

Scrutiny 24 September 2009

IMPROVEMENT SERVICE REVIEW - JOINT IMPROVEMENT UNIT

Statutory Powers:

Financial Implications:

Purpose:

To provide Members with a detailed budget analysis of the Joint Improvement Unit and an opportunity to make observations.

Priorities:

5. Accessible Council
6. Value for Money

RECOMMENDATION:

That Scrutiny resolves to note the report and identifies any observations that it wishes to be considered in respect of the Joint Improvement Unit during the 2010/2011 budget setting process.

Background

1. The Joint Improvement Unit comprises Performance, Policy Development and Communications/Public Relations and Procurement with staff at South Hams, West Devon and Teignbridge some on a shared basis.
 - Current establishment is 9.1 FTE's. (SHDC 5, WDBC 3.7, TDC 0.4) Salaries and other costs in respect of joint posts are shared in various proportions in accordance with formal agreements. A copy of the joint staff structure is attached below.
 - About 70% of the service budget is attributable to staff costs, predominantly salaries, with the added complication of salaries shared in various proportions with other authorities.
 - Corporate Management costs are approximately 20% of the budget and include: Consultation for BVPIs and Place Survey, Citizens' Panel and the Council Magazine.

Service Budget

2. During 2008/2009, the Joint Improvement Unit had a number of posts vacant (operating on 6.5 staff at one period against an establishment of 10) for parts of the year and as a consequence, expenditure was considerably under budget.

SOUTH HAMS BUDGET ONLY £	Actual 2007/2008	Actual 2008/2009	Revised Budget 2009/2010	to date 2009/10
Employees	195,632	173,805	150,000	65,431
Premises	7,180	6,632	8,300	Posted at year end
Supplies and Services	18,545	17,262	16,960	3,157
Transport related	5,957	9,106	6,420	3,176
Income from West Devon (Shared Services)	(4,363)	(16,339)	Now included in salaries budget Invoiced 6 monthly	
Corporate Management <i>See below for breakdown</i>	38,544	53,685	52,300	11,983
Total	244,495	226,901	233,980	83,747

(£)	Actual 2007/2008	Actual 2008/2009	Budget 2009/2010	to date 2009/2010
Performance Plan	3,419	3,800	3,500	0
Consultation – CLG etc	9,927	11,155	11,600	674
Citizens' Panel	5,793	900	19,400	3,467
Council Magazine 2008/09 actual includes approx £20k in respect of changes to distribution schedules required for LGR purposes	17,485	37,830	17,100	7,842
Benchmarking	1,920	0	700	0
Total	38,544	53,685	52,300	11,983

3. The Improvement Unit became a joint service with West Devon Borough Council in October 2007 with identified cashable efficiency savings of £60,000 shared between the two authorities. FTE reduced from 12.1 to 10.1 with the loss of two posts: The Assistant Chief Executive at West Devon Borough Council and the Policy Development Officer at South Hams District Council, and the restructuring of a post in West Devon.
4. Since that time further joint posts have been lost (Policy Development Officer and Business Development Officer) and a new joint post recruited (Improvement and Efficiency Officer) at a lower salary scale. Savings are now in excess of £104,000 p.a. against original pre joint unit expenditures.
5. To reduce costs for the remainder of this year and into 2010/2011 the post of Head of Joint Improvement Unit is to be made redundant, the Council Magazine procured differently and we are looking to provide the Citizens' Panel in a different, more cost effective way. This is particularly important in view of the additional engagement and involvement required by the Duty to Involve and the new Equalities Framework.
6. The unit will therefore reduce by a further 1 FTE to 8.1 FTE at the end of this month. At present, no long-term management proposals are available pending the completion of businesses cases within a larger 'Shared Services' restructure. A Head of Service from West Devon BC will manage the unit as an interim arrangement giving a reduction in staffing of 30% in South Hams and 35% in West Devon in two years with a combined saving of £147,000.
7. Line management of the joint Procurement Officer has still to be decided.

8. In prior years the (SHDC) unit has achieved both cashable and non-cashable efficiency savings in the rationalisation of the Corporate / Performance Plan to an electronic format and the Council Magazine where an increase in the number of pages, district wide coverage and a far superior image were achieved at lower cost.

Workplan

- 9.
- We are prioritising the CAA inspection issues to ensure that the authority's enviable reputation does not suffer. Liaison with LSP partners on the Place Survey will be most important.
 - The Duty to Involve combined with the new Equality Framework is one of our immediate priorities as part of the Communities in Control action plan.
 - The Sounding Board at SHDC needs to be reviewed and a further programme of surveys undertaken to enable the council to comply with Duty to Involve legislation.
 - A new review methodology (Inspire) has been designed to combine Systems Thinking (Lean) with activity-based costings and focus on Customer First and will be rolled out on a programme based on an innovative cost v performance assessment framework designed in-house but being adopted by several authorities across Devon.
 - Communications will be working to provide a broadcast style programme for display on screens to be located in reception and also used on outreach visits. Continuation of the South Hams Magazine, now produced by a locally based business, is seen as a major part of the units work despite recession based problems with advertising revenue.
 - Procurement will continue to provide strategic guidance and practical help to Heads of Service and Service Managers, look to opportunities for collaborative working with other Devon authorities and to enable advantage to be taken of framework agreements negotiated in other parts of local government. Procurement based savings in the two years to March 2009 made within the South Hams by all departments are in excess of £ 181,000.

Key Service Functions

10. The Unit undertakes work of a corporate nature which requires flexibility and focus, the core functions being outlined above.

Improvement Programme Managers (individual SHDC and WDBC posts)

- To ensure that the Councils maintain an effective corporate planning process which sets out its ambitions and is supported by all strategies and service plans.
- To develop and use the Inspire methodology to promote a positive performance management culture based on the Towards and Beyond Excellence Plan and its principle tool 'Systems Thinking'.

- Developing suitable service review methodology to suit a variety of service types including customer consultation, demand analysis, peer review, lean review, cost vs. performance, ABC costing, and market testing where necessary.
 - Plan and project manage service review activity across the authority to ensure all services reviewed within a given time period and reported on to members. Working with customers, officers, external agencies, management and councillors.
- Understanding and interpreting CAA guidance and its impact on the authority. In particular the Value for Money (VfM) part of Use of Resources (UoR) and Managing Performance (previously Direction of Travel) assessments.
 - Primary point of contact with the Audit Commission for co-ordinating VfM and Managing Performance inspection activity and responding with follow up information. Liaising with internal audit to improve the internal flow of information both ways. Includes the overseeing of Performance Indicator work (NI and local).
 - Tell the story of how we have improved and what outcomes have been achieved/delivered by encouraging all officers to provide regular updates on achievements. Distilling information from officers, archived press releases and minutes of meetings to evidence and underpin information supplied to auditors.
 - Provide support to managers, officers and auditors throughout the inspection process from January to December each year. Obtain feedback from audit process to improve the distilling of evidence and general process management for all involved.
 - Manage the service planning processes; maintaining relevant guidance incorporating CAA requirements etc. work with Finance, Internal Audit and Risk Manager to ensure guidance fit for purpose. (Links to service review methodology)
 - Produce articles for members bulletin, South Hams magazine and Intranet/Internet.
 - SHDC Officer only - Network with the Devon Improvement Group (DIG) occasional attendance with Improvement and Efficiency Officer at equality meetings and ad hoc meetings where relevant.

Improvement and Efficiency Officer (joint SHDC and WDBC post)

- To ensure that the council has key effective policies for Duty to Involve and the new Equalities Framework.
 - Interpreting guidance and acting as co-ordinators for roll out across the authority. Acting as central point of reference for a series of equality co-ordinators across the authority to encourage management to comply with various duties imposed. Cascade information down through the authority.

- To assist with the development of transformational change initiatives through the Inspire methodology including systems thinking reviews. (IPM see above).
- Managing the Citizens' Panel and other corporate consultations including analysis of national survey data, – such as the Place Survey, and providing advice to services on how to conduct consultation. Presentation of results and implications to management and councillors. Sourcing consultation mechanism and co-ordinating use.
- Co-ordination of evidence across the authority to meet the Duty to Involve. Acting as central point of reference to encourage management to comply with the Duty imposed. Cascade information down through the authority.
- Networks (regular Devon wide meetings) with the Devon Consultation Group (DCG) Devon Equality Group (DEG) and Equality South West and any ad hoc meetings where relevant.

Performance Improvement Officer (joint SHDC and WDBC post)

- To maintain a robust system for performance management by reviewing and updating corporate planning, project action plans, service plans and performance indicators and day to day management of Covalent.
 - National and Local Performance Indicators - Interpretation of national guidance and support in producing new local measures. Chasing up information and quality assurance of data provided. Production of PI reports to SMT/JMT monthly and Scrutiny quarterly.
 - System administration duties and development of the council's use of the system. Training to officers and councillors in the effective use of the system; to help produce performance management information and general service performance information. Obtain feedback from officers on their use of the system and how we can make relevant changes and be more flexible to services needs – where appropriate.
- To undertake district profile work for CAA purposes.

Procurement Officers (joint with TDC)

- To manage and develop the joint procurement function (policy, strategy and processes relating to a wide range of services, works and supplies), aimed at meeting each council's needs and priorities, Best value for money, Sustainability, Compliance with Equality Standard for Local Government requirements, High standards of health and safety and Compliance with European procurement rules.

Communications Manager (SHDC)

+ Communications Officer – part time 0.5
+ Communications Officer – part time 0.5

- To manage the provision of publicity and other communications mediums to promote and enhance the council, its services and partnerships.
- Managing the production of the magazine and editing the council tax booklet.

- Mitigating risk by providing professional advice and support and improving the standard of communications both internally and externally.
- Networks with the Devon Communication Managers Group and South West Communications Group.

Senior Communications Officer (WDDC)

+ Communications Officer – part time 0.5

+ Communications Officer – part joint 0.2

- To manage the provision of publicity and other communications mediums to promote and enhance the council, its services and partnerships.
- Managing the production of the magazine and editing the council tax booklet.
- Medial liaison - Mitigating risk by providing professional advice and support and improving the standard of communications both internally and externally.
- Networks with the Devon Communication Managers Group and South West Communications Group.

Risk Assessment

To identify areas of savings and reduce operating costs – impact on the ability to provide a quality service

To identify opportunities to improve the service and the councils' reputations – the ability to carry out service reviews (Inspire Project/systems thinking) will be impacted if there are insufficient staff to undertake the function.

Conclusion

This report outlines the South Hams District Council budget allocation and expenditure within the Joint Improvement Unit together with the functions it performs in order to give Scrutiny the opportunity to make observations as to possible savings and/or service improvements.

Roger Nicholson
 Head of the Joint Improvement Unit
 South Hams District and West Devon Borough Councils.

01/09/2007			SH	WD	TD	01/09/2009			SH	WD	TD	saving £k
		FTE						FTE				
R Nicholson	HoS	1	1			R Nicholson	1	0.5	0.5			
D Bates	HoS	1		1		post cancelled						£32 net
K Billinge	Policy	1	1			post cancelled						£36
K Stephens	Improvement	1	1			K Stephens	1	1				
K Booth	Improvement	1		1		K Booth/D Bird	1		1			
A Dunster	Business Dev	1	1			J Dudley	1	0.5	0.5			replaced at lower grade and shared
B Dancer	Policy	1		1		post cancelled						£28
D Plaice	Improvement	1		1		G Winzar	1	0.5	0.5			
J Bishop	Communications	1	1			E Hopkins	1	1				
E Hopkins	Communications	0.5	0.5			K Wiseman	0.5	0.5				
S Davis	Communications	0.7	0.5	0.2		S Davis	0.7	0.5	0.2			
A Stoneham	Communications	1		1		A Stoneham	1		1			
S Hawkins	Communications	0.5		0.5		S Hawkins	0.5		0.5			
M Staton	Procurement	0.4	0.4	0.6		M Staton	0.4	0.4	0	0.6		
	FTE	12.1	6.4	5.7	0.6	FTE	9.1	4.9	4.2	0.6		<u>£104</u>
						RN w.e.f. 1/10/09	1.0	0.5	0.5			<u>£43</u> net
						FTE	8.1	4.4	3.7	0.6		£147
						post reductions expressed as %		2	2	0		
								31.25%	35.09%			