MINUTES OF IMPACT OF REDUCED CAPACITY TASK GROUP

6 OCTOBER 2011

PRESENT:

Members of the Group: Councillors Mahoney (Chairman), G Francis, Mistry, Mrs O'Rourke, Roodhouse, Sandison and Srivastava

Officers: Doug Jones, Head of Business Transformation; Matthew Deaves, Communication, Consultation and Information Manager; Debbie Dawson, Scrutiny Officer; Linn Enticott, Democratic and Scrutiny Services Officer.

12. MINUTES

The minutes of the meeting held on 12 September 2011 were approved and signed by the Chairman.

13. APOLOGIES

Apologies for absence from the meeting were received from Councillor Helen Walton.

14. DECLARATIONS OF INTEREST

There were none.

15. RISK WORKSHOP FOLLOW UP

The Scrutiny Officer gave the group a brief overview of the papers that had been distributed and informed the group that in addition to these copies of the organisation structure charts could be made available if members wished to see them.

It was noted that the staffing information was difficult to present in a meaningful way. Some teams have been split or merged into other departments, making it difficult to make meaningful service-level budget and staffing comparisons. The budget comparisons had therefore been presented by portfolio, for consistency.

The Head of Business Transformation and the Communication, Consultation and Information Manager gave the task group a presentation on the key developments since the Council began its process of reducing capacity in the face of economic challenges and including areas for potential further investigation. A copy of the presentation is attached at annex 1 to the minutes.

The following points were raised:

- Members were informed that about 40 posts had been removed from the overall establishment as a result of the spending review and debated whether some posts would have been made redundant as a result of the end to end review process, regardless of the budget position. It was suggested that, if the economic downfall had not happened, the resource savings made as a result of the end-to-
end reviews may have resulted in posts being re-deployed rather than made redundant.

- It was argued that end-to-end reviews have increased productivity, improved the quality of customer outcomes and, to some degree, increased capacity, which has mitigated the impact of the budget reductions.

- Members questioned if there had been any impact on community engagement work as a result of the loss of the Communications and Consultation Officer post. They were informed that this was not the case and affects had been felt more strongly in connection with the proactive media relations and social media areas of the communication and consultation service. Steps had also been taken to empower the community to take a lead – an example of this was web development activity.

- Members raised concerns that some actions from past scrutiny review action plans were in danger of not being completed as a result of staffing reductions. However, it was noted that lack of evidence of completed actions may simply mean the Covalent system has not been updated.

- The larger budget created by the joining up of parts of the marketing services to the communications team has increased purchasing power meaning savings could be sought.

- The Customer Service Centre and reception was experiencing ongoing issues. The situation was being reviewed by Corporate Performance Committee and the Overview and Scrutiny Management Board. Some of the problems had been created by members of staff in redundant posts being released from the service area earlier than anticipated after finding alternative positions. The situation is steadily improving.

- The Local Strategic Partnership (LSP) was now supported by the Forward Planning team. Members commented that the Environmental Theme group had not met for some time and were informed that the LSP has been reviewing the way it works.

The task group discussed what its next steps should be and agreed that three specific services areas would be used as case studies to consider in more detail how reduced capacity is being managed within particular services that have been affected by increased demand or reduced staffing as a result of the challenging economic context.

The Scrutiny Officer reported that a member of the task group, who was absent from the meeting, had suggested a shift in focus to look at partnership working and the impact of budget reductions by external agencies on the borough, particularly in relation to the corporate priorities of clean, green and safe. The group agreed this topic as one of the three areas, with a particular focus on community safety because this had already been highlighted as an area for consideration due to the fact that the Crime and Disorder Committee was the parent committee for this review.

Members commented that there were a number of factors that will impact on ICT systems in the future, particularly around Universal Credit, which will require customers to use online services. A key question was whether the Council had the capacity to respond to such developments and meet new requirements.
The group decided to break into three sub groups to undertake the case studies. These were agreed as:

**CIS Systems Support and ICT** – Councillors Mahoney, Roodhouse and Miss Watts

**Environmental Services** - Councillors Mistry, Sandison and Srivastava

**Partnership Working and Community Safety** – Councillors G Francis, Mrs O’Rourke and Helen Walton

Some areas that the sub-groups should consider during their work were suggested as follows:

- ‘Future proofing’ – current capacity levels compared to future requirements over the next budget cycle, potential impact of future legislation such as Universal Credit
- Morale
- Sickness levels (particularly absence due to stress)
- Customer complaints and satisfaction.
- Performance measures (eg. crime statistics, scrutiny review actions)
- Links to the corporate priorities
- Talk to officers from all levels and the relevant Portfolio Holder, asking probing questions to explore the impact of service changes (both positive and negative) and how this is being managed
- Reference to the questions raised in the one-page strategy.

The Scrutiny Officer agreed to produce a template providing the groups with guidelines to work from and enable them to record their findings in a consistent manner. Each sub-group would be provided with a lead officer to facilitate and support their work.

The task group discussed what conclusions could be drawn so far about how the Council is managing reduced capacity. Members had found that there was no formal body of work focusing on the corporate impact of reduced resources. There is a lot of information available and a robust risk management system exists, but there is a need for all the information to be gathered together in a consistent, cohesive approach.

A further recommendation for the review report was that, in the future, the decision-making process should include more public reporting to all members on the different options for consideration and likely impacts.

The group also commented that the current Equality Impact Assessments (EqIAs) were stand alone documents and the information from them had not been gathered together. The evidence of any potential impact from the EqIAs needs to be fed into the corporate risk registers and managed effectively.

16. ONE PAGE STRATEGY

The group reviewed and agreed the revised one-page strategy.

17. PROGRAMME OF WORK

The next meeting will focus on the outcomes of the work carried out by the sub-groups. The sub-groups were asked to report their findings in advance of this meeting, by 9 December 2011.
18. **DATES OF FUTURE MEETINGS**

The next meeting of the task group will be held on Thursday 15th December.

CHAIRMAN
Impact of Reduced Capacity following the Comprehensive Spending Review

6 October 2011

Doug Jones, Head of Business Transformation and Matthew Deaves, Communication, Consultation and Information Manager
Restructuring and Senior Management

• 2006 – Chief Executive, 3 Directors and 13 Heads of Service
• 2007 – Heads of Service reduced to 7 and services reconfigured
• March 2009 – number of Directors reduced from 3 to 2
• March 2010 – 2 Executive Directors, 7 Heads of Service
• September 2010 – 6 Heads of Service
**End to End Service Reviews**

- Development Control:
  - Changed operating practices
  - Improved customer service delivery
  - Capacity released

  Team restructured and head count reduced, with removal of admin. team. Eradicated significant backlog of work. Now looking at appeals and enforcement.
End to End Service Reviews

- Housing Benefits:
  - Fundamental changes to operating practices
  - Significantly reduced end to end time
  - Improved customer service delivery
  - Capacity released

  Team restructured: same number of roles but different functionality. Saved more than £100k pa bringing back in-house work previously outsourced. Absorbed increased service demand. Now starting ‘check’ process again.

  - Separate review on fraud – reduced staffing by 2.
End to End Service Reviews

- Housing Repairs:
  - At ‘Plan’ stage of review
  - Improved customer service (speaking to customer at first point of contact)
  
> Calls taken back from the Customer Service Centre September 2011, facilitating reduction in staff in Customer Service Centre. One of 4 patches now using revised working practices.
2011/12 Budget

• Previous organisational changes about operating more efficiently and effectively
• 2011/12 budget: significant reduction in government grant and challenging economic context
• Voluntary and compulsory redundancies necessary
# 2011/12 Budget

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<th>Portfolio Expenditure:</th>
<th>2011/12 Budget (£)</th>
<th>2010/11 Budget (£)</th>
<th>Revised Net Budget 2010/11 (£)</th>
<th>Outturn 2010/11 (£)</th>
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2010/11 Overspend

- £484,810 overspend at 2010/11 year-end largely due to:
  - Redundancy costs (£360,550)
  - Planning fee income (342,410) expected by end of year will not be received until 2011/12
  - Car Park income down (£273,220)
  - Lower interest on balances (217,430)
  - Overspend on agency costs (£125,580)

- Offset by:
  - Corporate savings (£407,760)
  - Underspend on salaries (£338,950)
  - Increase recovery of Housing Benefits overpayments (£25,300)
  - Licensing income increase (£15,640)
  - Minimum revenue provision adjustment (£45,870)
## Changes in staffing

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Potential areas for further investigation?

Sports development

• What happened?
  – Redundancy and reduction in activities for young people

• Could look at…
  – Have we been able to work more with community and sports clubs to encourage them to deliver activity?

• Other work to be aware of?
  – CUSP meeting on 13 October on youth provision
Potential areas for further investigation?

CIS Systems Support and ICT

• What happened?
  – Merger of these services to improve service delivery and enable voluntary redundancy requests

• Could look at…
  – How has the merger been managed and has it delivered the anticipated benefits?

• Other work to be aware of?
  – None
Potential areas for further investigation?

Communication and Consultation

• What happened?
  – Communications and Consultation Officer role made redundant

• Could look at…
  – Consequent impact on relations with the media and wider communications

• Other work to be aware of?
  – None
Potential areas for further investigation?

RAGM Marketing and Reduced Opening Hours

• What happened?
  – RAGM opening times reduced and marketing function removed

• Could look at…
  – Impact on customer numbers and attendance at events, and whether there have been any unforeseen impacts

• Other work to be aware of?
  – None
Potential areas for further investigation?

Customer Service Centre and Reception

• What happened?
  – Reduction in staffing

• Could look at…
  – What has been the impact on customer experiences and how has the reduction in staffing been managed?

• Other work to be aware of?
  – Ongoing scrutiny by Corporate Performance Committee and OSMB
Potential areas for further investigation?

Environmental Services

• What happened?
  – Senior and junior management redundancies and restructuring of parks, grounds maintenance, street scene and WSU

• Could look at…
  – How has the reorganisation been managed and what has been the impact on service delivery?

• Other work to be aware of?
  – Formal review planned as part of 2012/13 budget-setting process
Potential areas for further investigation?

Partnerships working
• What happened?
  – Removal of Sustainable Partnerships Manager post – aspects of role moved to Strategic Housing Manager and Forward Planning and Economic Development Manager
• Could look at…
  – Impact on the operation of the Local Strategic Partnership and how the role has been incorporated into other roles.
• Other work to be aware of?
  – None
Potential areas for further investigation?

Community development / regeneration

• What happened?
  – Amalgamation of 2 teams within Housing, facilitating redundancies

• Could look at…
  – How has the restructure been managed and has it delivered the anticipated benefits?

• Other work to be aware of?
  – None
Next steps?

What conclusions can we draw now about how the Council is managing reduced capacity?
Next steps?

Next stage of review:
- Case studies of impact of reduced capacity within our own services?

OR

- Shift in focus to look at partnership working and impact of budget reductions by external agencies on the borough (eg. community safety, clean and green)?