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DATE: 25 September 2012

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, Will Harmer, Russell Mellor and Neil Reddin FCCA

A meeting of the Improvement and Efficiency Sub-Committee will be held at Bromley Civic Centre on **WEDNESDAY 3 OCTOBER 2012 AT 6.30 PM** *

***PLEASE NOTE STARTING TIME**

MARK BOWEN
Director of Resources

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

A G E N D A

1 APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN

2 APOLOGIES FOR ABSENCE

3 DECLARATIONS OF INTEREST

4 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Thursday 27th September 2012.

5 MINUTES OF THE MEETING HELD ON 18TH APRIL 2012 (Pages 3 - 8)

6 MATTERS ARISING FROM PREVIOUS MEETINGS (Pages 9 - 12)

7 SOCIAL MEDIA (PRESENTATION)

8 RECEPTIONS UPDATE (PRESENTATION)

9 WORKSTREAMS TO SECURE FURTHER SAVINGS (Pages 13 - 18)

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

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

Items of Business

Schedule 12A Description

- 11 EXEMPT MINUTES OF THE MEETING HELD ON 18TH APRIL 2012 (Pages 19 - 20)**

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IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE

Minutes of the meeting held at 6.30 pm on 18 April 2012

Present:

Councillor Graham Arthur (Chairman)

Councillors Julian Benington, Stephen Carr, Judi Ellis,
Robert Evans and Brian Humphrys

34 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Nicholas Bennett JP, Councillor Russell Mellor and Councillor Neil Reddin. Councillor Brian Humphrys attended as substitute for Councillor Nicholas Bennett JP.

35 DECLARATIONS OF INTEREST

Councillor Robert Evans declared that he was on the Management Board of the Pupil Referral Unit in relation to Item 12: Aligning Policy & Finance: Summary & Progress Report.

36 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received from members of the public.

37 MINUTES OF THE MEETING HELD ON 18TH JANUARY 2012

RESOLVED that the minutes of the meeting held on 18th January 2012 be agreed.

38 MATTERS ARISING FROM PREVIOUS MEETINGS

Report RES12063

Members noted that an update on progress in the aligning policy and finance reviews undertaken across a range of services would be provided later in the meeting.

RESOLVED that matters arising be noted.

39 INVEST TO SAVE

Report CEO1200

The Sub-Committee received a report outlining proposals in relation to the future management of invest to save proposals. It was proposed to introduce a new system that would encourage more invest to save bids and provide a responsive approval process for invest to save proposals. All bids requesting more than £10k investment would be reviewed by a new Officer Investment Panel which would meet for the first time on 25th April 2012 to consider the invest to save proposals received to date. Monitoring processes would also be introduced to ensure that savings were realised in line with the approved business case. As part of the proposals it was requested that authority to decide on business cases up to £200k be delegated from the Executive to Improvement and Efficiency Sub-Committee to facilitate a more efficient decision making process.

In considering the proposed future management of invest to save proposals, a Member underlined the need to ensure that the business case for new invest to save schemes would be evaluated with the same rigour as before by Officers and Members. The requirement for an invest to save scheme to demonstrate that it had a 'reasonable' payback period was also highlighted as an area of concern, and Members requested that this be amended to 'clearly defined' payback period. In response to a query from a Member, the Head of Organisational Improvement confirmed that project and set-up costs were included in the costs of an invest to save scheme and that the Officer Investment Panel would challenge all project costings when considering invest to save proposals. Another Member noted that Officers should be required to obtain the sponsorship of the relevant Portfolio Holder at an early stage in the development of all invest to save proposals.

RESOLVED that the Executive be requested to give Improvement and Efficiency Sub-Committee delegated authority to determine Invest to Save bids requiring up to £200k in Capital.

40 ORGANISATIONAL IMPROVEMENT PROGRAMME UPDATE

Report CEO1196

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

The Shared Services Board, comprising of the Chief Executives and one other Chief Officer from Bromley, Bexley and Croydon continued to meet on a six weekly basis to review the workstreams with the greatest potential for sharing, which included Regulatory Services, Property Services, Shared Transport, Parking and Parks. The Library Shared Service with London Borough of Bexley had gone live on 1st January 2012, and in response to a Member's query, the Assistant Director: Organisational Improvement confirmed that Officers were continuing to investigate potential savings that could be realised by moving to a Libraries' Trust.

The Project Manager: Organisational Improvement had been seconded for two days a week to the Public Health Transition Team at NHS London, supporting the transfer of Public Health from Primary Care Trusts to Local Authorities. Work was being undertaken with the six London Boroughs which made up the NHS South East London cluster to support the design of a Public Health model which was fit for purpose. Workshops were also being carried out with health and local authority leads from London Boroughs across the NHS South East London cluster to establish whether a shared model of public health was viable, and to consider if services could be shared across the cluster or two or more boroughs within the cluster. A Member highlighted the support that was being given to London Borough of Bexley to help analyse and challenge their Primary Care Trust's financial submission to the Department of Health which had led to them receiving the lowest Public Health shadow allocation across the country, and queried whether the level of funding allocated to Bromley was also being challenged. The Chief Executive confirmed that work was being undertaken to address the issue of funding across the NHS South East London cluster, and that this was also being taken forward by the Health and Well-being Board. In considering the public health offer in the Borough, a Member underlined the work being undertaken in the community to support healthy lifestyles by the Mottingham Community and Learning Shop and the Cotmandene Community Resource Centre.

In considering civic centre site accommodation, a Member queried whether options had been developed for the future use of Joseph Lancaster and Ann Springman Halls. The Chief Executive confirmed that following the completion of the refurbishment of North Block in May 2012, it was planned to vacate the Old Town Hall, Exchequer House, Joseph Lancaster and Ann Springman Halls. Significant savings would be realised from a reduction in site running costs whilst the future of these buildings was considered by Members.

With regard to customer service improvement, 'Tell Us Once', the service that allowed customers registering a death to inform several Council and Government departments at once had been live since October 2011. In response to a query from a Member, the Director of Resources confirmed that the Registrars Service had decided not to progress with the 'Tell Us Once' service for births at this time as there was less obvious customer benefit and no significant savings to be realised in introducing the facility.

An invest to save project to develop autism specific secondary provision within the Borough to meet a projected increase in demand for places over the next ten years and reduce the use of independent providers was currently being developed. In response to a query from a Member, the Director of Resources confirmed that the Local Authority took account of parental choice in the provision of schooling for their child and noted that the Local Authority had a duty to provide an appropriate placement for children with special educational needs. The Assistant Director: Organisational Improvement highlighted that the Council was making increasing use of Pupil Resource Agreements to work with parents in providing an appropriate placement for their child, although parents and carers did have the legal right to challenge the Local Authority if their preferred option was not funded.

In considering the recommendations of the New Technology Working Group, a Member highlighted the proposal to develop increased use of technology options, such as e-forms and social media. The Assistant Director: Organisational Improvement confirmed that there was a need to use social media to both manage the Council's brand and communications and to engage with the community through a broad range of channels, consistent with other local authorities and private businesses. The Member also noted the proposal to centralise the management of Council web portals to provide increased consistency and efficiency and underlined the importance of ensuring that specialist knowledge was not lost.

A Member highlighted the need to investigate the potential to share services with the third sector and asked that this workstream be added to future updates on the Organisational Improvement Programme.

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

41 TRANSITION REPORT (MOVING TOWARDS OUR CORPORATE OPERATING PRINCIPLES)

Report CEO1198

The Sub-Committee received a report updating Members on work to progress the Target Operating Model, which would ensure services were delivered in a way which supported the Council's long term vision. A number of key issues and opportunities had been identified including market testing and outsourcing, shared services, alternative delivery vehicles and the community right to challenge, driving value from existing and future third party suppliers and the need for service modernisation and transformation, and it was important that these and other key issues for the organisations were progressed in a structured and focused way.

In considering the community right to challenge, the Director of Resources confirmed that community groups and local authority employees would have the right to submit an expression of interest in taking over and running a local authority service. If the Local Authority accepted this challenge a procurement exercise would then be run in which organisations could bid to take over the running of the service. The Director of Resources confirmed that this would not usually apply to services already identified for closure. A Member underlined the benefits that could be realised by encouraging staff to develop social enterprises to deliver Council services, and queried the level of support that was being provided to staff.

Members also considered the community right to bid that would allow voluntary and community organisations to nominate an asset to be included on a list of 'assets of community value' managed by the Local Authority. If the owner of a listed asset wanted to sell this asset, a moratorium period would be triggered before the asset could be sold, giving community groups time to develop a proposal and raise capital to bid for the property when it came onto the open

market. The owner of the asset need not accept a lower bid but could take account of the value the service would bring to the community in accepting a bid. The Assistant Director: Organisational Improvement highlighted the issue of whether additional support should be provided to voluntary and community organisations in bidding for an asset or whether they should be treated the same as any other organisation.

RESOLVED that the Members' comments on the approach to be taken to progress the Target Operating Model be noted.

42 SHARED SERVICES UPDATE

Report CEO197

The Sub-Committee received a report updating Members on the shared services projects that were currently being progressed and outlining project delivery arrangements. The list of shared services projects that were in the scoping stage had become quite extensive, therefore the Shared Services Board, comprising of the Chief Executives and one other Chief Officer from Bromley, Bexley and Croydon, was focusing on five priority areas that appeared to have the most potential for progression as a shared service, which comprised Regulatory Services, Property Services, Shared Transport, Parking and Parks.

Members considered progress on a number of shared services projects. With regard to transport, a Member requested that any plans to share transport services would take into account the needs of other services that relied on transport, such as day centres. In considering school transport, a Member highlighted the potential for children to utilise alternate methods of transport such as public transport and the use of school vehicles where appropriate. The Project Officer, Organisational Improvement confirmed that a wide range of issues would be considered as part of the development of a detailed collaborative business case.

In considering the capacity for delivering projects, Members noted that project leads within the relevant services areas were progressing the prioritised shared services projects with the Chief Executives Shared Service Board monitoring progress on a six to eight weekly basis. To ensure momentum was maintained, it was proposed to assign a Director to each of the priority shared services projects, either within their own Borough or in one of the other two boroughs, and this proposal was being considered by the Chief Executives' and Leaders' Shared Services Boards.

RESOLVED that:

- 1) The progress made to date on shared services projects be noted; and**
- 2) That Members comments on changes to improve project delivery of this workstream be noted.**

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

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

44 EXEMPT MINUTES OF THE MEETING HELD ON 18TH JANUARY 2012

RESOLVED that the exempt minutes of the meeting held on 18th January 2012 be agreed.

45 ALIGNING POLICY & FINANCE: SUMMARY & PROGRESS REPORT

The Sub-Committee considered the report and supported the recommendations.

The Meeting ended at 7.53 pm

Chairman

Agenda Item 6

Report No.
RES12156

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE

Date: Wednesday 3 October 2012

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

Title: MATTERS ARISING FROM PREVIOUS MEETINGS

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

Chief Officer: Director of Resources

Ward: N/A

1. Reason for report

Appendix A updates Members on matters arising from previous meetings.

2. **RECOMMENDATION(S)**

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

Corporate Policy

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

Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £344,054
 5. Source of funding: Existing 2012/13 budget
-

Staff

1. Number of staff (current and additional): There are 8 posts (7.22 fte) in the Democratic Services Team.
 2. If from existing staff resources, number of staff hours: Monitoring the Committee's matters arising takes at most a few hours per meeting.
-

Legal

1. Legal Requirement: Non-Statutory - No Government Guidance
 2. Call-in: Not Applicable: This report does not involve an executive decision.
-

Customer Impact

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

Ward Councillor Views

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

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

MATTERS ARISING FROM PREVIOUS MEETINGS

Minute Number/Title	Decision/Agreement	Update	Action by	Completion Date
<p>28 Internal Audit and Value for Money Reporting: Report LDCS10180 (from the minutes of I&E Sub Committee on 13th October 2010)</p>	<p>A Member requested that the outcomes from the new approach to Value for Money reporting be reviewed in due course.</p>	<p>Outcomes from the new approach to Value for Money reporting to be reported to a future meeting of Improvement and Efficiency Sub Committee.</p>	<p>Organisational Improvement Team</p>	<p>TBA</p>
<p>39 Invest to Save: Report CEO1200 (from the minutes of I&E Sub Committee on 18th April 2012)</p>	<p>Following consideration of a proposal to provide a more responsive approval process for invest to save projects, Members resolved that Executive be requested to give Improvement and Efficiency Sub Committee delegated authority to determine Invest to Save bids requiring up to £200k in Capital.</p>	<p>Following consideration by Executive at its meeting on 23rd May 2012, it was resolved that the Improvement and Efficiency Sub Committee be given delegated authority to determine Invest to Save Schemes requiring up to £200k but that a cap on the total expenditure to be agreed be set at £1m and up to a maximum of 10 Schemes at this stage. It was also resolved that the Sub-Committee's attention be drawn to the comments made by Executive members in considering the request (see attached extract from the minutes at Appendix B), particularly the need to ensure that Members were kept fully informed in the early stages of schemes being processed.</p>	<p>Executive</p>	<p>October 2012</p>

EXECUTIVE

Extract from the Minutes of the meeting held on 23 May 2012

187 INVEST TO SAVE - REFERENCE FROM IMPROVEMENT AND EFFICIENCY SUB COMMITTEE

Report RES12085

The Improvement and Efficiency Sub-Committee at its meeting on 18th April 2012 had agreed to request the Executive to delegate its authority to determine Invest to Save bids requiring up to £200k. Members were informed that a new system had been introduced under the direction of the Sub-Committee to encourage more Invest to Save bids as outlined in the report submitted to the Sub-Committee and circulated to Executive members.

Members were generally supportive of the proposal but suggested there should be a cap set on the amount and number of schemes being considered. The Chief Executive advised that there were not a lot of schemes waiting to be processed but it was hoped the new arrangement would encourage more projects to be brought forward. Particular reference was made to the need to ensure that Members were kept fully informed of what proposals were coming forward and the Chief Executive advised that it had been made plain to officers that the sponsorship of the relevant Portfolio Holder would need to be gained at an early stage in the process. Members also stressed the importance of having a clearly defined payback period and were advised by the Finance Director that shorter term pay back periods were the norm and only in exceptional cases would a longer period be agreed. The Sub-Committee would monitor the scheme and receive details in the form of a spread sheet listing all the approved schemes and progress with savings achieved. There would also be post completion reports showing the outcomes and savings that had been made.

RESOLVED that

- 1) the Improvement and Efficiency Sub-Committee be given delegated authority to determine Invest to Save Schemes requiring up to £200k but that a cap on the total expenditure to be agreed is set at £1m and up to a maximum of 10 Schemes at this stage; and**
- 2) the Sub-Committee's attention be drawn to the comments from the Executive members outlined above particularly the need to ensure that Members are kept fully informed in the early stages of schemes being processed.**

181

Agenda Item 9

Report No.
CEO1027

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE**

Date: **Wednesday 3 October 2012**

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

Title: **WORKSTREAMS TO SECURE FURTHER SAVINGS**

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

Chief Officer: Doug Patterson, Chief Executive

Ward: Borough-wide

1. Reason for report

To inform Members of the I & E Sub-Committee of the progress being made in relation to the work to secure further financial savings.

2. **RECOMMENDATION(S)**

Members note and comment on the work to date.

Corporate Policy

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

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Doug Patterson
 4. Total current budget for this head:
 5. Source of funding: Existing Revenue Budgets
-

Staff

1. Number of staff (current and additional): 1.6
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Dependent on Member decision-making; potentially all customers.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 To date the Council has identified a range of savings, totalling £23m in 2012/13 rising to £33m (cumulative) by 2013/14. However, a further £28m needs to be found for the period 2014/15 – 2015/16 and there are a number of financial variables which could negatively impact on this position.
- 3.2 Savings so far have been delivered as a result of strong financial management and clear Member decision making regarding priorities. However, a departmental approach will not be sufficient to make further significant revenue savings while maintaining service breath and quality.
- 3.3 Since the last meeting of the Improvement & Efficiency Sub Committee Officers have developed a number of separate, but related, corporate workstreams to secure further savings. The purpose of this report and presentation at the meeting is to apprise Members of this activity and how it is proposed to be developed further in the future.
- 3.4 An overview of each workstream is given below.
- 3.5 **Workstream 1-Basel Line Review-‘What’ Services we deliver.**
- 3.6 This workstream is concerned with reviewing the services the organisation currently provides and developing options to reduce both range and quality of service whilst continuing to meet our statutory duties.
- 3.7 Chief Officers have been asked to present an overview of their existing services, the minimum (statutory) level of service required, and a professional recommendation of the services/standards necessary in order reduce potential risk, mitigate community/individual service user impact and help deliver our Building a Better Bromley priorities.
- 3.8 When complete these reviews will be subject to cross portfolio Member and Officer debate and potentially external evaluation by specialist advisors in some areas.
- 3.9 **Workstream 2- ‘How’ we deliver services**
- 3.10 The Council has identified an ambitious vision as a commissioning authority and we have a successful history of externalising services to both the private and third sector. We are now exploring what additional value may be gained by transferring directly provided services to alternative delivery models, such as further private/third sector outsourcing, establishing a wholly owned Local Authority Trading Company or devolving delivery to communities or social enterprises.
- 3.11 We will shortly be producing a 5 year commissioning strategy which will include prioritisation and packaging of services, estimated financial benefit for various delivery models and an implementation plan.
- 3.12 This workstream need to be informed by Member decision making in relation to Workstream 1; ‘what’ services/standards are to be provided beyond the statutory minimum (Workstream 1).
- 3.13 This workstream will also pick up on the work of the corporate procurement group to ensure we are procuring smartly and driving value from our existing suppliers.
- 3.14 **Workstream 3-Sustainable Income Opportunities/Economic Growth**
- 3.15 Officers are currently investigating ways in which the authority could potentially maximise income from the various “incentives” put in place by the coalition government.

3.16 The being looked at are:

- Maximising CIL
- Maximising Business Rates
- Maximising New Homes Bonus

3.17 As part of this work a comprehensive review of the Council's asset portfolio is also be undertaken with a view to rationalising in order to generate capital receipts and facilitate new investment opportunities.

3.18 Members are advised that regardless of any policy decisions which they select to capitalise on these opportunities, they will not be sufficient to bridge the budget gap and significant additional savings (from Workstreams 1 and 2) will still be required.

3.19 **Workstream 4-Significant Financial Variables**

3.20 This workstream, which is being lead by the Director of Finance, is concerned with managing issues that have the potential to have a significant negative impact on the council's finances.

3.21 The issues will be expanded upon through the normal financial monitoring mechanisms.

3.22 The current issues identified to date include:

Local Authority Central Services Education Grant (LACSEG)
Proposals for Retention of Business Rate
Council Tax Benefit Localisation
Comprehensive Spending Review
Inflation
Interest on Balances
Technical Changes to Council Tax Discount
Children on Remand
Community Budgets
Dilnot Review of Adult Social Care
Open Public Services
Localism Act
Welfare Reform: Changes to Housing Benefit
Demographic and Population Changes
New Environment Agency Guidance
Eurozone Debt Crisis
Public Sector Pension
Review of School Funding

3.23 **Workstream 4: Organisational Implications**

3.24 This workstream will consider the consequences of the other four Workstreams for the organisation. For example:

What does moving further towards a commissioning authority mean for the future structure and governance of the organisation?

What skills will the organisation require and do we currently have them? Do we know?

Do we have sufficient business change and transformation capacity to manage the transition? If not, how will we resource any implementation activity?

What are the significant cross cutting issues resulting from the workstream activity?

4. POLICY IMPLICATIONS

- 4.1 The Workstreams programme has been established to support Council's Corporate Operating Principles and Building a Better Bromley priorities.
- 4.2 Future Member decision making in relation to all 4 workstreams is likely to affect current policy.

5. FINANCIAL IMPLICATIONS

- 5.1 Financial implications will vary across this work and will be dependent on Member decision making.
- 5.2 The progression and implementation of some workstream activity will require additional resource from that currently deployed and may be the subject of a future invest to save bid to Members.

6. LEGAL IMPLICATIONS

- 6.1 None arising directly from this Report.

7. PERSONNEL IMPLICATIONS

- 7.1 None arising directly from this Report.

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Agenda Item 11

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