisation & Transformation

- 3.13 As per the Invest to Save Report on this agenda, to meet the challenges of the future will require not just incremental improvements to current ways of doing things, but also fundamental changes to our services.
- 3.14 We are looking to stimulate ideas from our people of how to do things differently, improving the processes for procuring and delivering services and building the right supporting infrastructure and systems, eliminating the 'waste' or avoidable contact generated in our operations through poor communications and failures in day-to-day delivery.
- 3.15 We want to maximise the potential of technology to deliver services more efficiently and effectively and to improve the customer's experience by joining up services both at the point of delivery and in the 'back office' across a range of services.
- 3.16 This programme of change activity will require careful and robust management and at a time when our people are under significant pressure in order to maintain 'business as usual'.

Summary

- 3.17 Based on the capacity we have in the organisation and lead time it is important that these and other key issues for the organisation are progressed in a structured and focused way.
- 3.18 There is a need to quickly identify those areas or services where there is the greatest chance of success and those that will have the biggest impact and take these forward as a matter of priority.
- 3.19 Members views are sought on how they wish to see these issues taken forward given the need for clear objectivity, independence and particular skills in many of the areas.

4. Policy Implications

- 4.1 None directly from this report

5. Financial Implications

- 5.1 None directly from this report

6. Legal Implications

- 6.1 None directly from this report

Appendix 1: Corporate Operating Principles

Building a **Better Bromley** Corporate Operating Principles



Bromley citizens expect to manage their own lives with the minimum of intervention from the Council. When they need the Council's support they expect that it will be provided **efficiently**, represent **value for money** and be free from unnecessary bureaucracy and delays.

Bromley Council is organised around a set of core principles which are consistent with this ambition:

- 1) Member-led;** The Council's resources will be targeted at local priorities as agreed by elected Members
- 2) Delivering Value for Money;** The Council's services will be provided by whoever offers customers and council tax payers excellent value for money
- 3) Supporting Independence;** The Council will enable and encourage citizens to take more responsibility for their own lives, with the most vulnerable being provided with the help they need
- 4) Efficient and non-bureaucratic;** The Council will seek to reduce interference and bureaucratic control whilst protecting the Borough's distinctive character.

Our Services: A commissioning organisation determining who is best placed to deliver high quality services based on local priorities and value for money principles.

To support this, we will:

- Regularly review why and how we provide services.
- Identify who is best placed to deliver services by testing the benefits of:
 - > Having our services delivered by others
 - > Commissioning in partnership with others
 - > Delivering services in partnership with others
 - > Delivering services on behalf of others
- Encourage and empower the voluntary sector, community groups and individuals to take more control of how their local area and its resources are managed.
- Procure as efficiently as possible, seeking opportunities to share contracts with other local authorities and partners

Our Customers: We will reduce the overall need to contact the Council. Where contact is necessary, we will ensure that it is accessible, convenient, efficient and responsive to demand.

To support this, we will:

- Provide access to information and guidance that helps people to manage their own lives
- Promote and invest in the most cost effective customer contact and service delivery channels; expanding our use of the web, and other forms of self service
- Where face-to-face contact to the Council is necessary, we will make it accessible, convenient, efficient and responsive to demand
- Minimise demand for reactive services by “getting it right” first time

Our People: Skilled and motivated staff are key to delivering our Building a Better Bromley priorities

To support this, we will:

- Promote our REAL core values and the Bromley Commitment to Staff
- Promote opportunities for modern, efficient and flexible ways of working that are attractive to staff, increase productivity and reduce running costs
- Develop reliable and versatile capabilities that allow staff to operate from a wide range of locations and have the right tools for the job.
- Challenge organisational structures including devolved decision-making and the ratio of managers to staff.

Our Organisation: With limited resources and competing demands, the Council will need to operate corporately, constantly keep under review the effectiveness of the organisation, and its investment in services and support

To support this, we will:

- Establish common processes and deliver support functions centrally:
 - > Finance
 - > Human Resources
 - > ICT
 - > Communications
 - > Procurement
 - > Performance Management
 - > Customer Relations
- Ensure that organisational change is appropriately resourced and delivered across the whole organisation.
- Challenge bureaucratic processes and minimise process steps in all service areas by applying LEAN techniques.
- Ensure the corporate centre supports the business needs of the organisation.



Our Assets & ICT: we will use our assets to support the way we deliver services, maximise efficiencies and make the most of our reserves

To support this, we will:

- Review the use of our asset portfolio aiming to secure revenue reductions, generate capital receipts or make strategic investments where desirable.
- Create a better and more modern working environment for staff by facilitating hot-desking and mobile/flexible working, reducing property costs and increasing the efficiency and effectiveness of our staff.
- Promote and invest corporately in ICT systems that meet the requirements of our customers and our current and future business needs
- Ensure that ICT investments are subject to consideration of our current capabilities and the systems used by partners and other local authorities.
- Minimise the number of 'Back Office' Systems and embed a common customer database (CRM) wherever practicable.

Report No.
CEO1197

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement and Efficiency Sub-Committee

Date: 18th April 2012

Decision Type: Non-Urgent Non-Executive Non-Key

Title: SHARED SERVICES UPDATE

Contact Officer: Harriet Martyn, Project Manager, Organisational Improvement
Tel: 020 8313 4439 E-mail: harriet.martyn@bromley.gov.uk

Chief Officer: Doug Patterson, Chief Executive

Ward: Borough-wide

1. Reason for report

To inform Members of the shared services projects that are being progressed and to explain the project delivery arrangements for this work programme in more detail.

2. **RECOMMENDATION(S)**

That Members note the progress made to date on shared services project

That Members comment on changes to improve project delivery of this workstream.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Chris Spellman
 4. Total current budget for this head: £328k
 5. Source of funding: Existing revenue budgets
-

Staff

1. Number of staff (current and additional): 5
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Dependent on Member Decision Making. Potentially all customers
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Background

- 3.1 Bexley and Bromley's Chief Executives and another Chief Officer from each Council have been meeting as a Shared Services Board since July 2010. In January 2011, Croydon joined the Board.
- 3.2 The Board's initial remit focused on identifying projects or areas of work that could be shared across 2 or 3 of the boroughs. Initially, a number of these projects stemmed from the South East London Procurement Board which undertook a piece of work on shared contracts.
- 3.3 Since February 2011, the three Leaders and Chief Executives from Bexley, Bromley and Croydon have met on a quarterly basis to review progress and highlight any other areas that they feel should be taken forward and evaluated on a shared service basis.
- 3.4 A shared services conference was hosted in October 2011 involving senior managers, Chief Executives and Cabinet Members from the three boroughs. The aim of the event was to note good progress made so far but more importantly to give senior managers a chance to network and come up with other ideas that could potentially be taken forward on a shared basis. This also ensured that managers below the Chief Executive's Board were engaged in the shared services agenda and understood the value and significance of the work.

Priority projects

- 3.5 The list of shared services projects that are in the 'scoping' stage has become quite extensive therefore the Chief Executives' Shared Services Board has focused its remit on the 4-5 priority areas that appear to have the most potential for progressing as a shared service and therefore require more resource put into ensuring their scoping and delivery.
- 3.6 It is proposed that **Regulatory services** be shared between Croydon, Bexley and Bromley. The agreed proposal would involve a shared provider unit, physically based in Bromley with three client units in each borough, commissioning services as their local need dictates. The shared service will initially deliver a minimum of 20% savings in combined management cost with the potential for 15-20% of total service cost in the longer term. This progress of this project is the subject of a fuller update within the Organisational Improvement Programme update report.
- 3.7 **Property services:** The asset management and facilities management aspects of Property Services in Bexley and Bromley are proposed to be shared. A shared management structure across Bexley and Bromley is being drawn up and detailed work looking at current spend across each element of the service will be undertaken in order to propose and agree an informed savings target. Croydon has outsourced many of its Property functions and these contracts are not due to expire until 2016. Any shared service between Bromley and Bexley will therefore be developed with an opportunity for Croydon to join at a later date.
- 3.8 **Shared transport:** Using Capital Ambition funding, People Too consultancy have been engaged to scope out the benefits of a shared passenger transport service across the three boroughs, after their success working with the West London Alliance on a similar project. Initial scoping work suggests that there are greater opportunities for achieving savings through a shared approach in adults and children's transport services as opposed to fleet services. Savings are likely to be achieved through staff savings, hosting a single platform to schedule route planning and a joint re-letting of the contract. At their meeting on 13 April, the Chief Executives are asking the three Leaders for their endorsement to commission further work which would include a detailed business case and agreed savings, followed by

implementation. Bexley and Bromley have a more similar transport operation at present. Croydon are likely to undertake a separate piece of work initially to achieve internal efficiencies in their service before looking to collaborate with Bexley and Bromley.

- 3.9 **Parking services:** Bexley and Bromley have met to scope out which areas of the parking service could be delivered more efficiently through being shared. Initial analysis suggests that a shared parking provider could be set up between the two boroughs, contracting jointly for parking services and goods. Both boroughs currently use the same IT system and these could be aligned to enable joint enforcement contract for processing PCNs. A joint tender for a shared IT solution is proposed to be conducted in May 2012 with implementation in both boroughs to be achieved by March 2013. The tender will be an open framework agreement, allowing to Croydon to join at a later date, once they have resolved some internal issues in their service. As a result of the proposed shared back-office services, it is expected that the management structure across both boroughs can be rationalised with only one Head of Service needed.
- 3.10 **Parks:** Although this project is in its early stages, initial work carried out between the three boroughs suggests that there are efficiencies to be made through joint procurement of contracts and potentially a shared staffing structure. The project leads are currently undertaking a soft market testing exercise to evaluate the potential savings as well as drawing up a draft shared staffing structure which they will report back on in June.

Capacity for project delivery

- 3.11 Project leads within the relevant service areas are progressing these prioritised shared service projects with the Chief Executives Shared Service Board monitoring progress on a 6-8 weekly basis.
- 3.12 Experience to date shows that at a certain point in the project planning process, service managers no longer become the best person to lead that project as they are effectively 'turkeys voting for Christmas'; especially when a significant proportion of efficiency savings gained from shared services are through rationalised staffing and management structures.
- 3.13 One option to overcome this issue is to assign a Director to each of the priority shared service projects, either within their own borough or in one of the other two boroughs to 'unblock' any hurdles encountered along the way and ensure that momentum is maintained. This proposal is being taken to the Leaders' shared services meeting on 13 April for further discussion.
- 3.14 In addition, Bexley and Croydon have both agreed to provide corporate project resource to ensure that the pace of priority projects is maintained and any problems are resolved in a timely manner.
- 3.15 An immediate workstream that will be picked up by this group is to coordinate the development of a standardised back office methodology. To date as Shared Service projects have progressed, each workstream has sought the advice of colleagues from support services such as finance, HR, legal and IT in order to answer questions that will be relevant to a greater or lesser extent in every project.
- 3.16 The joint working group will be tasked with developing as far as possible standardised advice for those working on shared service projects in the future: For example:

How will savings & costs be attributed?
Who will pay for redundancies?

Will staff be TUPE'd or seconded?
Will terms and conditions need to change?
Will budgets be pooled and who will monitor them?
How will staff access their 'home' IT system if based elsewhere?
What is the Member approval process to establish a shared service?

- 3.17 It is hoped that by consolidating the answers to as many of these generic questions as possible it will expedite shared service projects generally.
- 3.18 A briefing paper will be presented to the Leaders' Board on 13th April exploring a range of issues and strategies from successful (and unsuccessful) shared service projects elsewhere which it is hoped will also assist Members and Officers in progressing both current and future shared working.
- 3.19 Members of the I&E Sub-Committee will be routinely updated on the progress of the shared services agenda along with the other issues raised in the 'Moving Towards Our Corporate Operating Principles' report on this agenda.

4 Policy Implications

- 4.1 The shared services workstream supports the Excellent Council objective of Building a Better Bromley and cuts across all Portfolio priorities.

5 Financial Implications

- 5.1 None directly arising from this report.

6 Legal Implications

- 6.1 Member decision making in relation to significant service alteration may give rise to the risk of legal challenge. Where service delivery models are to be changed, issues including TUPE will be relevant.

7 Personnel Implications

- 7.1 Shared services projects will have personnel implications on all staff impacted as we continue to move towards a smaller more agile workforce.

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Agenda Item 11

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 12

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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