

PART 1 - PUBLIC

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**Decision Maker:** IE&E Sub-committee

**Date:** 6<sup>th</sup> July 2011

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

**Title:** **ALIGNING POLICY & FINANCE REVIEWS**

**Contact Officer:** Chris Spellman, Assistant Director, Organisational Improvement  
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**Chief Officer:** Doug Patterson: Chief Executive

**Ward:** All

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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.

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**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.
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### 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
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### Staff

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

1. Legal Requirement: No statutory requirement or Government guidance.
  2. Call-in: Call-in is not applicable.
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### 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.
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### 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 13<sup>th</sup> 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.