

REPORT TO: Business Efficiency Board
DATE: 14 November 2012
REPORTING OFFICER: Strategic Director, Policy & Resources
PORTFOLIO: Resources
SUBJECT: Efficiency Programme Update
WARDS: All

1.0 PURPOSE OF THE REPORT:

To inform the Board of progress made to date with the Efficiency Programme (refer to Appendix 1).

2.0 RECOMMENDATION: That the board is asked to note the contents of the report.

3.0 SUPPORTING INFORMATION

Up to date workstream information is available via the Efficiency Programme Office's team site at: <http://intranet/sites/Teams/Efficiency/Pages/Home.aspx> .

4.0 POLICY IMPLICATIONS

None identified at this stage. Activity within the Efficiency Programme may result in recommendations to change policies as individual workstreams progress.

5.0 OTHER IMPLICATIONS

It should be noted that since commencing in 2009, the Efficiency Programme, and activity associated with it, has identified savings in the region of over £11m. This has assisted the Council in the difficult task of dealing with the budget gap.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The Efficiency Programme is designed to improve the effectiveness of services across the authority and reduce costs associated with service delivery. This affects all of the Council's priorities.

7.0 RISK ANALYSIS

Given the financial constraints facing the Council in the immediate and medium terms, failure to continue to progress Efficiency Programme workstreams into future stages may result in the Efficiency Programme not achieving its

objectives – primarily service improvement and cost reduction. This could result in services being underfunded, with departments unable to meet the costs of staff and other resources required to deliver to the community of Halton.

As resources become ever more restricted, the organisation should remain aware of the possibility of ‘double counting’ of savings. The Efficiency Programme Office and Financial Management Division will work together to manage this risk.

8.0 EQUALITY AND DIVERSITY ISSUES

N/A

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the Meaning of the Act.

Halton Council Efficiency Programme

Progress update - November 2012

Progress to date against each of the current workstreams is given below.

Review of Operational Fleet & Client Transport (Wave 2)

Longer term improvement opportunities are being investigated with Communities and Children & Enterprise Directorates.

A concept paper for an 'Integrated Transport Unit' has been developed and is being progressed.

£235,000 of the £400,000 savings target has been achieved to date. Further savings based on renegotiated contracts with suppliers will be calculated in early 2013, it is not possible to predict the level of these savings at this stage as contracts continue to be awarded.

Transactional / Non-Transactional: Process Review (Wave 2)

A number of projects within this workstream have now reached conclusion. These have resulted in process automation and improvement in several areas – predominantly HR and Purchase to Pay

Each has resulted in the adoption of more efficient working practices, enabling teams to operate with reduced resources.

It has been noted that the process are now more robust in terms of audit and are easier for staff to access and use.

Review of Income & Charging (Wave 3)

As reported previously, the first phase of this workstream indicated that full cost recovery is not evidenced across the Council. An action plan was developed to examine the 10 services with the largest income generation in more detail. Five of the services in the action plan that sit within Communities Directorate are currently being progressed. (Commercial Waste, Burials and Cremations, School Meals Breaks, Stadium Fitness and Meals on Wheels).

An initial report will be produced in the coming weeks to outline the findings of the analysis of four of these five services.

The Efficiency Programme Office, Financial Management Divisional and Service Managers will continue to progress this and will bring the next few services in for examination as the findings on the first five start to materialise.

Review of the Contact Centre (Wave 3)

A new service delivery model was put in place on 15th March 2012. The full range of Council services is available 8am to 6pm, Monday to Friday. An out of hours emergency response service now operates from 6pm to 8am weekdays, and at weekends.

On-going monitoring of operations through normal management activity will continue.

An evaluation of the new service delivery model, which considers operational data from 1st April to 30th September 2012 is underway and will be presented to the Efficiency Programme Board in January 2013. The period of evaluation has been extended to cover six months of the new arrangements in order to give a more complete and accurate picture of operations.

Savings achieved: £418,000 net (against a target of £110,000)

Review of Waste Management (Wave 3)

Findings from the As Is analysis presented a number of opportunities to improve the efficiency of the service. Work to identify improvement opportunities identified a series of high level options for short and longer term change have been presented to Management Team and the Programme Board. It has been agreed that all options are to be explored more fully. This work is ongoing in conjunction with the service manager.

A revised savings target for the workstream of £300,000 has been agreed. It was noted that a large proportion of the services' expenditure is contractual to cover waste disposal and due to the long term nature of these contracts the opportunity to bring about efficiencies was limited. Disposal contracts were therefore removed from the scope of the review.

Review of Policy & Strategy, Review of Performance & Improvement, Review of Communications & Marketing (Wave 4)

As-Is reports for all three service areas have been completed and presented to the Efficiency Programme Board.

A series of informal consultation sessions have been held with staff from each of the three services to identify areas of good practice and opportunities for improvement. Directorate SMTs have also been attended by the Efficiency Programme Office to seek service user views and identify areas of critical support provided to the operational services.

The information gathered will be considered as part of the development of To Be options which is currently underway. Affected staff have been informed of the progress of the workstream.

There is a savings target of £125,000 across the three areas.

Review of Child Protection (Children in Need Service) (Wave 4)

Significant work has been undertaken within the service to understand the roles, responsibilities and flow of work. This led to the completion of an As-Is report which highlighted a number of areas of work in which improvements could be made.

Workshops have been undertaken with staff to identify improvement opportunities and findings will be incorporated into the To Be design. A workshop session with Principal Managers from the Child in Need service has been arranged.

A number of interim measures have been undertaken to minimise the risk across the child protection system. These will be formalised as part of the To Be process and include the recruitment of additional administrative support, appointment to vacant social worker positions and the establishment of three new social work posts. These have been funded through existing budgets and the Social Work Improvement Fund. The impact of these additional resources will be evaluated in due course.

There is no savings target for this workstream.