



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 28 June 2011

To: Members of the
IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE

Councillors Graham Arthur, Julian Benington, Nicholas Bennett J.P., Eric Bosshard, Stephen Carr, Judi Ellis, Robert Evans, Russell Jackson, Russell Mellor and Neil Reddin

A meeting of the Improvement and Efficiency Sub-Committee will be held at Bromley Civic Centre on **WEDNESDAY 6 JULY 2011 AT 7.30 PM**

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 **APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN**
- 2 **APOLOGIES FOR ABSENCE**
- 3 **DECLARATIONS OF INTEREST**
- 4 **QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**
To hear questions to the Committee received in writing by the Democratic Services Team by 5pm on Thursday 30th June 2011 and to respond.
- 5 **MINUTES OF THE MEETING HELD ON 20TH APRIL 2011** (Pages 3 - 8)
- 6 **MATTERS ARISING FROM PREVIOUS MEETINGS** (Pages 9 - 12)
- 7 **ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE** (Pages 13 - 24)
- 8 **ACCOMMODATION PRESENTATION**
- 9 **ALIGNING POLICY AND FINANCE REVIEWS** (Pages 25 - 72)

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Agenda Item 5

IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE

Minutes of the meeting held at 7.30 pm on 20 April 2011

Present:

Councillor Neil Reddin (Chairman)
Councillors Graham Arthur, Ruth Bennett, Judi Ellis,
Robert Evans, Russell Jackson, Russell Mellor and Tony Owen

Also Present:

Councillor Peter Fookes

40 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillor Nicholas Bennett JP and Councillor Stephen Carr. Councillor Ruth Bennett attended as alternate to Councillor Nicholas Bennett JP.

41 DECLARATIONS OF INTEREST

There were no declarations of interest.

42 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

43 MINUTES OF THE MEETING HELD ON 19 JANUARY 2011

RESOLVED that the Minutes of the meeting held on 19th January 2011 be agreed.

44 MATTERS ARISING FROM PREVIOUS MEETINGS

LDCS11069

The Committee was informed that updates around customer contact, progress against issues identified at the 'Ideas Aloud' events delivered as part of Customer Service Week, and work to identify energy efficiency and renewables projects would be provided later in the meeting

With regard to the aligning policy and finance framework, the Chairman noted that the Carelink Service had been referred to Internal Audit.

RESOLVED that the report be noted.

45 ENERGY REDUCTION AND RENEWABLE ENERGY

ES11052

In January 2011, following consideration of reports around the Carbon Management Programme (Report ES10188) and the Carbon Reduction Commitment (Report ES10189), the Executive requested the Improvement and Efficiency Sub-Committee investigate further ways of reducing energy consumption and look at the benefits associated with renewable energy generation, feed in tariffs and other similar measures. The Sub-Committee received a report identifying a range of projects which had the most potential to support increased energy efficiency and use of renewable energy across the Council's operational property.

Members considered the benefits of the five proposed renewable energy schemes. In response to a question from the Chairman around the financial incentives offered by feed in tariffs, the Environmental Development Manager confirmed that a review was currently underway which was likely to reduce the value of feed in tariffs for all tariff bands from April 2012 and for the larger tariff bands (>50kWp) from August 2011. The business case for each proposed scheme had been based on the existing level of feed in tariff.

Photovoltaic energy schemes at the Civic Centre and Central Depot were discussed, with consideration being given to the need to retain the benefits from investment in renewable energy should parts of the Civic Centre be vacated in the long term. The current refurbishment of North Block allowed a good opportunity to install the necessary equipment. A preliminary review was being undertaken at the Central Depot which would establish the feasibility and cost-implications of installing roof-mounted photovoltaic panels to the main buildings.

The proposed small-scale photovoltaic energy scheme at the BEECHE Centre was discussed, and Members noted the potential for the Centre to become carbon neutral and demonstrate to the public how a range of renewable technologies worked. A Member highlighted recent development schemes at Bishop Justus C.E. School and Crown Meadow Court which had been designed to benefit from renewable energy generation and underlined the need to encourage similar schemes in developments across the Borough.

The solar farm scheme was considered by Members. The Chairman queried how feed in tariffs would operate. The Environmental Development Manager confirmed that as a large scale scheme this would be affected by changes to feed in tariffs but the impact of this would not be known until the review had been completed in August 2011.

The scheme to increase the energy efficiency of the Walnuts by upgrading the Boiler Plant had been assessed by consultants who had recommended a number of options including a gas-fired or biomass-fuelled condensing boiler, or a combined heat and power plant. Members queried whether the renewable heat incentive could be claimed as well as a reduction in the CRC tax liability. In

response to a question around when additional information would be available on the options for the Walnuts, the Environmental Development Manager confirmed that the full business case would be available in Autumn 2011. A Member emphasised the benefits derived from increased energy efficiency, which was often more cost effective than renewable energy schemes.

RESOLVED that:

- 1) The proposed photovoltaic energy scheme at the Civic Centre and Central Depot be identified (on the basis of current capacity) for further consideration, with the North Block prioritised due to opportunities afforded by the current refurbishment and the deadline imposed by the likely change in tariffs;**
- 2) A further report around the proposed Walnuts' Boiler Plant Upgrade be provided to Improvement and Efficiency Sub Committee in July 2011.**
- 3) A further report around energy reduction and renewal energy generation be provided to Improvement and Efficiency Sub Committee in October 2011 to consider in greater detail the costs and benefits of the selected projects, and provide additional information with regard to the proposed small-scale photovoltaic energy scheme at the BEECHE Centre and the solar farm;**
- 4) The Development Control Committee be requested to consider the inclusion of energy efficiency and renewable energy generation measures in future developments across the Borough as part of the Local Development Framework.**

46 ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE

CEO1169

The Sub-Committee received a report updating Members on the progress made on the first phase projects within the Organisational Improvement Programme.

With regard to the workstream around Civic Centre Accommodation, the Assistant Director: Organisational Improvement confirmed that work refurbishing North Block had commenced, with a number of teams relocating across the Civic Centre site. These teams were now being encouraged to consider how they might use their office space more effectively.

Chief Officers had agreed a Records and Retention Policy which was currently being implemented by targeting as a priority those areas impacted by the accommodation changes. The policy aimed to keep both hard copy and electronic information as long as legally required, except in cases where there was a clear business need to retain information or records. A Member highlighted the difficulty in identifying those records that should be retained longer.

The Shared Services project with the London Boroughs of Bexley and Croydon was progressing. A Shared Services Board made up of Borough Chief Executives and key Chief Officers had been established and had developed a shortlist of priority shared services projects, which included Libraries, Property (including asset management and facilities management), Sold Services to Schools and Financial Systems. A number of regulatory services had also been identified as a potential shared services workstream, and a high-level analysis of current processes and activities was being undertaken by an identified lead officer in each local authority to develop a shortlist of potential service areas, and conduct options appraisals.

The Assistant Director: Organisational Improvement confirmed that the rollout of the Voice Recognition System to Officers and Members had gone live on 21st June 2010 with an accuracy rate of 80%. The delivery of the Voice Recognition System for external use by members of the public had encountered some problems during the testing phase but would go live shortly. Call volumes for other simple requests with high volumes, such as reporting missed bins, had been evaluated and considered suitable for use with Voice Recognition in Phase 3 of the project.

RESOLVED that the progress made to date on projects led by the Organisational Improvement Programme be noted.

47 PROJECT TRACKING (PRESENTATION)

The Sub-Committee received a presentation on the spreadsheet developed to support project tracking from the Senior Improvement, Efficiency and Effectiveness Analyst, which provided a high level overview of all proposed savings projects across the Council. The project tracking document would continue to be updated to capture all the details against each of the proposed savings, including financial data, and would be key tool for the Chief Executive in providing a high level overview of project savings being made across the Council.

RESOLVED that the presentation be noted.

48 CORPORATE WEB UPGRADE (PRESENTATION)

The Sub-Committee received a presentation on the corporate web upgrade from the Senior Improvement, Efficiency and Effectiveness Analyst. The upgraded website had been launched on 13th April 2011, and made good use of space, images and links to social media sites to provide an improved offer to web users.

With regard to future work, all remaining web pages would be migrated by 13th May 2011, and online materials had been developed to train content editors across the Council. Two new e-forms would be launched on 2nd May 2011 to support reporting of missed bin collections and replacement recycling boxes, and work to update other feedback forms would be undertaken with an emphasis on increasing self-service.

The Chairman acknowledged the work of the Bromley Knowledge web team and the IT Development Team in supporting the introduction of the new website. In response to a query from a Member around income generation, the Senior Improvement, Efficiency and Effectiveness Analyst confirmed that the opportunity to advertise on the Bromley website was being promoted to local companies.

RESOLVED that the presentation be noted.

49 CUSTOMER CONTACT (PRESENTATION)

The Sub-Committee received a presentation on customer contact from the Head of Customer Service. Since 2008/9, web volumes had increased from 1.5 to 2.3 million hits per year, and there had also been an increase in e-mail contact. The cost per contact in Bromley for face to face, phone and web contact was significantly lower than the Local Authority average.

Planned service migrations to the customer contact centre in Summer 2011 included the Landscape Helpdesk and Registrars, and work was also being undertaken around the amalgamation of Reception points across the Council. Further service migrations would be considered in areas of high call volume, and a Member noted the potential to support housing-related enquiries, such as Choice Based Lettings. The Chairman highlighted the move of Public Health officers and the Coroners Service to the Civic Centre site, and noted that the volume of contacts was likely to increase. Work to investigate delivery of shared customer services with London Borough of Bexley was also underway, and the Head of Customer Service noted that a number of alternatives were being considered, including the potential to establish a co-located Customer Contact Centre.

A Channel Strategy was currently under development which would seek to reduce avoidable contact, and support channel shift, digital inclusion and increased accessibility into the future.

A Member queried what level of analysis was undertaken between 'value' and 'fault' calls to the Contact Centre, and noted the importance of evaluating 'fault' calls to ensure ongoing improvement of services delivered to Bromley residents.

RESOLVED that the development of a Channel Strategy be supported.

50 REVISED CORPORATE OPERATING PRINCIPLES

CEO1170

The Sub-Committee received a report presenting revised Corporate Operating Principles, which reflected changes that had taken place since the original Corporate Operating Principles were introduced in 2008, including the move towards shared services with other local authorities.

RESOLVED that the revised Corporate Operating Principles be confirmed.

51 ALIGNING POLICY AND FINANCE FRAMEWORK

CEO1171

The Sub-Committee received a report detailing the framework by which it was proposed Members identify areas for review when considering how to most appropriately align policy and finance. Service areas currently under consideration included Public Protection and Safety, Highways and Transport and Finance and Procurement.

RESOLVED that the proposed framework be endorsed.

52 IDEAS ALOUD LIVE FOLLOW UP

CEO1172

The Sub-Committee received a report updating Members on progress made against issues identified at the 'Ideas Aloud' events delivered as part of Customer Service Week in October 2010.

A number of key themes emerged, including internal and external communications, operational inefficiency and IT systems, and staff training and HR, and work had been undertaken to incorporate a number of the issues raised into existing cross-cutting projects.

A Member noted concerns highlighted at the event around staff training needs and underlined the role of managers in ensuring staff had appropriate skills training. It was key to empower staff in developing efficient services, and also important to ensure managers had sufficient support to manage effectively.

The Chairman suggested that a future 'Ideas Aloud' event be held around the cross-cutting issue of waste across the Council. Another Member suggested a series of events be held to support frontline staff in addressing a range of issues impacting service delivery and develop workable solutions.

RESOLVED that:

- 1) The report be noted;**
- 2) Future sessions be limited to a tightly focused issue or section of staff.**

The Meeting ended at 9.36 pm

Chairman

Agenda Item 6

Report No.
RES11048

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement & Efficiency Sub Committee

Date: 6th July 2011

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: N/A.
 2. BBB Priority: N/A.
-

Financial

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

Staff

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

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): N/A
-

Ward Councillor Views

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

3. COMMENTARY

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

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 Improvement and Efficiency Sub Committee.	Organisational Improvement Team	October 2011
45 Energy Reduction and Renewable Energy (from the minutes of I&E Sub Committee on 20 th April 2011)	Following consideration of five proposed energy reduction and renewable energy schemes, Members requested additional information be provided on a range of schemes.	Further details regarding the consideration of the proposed schemes by Executive and Resources PDS Committee and the Resources Portfolio Holder to be reported to Improvement and Efficiency Sub Committee.	Strategy Development Team, Environmental Services	October 2011
45 Energy Reduction and Renewable Energy (from the minutes of I&E Sub Committee on 20 th April 2011)	Members requested the Development Control Committee consider the inclusion of energy efficiency and renewable energy generation measures in future developments across the Borough as part of the Local Development Framework	A referral report by the Chief Planner was presented to Development Control Committee at its meeting on 30 th June 2011.	Chief Planner, Renewal and Recreation Department	July 2011

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Agenda Item 7

Report No.
CEO 1179

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Improvement and Efficiency Sub-Committee

Date: 6th July 2011

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

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

2. **RECOMMENDATION(S)**

2.2 Note the progress made to date on projects led by the Organisational Improvement Team

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: £328
 5. Source of funding: Existing revenue budgets
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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): Beneficiaries will be identified as part of business cases developed through the programme. Potentially all customers and staff are beneficiaries of this improvement programme.
-

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 last reporting to I&E Sub-Committee, several of the projects within the programme have progressed significantly.
- 3.2 More detail on the precise progress, risks, issues and planned work is shown in the Programme Highlight report in Appendix 1. A very brief summary of the major workstreams' progress is given below for convenience.

Civic centre accommodation

- 3.3 Work on refurbishing North Block has commenced and teams from ESD have vacated into Ann Springman, St Blaise, the Old Palace and Rochester.
- 3.4 The operational group, set up to consider the design of receptions and interview rooms in ground floor Stockwell and North Block has proposed decisions on layout and security features that have been agreed by Chief Officers.
- 3.5 The agreed Records and Retention Policy, which states that generally information, both hard copy and electronic, will only be kept for as long as legally required, is now being implemented with files being boxed and moved into storage with TNT where the criteria are met. A process to allow for exceptions to this policy has been built into the process of implementation.
- 3.6 The decant location of the Director of Environment remains to be resolved. The issue is being tackled by the Head of I,E&E and the Chief Executive as a matter of urgency to avoid any delays to the works in North Block, which have already commenced.

Shared Services

- 3.7 The Shared Services Board, comprised of the Chief Executives and one other Chief Officer from Bromley, Bexley and Croydon, last met on 22 June to update on the project list and to agree areas which could benefit from added momentum from Board level.
- 3.8 The next meeting of the three Leaders and Chief Executives from Bromley, Bexley and Croydon is scheduled for 8 July where a shortlist of projects which are considered to have the highest opportunity, as well as the long-list of projects, will be presented.
- 3.9 Proposals for shared management of the Library service across Bexley and Bromley have been agreed by Members in both boroughs resulting in savings of up to £400k p.a. Appointment of new posts is expected to start in September 2011 with a view to the new structure being complete by April 2012. Proposals for a Libraries Trust between the two boroughs are also being considered.
- 3.10 A workshop on Property was hosted by the Finance Director, Bromley, involving representatives from all three boroughs to scope out opportunities around Facilities Management and Asset Management.
- 3.11 The Chief Executive, Bromley, has led two workshops involving all three boroughs around opportunities for selling services to schools, including consideration of the market across the three boroughs for selling services, and whether one borough is more established than another for doing this. Other services such as SEN, Transport, Quality Assurance and School Improvements have also been considered at the meetings.
- 3.12 The Organisational Improvement Team has agreed to lead, on behalf of all three boroughs, a scoping exercise considering the possibilities of a shared Customer Contact Centre, including outsourcing, with a view to feeding back on initial findings in September 2011.

- 3.13 Departments are also encouraged to take forward opportunities for shared services which will be tracked by the Shared Services Board and fed through the OIP Board. The Head of Health and Safety is in discussions with Bexley around the Occupational Health Physician post, shared three-way between Croydon, Bexley and Bromley, which could result in savings of between £20k-25k p.a..
- 3.13 The Organisational Improvement Team will continue to drive the shared services work, in particular the shortlisted projects, as well as ensuring that projects are progressing between meetings of the Shared Services Board and that as many opportunities as possible are being identified.

Regulatory Services

- 3.14 Regulatory Services is one of the shared services workstreams that is being progressed by the Organisational Improvement Team on behalf of the Bexley, Bromley and Croydon. This work is being undertaken in place of the proposal by one of the partner boroughs to commission this work from a private consultancy at a cost of £90,000.
- 3.15 The agreed project plan set out a list of regulatory services as a starting point for discussion which included: Building Control, Planning Enforcement, Land Charges, Environmental Health, Trading Standards, Pollution Control, Community Safety, Emergency Planning, Travellers site management and Housing Services.
- 3.16 The Organisational Improvement Team have collated service information from leads across all three boroughs and the group have met regularly to discuss opportunity areas.
- 3.17 The report with high-level findings, options and opportunities will be agreed by the project group and then by Environment Directors at the end of June with a view to presenting the headline findings at the Leaders and Chief Executives' meeting on 8th July.
- 3.18 If commissioned, the second phase of this project will be an options appraisal of the shortlist based on more in-depth conversations with senior staff from relevant service areas.

Web upgrade

- 3.19 The new website went live on 13th April on time and on budget. This marks the end of Phase 1 and the Organisational Improvement Team's involvement in the project

Customer Contact Centre service migration

- 3.20 Training of CCC staff took place during the last week of May and the Landscape helpdesk was successfully migrated into the CCC on 7th June.
- 3.21 The Registrars Service has been using the Solidus Call System to analyse its call volume and pattern in greater detail over a 3 week period. The analysis of these calls will inform, with greater certainty, the number of agents that will be required in the CCC to handle the Registrars calls that have been agreed to migrate.
- 3.22 The Registrars team were successfully trained on the e-bookings system which is now set up. A meeting is scheduled for 11/7 with Capita, I.S. and the Registrars manager to agree a go-live date for the new system.
- 3.23 School admissions calls were routed through the Solidus Call System over a two week period to analyse the service's call patterns in more detail. Further work by the OIP team is ongoing to look at the service's business processes as part of building a business case for potential migration to the CCC.

- 3.24 Tell Us Once (TUO), the service allowing customers who are registering a death to inform several Council and Government departments at once has encountered delays due to IT problems at a national level.
- 3.25 Department of Work and Pensions (DWP), who are rolling out the TUO service nationally, are currently unable to say when the issue will be resolved. In light of this, the Project Manager in Bromley has agreed with the service area that it is more prudent to wait until September, after the summer peak for the Registrars service, to implement the system.

Voice recognition

- 3.26 Phase 1 of the Voice Recognition (VR) project for internal use across the Council is complete and is used with great success by Members and Officers alike with an average of 600 calls being made to the system every day and a success rate of 80%.
- 3.27 Phase 2 – expanding the VR switchboard function for external use by members of the public went live in May with the system handling over 2,000 calls a day and 70% of all calls being handled by the automated operator.
- 3.28 The Project Manager is updating and amending the content of the VR database on a daily basis, as feedback is received. Analysis is also being carried out to assess whether additional call agents may be required to prevent calls dropping through to the human operator.
- 3.29 Phase 3 of the project is around simple requests with high volumes, specifically, reporting missed bins and requesting a new recycling box.
- 3.30 Development work by the IS team is ongoing around phase 3 of the project to ensure the Telephonetics software can interact with the CRM system and thereby provide genuine 'end to end' self service.
- 3.31 Testing of Phase 3 VR will commence as soon as the new e-forms for missed bins and requesting recycling boxes.

Organisational Design

- 3.32 As an inevitable consequence of the financial challenges the organisation faces, the structure of the organisation needs consideration and scrutiny and this work is being taken forward with Members by the Chief Executive directly. This will include a review of management grades across the organisation to further ensure our structure is as efficient and effective as possible and aligned to Members' objectives.
- 3.33 Further efficiencies are proposed to be achieved through the centralisation/rationalisation of support services currently sitting within service departments.

4 POLICY IMPLICATIONS

- 4.1 Although it is not possible to provide specifics the nature and scope of the programme will be likely to have an impact on existing policies such as HR.

5 FINANCIAL IMPLICATIONS

- 5.1 As the business cases for these projects will/have been largely making the case for investment on an 'invest to save' basis and to be funded through 'capital', efficiency savings achieved through capital investments will mean changes and longer term savings to current revenue spend.

6 LEGAL IMPLICATIONS

- 6.1 No obvious legal implications at this stage

7 PERSONNEL IMPLICATIONS

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

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	

OIP EFFICIENCY PROJECTS

Project Details	Progress to Date	Risks and Issues	Tasks planned	RAG status
Workstream: OIP – Accommodation				
<p>Project Brief</p> <p>Rationalising Council accommodation and making best use of existing space, in short and long-term</p> <p>Anticipated Benefits:</p> <p>Financial Revenue savings estimated at least £473Kpa (exc capital receipts and Liberata income) More flexible and agile workforce with benefits to customer, employer and employee. Reduced absenteeism, increased morale, improved customer access.</p> <p>Anticipated completion date By end of 2011/12 financial year.</p> <p>Project Owner CEX/Bill Ford</p>	<p>Summary Position</p> <ul style="list-style-type: none"> • Strategic decisions made 8 Dec 2010 £2M refurbishment programme approved • Decant space - 60 workstations added to 1st floor St Blaise. Works underway on Palace and Rochester block. • Streets & Greenspaces moved into ASH end April. Transport & highways moved to St Blaise end May • Planning division move over w/end 1 July • Operational group developing integration of multiple receptions – design of new site agreed. • Public Health to share accommodation with ACS • Files being boxed/moved to Storage. • Sustainability team co-ordinating future F&E re-allocation & disposal. • Liaison with depts on future space use underway – indicative plans worked out. 	<p>Main Issues:</p> <ul style="list-style-type: none"> • Detailed plans for future layouts to be agreed with depts. Reorganisations affect planning arrangements – keep under constant review. • Use of storage facilities suddenly very popular! Using document retention policy to ensure proper use and to keep costs down to a minimum. Planning division volumes likely to cause most issues in terms of cost and on site storage • All decant agreed except for Dir ESD – C/Exec to review options 28/6. 	<p>Immediate priorities:</p> <p>Complete decant asap:</p> <ul style="list-style-type: none"> • Resolve location of Dir of ESD for decant period – ASAP to avoid delays in construction works. • Agree future shares of office space in North Block, with departments. 	<p>GREEN</p>

Workstream: OIP – Shared Services

Project Brief	Progress to Date	Main issues:	Actions Planned	
<p>Investigate opportunity for sharing services, back office support and contracts with other local authorities.</p> <p>Anticipated Benefits:</p> <p>Financial savings: Cashable efficiencies through economies of scale</p> <p>Savings already assumed in future budget? Assumed in 25% savings options across a range of services/depts. £40k in yr 4 – Resources £30k in yr 4 – LDCS, Customer Services £180k in yr 4 – LDCS, CCC £40k in yr 4 – Legal services</p> <p>Non Financial Savings: Increasingly joined up services to residents, reduced variation of service standards etc</p> <p>Anticipated completion date Ongoing</p> <p>Project Owner CEX / OIP</p>	<ul style="list-style-type: none"> • Libraries proposals for shared management across Bexley and Bromley agreed and consultation of staff began 5/6 for 6 weeks. Appointment of posts expected to start September 2011 with completion by April 2012 achieving savings of £400k savings in 12/13 • Property workshop took place 22/6 with three boroughs around FM and asset management • South East London Partnership Group & PWC have produced final report setting out a procurement plan for major contracts across all member boroughs. • Shared Occupational Health Physician between Bexley & Bromley likely to go ahead with savings of £20-£25k p.a. Croydon already shared OH Physician with Bexley. • Directors of Finance from 3 boroughs meeting quarterly to progress workstreams around asset management, facilities management and shared financial systems • Regulatory services initial opportunity appraisal report completed. 	<p>Main issues:</p> <ul style="list-style-type: none"> • Conflict/personal of interest with officers charged with developing shared services <p>Risks:</p> <ul style="list-style-type: none"> • Natural presumption for Bromley Officers/Members to want to lead rather than follow. • Additional partners increase complexity of shared services implementation. • Insufficient project resource to carry out feasibility work and implement shared service across 3 boroughs • Conflict of interest around officers leading on joining up their service with another borough which may put their own staff's jobs at risk 	<ul style="list-style-type: none"> • Agreement to jointly scope out opportunities for three boroughs around a shared Customer Contact Centre – feedback by September 2011 • Future of South East London Partnership Group to be decided as well as a decision around how to take forward PWC Procurement Plan • Meeting of three CYP Directors to be chaired by Bromley Chief Executive around opportunities for selling services to schools scheduled 27/6 • Next meeting of Shared Services Board with Leaders 8/7 • Next Shared Services Board – September 2011 	<p>GREEN</p>

Workstream: OIP – Regulatory Services

Project Brief	Progress to Date	Risks:	Actions Planned	
<p>Investigate opportunity for sharing regulatory services across Bromley / Croydon / Bexley</p> <p>Anticipated Benefits:</p> <p>Financial savings: Cashable efficiencies through economies of scale.</p> <p>Savings already assumed in future budget? TBC</p> <p>Non Financial Savings: Improved resilience through greater critical mass of shared front line staff and managers</p> <p>Anticipated completion date July 2011 for feasibility work and recommendations to Directors/CEX's. Implementation 2012 onwards</p> <p>Project Owner Bill Ford/Chris Spellman</p>	<ul style="list-style-type: none"> The Organisational Improvement Team have submitted a project proposal to the Shared Services Board and Environmental Directors to conduct work to identify the potential to make savings through shared services in relation to a number of regulatory services; Environmental Health, Trading Standards, Building Control, Planning Enforcement etc. This proposal and the project terms of reference have been accepted by all three boroughs (Bromley, Bexley & Croydon) in place of an offer by an external consultant at a cost of £90,000. Service leads for all three boroughs have met with the project team and agreed service information requirements Service information now received back and initial analysis undertaken 	<ul style="list-style-type: none"> OIP Team are not accepted as being independent by the other boroughs and data gathering is made more difficult Service leads appointed by the boroughs may be directly affected by the proposals and therefore may not engage fully with the review. Structures in some teams may be leaner/operate to a lower level of performance than Bromley and sharing may result in Bromley's performance dropping. Minimal opportunities for efficiencies may exist across the review areas and therefore the opportunity cost of this project would be disproportionate to the benefit. 	<ul style="list-style-type: none"> Some minor data cleansing is now going on before a meeting to develop the headlines for the report. A report of the initial high level findings, options and opportunities will be presented to Environment Directors end June. Feedback from this meeting can be shared at the Leaders' and Chief Executives Shared Services meeting on 8/7 	<p>GREEN</p>

Workstream: OIP – Customer Contact Led Improvement

<p>Project Brief</p> <p>Migrating customer telephone traffic from the back office into the Customer Contact Centre. High volume/low complexity calls prioritised</p> <p>Anticipated Benefits:</p> <p>Financial Lower unit cost of service delivery-savings taken out on transfer of services and dependent on anticipated call volumes. Migrations would need to offer a return of at least 1 FTE/£22.5k in order to proceed.</p> <p>Savings already assumed in future budget?</p> <p>Yes</p> <p>Non Financial Increased customer access and resilience. Greater standardisation of services. Increased potential to link services and resolve enquiries at first point of contact.</p> <p>Anticipated completion date</p> <p>Registrars – mid June Landscape – June 2011 Admissions – TBC</p> <p>Project Owner Duncan Bridgewater/Chris Spellman</p>	<p>Work Completed:</p> <p><u>Registrars</u></p> <ul style="list-style-type: none"> The Migration has been signed off at CFG with a view to migrating this summer. E-bookings training took place 13/05 and system set up. <p><u>Landscapes</u></p> <ul style="list-style-type: none"> Training completed for the CCC staff around Landscapes migration. This area has now been migrated into the CCC. 	<p>Issues:</p> <ul style="list-style-type: none"> Work around amalgamating receptions and plans to consolidate all customer services under one new directorate tie in with the migration work and may mean that the timings of both projects should be synchronised Call volumes around the hunt numbers that are currently produced by the Telephony department are not accurate. The workaround for this issue involves costs due to routing being required through the Solidus. <p>Risks:</p> <ul style="list-style-type: none"> Services are unable to release sufficient resources to justify service migrations and create savings ICT resources and time constraints currently due to other projects including web. 	<p>Work Planned</p> <p><u>Registrars</u></p> <ul style="list-style-type: none"> Meeting to take place with Capita, I.S and Registrars on 11/7 to agree go-live date for e-bookings system. Calls being routed through Solidus over 3 week period (till 1/7) before analysis is carried out in advance of migration of calls to CCC <p><u>Admissions</u></p> <ul style="list-style-type: none"> Further work currently being completed looking at processes with the CYP Admissions team. <p><u>Tell Us Once</u></p> <ul style="list-style-type: none"> TUO Training – successfully completed 08/06. Go live date of 16/06 postponed due to IT issues encountered by DWP at national level. Local decision to postpone go-live until September 2011 due to busy summer period for Registrars. 	<p style="text-align: center;">GREEN</p>
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Workstream: OIP – Customer Contact Led Improvement

<p>Project Brief</p> <p>Voice Recognition technology to be used to handle simple customer enquiries, redirections and service requests.</p> <p>Anticipated Benefits:</p> <p>Financial Staff saving of between 2-2.5 FTE/£55k for roll out of technology for internal and external switchboard calls. Planned expansion to 'reporting' services would offer a potential additional £22-50k.</p> <p>Savings already assumed in future budget? No</p> <p>Non Financial Reducing avoidable contact, improving self-service for our customers, customer access (VR 24/7)</p> <p>Anticipated completion date</p> <p>Phase 2 May 2011</p> <p>Phase 3 July 2011 (Approx)</p> <p>Project Owner Sarah Lyons</p>	<p>Phase 2 – External Rollout</p> <ul style="list-style-type: none"> System is now Live! <p>Phase 3 – Report It</p> <ul style="list-style-type: none"> Voice capture functionality has now been purchased to allow records to be matched to the records within the CRM system. Changes have been made to the workflow within the Technical Specification document. Awaiting comments from the Development team. Go Live - July 2011 (dependant on e-forms) 	<p>Main issues</p> <ul style="list-style-type: none"> Issues with route optimisation of the call through the VR system. Issue to being looked into currently by Capita. Issue with the current capacity of the system, we are using the automated agents at their full capacity. Discussion required with Telephonetics and LBB. <p>Phase 1 & 2 Issues / Risks</p> <ul style="list-style-type: none"> VR software does not accurately redirect calls and leads to avoidable contact being made with remaining human switchboard operators/customer dissatisfaction. Possible risk with data quality relating to phone numbers within the council – work around this issue is ongoing Implementation of third phase (end to end) call handling may be delayed by availability of appropriate IS resource. <p>Phase 3 Issues / Risks</p> <ul style="list-style-type: none"> If name capture functionality is not purchased, records may not match up to the CRM system which will then in turn create multi records. Issues with waste collections for flats / shared accommodation – due to different bins / size etc. work around this issue is ongoing Implementation of second phase (end to end) call handling may be delayed by availability of appropriate IS resource 	<p>Future work will include:</p> <p>Phase 2 – External Rollout</p> <ul style="list-style-type: none"> The system is now live to the public! Work is being completed on a daily basis around the content. The system is being developed consistently to improve the accuracy of the data. <p>Phase 3 – Report It</p> <ul style="list-style-type: none"> Further work is being completed on the SDS on developing the criteria required for the system. Once this has been agreed, development work will commence on both the Telephonetics side and LBB. Testing of the system will commence for 2 weeks before an anticipated go live of the system. Testing will commence and go-live date agreed once the E-forms have successfully been implemented. 	<p style="text-align: center;">GREEN</p>
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Agenda Item 9

Report No.
CEX1180

London Borough of Bromley

Agenda
Item No.

PART 1 - PUBLIC

Decision Maker: IE&E Sub-committee

Date: 6th July 2011

Decision Type: Non-Urgent Executive Non-Key

Title: **ALIGNING POLICY & FINANCE REVIEWS**

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: All

1. Reason for report

1.1 To update Members of I&E Sub Committee on the work undertaken on the Aligning Policy and Finance reviews.

2. RECOMMENDATIONS

2.1 That I&E Sub-Committee notes the work being commissioned by Extended Cabinet as part of the wider process in place for supporting Members' future decisions on the next round of savings.

Corporate Policy

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

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Non-recurring cost.
 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: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Reviews identify savings options that will have a direct impact over time on users of council services.
-

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 At the Extended Cabinet meetings in April, Members endorsed the suggested approach to take forward a number of Aligning Policy and Finance reviews (AP&F).

3.2 After debating and challenging across portfolios, Members identified an initial work programme of 3 service areas for high level information gathering and review.

3.3 The areas identified were:

Finance & Procurement

Public Protection

Transport & Highways

3.4 The purpose of the reviews are twofold:

3.5 Firstly to provide Extended Cabinet with the detailed information about each division including its staff structures, budget, functions and benchmarking in order for them to have a clear picture of what the division does and why.

3.6 Secondly, to set out a number of high level options with suggestions on how substantial savings can be achieved. This is to support Cabinet in their challenge process and to help to set the savings options in the context of risk, be that risk financial, reputational, or regulatory.

3.7 The first three service areas were reported back to Cabinet in May. All these reviews are attached for further detail. Each review was slightly different in that they reflected the service area being reviewed and also how advanced the service area's management team were in considering their next set of savings options.

3.8 Finance & procurement

This was a review of a back office service where the Head of Service was quite well advanced in investigating possible savings options. This review focused on how to continue to deliver a similar standard service more cost effectively. Options included centralising financial management teams to take further savings out of the 32 FTE currently providing these services. Also to support this change by reducing financial monitoring meetings to bi-monthly as well as continuing to roll out and use financial IT systems to support managers to stay on top of their budgets. Another option highlighted in the report was to look again at outsourcing through the now well-established Revenues and Benefits contract with Liberata, testing the market to see if they could provide more of our financial processing services in Exchequer. Further work was needed to investigate possible alternatives for procurement and commissioning across the Council which lacks consistency of approach from one department to another. The Finance Director is to lead on this work with his Head of Procurement.

3.9 Public Protection

Local authorities first came into existence because of their public health responsibilities and in Bromley many of these duties are discharged within the Public Protection Division alongside a wide range of other more contemporary functions and powers. There are therefore many small scale services administered by this division and one of the core parts of this review was to break down the many functions of the division. Savings options in this area included reducing the noise service which currently offers a 24/7 service, potentially reducing the CCTV contract and rationalising and sharing monitoring functions with a neighbouring borough. The report also explored options for charging for any remaining discretionary services such as swimming pool water testing and asbestos surveys and reviewing our current licence fees to see if the division

could achieve more income and in so doing be able to self fund some of these services. Finally the report highlighted the need to be ready for the anticipated reduction to the Community Safety Fund by having plans in place to scale back on some of our activities in the Community Safety team.

3.10 Transport & Highways

A recent restructure moved the Highways Network Management team from Street Services across to the Transport division where Traffic & Road Safety and Transport Strategy & Highways Development were already located. This resulted in the creation of the Transport and Highways division. This review focused its attention on the use of Transport for London (TfL) grant money which totalled £3,994,000 for 2011/12. The review concluded that there is still significant scope around how to allocate LBB vs. TfL funding across the division, specifically the current split between traffic engineering and improvement schemes to reduce accidents compared to the promotional and educational aspect of reducing accidents. Another large area of spend is on the Highways contracts and the division needs to explore savings opportunities through joint contracts with neighbouring boroughs. Finally the Transport Strategy team is due to undergo a restructure due to a retirement. This was highlighted in the report as an opportunity to look at maximising the business and strategy support functions within this team across the Environment Department as a whole, or even as part of the wider resource being considered under the future centralisation of business support corporately.

3.11 The minutes of the Cabinet meeting on 13th May confirm that “Cabinet felt the methodology works well with the caveat that the PDS Chairman/GP&L Chairman need to be part of the exercise together with a timetable. The Leader stipulated that the corporate management structures need to be investigated together with the impact on the provision of services”. The minutes go on to summarise “overall the three papers are welcomed and particularly the staffing graph in the Public Protection paper which will now be incorporated into any future papers”.

3.12 In the following Cabinet meetings another 4 reviews were chosen for the OIP team to get underway. These are:

Commissioning & Partnerships (Adults)

Children & Families Project (CYP)

SEN and Inclusion (CYP)

Electoral, Registrars and Democratic Services

These reviews are due to be reported back to Extended Cabinet in July.

4. POLICY IMPLICATIONS

4.1 Although it is not possible to provide specifics the nature and scope of these reviews will be likely to have an impact on existing policies on our level of service provision as well as raising Legal and HR issues.

5. FINANCIAL & PERSONNEL IMPLICATIONS

5.1 The aim of these reviews is primarily to come up with options for future savings. As such there will be financial implications arising directly from these reviews should Members decide to progress them.

5.2 Depending on the scope and impact of the proposals these decisions would be likely to have personnel implications.

LONDON BOROUGH OF BROMLEY
ORGANISATIONAL IMPROVEMENT

To: Cabinet
Date: 13th May 2011
Subject: *Aligning Policy & Finance -The Finance Division*
From: Richard Hills, Organisational Improvement Team

1. Reason for Report

Following the endorsement of the suggested approach to Aligning Policy & Finance presented to Cabinet in April it was agreed that the first three divisions to be reviewed would be *Finance, Public Protection* and *Transport*.

This report provides Cabinet with the high level service information (phase 2 of the methodology) for the Finance Division. However, because this report has been driven by the Portfolio Holder for Resources, as well as the Chairman and Vice-Chairman of E&R PDS and proactively supported by the Finance Director this report goes further than the initial remit to make some suggestions as to specific areas within the Finance Division where future savings could be achieved.

2. Contents

The Role of a Local Authority Finance Division	Page 2
Bromley's Finance Division by Cost, Staff, Functions	Page 3
Bromley's Finance Division benchmark	Page 8
Options for further efficiencies	Page 10
Summary	Page 11
Reference Documentation	Page 12

3. Recommendations

- 1) That cabinet note the breakdown of the Finance Division and use it to assist in their challenge of the service
- 2) That cabinet consider the initial areas for exploration as set out in section 7 of this report taking into account the summary conclusions

4. The Role of a Local Authority Finance Director & Finance Division

The role of the Finance Division is to ensure the effective management and control of the Council's financial affairs. Qualified finance officers are in post to ensure the integrity of the Council's financial framework through strategic financial advice and the provision of financial services.

In meeting these obligations there are a number of core statutory duties to be followed with guidance provided by CIPFA including the '*Role of the Finance Director*'.

The Chief Financial Officer in a public service organisation:

Is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest;

must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the authority's financial strategy; and

must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the Chief Financial Officer:

Must lead and direct a finance function that is resourced to be fit for purpose; and

Must be professionally qualified and suitably experienced.

The Chartered Institute of Public Finance & Accountancy

Set out in Section 151 of the Local Government Act 1972 requires that every Local Authority shall "*make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs*"

The Local Government Act 2000 goes further advising that the finance director will have an important role in management of the local authority in particular by:

- Contributing to corporate management in particular to the provision of professional financial advice
- Maintaining financial administration and stewardship
- Supporting and advising members and officers in their respective roles
- Providing financial information to the media, members of the public and the community

To do this all Finance Director's have a Finance team in place to assist them in delivering many of the core activities required to adequately fulfil these duties to Members and the residents of Bromley. These include:

Budget Monitoring	Procurement
End of year Accounts	Reconciliation
Exchequer services	Government returns
Revenues & benefits	Running and maintaining financial systems
Insurance	Treasury management & Pensions

Over and above this is the day-to-day financial support and advice given to budget holders, departmental management teams, Directors and Members on a whole host of issues concerning finance.

5. Bromley's Finance Division – Budget, Staff (FTE) & Functions

The Finance Division currently employees 108 FTE and has a net controllable budget of £9.79 million.

This is broken down in the tables below:

Table 1: Budget for the Division

	Control & Co-Ord/Technical	Financial Mgt	Procurement	Revenues & Benefits	Exchequer-Payments & Income	General Mgt	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	410	1,844	292	461	1,275	154	4,436
Transport		0 8	3	2	16	0	29
Supplies and Services	35	225	21	2,028	49	57	2,415
Third Party Payments		0 1	183	6,029		00	6,213
Transfer Payments		0 0		0 18,775		00	18,775
Income	Cr 2	Cr 205	Cr 87	Cr 21,736	Cr 2	Cr 45	Cr 22,077
Controllable Budget	443	1,873	412	5,559	1,338	166	9,791
Insurance		0 0		0 0		01	1
Capital Charges/Financing		0 0	60	0		00	60
Non-Controllable Budgets		0 0	60	0		01	61
Recharges In	192	851	170	2,265	439	119	4,036
Total Cost of Service	635	2,724	642	7,824	1,777	286	13,888
Recharges Out	Cr 634	Cr 2,732	Cr 717	-6,944	Cr 1,775	Cr 325	Cr 13,127
Total Net Budget	1	Cr 8	Cr 75	880	2	Cr 39	761

Table 2: Staff (FTE) across the whole Division

Team	FTE
Finance Director	1
Financial Management & Financial Systems	37
Control & Technical	7.79
Procurement	5
Payments & Income	44.15
Revenue and Benefits	13
Total	107.94

Management grades run at 25% of the total FTE mainly due to the cost of fully qualified accountants. This percentage continues to fall ever since the management overheads exercise lead by the Chief Executive including the deletion of the Assistant Director of Exchequer and Revenues and the recent retirement of the Director of Resources who was the previous Section 151 officer. The deletion of another management post is current going through consultation. Cost per FTE was the lowest of the 15 London Boroughs benchmarked by CIPFA.

Table 3: Functions across all the teams that make up the Division

Finance Team	Functions
Management Accounting Teams (Revenue Budget turnover £650m)	<p>Budget monitoring Bi-Monthly Budget Monitoring - including DMT reports, Committee reports, signed off statements Budget Estimates - staffing budgets, running expenses, income projections, budget options, full year equivalents, supplementary estimates, growth bids Preparation of Financial Control Budget and divisional Budget books Closing of Accounts at year end- sundry debtors, creditors, holding accounts, Oracle and general ledger reconciliations, Stock Control, Balance Sheet, Income & Expenditure account, report to Committee Capital Budget Monitoring, support to budget holders around capital bids for capital programme, capital returns to external bodies eg TfL</p> <p>Financial advice and support Financial considerations in Committee Reports Support to budget holders/DMT around budget options, Invest to Save bids Training for Budget Holders Production of 4 year Financial Forecast - each department General Financial advice around Financial Regulations Informing corporate projects and working groups Pooled Budgets (ACS)</p> <p>Reconciliations Job creation, deletion & amendment forms Reconciliations of staffing numbers on EBM Contract tendering evaluations, PQQ's Reconciliation of all systems EBM, Rent Accounts, Parking, Confirm, Mortgage Accounts, Cash Book etc, Reconciliation of Schools Accounts Updating of EBM, Oracle and any other financial systems</p> <p>Gov returns Statutory Revenue Estimates - RA's Complete all Grant Claims - interims and final including reconciliation of ledger accounts Government Return - RO's (Revenue Outturn Reports)</p>

	<p>CIPFA Stats Financial FOI information/ requests</p>
Financial Systems	<p>Providing technical support to financial systems Examples invoicing, cheque processing BACS, Purchase Orders, income collection, financial reporting Database Support e.g., Care Charging, Trade Refuse, Closing of Accounts, Income Management.</p> <p>Managing Financial Corporate Systems (including monitoring) EBM – Employee Budget Monitoring FBM – Financial budget monitoring Budgets Estimates Systems. IPROC Procurement System management Interfacing uploads for other IT systems e.g. Care First, Payroll, Confirm etc Procurement Card Uploads Bank reconciliations DD Collections</p> <p>Income generation £25k Oracle Support to Bexley</p>
Control	<p>Reconciliation The council bank account (payment and income transaction values of in excess of £1 billion per annum) Co-ordination and reconciliation of various council wide functions relating to completion of the council's budget, closing of accounts and budget monitoring Monitoring and reconciliation of 18 key control and holding accounts including payroll and Liberata council tax, NNDR, payments and debtor accounts Monitoring and reconciliation of general fund and earmarked reserves (total £64m in 2009/10), general grants and NNDR redistribution (£76m in 2009/10)</p> <p>Production Production of council's annual statutory financial accounts, including external audit and public inspection Completion of key statutory returns e.g. <i>Council Tax Survey, Revenue Collection Statistics, Business rate returns, whole government accounts</i></p> <p>Administration Collection fund relating to business rates, council tax and GLA element of council tax (value £253m in 2009/10) Maintenance of former London Residuary Body fund (ex-GLC properties), including annual distribution to London Boroughs (fund value £0.7m in 2009/10) Payment of Levies to other authorities (£2m in 09/10) <i>Environment Agency, London Pensions Fund Authority, London Boroughs Grants Committee and Lee Valley Regional Park.</i></p> <p>VAT: Completion and submission of council's VAT returns to HMRC (approximately £24m per annum) Provision of strategic and operational advice on VAT issues Minimise risk to the council arising from exceeding partial exemption limit</p>

	<p>Specialist technical advice Provision of operational advice concerning accounting requirements, including changes in accounting standards do management accounting teams</p>
Technical	<p>Treasury Management Investments placed in year (turnover) £300m+ Daily management – loans/investments, counterparty lists Quarterly reconciliations and reporting to E&R PDS/ Resources portfolio Treasury management strategy and procedures and government returns Administer interest on balances – closing of accounts</p> <p>Capital Programme £180m Annual bidding process for new schemes Budget maintenance Quarterly monitoring reports to Executive and PDS Committees Annual Capital Strategy Administering capital receipts</p> <p>Pension Fund £480m Quarterly monitoring reports to Pensions Investment Sub-Committee Pension Fund Annual Report Monthly monitoring of Pension Fund Revenue Account Pension Fund strategy (inc asset allocation, business plan, benchmarking, etc)</p> <p>Insurances Insurance claims - Handle 450 claims p.a. <i>e.g Public liability, fire& perils, leased cars</i> Non-claims activities – <i>e.g. advice, accountancy, maintain insurance cover and negotiate renewals, statistics, risk management, Annual report to E&R PDS Committee</i></p> <p>Banking Monitor banking contract Maintain over 100 accounts Maintenance of signatory list Liaison with HSBC Administering bank charges</p> <p>Financial advice Provision of advice and financial services re all the above</p>
Procurement	<p>Strategic & best practice The development, dissemination and oversight of best procurement practice within the Council and its partners as appropriate The establishment and use of a Sustainable Procurement Strategy Driving savings through a strategic approach to procurement and use of professional procurement tools – spend analysis, gateway reviews, joint contracting, e-auctions etc Strategies used to achieve a cost saving/ cost avoidance on 3rd party contracts of over £10m in 2011/12</p> <p>Advisory Overview and advice on the Council’s Procurement Activity, identifying and securing cost and process efficiencies; (for example - Streamlined Processes Projects like I</p>

	<p>Proc; identifying e auction opportunities and contracting strategies such as those in SEN Transport</p> <p>Pursuing a proactive management interface, in conjunction with commissioning requirements, on social care contracting arrangements;</p> <p>The provision of advice on and input to corporate management arrangements;</p> <p>Managing contacts and contract negotiations</p> <p>Managing full gateway reviews and contract re-negotiations and identifying new ways to procure a contract – i.e. joint contracting arrangements</p> <p>The provision of expertise and/or management of complex and sensitive projects (exampled by the link through to Adult Social Care contracting)</p> <p>The Management of certain corporate contracts – energy, agency staff, mobile phones, MFD printers</p> <p>The Council’s approach to contracting activity, in common with most other London Council’s, is based on a model which devolves much day to day activity to the service areas where client and budget responsibility sit,</p>
<p>Exchequer Services – Payments & Income</p>	<p>Payments</p> <p>Debt management in partnership Liberata</p> <p>Making payments to suppliers/customers</p> <p>Paying 80,000 invoices p/a</p> <p>Financial assessments</p> <p>3500 assessments of care services clients & provision of welfare benefit advice</p> <p>1,100 assessments clients in residential & nursing care</p> <p>Income</p> <p>Raising invoices (income) for all Depts</p> <p>Generation of income from other Council services e.g. Waste management, cemeteries, Planning, Building Control etc</p> <p>Raising 14,000 invoices p/a (excludes recurrent invoices and CT)</p> <p>Recovery of charges for clients placed in temporary accommodation</p>
<p>Revenues & Benefits (Liberata Contract value £6m p.a.)</p>	<p>Management of the Liberata Contract which covers:</p> <p>Benefits – payments £124m</p> <p>Council tax – £198m (inc GLA)</p> <p>Business Rates £83m</p> <p>Pay roll - £135m (gross inc teachers)</p> <p>Pensions - £20m</p> <p>General debtors £12.8m</p> <p>Cashiers transactions £145k</p>

6. Bromley's Finance Division Benchmarking

Performance

PWC submitted their use of resources report to the Audit Commission for 2009/10. Indicative scores give Bromley an overall score of 3 for Use of Resources and a score of 4 relating to Managing Finances. Benchmarking the service as performing strongly.

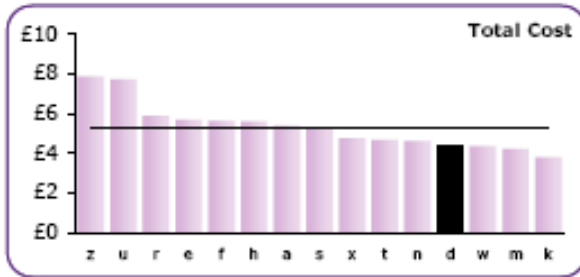
Theme / KLoE	Indicative Score
Managing Finances	4
Does the organisation plan its finances effectively to deliver its strategic priorities and secure sound financial health?	4 (increase)
Does the organisation have a sound understanding of its costs and performance and achieve efficiencies in its activities?	3
Is the organisation's financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?	4 (increase)
Governing the Business	3
Does the organisation commission and procure quality services and supplies, tailored to local needs, to deliver sustainable outcomes and value for money?	3
Does the organisation produce relevant and reliable data and information to support decision making and manage performance?	3 (increase)
Does the organisation promote and demonstrate the principles and values of good governance?	3
Does the organisation manage its risks and maintain a sound system of internal control?	3
Managing Resources	3
Is the organisation making effective use of natural resources? (this KLoE was not re-assessed in 2009/10)	3
Does the organisation manage its assets effectively to help deliver its strategic priorities and service needs?	3
Does the organisation plan, organise and develop its workforce effectively to support the achievement of its strategic priorities?	3

Cost

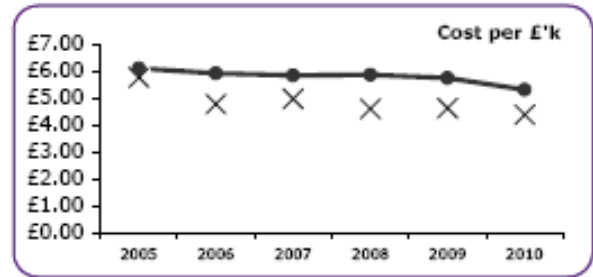
The below graphs summarise the results of CIPFAs Benchmarking report for Bromley 2010. The report demonstrates that Bromley's Accountancy (Management Accounting & Control) costs £4.40 per £'000 gross revenue turnover as opposed to the average of the London comparator group (15 London Boroughs take part) which stands at £5.32 (see charts below). CIPFA also run a wider benchmarking group for unitary Councils (87 took part) across the country where the average cost benchmarks at £4.71.

SECTION 1 - SUMMARY

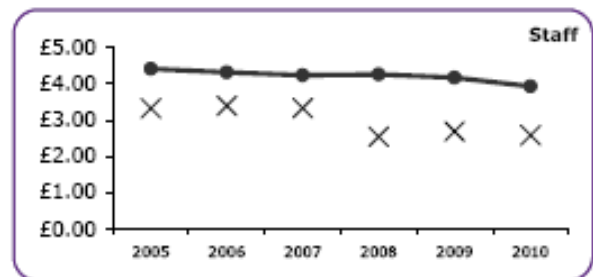
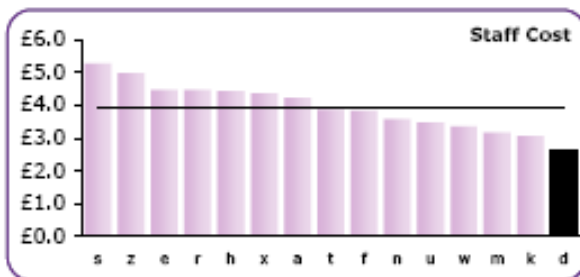
Total Cost per £'k GRT 2010/11
Rows 1-8



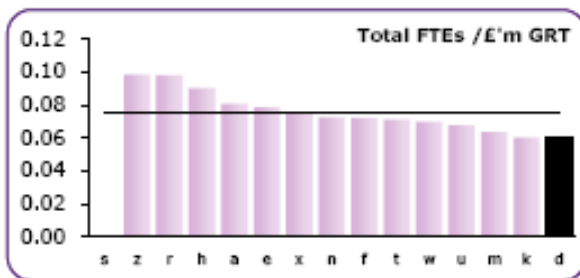
Club Average ●
Bromley X



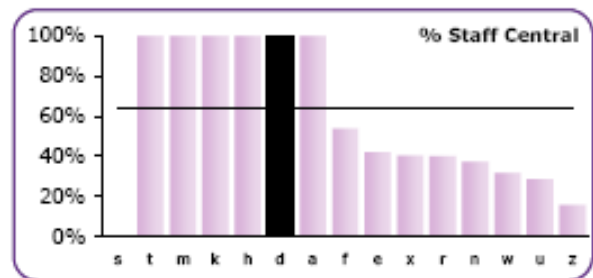
Staff Cost / £'k GRT 2010/11



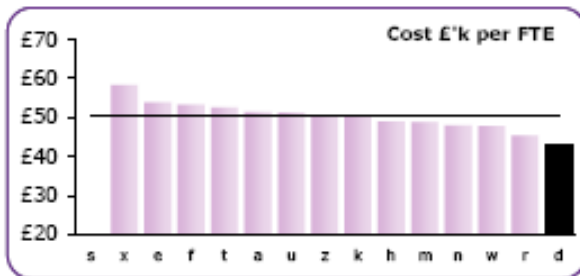
Total FTEs per £'m GRT



% Staff Central



Cost £'k per FTE



Other Team level Benchmarking

1) Revenues & Benefits contract performance - VFM Statistical Review – 23 June 2008

Housing benefit administration spend of £9.65 per head continues the trend, being below averages of £11.74* and £17.09**. (*Nearest neighbour group average **All London Boroughs)

Council Tax 2009/10 in-year collection – 5th best in London

Business Rates 2009/10 in-year collection – 4th best in London

7. Options for further efficiencies?

Phase two of Aligning Policy & Finance is to gather the core information together into an easily digestible format for Cabinet Members so that they can debate and challenge current working practices and identify areas within divisions to target for further savings.

However, because this report has been driven by the Portfolio Holder for Resources, as well as the Chairman and Vice-Chairman of E&R PDS and proactively supported by the Finance Director this report goes further to make a number of suggestions as to specific areas within the Finance Division where options could be investigated and outcomes reported back to Members over the next 12 to 18 months with the savings achieved.

1) **Centralisation:** The option to continue to provide key support to departments (through the Heads of Finance posts) but to rationalise the departmental finance service teams that they manage through centralisation. The Finance Director advised that this type of centralisation is now happening across other Local Authorities and although this change could impact on the responsiveness of the service this would help achieve some further staff savings over the next 12-18 months. It would also assist the division in terms of scalability as it responds to the wider scaling back of operations and budgets across the Council.

2) **Outsourcing:** Look to further outsource back office finance processes in Exchequer as part of the Liberata contract. The new contract has the flexibility built in it to take on more of our processing services and we have the opportunity to take advantage of that. Specifically the straight forward payments and raising of invoices, for example trade waste and housing payments. Liberata have already been approached to provide quotations for taking on some of this work and have a better record on debt recovery.

3) **Procurement:** Review Central Procurement. Bromley currently has a small advisory team with only a handful of contracts being procured centrally. Different models for procurement, commissioning and contract management currently exist across the departments. Look at genuine alternatives for centralising procurement activities across the council beyond a primarily strategic and advisory role. The central team have been successful up to now in using gateway reviews, spend analysis and supporting joint contract arrangements to drive down cost but in the current climate we need to go even further investigating the use of private sector expertise on a risk and reward basis to help drive down contract prices and streamline procurement processes throughout the organisation. The Director of Finance with support from the OIP team will be exploring other innovative models being adopted by other London boroughs.

4) **Income Generation:** Investigate income generation through selling our finance expertise, specifically our financial systems, to other Local Authorities. This has already happened on a very small scale with Bexley (income generated £25k) and this could be expanded. However, income is always uncertain and

should not be relied upon to meet savings targets until formal contracts between interested boroughs have been agreed.

5) **Trading Account:** A review of the financial support currently being delivered to schools as a sold service. The schools support service could be moved onto a trading account to make sure it fully covers its costs and so that the service can be easily shrunk or grown according to the demand from Academies (who are not required to purchase financial services from their LEA) at no cost or contribution from Council budgets.

6) **Housing Benefit Appeals:** Investigate the option of handing over appeals to the contractor. The new contract with Liberata which started 1st April 2011 caters for this option. Although there is only a very small saving it does effectively manage our risk by transferring some of the risk for the administration of appeals over to the contractor. With all the cuts to benefits and changes to the payment structures made by the new government from 2013 appeals are likely to increase over the next few years and this would effectively help us plan for that eventuality.

8. Summary

Savings have already been realised across the Division by reducing funded posts from 117 in 2010/11 to 108 which has achieved a saving of £316k (including a reduction in senior management posts) further savings will be realised in year and staff consultation is already underway. Contract savings have also been made on the new Liberata contract which commenced on 1st April 2011 achieving further savings of £995k. This brings the total savings for the Division to date to £1.31m.

As is to be expected the Finance Division are very aware of the budget gaps that Bromley need to fill. The Finance Director has therefore taken a very proactive approach to working with his management team to identify and highlight further areas to make savings.

There is a balance to be struck between the savings we take out of our finance functions as set against the reputational risk that we are prepared to carry. This report therefore stops short of suggesting any outsourcing of our strategic finance functions or of asking for a radical review of the division beyond the central procurement function.

The changes proposed in this report could still impact on current service standards, especially any potential move to centralise departmental management teams. However, in the current economic climate a certain level of risk seems unavoidable and the Finance Division continue to contribute to tough savings targets.

9. Reference Documentation

VFM Statistical Review – Audit Commission 2008

Finance Foundation Strategy Review 2008

Procurement Foundation Strategy Review 2008

CIPFA Benchmarking London Boroughs 2010

CIPFA Benchmarking – Unitary Boroughs 2010

CIPFA The role of the Chief Financial Officer

Use of Resources – indicative scores 2010

Resources Portfolio Plan 2010/11

COE report Finance Oct2010

COE report Procurement 2010

Member presentation by the Finance Director on the Finance Division April 2011

LONDON BOROUGH OF BROMLEY
ORGANISATIONAL IMPROVEMENT

To: Cabinet
Date: 13th May 2011
Subject: *Aligning Policy & Finance –Public Protection*
From: Chris Spellman, Organisational Improvement

1. Reason for Report

At the extended Cabinet meetings in April Members endorsed the suggested approach to take forward the issue of aligning policy and finance.

After debating and challenging across portfolios, Members identified an initial work programme of 3 service areas for high level information gathering and review.

The areas identified were:

- § Finance & Procurement
- § Public Protection
- § Transport & Highways

Officers from the Organisational Improvement Team have worked with the service to pull together an overview of their activities, as well as financial, staffing and performance information in order that Members can determine if this area should be subject to more detailed and targeted work exploring and testing options for future service delivery, the potential to make savings or to deliver improvements to the service.

This report makes recommendations as to where this work could, subject to Member approval, be most usefully undertaken. In addition to the original scope of this work, in some instances specific policy options have been identified which, if pursued, would deliver savings.

It is also of note that work has recently been commissioned by the Director of Environmental Services to review which of the regulatory services within Public Protection have the to be delivered on a shared services basis with Bexley and/or Croydon. This work is due to be concluded in June 2011.

2. Recommendations

1) Cabinet note the high level breakdown and work of the Public Protection Division and use it to assist in determining the future strategic direction of the service and whether any further challenge or review is appropriate.

2) That Cabinet consider the initial areas for further investigation and options as set out in section 8 of this report.

3. Background Information

Local authorities first came into existence because of their public health responsibilities and in Bromley many of these duties are discharged within the Public Protection Division alongside a wide range of other more contemporary functions and powers.

The Public Protection Division employs 60 FTE staff including Environmental Health Officers, Trading Standards Officers, Enforcement Officers/Technicians and administrators. The division is recognised externally as being high performing and has won a number of high profile awards and accreditations.

Over the last 3 years the Public Protection controllable budget has been reduced by approximately 19%. The division's management structure has been flattened by removing one tier of management and reducing from 10 management graded staff to 6. The Heads of Service in each area remain partly operational and have a manager to staff ratio of between 1:8 and 1:15.

A Zero Based approach was taken by the management team in determining priority areas and identifying cuts as part of the 2010/11 '25%' budget setting process. This led to establishment posts being reduced by 10% overall with areas such as Health & Safety being reduced by as much as 33%.

The services provided by Public Protection are wide and varied and although the core statutory functions of ensuring good sanitation and controlling vermin in the borough remain, the division has evolved and expanded to meet the more contemporary needs of citizens and businesses, as well as to comply with new statutory responsibilities such as the licensing of public houses. The division also implements local policies developed by Members for example tackling rogue traders and cracking down on age restricted sales of goods.

With the abolition of Primary Care Trusts (PCTs) and Strategic Health Authorities local authorities will soon be taking on greater responsibility for protecting, improving and promoting public health. Members may wish to consider how these new responsibilities will be managed and delivered when considering future options for this division given the obvious synergies and overlap between the functions and skills of staff.

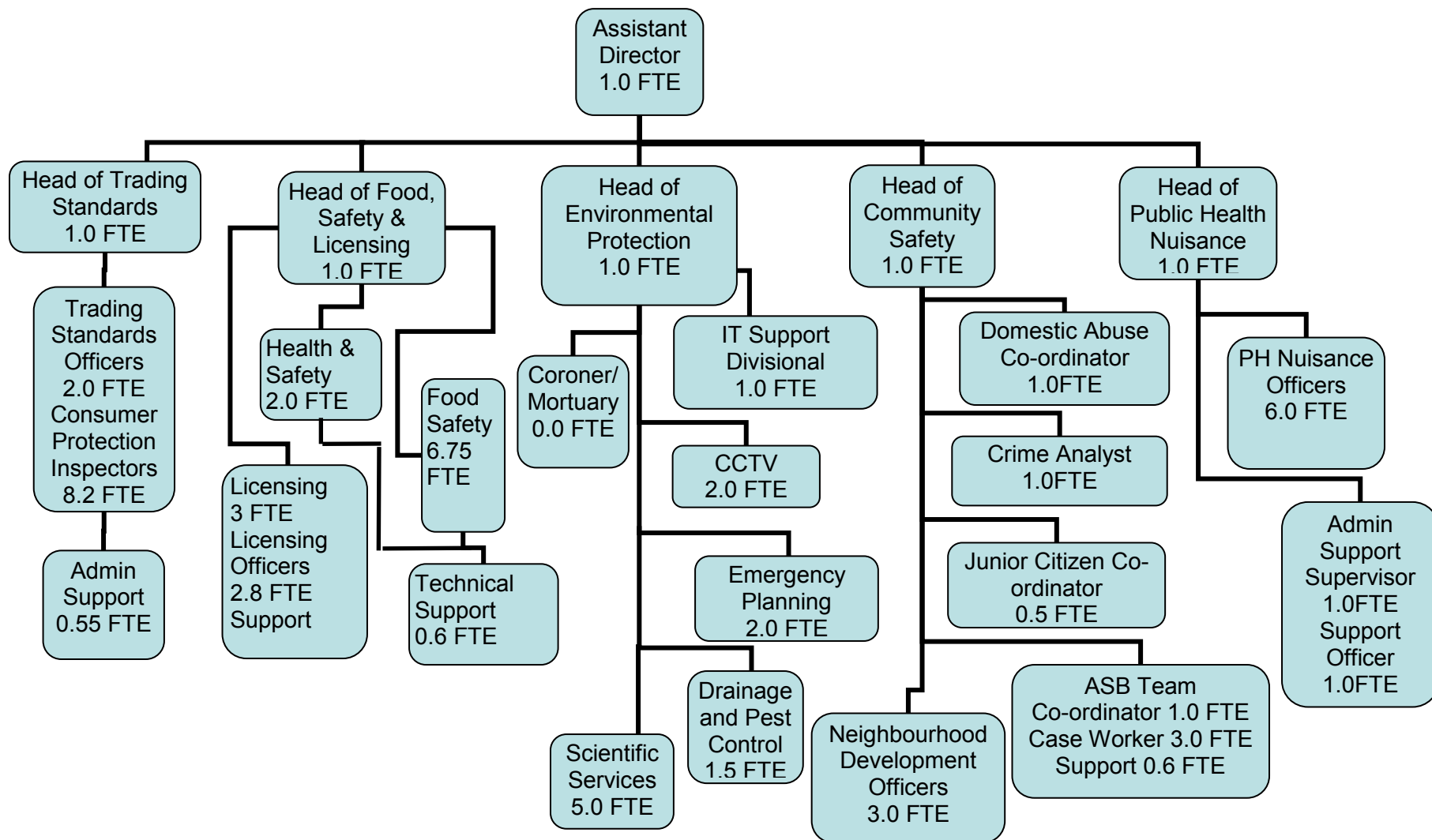
Direct control of Public Health may offer an opportunity for the division to play a greater role, either strategically or operationally, in improving public health in the Borough. The division is already commissioned by the PCT to design and deliver some project based work, such as improving the standard of food sold near schools or investigating the sale of counterfeit tobacco. In the future options may exist for efficiencies through pooling funding of some public health functions and combining the commissioning and operational delivery of services.

4. Financial Information

Public Protection - Clive Davison

	Public Protection-General	Environmental Protection	Trading Standards	Food Safety and Licensing	Public Health Nuisance	Community Safety Management & Support	Community Safety Fund	Anti - Social Behaviour Team	Community Safety - Portfolio Holder	Total
	£	£	£	£	£	£	£	£	£	£
Employees	393,870	256,950	446,210	628,760	296,650	116,430	158,420	176,940	0	2,474,230
Premises	0	0	0	0	0	0	0	0	0	0
Transport	4,790	4,870	16,570	17,340	15,850	2,080	0	0	0	61,500
Supplies and Services	91,010	31,220	12,350	5,820	6,330	87,860	16,380	0	215,780	466,750
Third Party Payments	0	167,220	0	19,100	0	0	0	0	0	186,320
Income	Cr 670	Cr 55,370	Cr 2,610	Cr 335,610	0	Cr 15,520	Cr 242,200	0	0	Cr 651,980
Controllable Budgets	489,000	404,890	472,520	335,410	318,830	190,850	Cr 67,400	176,940	215,780	2,536,820
Supplies and Services - Insurance	6,390	0	0	0	0	0	0	0	0	6,390
Non-Controllable Budgets	6,390	0	0	0	0	0	0	0	0	6,390
Recharges In	540,110	239,310	212,670	199,850	201,010	568,100	67,400	0	0	2,028,450
Total Cost of Service	1,035,500	644,200	685,190	535,260	519,840	758,950	0	176,940	215,780	4,571,660
Recharges Out	Cr 1,035,500	Cr 90,020	0	0	Cr 44,440	Cr 3,880	0	Cr 67,400	0	Cr 1,241,240
Total Net Budget	0	554,180	685,190	535,260	475,400	755,070	0	109,540	215,780	3,330,420

Staffing Structure



5. Public Protection-What does it do?

The work of the Public Protection Division is divided into the following main areas:

1. Food Safety & Infectious Disease Control
2. Licensing
3. Trading Standards
4. Health & Safety
5. Community Safety & Anti Social Behaviour
6. Public Health Nuisance
7. Environmental Protection
8. CCTV
9. Pest Control
10. Coroners
11. Emergency Planning

By definition these eleven areas are extremely broad and a single overarching summary of the division is not practical. In any event it is anticipated that Members are likely to afford greater priority to some areas than others and therefore they have been detailed at a high level individually.

This is not an exhaustive list of all activity within the division but covers the main core of work undertaken.

Food Safety & Infectious Disease

Food Hygiene Inspections

According to the Food Safety Act 1990 local authorities are required to carry out risk based inspections of food premises in accordance with statutory guidance. Premises are banded based on risk and are scheduled for inspection with a frequency of between 6 months (Cat A) and 5 Years (Cat F). There is some scope for flexibility as to how lower risk 'inspections' are carried out, by way of a form of self assessment, and the service takes advantage of this for premises below Category C.

The concept of placing information about the hygiene ratings of food businesses in the public domain has continued to gain in popularity and Bromley has supported this by participating in the Scores on the Doors (SOTD) scheme. Many believe SOTD to be a significant tool in raising hygiene standards because it utilises market factors in addition to traditional enforcement actions.

Performing food hygiene inspections, the production of inspection reports, letters, notices, follow up visits and subsequent enforcement action dominates the work of this team. Accounting for approximately 4.7FTE/70% of the resource.

Officers are also required to investigate food complaints made by members of the public and to investigate cases of suspected food borne illness reported by GPs and hospitals. A majority of complaints relate to reports of poor hygiene standards, foreign bodies found in food or where someone suspects they have contracted food poisoning from a particular establishment, and this is often the trigger for enforcement action.

Large outbreaks of food poisoning can require the involvement of the whole team as well as other qualified Environmental Health Officers for considerable periods.

2011/12 the key priorities are;

- Investigate outbreaks / cases of food poisoning
- Reduce the number of zero and One star food businesses
- Undertake risk based inspections of food businesses

Licensing

Since the introduction of the Licensing Act 2003 local authorities have been responsible for issuing, renewing and ensuring compliance of premises selling alcohol as well as the older responsibilities for gambling, fireworks, beauty treatment, sex shops, pet shops, animal boarding establishments and public entertainment. Enforcement of the smoke free legislation is also undertaken by this team but makes a minimal contribution to work loads.

Licensing activity generates £323k of income through the charging of fees which covers the direct cost of this service.

In a majority of cases license fees are set by statute and cannot be varied. Flexibility does exist in relation to some areas and this is commented on in the performance and benchmarking section.

For 2011/12 the key priorities are:

- Run Best Bar None award scheme 2011 / 2012
- Actively support selected Pub Watch meetings to assist licence holder to promote the licensing objectives
- Introduce invoicing for licence renewals
- Actively secure compliance with licensing conditions in targeted premises

Trading Standards

Business Compliance & Enforcement

The trading standard service within Public Protection is probably the greatest example of where Member and local priorities have significantly altered service provision. Following public consultation and discussions with Members some of the more 'traditional' business compliance functions, such as enforcing weights and measures legislation, have been downgraded to a de minimus level with inspections only being undertaken based on intelligence/complaints and targeted towards smaller independent retailers where levels of compliance are more mixed.

3.4 FTE are utilised in the performance of these functions.

Complaint Investigation & Education

Consumer advice is now largely dealt with by a national telephone/online consumer advice centre established in 2005. 'Consumer Direct' takes all initial calls from residents in relation to consumer advice. Only those requiring follow up action are referred on. Although complaints of unfair trading are still investigated these are filtered based on criteria such as the vulnerability of the consumer, the history of the trader, etc. This has allowed resources to be switched to both proactive and reactive work focused on the higher priority areas.

1.7 FTE are utilised in the performance of these functions.

Door Step Crime & Rogue Traders

Due to the impact of the offence, Bromley's high numbers of affluent older people tackling doorstep crime and rogue traders is a major focus for the team.

The team operate a rapid response service to reports of door step crime incidents designed to disrupt fraudulent trading practices. One officer is a specially trained fraud investigator and performs

sophisticated financial investigations with a view to recovering monies under the Proceeds of Crime Act.

Officers also carry out a programme of preventative work centred on education and target hardening of potential repeat victims.

3.9 FTE are utilised in the performance of these functions.

Underage Sales

Although there is considerable discretion for a local authority to discharge its duty in relation to age restricted sales legislation, this has been identified, in consultation with the portfolio holder, as key local issue. A programme of test purchasing of items such as alcohol, cigarettes and other items including knives are regularly undertaken both within and outside of office hours. This work is complemented by proactive advice and guidance to retailers in complying with their responsibilities.

1.4 FTE are utilised in the performance of these functions.

The 11/12 key priorities for the Trading Standards Team are be:

- Prevent older and vulnerable consumers from becoming victims of commercial crime.
- Investigate, disrupt and where possible take formal action against traders who target older and vulnerable consumers.
- Investigate, disrupt and where possible take formal action against traders who operate in the informal economy.
- Prevent the sale of age restricted products, such as alcohol, tobacco and fireworks, to young consumers in Bromley.
- Carry out a range of intelligence led enforcement activities aimed at protecting consumers and businesses in Bromley from unfair trading practices which cause consumer detriment and an unlevel playing field in the market place.

Health and Safety

The local authority has a duty to enforce Health & Safety legislation in approximately 4,000 premises, mainly shops and offices etc, across the borough. Two FTE are allocated to this function and inspect approximately 75 premises per year.

Officers in other teams (food safety and licensing) maintain a level of Health and Safety awareness during other inspections and deal with any obvious hazards that are identified. These "Hazard Spotting" visits do not form part of planned inspections or projects.

The team's work plan is driven by the nature of the premises, complaints and accident reports with main attention being given to investigating the most serious incidents and highest risk premises.

The legislation requiring local authorities to have a proactive programme of inspections is not as explicit as food safety for example. While the current resource is considered adequate by the Head of Service to demonstrate compliance with our duty any further reduction from two FTE would be difficult to justify.

Any health and safety failure at a premises for which the local authority has a duty to inspect and enforce, for example an outbreak of legionnaires disease, could of course have a very serious direct impact on the individuals involved as well as potential reputational or judicial repercussions for the authority.

For 2011/11 the key priorities will be

- Investigate serious accidents / incidents
- Investigate complaints about significant risks in workplaces
- Undertake targeted inspections / projects with high risk businesses

Community Safety & Anti Social Behaviour

The Safer Bromley Partnership, is chaired by the Portfolio Holder for Public Protection and Safety and supported by officers from the Community Safety Team and the Police. Community Safety work very closely with a range of partners including the police, health services, emergency services, probation and the voluntary sector to reduce levels of crime and anti social behaviour. Currently, the membership of the Safer Bromley Partnership includes the Council, Metropolitan Police Service, Metropolitan Police Authority, London Fire Brigade, London Probation, Bromley PCT, Community Links Bromley, UK Border and Immigration Authority, Registered Social Landlords, the Glades Shopping Centre, London Ambulance Service and Her Majesty's Court Service. The Safer Bromley Partnership is a statutory partnership, representing the Community Safety Partnership established by the Crime and Disorder Act 1998.

The Community Safety function in part is performed through the work of the in house anti social behaviour unit which contains both council employees and seconded police officers and are responsible for investigating complaints of anti social behaviour. These officers commonly work in partnership with colleagues from a range of different teams within the Division such as Trading Standards, Licensing, and the Noise Service, and also other Departments such as Children and Young People, Adult and Community Services and Renewal and Recreation.

Activities and interventions are also commissioned by way of the new Community Safety Fund now contained within Area Based Grant. Details of planned activity this year which have been set based on local priorities are given below:

- Domestic Abuse Strategy Co-ordinator
- Operation PAYBACK Support - Restorative Justice
- Safer Neighbourhood Officers
- Junior Citizen Scheme
- Young Victims' Project

Future funding will be made available from Police and Crime Commissioners and, for 2011/2012, through the Greater London Authority. The expectation is that the available budget for 2012/2013 will represent a 60% cash reduction on the 2010/2011 baseline. In anticipation of this projects have sustainability criteria built in at the initial funding stage.

The Home Office, as part of the current consultation process in relation to tackling Anti-Social Behaviour, has stated that it does not anticipate significant changes to resourcing at local levels in tackling Anti-Social Behaviour. There is also an indication that other central government budget allocations, currently ring fenced, will be made available to Community Safety Partnerships.

The local priorities, based on the findings of the Partnership Strategic Assessment (examines crime and disorder data and analysis) are as follows:

- Reduce Crimes Against Property
- Reduce Crimes Against the Person
- Reduce Anti-Social Behaviour
- Increase Public Confidence.....

In addition, the Partnership has prioritised intelligence gathering and development in the areas of Terrorism and Drug and Alcohol related crime.

Public Health Nuisance

The Public Health Nuisance Team investigate complaints of statutory nuisances including noise arising from domestic and commercial premises, accumulations of rubbish on private land, smoke and ash nuisance from domestic and commercial bonfires, obtrusive lighting, filthy and verminous premises and incidences of flytipping on private land.

The legislation requiring these issues to be investigated states that the Local Authority has a duty to investigate every complaint of nuisance received from a local resident but does not specify what steps must be taken when investigating. Therefore the local authority can have discretion when setting its policy in this area and consequently service provision varies widely both within London Boroughs and nationally.

Approximately 5,000 public health nuisance complaints were received in 2010/2011 of which 77% were noise related matters. Bromley is one of the 31 London Boroughs who provide an out of hours noise service with a proactive 'party patrol' operating on Saturday nights in addition to a varying levels of a 24/7 call out service. Some provide 100% cover with a shift system, whilst others, like Bromley only provide an on call service in relation to certain specific noise problems. This provision is in response to nearly 3,000 noise complaints being reported out of normal office hours.

Demand on this service has been increasing year on year with a strong upward variation in the summer months. This is reflected on in the recommendations section of this report.

Although the service is primarily a statutory service at least one neighbouring authority has opted to reduce this service.

With the introduction of the clean Neighbourhoods Act in 2005 additional resources were directed towards cracking down on a wide range of enviro-crime issues including flytipping. Officers within this team liaise with officers in Street Services, the anti social behaviour team, safer neighbourhood teams and trading standards in order to coordinate related enforcement work in this area.

For 2011/12 the key priorities are:

- Investigate and take formal action against persistent noise offenders whilst empowering others bothered by noise to take their own initial action.
- To ensure that the out of hours noise service is value for money and adequately reflects demand
- Investigate, disrupt and take formal action against those persons involved in both the carriage of and the illegal disposal of controlled waste, targeting flytipping hotspots in the borough including service road and alleyways.
- Continue to provide appropriate publicity and information to the public when offenders of both noise nuisance and waste related offences have been prosecuted

Environmental Protection

Environmental Protection encompasses a range of functions which consume time and resource roughly evenly within the team.

§ Air

The local authority is required to publish, implement, monitor and review an Air Quality Strategy. In order to monitor progress the lowest cost method of assessment has been employed and computer modelling will be used as far as possible. This decision has been the subject of challenge by both local and national environmental groups.

Ultimately if the UK is held not to be meeting their obligations by Europe they could face fines of up to £300 million which could be passed on to local authorities. London is currently the only region not in compliance. Central government are currently disputing and resisting the timescales and threat of financial sanctions.

§ Authorised Processes

Local authorities are also required to inspect and issue permits to a number of types of industry that involve certain prescribed processes. The processes are very clearly specified along with the frequency of inspection/renewal. Fees are set centrally and cannot be varied.

§ Land

There is a statutory requirement to keep (and update) a contaminated land registry. Providing a service for Contaminated Land (investigation, enforcement and remediation, Register, risk assessments, GIS mapping and Strategy) is Statutory.

§ Water

The local authority has a statutory duty in relation to private water supplies but the numbers of these in Bromley are so low they do not materially contribute to the workload of this team.

Traditionally Bromley, like many other local authorities, have tested the quality of swimming pool water and the team have a number of small contracts to perform assessments of bathing water quality for a number of leisure providers. Notice has recently been given to terminate this arrangement by the biggest client (MyTime) as the council facilities are not officially accredited. The service is currently looking to compete for additional business in this field in order to cover the cost of the service. There is no statutory responsibility to provide this service.

A service level agreement to test water tanks for legionnaires disease has also recently been agreed with Property Services. This function was previously commissioned by Property from the private sector and the SLA represents a savings from the previous contract. The service now intends to compete for additional external business. There is no statutory responsibility to provide this service.

§ Asbestos

The service has recently started being commissioned by the Property Division to provide asbestos surveys of the local authority stock. This was previously commissioned from the private sector and represents savings compared to the previous contract. The service now intends to compete for additional external business. There is no statutory responsibility to provide this service.

§ Planning Consultations

Applications for planning permission with the potential to impact on the environment or be affected by the existing environment are sent for comment from an environmental health perspective. This function requires the input of approximately 0.5 FTE and is as a proactive mechanism to prevent future environmental health issues which will impact on residents' lives and require reactive input from council services.

Currently no specific charge is made to the developer/or recharge to the planning team for this service. Forthcoming changes to the charging structure for planning applications may offer an opportunity to alter this.

- Drainage And Pest Control

The Council has a statutory responsibility to investigate and where necessary take enforcement action in relation to both drainage and pest control. In some cases the investigation component can be very lengthy.

As with the investigation of statutory nuisances, service provision varies widely in this area from some authorities who offer free clearance services, to local authorities who refer everyone to a private contractor, such as Bromley, although in some cases we will serve a formal notice works to be carried out and then charge for all aspects of this process.

A forthcoming change to the legislation relating to drainage may pass more responsibility to the water authority and may have an effect on the future demand in this area. The service is currently investigating if charges can be levied for other aspects of the service from the initial investigation and

improving public information sites available to the public, to help them remedy the situation directly themselves.

The pest control service, with the exception of our statutory duty to keep council land clear of all rodents and to investigate complaints reported to us of rodent infestations, is delivered by an external contractor including the initial customer contact and appointment booking service.

This contract is let at nil value with the contractor keeping the revenue generated by the chargeable service and subsidising Bromley residents who are on benefits. The contract expires in 2012 and the service is currently investigating how greater value can be achieved by agreeing a revenue share with the supplier.

Stray & Abandoned Dogs

The service is responsible for Bromley's statutory duties relating to stray & abandoned dogs. A number of initiatives are currently being investigated by the service to control and reduce the expenditure in dealing with this service, as stray and abandoned dogs have increased from 60 pa to 600pa in the last three years.

The dramatic increase is in part thought to be as a result of historic under reporting by the police who previously had responsibility for this function. Additionally the recent social trend of 'trophy dogs', often associated with irresponsible dog ownership, has also contributed to the rise

Emergency Planning

Emergency Planning is the process whereby the Council prepares itself to deal with major emergencies and incidents and assist in the welfare and recovery of the community. The aim of Emergency Planning is to maintain appropriate arrangements and procedures that enable the council to respond to and manage major incidents. Contingency plans are prepared for a range of hazards in our community including large scale events, industrial accidents and flooding in cooperation with organisations such as businesses, the Environment Agency, volunteer groups and the emergency services. The Unit has one officer currently in post and one vacancy.

Maintain the statutory emergency planning and business continuity arrangements for Bromley.

CCTV

Bromley operates a network of public space CCTV cameras in its major town centre areas.

The main aims of the CCTV system are: to discourage all types of criminal activity in the area, to assist the Police in providing a swift response to criminal and anti social activity, to promote a safer environment for all members of society and the business community e.g. alerting the emergency services in the event of fire, road traffic accidents or people needing assistance.

The camera network is also used for the enforcement of traffic offences and has an income target of £850k including mobile and bus lane cameras.

The camera infrastructure is owned, managed and maintained by the local authority directly.

Monitoring is provided by way of a contract (NSL Ltd.) and is carried out 24/7, 365 days per year. Bromley recently reduced the monitoring by 33% from three operators to two operators.

Public Protection is currently carrying out a review of CCTV looking at alternative provision, rationalising and sharing monitoring functions and facilities and the processes within the Council and

with external partners. A joint CCTV maintenance and monitoring contract has already been agreed between Bromley and the London Borough of Lewisham and is likely to go ahead this year.

There is no statutory requirement to operate a CCTV network although it is highly valued by local residents, the police and retail businesses in the areas covered.

Coroner and Mortuary Services –

Bromley Council is responsible for the Bromley element of a regional consortium which jointly runs and finances the Statutory functions of the HM Southern Coroners service.

Environmental Protection Key Priorities 2011/12

Coroner and Mortuary Services

- Reduce running costs of the Coroners Service.

Environmental Protection

- Complete the Statutory Detailed Screening and Assessment for the Air Quality Management
- Ensure monitoring of air quality at the Borough's continuous monitoring site and high traffic junctions.
- Carry out a Contaminated Land Risk Assessment and develop map of contaminated sites for identification of the risks.
- Develop a system for the statutory monitoring of private water supplies and distribution systems.
- Ensure registration and renewals for all Authorised Processes in Bromley.
- Set up a service for the investigation and reporting on asbestos in LBB properties and develop related income generation services in the private sector.
- Advise residents on the handling and disposal of asbestos cement products
- Maintain the advice on the Bromley web site.

Drainage and Pest Control

- Carry out all investigations and enforcement in relation to pest control and drainage problems.

Stray & Abandoned dogs

- Develop systems to reduce the running costs involved in meeting the statutory responsibilities for stray and abandoned dogs.

Emergency Planning

- Enhance and maintain the organisation's emergency planning arrangements both for local and regional emergency response.

CCTV

- Introduce joint contracts with adjoining boroughs for the operation of CCTV services in Bromley

6. Performance Information & Benchmarking

Considerable variations in the pattern of environmental health structure and provision occur for both strategic reasons, such as Bromley's decision to manage private sector housing within ACS, and because there are considerable differences in the challenges facing councils across the country. The pressures from natural and man made hazards are such that each local authority has to fix its own priorities for maintaining environmental standards within its own area. This makes the practice of unqualified comparisons between authorities dangerous, and perhaps obscure.

Therefore the summary below draws on benchmarking performance and cost data where it is considered reliable and relevant but mainly focuses locally and internally on what we have achieved against our own standards and priorities where they have been set.

As part of the recently commissioned investigation into the potential to share a number of 'regulatory services', many of which reside within public protection, useful staffing, financial and performance data

is currently being pulled together from Bexley and Croydon by the Organisational Improvement Team and Assistant Director, Public Protection. This information will be available from the end of May and may assist Members in the future when evaluating how we are using resources.

- Food Safety

A very high proportion of food safety Inspections/Interventions programmed to be performed according to the statutory codes of practice are carried out as scheduled. Overall 93% of programmed interventions are delivered on time and when broken down by risk category this figure is very close to 100% in all but the lowest risk category (F).where it is 71%. Although performance across most London boroughs is good, this places us in the top quartile.

Interestingly a number of boroughs do achieve considerably less (56% London Borough of Barnet, 53% London Borough of Brent). On analysis of the risk categories these lower performing authorities appear to have made a strategic choice regarding which premises are prioritised to be inspected and the intervals determined by the Codes of Practice. London Borough of Barnet achieves 100% of the top two risk categories, and only 4% of the lowest. Similarly Brent achieve 90%+ for the two highest and only 9% for the lowest risk.

This option is not without both reputational and potentially judicial risk. Most notably if a serious food poisoning outbreak were to arise at a premise which had not been inspected as programmed.

It should also be noted that inspections not performed as scheduled are added to the following year's target and therefore over time relative performance would decline exponentially. The Food Standards Agency ultimately has powers to take direct control of services they consider to be failing although this only appears to have occurred on a small number of occasions.

- Licensing

No specific performance or cost benchmarking data is available for this service. Although this will be forthcoming as part of the shared services work.

Bromley has chosen to set its fees in the middle of permitted bands for premises/activities where the law allows local flexibility. London wide/National benchmarking has also not been undertaken in relation to these fees. Based on comparisons with Bexley & Greenwich there would appear to be scope to review our license charges in order to more fully cover the cost of the service.

- Trading Standards

The service voluntarily takes part in a programme of peer review against the following criteria:

- Leadership
- Policy and Strategy
- People Management
- Partnerships and Resources
- Processes
- Customer Results
- People Results
- Society Results
- Key Performance Results

Results of the reviews are extremely positive. Acknowledging several areas of best practice in London and in some cases disagreeing and upgrading the scores provided as part of the self assessment process.

- Health & Safety

No specific external performance or cost benchmarking data is available for this service although it is known that neighbouring boroughs combine this function with their corporate health and safety responsibility to maximise efficiencies and make use of specialist resources.

The internal targets set for inspection and investigations last year were partially met. This failure to achieve the projected level of output is related to the resources in the team being reduced by one FTE (33%) and the post deleted mid year.

- Community Safety & ASB

Positive progress that has been made in reducing crime and disorder over the past three years and this trend is continuing.

There have been sustained reductions in Serious Acquisitive Crime and Serious Violent Crime, Criminal Damage and gun and knife related crime. The positive work in relation to Domestic Abuse also continues to provide benefits and the figures for problematic drug users in treatment are also reassuring. In relation to Anti-Social Behaviour, there has been consistent good performance in relation to the proportion of applications for ASBOs that are granted, the proportion of ASBO cases where there are detected breaches and the number of those that result in Court Action.

In anticipation of the proposals contained within the Home Office Consultation “More Effective Responses to Anti-Social Behaviour”, the focus of the Partnership ASB Team has been reviewed to enable a two tier response based on geographic interventions (Place) and individual interventions with perpetrators (People).

- Public Health Nuisance

Some specific external performance or cost benchmarking data is available for this service but only in relation to noise. A benchmarking exercise was carried out for the out of hours noise service and the total noise service was one of the cheapest among neighbouring London Boroughs. The average per London Borough for the Out of Hours service being £107,478 and Bromley’s cost being £33,210 pa. For the full noise service the costs were £637,500 and £145,000 respectively.

Further benchmarking for the service more generally may be forthcoming as part of the shared services work.

Level of noise service provision can be compared and is amongst the most comprehensive in London. Boroughs with even greater levels of cover and responsiveness are those London Boroughs which are very different in character to Bromley. In these instances officers work on a 24hr shift basis rather than a traditional working week supported by a ‘call out’ service.

Performance against internal standards for response times and enforcement action are consistently achieved across all areas.

- Environmental Protection

CCTV

There have been a number of benchmarking exercises carried out in relation to the CCTV service in Bromley. Direct cost comparisons can be difficult, as different Local Authorities exclude certain costs when publishing their statistics for this service.

The attached table was produced using the results of the Big Brother watch FOI requests of Bromley and other identified cluster Boroughs and shows CCTV combined Monitoring & Maintenance costs.

Borough	3 year costs	number of cameras
Barnet	£3.1m	127
Bexley	£2.4m	240
Bromley	£1.6m	170
Croydon	£2.5m	103
Ealing	£2.7m	394
Enfield	£3.14m	135
Hillingdon	£2.4m	160
Hounslow	£3.6m	n/a
Lewisham	£1.8m	167
Merton	£2.5m	135
Redbridge	£2.1m	668
Sutton	£1.3m	73

Scientific Services

The asbestos surveying service for the properties owned by the London Borough of Bromley has historically been carried out by external contractors; however, a benchmarking exercise in Public Protection identified that this service could be carried out more efficiently and at a cheaper rate internally by the Scientific Services Officers within Protection. The resources have now been re aligned to produce a saving for the Council.

The cluster group local authorities for air quality have bench marked the costs of the Integrated Pollution Prevention Control (IPPC) permitting system and now use the London fire brigade to carry out the permitting for petrol station emissions and the price was with the LFB, based on all members of the cluster group authorities joining up to carry out their IPPC permitting for petrol stations using the same system. The benchmarking exercise was subsequently extended to the IPPC for dry cleaning establishments using an external contractor; however, it was concluded that the statutory fee set by the Government was not sufficient to cover the cost of an external contractor for this particular element of IPPC.

Further benchmarking information for other functions within this service area generally may be forthcoming as part of the shared services work.

Areas for Further Investigations & Initial Options

1) Food Safety

Members may wish to consider the resources directed towards the food safety function in order to achieve our high performance given the risks any alteration would carry, the performance of other local authorities, and issues such as schemes to harness market forces as an alternative mechanism to raise standards. Estimated potential saving £40-60k

2) Licensing

Members may wish to consider reviewing license fees where this is permissible as a mechanism to generate additional income. Estimated potential income £15-20k

3) Community Safety

The commissioning of Community Safety Fund projects is currently being reviewed by the Portfolio Holder and can be varied dependent on Member priorities.

The review will take account of the anticipated reduction in Government Grant but will also reduce the levels of commissioned services in order to generate savings within core budget. A more rationalised and intelligence led approach will be applied to commissioning future interventions.

4) Public Health Complaints

Noise Service

Members may wish to reconsider the provision of a 24hr/365 day noise service. Options to withdraw or reduce out of hours cover to peak periods only would deliver potential saving of up to £30k.

5) Environmental Protection

Members may wish to move chargeable/non statutory services within Environmental Protection (swimming pool water testing, Asbestos surveys, etc) onto a trading account in order to give greater transparency of cost and income and to incentivise the service to become self funding.

Officers also intend to investigate the ability within new planning legislation for environmental health consultation costs to be built into the application fee and recovered from the developer. Estimated saving/income £20k.

6) CCTV

Public Protection is currently carrying out a review of CCTV looking at alternative provision, rationalising and sharing monitoring functions and facilities and the processes within the Council and with external partners. A joint CCTV maintenance and monitoring contract has already been agreed between Bromley and the London Borough of Lewisham and is likely to go ahead this year.

Members may wish to consider the appropriateness of reducing the CCTV monitoring contract given the views of the Police and the Safer Bromley Partnership and the potential risks and interdependencies with schemes such as Shop Safe Radio and the substantial parking income that is generated through CCTV enforcement.

This issue, along with the potential for monitoring and support to be joined up/shared with other local authorities and partners is currently being considered under the above mentioned review.

LONDON BOROUGH OF BROMLEY
CHIEF EXECUTIVE'S DEPARTMENT

AGENDA
ITEM

To: Cabinet
Date: 13 May 2011
Subject: *Aligning Policy & Finance –Transport & Highways division, ESD*
From: Harriet Martyn, Project Manager, Organisational Improvement Team
Email: Harriet.Martyn@bromley.gov.uk Tel: 020 8313 4439

1. Background to Aligning Policy & Finance reviews

Transport and Highways is one of three reviews commissioned by Extended Cabinet as a result of a proposed methodology for determining community priorities agreed by Members at Extended Cabinet/COE on 8 April 2011.

The approach suggested is two-phased. The first phase will be carried out by the Organisational Improvement Team and will gather high-level information around the service and its functions, as well as its costs, benchmarking and performance data. The turnaround period will be 2 weeks.

After presentation back to Extended Cabinet/COE, Members will decide whether they want a more detailed review carried out in a specific area of the service, whether they are satisfied with the initial high-level review not to warrant anymore detailed work undertaken, or whether they want to commission a different approach altogether. This second phase will take place over a period of approximately 1-3 months and will be carried out by the Future Leaders.

The three areas initially chosen to review by Members are Finance & Procurement, Public Protection, and Transport and Highways. This report encapsulates information from the first phase of the 'aligning policy and finance' approach. The conclusions and recommendations set out below are intended to inform Members' decision on what approach to take as the second phase of the process.

2. Background to Transport & Highways division

Transport and Highways is located within the Environmental Services Department (ESD). A recent restructure moved the Highways Network Management team from Street Services across to the Transport division where Traffic & Road Safety and Transport Strategy & Highways Development were already located. This resulted in the creation of the Transport and Highways division.

All three of these areas benefit from TfL grant funding so from a budgetary point of view, their co-location under one division makes sense. The division is broadly split into one strategic team and two operational teams; Transport Strategy and Highways Development having a predominantly strategic function and Highways Network Management and Traffic & Road Safety being largely operational. Nonetheless, the two operational teams have some more strategic functions and roles embedded in them too.

The three teams within the Transport and Highways division are strongly interlinked. The Transport Strategy team is responsible for submitting information about where funding will be spent to TfL in order for the formula grant to be set and released to Bromley. The Highways Network Management team and the Traffic & Road Safety team are those that spend the majority of the TfL grant.

3. Financial information

The total cost of the service for 2011/12 is £12,795,890 and the total net controllable budget for the service is £11,264,310.

The total provisional TfL grant for 2011/12 is £3,994,000. £1m of this is purely allocated for spend on Principal Roads which is delivered by the Highways team. The other £2,949,000 comprises the spend on transport schemes across the division and as well as just under £1m of which is spent on staff salaries. Appendix 1 shows the breakdown of how the grant is allocated to different schemes across the division.

The TfL formula grant is held in the Capital Programme although some of the grant is spent on staff salaries which is shown in the LBB revenue budget for Transport and Highways and recharged out to the Capital Programme. The grant is strictly ring-fenced for spend in relation to delivering the Mayor's Transport Strategy locally in Bromley.

Although the TfL formula grant makes up a significant proportion of the Transport and Highways budget, there is still just over £9.5m spent in the Highways Network management team which is predominantly accounted for by the large contracts based in this team for delivering road maintenance and network management.

The table below shows the breakdown of the budget across Transport and Highways for 2011/12.

	HIGHWAYS		TRAFFIC & ROAD SAFETY			TRANSPORT STRATEGY & HIGHWAYS DEVELOPMENT	
	Highways Network Management £	London Permit Scheme £	Traffic £	School Crossing Patrols £	Road Safety £	Transport Strategy £	Highways Planning £
Employees	825,870	208,610	660,020		538,370	322,310	144,150
Premises	1,235,490	-	-	-	-	-	-
Transport	88,800	230	18,070	-	12,060	740	2,170
Supplies and Services	8,729,370	156,350	82,160	-	30,090	33,920	9,340
Third party payments	62,210	-	6,000	243,410	-	-	-
Income	Cr 1,364,350	Cr 652,010	Cr 174,110	-	Cr 3,460	Cr 370	Cr 12,070
Recharges out	Cr 55,000	-	Cr 339,160	-	Cr 283,020	Cr 122,040	-
Controllable budgets	9,522,390	Cr 286,820	252,980	243,410	294,040	234,560	143,590
Insurance	469,680	-	-	-	-	-	-
Capital charges / financing	Cr 2,599,000	-	-	-	-	-	3,000
Property rental income	Cr 11,820	-	-	-	-	-	-
Non-controllable budgets	Cr 2,141,140	-	-	-	-	-	3,000
Recharges in	3,337,290	286,820	259,840	26,500	205,300	205,150	208,980
Total cost of service	10,718,540	-	512,820	269,910	499,340	439,710	355,570
Recharges out	Cr 960,490	-	Cr 200,390		Cr 49,300	Cr 116,230	Cr 205,170
Total net budget	9,758,050	0	312,430	269,910	450,040	323,480	150,400

Table 1:

N.B. The Streetworks team brought in £2.37m in 2010/11 under the Highways Network Management budget, including £1.44m from managing the performance of utility companies. The remaining £0.93m was from administering the London Permit Scheme which, although it is ring-fenced, allowed for the recovery of staff overhead costs.

4. Staffing information

The table below shows the staffing make-up of the division and the split between MG graded and BR graded staff.

SECTION		MG grades	BR grades
Highways	Highways Asset Management	1 FTE	3 FTE
	Streetworks	N/A	6.5 FTE
	Highways contracts	1 FTE	6 FTE
	Highway drainage / Winter service	N/A	1 FTE (+ 1 FTE agency staff)
Transport Strategy	Transport Strategy	2 FTE	3 FTE
	Highways Development	1 FTE	2.5 FTE
Traffic and Road Safety	Traffic Engineering	1 FTE	13.5 FTE (+0.5 FTE agency staff)
	Road Safety	N/A	14.5 FTE (+1 FTE agency staff)
TOTAL FTE		9 MG grades	50 BR grades (+2.5 agency staff)

* 1 MG grade from Transport Strategy to be taken as a budget saving by April 2012

In addition, the following table shows what proportion of posts are TfL funded compared to those that are LBB funded in the Traffic and Road Safety team. It also shows the shift between 2010 and 2011 of how posts are funded. The total number of posts may differ slightly to the table above as it includes casual staff too.

		2010	%	2011	%
Traffic FTEs	LBB	10.42	68%	8	52%
	TfL	4.89	32%	7.31	48%
	TOTAL	15.31	100%	15.31	100%

Road Safety FTEs	LBB	7	40%	5	28%
	TfL	10.78	60%	12.78	72%
	TOTAL	17.78	100%	17.78	100%

5. Performance information

The table below shows the national and local performance indicators monitored and reported on by the Transport and Highways division.

N.B. NI 189 is no longer reported on as a National Indicator but the Flooding and Water Management Act 2010 will provide government monies of £140k for Bromley in 11/12 to implement schemes pertaining to the Act.

National Indicator	Responsibility for delivery	Target 09/10	Actual 09/10	Target 10/11	Actual 10/11
NI 47 – People killed or seriously injured in road traffic accidents	Traffic & Road Safety	<131	122	<121	90
NI 48 – Children killed or seriously injured in road traffic accidents	Traffic & Road Safety	<15	7	<13	5
NI 168 – Principal roads where maintenance should be considered	Highways & Network Management	<7%	4%	<7%	3%
NI 169 – Non – principal classified roads where maintenance should be considered	Highways & Network Management	<8%	4%	<8%	5%
NI 189 – Flood and	Highways & Network	100%	86%	100%	N/A

coastal erosion risk management	Management				
NI 198 – Children travelling to school by car	Traffic & Road Safety	31.1%	28%	27%	31%
Local – Condition of unclassified roads	Highways & Network Management	<20%	16%	<20%	N/A
Local – Condition of surface footway	Highways & Network Management	<30%	28%	<30%	N/A
Local – Average time to replace a faulty streetlight	Highways & Network Management	<3.5 days	2.5 days	<3.5 days	2.1 days
Local – people slightly injured in road accidents	Traffic & Road Safety	<780	729	<739	697

Bromley performs better than target on all Transport and Highways indicators (National and local) apart from NI198 – Children travelling to school by car. NI 198 is no longer a national indicator although data is still collected. In Bromley many children ‘park and stride’ (i.e. drive part way to school and walk the rest) which inflates the figure reported for this indicator. A more accurate way of measuring how children travel to school is determined through modal shift which shows a 9.53% decrease in car use for Bromley pupils and a combined 7.22% increase for cycling and walking since 2004 when modal shift surveys began.

As well as improving modal shift from car use to walking and cycling, locally cycle training has proved to significantly reduce the number of road casualties in the borough (reduction of 47% overall since the baseline average of 1994-8).

In addition to the performance indicators that are monitored across the department, customer surveys are carried out by teams after works have been carried out (e.g. for street lighting and highways works). The responses consistently show that over 50% of respondents think that the works carried out were ‘good’ or ‘very good’.

6. Cost & performance benchmarking

The data that Bromley submits to CIPFA combines cost information for the Highways part of Street Scene and Greenspace with Transport and Highways to show total spend on road

maintenance. Therefore the summary below draws on benchmarking performance and cost data only where it is considered reliable and relevant.

Cost benchmarking

Bromley has the 3rd highest Local Authority spend on maintained roads in London after Kensington & Chelsea and Westminster.

Local Authority	Total spend on highways	Total maintained roads (km)
Kensington & Chelsea	£21,459	102.87
Westminster	£20,983	61.14
Bromley	£20,669	895.8

However, when the total km of roads maintained is considered, and the cost/km of road measured, Bromley benchmarks much better, in the second lowest quartile (£23.07/km).

Top of range: Kensington & Chelsea - £102.87/km

Bromley: £23.07/km

Bottom of range: Haringey - £11.72/km

Performance benchmarking

Despite performing above target for NI 47 locally, when compared to OLAs in London, Bromley is in the bottom quartile for people killed or seriously injured. Bromley is the largest London borough with the biggest road network and has weak transport links in parts of the borough. This could all contribute to the poor performance on NI 47, relative to other London boroughs.

Table 6b: Reported casualties: by severity: by local authority area: GB: 2009

Local authority area	Number				
	Killed	Seriously injured	Killed or seriously injured	Slightly injured	All casualties
Westminster	15	246	261	1,309	1,570
Lambeth	2	171	173	1,112	1,285
Camden	5	136	141	767	908
Barnet	8	129	137	1,266	1,403
Bromley	11	116	127	750	877
Southwark	6	121	127	981	1,108
Ealing	7	119	126	953	1,079
Wandsworth	6	114	120	812	932
Lewisham	7	105	112	860	972
Croydon	5	102	107	1,035	1,142
Tower Hamlets	7	98	105	787	892
Hackney	4	99	103	819	922
Brent	8	93	101	748	849
Hounslow	6	95	101	778	879
Greenwich	8	91	99	773	872
Haringey	6	92	98	831	929
Enfield	9	88	97	925	1,022
Kensington and Chelsea	2	92	94	671	765
Hammersmith	3	90	93	629	722
Newham	9	84	93	853	946
Hillingdon	5	83	88	883	971
Bexley	5	77	82	550	632
Islington	3	74	77	734	811

Havering	5	70	75	673	748
Redbridge	9	60	69	699	768
Waltham Forest	5	56	61	675	736
Sutton	3	54	57	426	483
Richmond upon Thames	3	53	56	389	445
Merton	2	53	55	420	475
Kingston upon Thames	2	50	52	409	461
Harrow	3	46	49	459	508
City of London	3	43	46	297	343
Barking	2	43	45	479	524

However, the table below shows number of casualties per head of population which puts Bromley in the top quartile and is a fairer representation of performance in relation to people killed or slightly injured in the borough.

Other London Boroughs	Population	KSI casualties 2009	All casualties 2009	KSI per 1000 head of population	Casualties per head of population
Barnet	314,564	137	1403	0.44	4.46
Haringey	216,507	98	929	0.45	4.29
Hounslow	212,341	101	879	0.48	4.14
Hillingdon	243,006	88	971	0.36	4.00
Newham	243,891	93	946	0.38	3.88
Enfield	273,559	97	1022	0.35	3.74
Ealing	300,948	126	1079	0.42	3.59
Croydon	330,587	107	1142	0.32	3.45
Waltham Forest	218,341	61	736	0.28	3.37
Havering	224,248	75	748	0.33	3.34
Brent	263,464	101	849	0.38	3.22
Redbridge	238,635	69	768	0.29	3.22
Barking and Dagenham	163,944	45	524	0.27	3.20
Kingston upon Thames	147,273	52	461	0.35	3.13
Bromley	295,532	127	877	0.43	2.97
Bexley	218,307	82	632	0.38	2.90
Sutton	179,768	57	483	0.32	2.69
Richmond upon Thames	172,335	56	445	0.32	2.58
Merton	187,908	55	475	0.29	2.53
Harrow	206,814	49	508	0.24	2.46

NI 198 – children travelling to school by car.

The Traffic and Road Safety team do not use this, now abolished National Indicator to benchmark their performance with OLAs. This is because a large number of ‘park and stride’ children drive part of the way to school and walk part of the way due to Bromley being the largest borough in London. Therefore it is not an accurate measure for determining how pupils travel to school in Bromley.

A more accurate benchmark is the modal shift from children travelling by car towards those walking, cycling, or using public transport as means of getting to school. Bromley has experienced a 9.53% decrease in the number of children travelling to school by car since 2004, which is in the top quartile of all London boroughs. It is also the London borough with the 5th highest % increase in pupils walking to school over that period, which puts it in the top quartile.

Bromley has a wide campaign around cycle training and a large team of cycle officers. The modal shift achieved since 2004, when the measure began, is 1.12%, only just above the London average. A grant of £271k has recently been awarded to Bromley as part of the Mayor of London’s ‘biking boroughs’ scheme to develop cycling initiatives over the next 3 years and to improve modal shift further.

7. Functions, responsibilities and activities of the service

The table below details the functions carried out by each team in the division. Whilst the Transport Strategy and Highways Development team is the main strategy team within the division, the Highways Network Management team and the Traffic and Road Safety team also have strategic roles or small teams embedded within them and are not purely operational although the largest proportion of their remit would be considered so.

Further information about the schemes carried out by the division using TfL funding is available in Appendix 1. Additionally, two committee reports went to Environment PDS committee in September 2010 and April 2011 setting out highways planned maintenance and street lighting planned maintenance projects for 2011/12. (*Highway planned maintenance ES 10129 (Sept 2010) and subsequent update ES 11033 (April 2011). Street lighting planned maintenance ES 10130 (Sept 2010).*)

Transport Strategy & Highways Development	
<p>Transport Strategy (5 FTE)</p>	<p>Fundraising</p> <ul style="list-style-type: none"> • Collates information from across division to inform what formula grant will be spent on, how grant will be apportioned and presents information to Members to obtain sign-off • Bespoke one-off bids (e.g. for Bromley North village & Orpington High Street) <p>Strategy writing</p> <ul style="list-style-type: none"> • Writes Local Implementation Plan (LIP) setting out 3 year spending proposals and used as basis for obtaining TfL grant • Writes annual report on LIP progress • Writes reviews and strategies as required across the division inc service business plans <p>Performance monitoring and reporting</p> <ul style="list-style-type: none"> • Performance monitoring across division • Reporting annually to TfL on how formula grant has been spent

	<ul style="list-style-type: none"> Reporting back to DfT and TfL on performance as required <p>Project Management (Town centre transport schemes)</p> <ul style="list-style-type: none"> Specific work around R&R policies (e.g. Bromley North village and parking migration strategy) <p>Sustainable travel Advice</p> <ul style="list-style-type: none"> Promotion of Bromley town-wide travel plan Promotion of sustainable travel (e.g. car clubs) Assessment of new transport schemes inc. travel plans <p>Other</p> <ul style="list-style-type: none"> Advice to various teams across T&H
Highways Development (3.5 FTE)	<p>Specialist professional advice</p> <ul style="list-style-type: none"> Provide information to public on status of Rights of Way and highways Comments and challenges planning applications that have transport implications
Highways Network Management	
Asset management (4 FTE)	<p>Monitoring and Planning of street assets (inc. highways, council car parks, street lights, signage, etc)</p> <ul style="list-style-type: none"> Maintain inventory (to determine charging) Maintain condition index (to know where to target works) Project manage street lighting improvement programmes Develop asset management plan with South East London Partnership Asset valuations (new CIPFA requirement)
Streetworks (6.5FTE)	<p>Income-based London Permit Scheme for external contracts</p> <ul style="list-style-type: none"> Service covers own costs Administer London Permit Scheme Monitor quality of utilities companies' statutory works
Highways contracts (7 FTE)	<p>Manage internal contracts (paid for through LBB revenue and TfL funding)</p> <ul style="list-style-type: none"> Street lighting routine maintenance (May Gurney contract) Planned highway works (FM Conway & O'Rourkes contract) Implementation of traffic schemes
Highways drainage & winter maintenance (2 FTE)	<p>Monitoring and planning</p> <ul style="list-style-type: none"> Monitoring flooding on the highway Managing improvement schemes to prevent flooding

	<ul style="list-style-type: none"> • Providing information to Planning department re. drainage issues for properties • Developing winter maintenance plan for carriageways and incorporate information from Area Management team re. footways
Traffic and Road Safety	
Traffic engineering (15 FTE)	Technical analysis, research and design <ul style="list-style-type: none"> • Design traffic improvement schemes • Prepare traffic consultation documents • Analyse results of traffic consultations • External professional advice bought in to research schemes to include in LIP
Road Safety (15.5 FTE)	Promotion and education of road safety initiatives <ul style="list-style-type: none"> • Providing cycle training to schools • Road safety education with primary and secondary schools • Promotion and publicity of new traffic schemes, walking routes etc • Administer and promote Walk on Wednesdays (WoW) scheme for schools Strategy / fundraising <ul style="list-style-type: none"> • Refresh school travel plans to ensure they are active documents to assist schools in achieving the London accreditation standard. • One-off small bids for funding for schools (infrequent)

8. Options for further investigation

Phase two of the Aligning Policy & Finance reviews commissioned by Members is designed to gather more detailed information about specific aspects of the service area, in order to test options for future service delivery, should further investigation be necessary. This phase of the review is therefore not intended to provide specific recommendations. However, in order to inform Members' debate around whether a second stage, capturing more detailed information for the Transport & Highways division is necessary, some options have been outlined below as areas which may merit further investigation.

1) Restructure of Transport Strategy team

One management post from the Transport Strategy team has already been agreed as part the 25% savings to be taken before April 2012. As a result, there is scope to restructure that team based on existing resources. Whilst there will be additional workload for existing staff, it is an opportunity to look at innovative options for restructuring the team.

It could be an opportunity to look at maximising the business and strategy support functions within this team across the Environment Department as a whole, or even as part of the wider resource being considered under the centralisation of business support corporately. It is widely

accepted that there is now limited generic business support available in terms of project management, writing of bids, strategies and performance management and so where these generic skill sets exist they need to be supporting more than one division's work.

2) Reprioritise TfL funding

The TfL grant has to be spent locally in line with the Mayor's Transport Strategy. However, within this, there is still significant scope around where to allocate funding, both to projects and posts across the division. As part of the 25% savings, a number of posts, specifically within the Traffic and Road Safety team, have been moved from being LBB funded to TfL funded as shown in section 4, above. However, there is further discretion to be exercised around increasing the number of posts that are funded out TfL grant money. This will direct which areas of work Members want to prioritise resource to. One specific area to consider relates to the prioritisation of funding split between traffic engineering and improvement schemes to reduce accidents, led by the Traffic engineering team, compared to the promotional and educational aspect of reducing accidents, carried out by the Road Safety Team.

Members already have a say in the proportion of TfL grant allocated to schemes across the division. There are options to be more radical and to look at whether, if TfL funding were significantly reduced, or cut entirely, which functions of the division Members would ultimately want to retain.

3) Highways contracts

A significant proportion of the division's budget is spent on investment in highways infrastructure, particularly the large contracts responsible for carriageways, footways and street lighting. Whilst there may be opportunities to reduce the service level within existing contracts (e.g. frequency of inspections or maintenance), there are also associated risks with decreasing service levels that need to be counterbalanced as well as likely reductions in customer satisfaction with the service. The balance of reducing proactive work compared to a potential higher cost of reactive work as a result needs to be addressed.

There may also be opportunities for sharing contracts with other boroughs (e.g. Bexley & Bromley both use May Gurney for street lighting but one has a longer term left to expire than the other). This is being picked up as part of ongoing work by the South East London Partnership Board as well as through the Shared Services Board which Bromley, Bexley and Croydon have formed.

9. Summary and conclusion

Some savings proposals have already been agreed by Members in relation to the Transport & Highways division, including a reduction in the frequency of surveys carried out to inspect the condition of highways and footways and highways structures (Asset management team). Service levels for non-routine maintenance of street assets have been decreased (Asset management team). The number of Traffic Engineering and Road Safety Education posts funded by LBB has been reduced and they are being funded out of TfL grant money instead (Traffic & Road Safety teams). School Crossing Patrol posts have also been agreed as a saving (Road Safety team). As referred to above, one management post in Transport Strategy

has also been agreed as a saving. The agreed combined savings for the division for 2011/12 and 2012/13 total £918k. Of this, £61k has already been achieved through the deletion of two posts in the Highways team.

There is a balance to be struck between reducing service levels further leading to a less proactive and more reactive service with regards to both the Highways Network management team and the Traffic and Road Safety team. However, in both cases, there is an increased risk of accidents and liability to the Council which has to be taken into account.

Aside from ad hoc opportunities for mini-restructures across the division the potential future savings options lies in deciding the appropriate balance of LBB funding compared to TfL funding for posts and projects within the division that are in line with the Mayor's Transport Strategy. Needless to say, the highest area of spend in the division is on contracts e.g. Conway for carriageway repairs; O'Rourke for footways; Aecom for technical surveys; May Gurney for street lighting and Conways and O'Rourkes for winter maintenance.

This report has sought to take into account the agreed savings that are already underway within the Transport and Highways division and balance the options which may merit more detailed analysis against the already reduced service and/or resource in certain teams. However, it seems likely that there will be risk associated with any of the options considered and the decision that Members are being asked to make is around where best this risk could be managed.

APPENDIX 1 – TfL draft formula grant 2011/12 – allocation of funding to schemes

Cost Codes for Project Officers as at 12th April 2011

Cost Code	Sub	Dept Analysis Code	LONDON BOROUGH OF BROMLEY DRAFT FORMULA FUNDING		Notes
				Scheme Allocation Cost 2011/12 £	
			Congestion Relief - Multi-Year Schemes		
922662	C059	FA150	A224 Orpington bypass northern section	28,200	(v)
922662	C059	FA151	A234-A222-A2015 Beckenham centre E-W route	35,250	
			Congestion Relief		
922662	C059	FA152	A224 Court Rd/Spur Rd	1,410	
922662	C059	FA153	A224 Court Rd/Ramsden Rd	3,530	
922662	C059	FA154	A234 Crystal Palace Park Rd	3,530	
922662	C059	FA155	A234 Bromley Road near St Christopher's school	3,530	
922662	C059	FA156	A214 Station Rd/Beckenham Rd/Red Lodge Rd	14,100	
922662	C059	FA157	A222 Perry Street / Ashfield Ln	14,100	
			Network Infrastructure		
922662	C059	FA158	Bus Route Resurfacing	180,000	
922662	C059	FA159	Contribution to Chislehurst Bridge	100,000	
			Congestion/Casualty Reduction		
922662	C059	FA160	A234 High Street j/w Green Lane up to Maple Rd	31,730	
922662	C059	FA161	A234 High Street/Oakfield Rd	6,350	
922662	C059	FA162	A2313/A214 Anerley Rd/Croydon Rd	14,100	
922662	C059	FA163	A222 Bickley Park Rd / Southborough Rd	1,410	
922662	C059	FA164	Traffic Lights Review	21,150	
			Casualty Reduction		
922662	C059	FA165	Individual locations	123,380	(iv)
922662	C059	FA166	20 mph Zone review	35,250	
922662	C059	FA167	Road-rail incursion study	17,630	
			Casualty Reduction – mass action		
922662	C059	FA168	Skidding accident sites	176,250	
922662	C059	FA169	Speed Management		

				49,350	
			Cycle training and promotion		
922662	C059	FA170	Cycle training	21,850	
922662	C059	FA171	Cycling promotion	35,250	
			Support for Bromley Town Centre AAP		
922662	C059	FA172	Variable Message Signing	70,500	
922662	C059	FA173	Measures to promote "10 in 10" Modal Shift	17,630	
922662	C059	FA174	Further development of Town Centre traffic model	56,400	
			Parking – assess, review and update		
922663	C059	FA175	New Beckenham Car Park Extension	56,400	
			Parking – town centres		
922663	C059	FA176	Parking – town centres	158,630	(i)
			Decluttering - enhance the local environment		
922663	C059	FA177	Decluttering - enhancing the local environment	35,250	
			Cycling & Walking Schemes		
922663	C059	FA178	Pedestrian Crossings & minor walking schemes	63,450	(ii)
922663	C059	FA179	Court Road Cycling & Walking scheme	95,180	
922663	C059	FA180	Cray Valley	45,830	
922663	C059	FA181	Cycle Parking	17,630	
922663	C059	FA182	Cycle Route maintenance	21,150	
			Walking – green spaces and recreational walking		
922663	C059	FA183	Wayfinding in Parks	7,050	
922663	C059	FA184	Contribution to Green Chain Walk	15,000	
922663	C059	FA185	Healthy Walking - South Hill Woods	28,200	
922663	C059	FA186	Downe area footpath & access improvements	24,680	
922663	C059	FA187	Circular walks for young people	14,100	
			Freight		
922663	C059	FA188	Freight Projects	10,000	
			Light Against Crime		
922663	C059	FA189	Penge Recreation Ground Lighting	33,000	
			Scheme Development		
922663	C059	FA190	Advance planning for future projects	17,630	
			School travel planning activities		
922664	C059	FA191	STP Monitoring and Review	77,808	
922664	C059	FA192	Promotional Activities	135,000	(iii)

			Road Safety Education	
922664	C059	FA193	Curriculum based activities	15,200
922664	C059	FA194	Smarter driving	31,500
922664	C059	FA195	Car seats project	5,700
			Travel awareness	
922664	C059	FA196	Workplace Travel Planning support	-
			TOTAL	1,970,268
			TfL TARGET EXPENDITURE	1,970,268

Notes

- (i) Possible breakdown: Penge & Beckenham £70K + IPAs £35K + Review Recent Schemes £35K + Assess new areas £18K
- (ii) Possible breakdown: Crossing facilities £45K + STP engineering measures £18K - giving priority to SCP replacement sites
- (iii) Incl SCP replacements e.g. zebra crossings
- (iv) These accident sites will be addressed in turn, with funds being assigned as needed taking First Year Rate of Return into account
- (v) Continues from 2010/11 investigation