

Agenda Item No: 6

Title: Corporate Support Services – Best Value Review

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Summary

- 1 This interim report briefly outlines progress made on the review options. Some specific recommendations are included which, if approved, will assist the review's progress before the planned final report and action plan are presented to this Committee on 24 January 2002.

Background

- 2 The aim of the Corporate Support Services is to support all strategic objectives in line with the Council's priorities. The scope included in the Terms of Reference was to undertake the review in order that demonstrable improvement to support services can be achieved including assessing relevant partnership opportunities. The support services covered by the review are as follows:-

- Financial Services
- Asset Management
- Risk Management
- IT
- Personnel and Office Services

Member Reference Panel : Councillors Chambers (Chairman), Stone, Thawley.

- 3 The former Best Value Sub-Committee meeting on 24 July resolved that the Review Team explore eleven options further and invite further input from Members and Officers where appropriate.
- 4 Progress has been made on all the options, including holding Challenge Events for both Members and Officers. Several good points came out of these meetings and these are being investigated as part of the Review. It was unanimously agreed at the Members' Challenge Event that another such Member workshop should take place when more information is available and before the final report and action plan are presented to this Resources committee. All the recommendations included in this report have been agreed with the Members' Reference Panel.

5 Update on Options

(1) Investigate the centralisation of Council office accommodation including Great Dunmow without new building and pursue staff car parking arrangements.

Progress to date

The target of consolidating at the Saffron Walden offices is now included in the Council's policy priorities.

A meeting has been held with Planning Services staff to inform them of progress to date. Principal points raised were:

- service delivery at Dunmow through an enhanced Community Information centre would be required to ensure that Dunmow and the southern end of the District was not adversely affected by the move.
- that an up to date costed option appraisal should be undertaken.

Cross service arrangements associated with accommodation were being investigated with the Police and the Uttlesford Primary Care Trust.

Progress with the relocation of the depot was dependent on progress on the identified alternative site off the by-pass.

The timing of any move may have a significant bearing on costs even in the short term eg if planning were to vacate and be substituted with minimum delay by another agency costs would be minimised.

There will be a need to reorganise accommodation in Saffron Walden to permit consolidation.

A barrier will be required to manage car parking.

The Best Value review will also include targets for improvement on energy use.

Recommended that

this approach is endorsed so that full costed options can be developed for consideration by this Committee on 24 January 2002.

(2) Improvements to corporate support work, either identified or required by members such as relevant forward focused up to date information to assist them in their various roles.

Progress to date

- A questionnaire was sent out to Members earlier in the year seeking their views on any improvements they would like to see from Financial Services. In purely numerical terms the response was disappointing but does imply a level of general satisfaction. Of the replies that were

received most of the comments related to the financial information available to Members.

- There was some acknowledgement that efforts were already being made to provide more forward-looking information. However, other comments were variously expressed as “a need for simpler information” and “more detail required”. It is evident that information needs differ depending on the individual and the circumstances, and that these needs are not always being met.
- Indeed, there have been a number of instances in the current year when reports for decision have been criticised by Members, and decisions deferred, on the grounds of inadequate supporting financial information. Inefficient, not only because of delays, these instances have also resulted in additional, scarce officer time being spent on internal inquests and re-writing reports. It is concluded that further efforts need to be made to ensure that all financial information provided is both:
 - as clear and complete as possible for its required purpose
 - available to Members when needed for making decisions
- On one aspect of availability, the now rather elderly software used for the Council’s financial information system does not offer any simple route to publication of the data it holds on the intranet. In the longer term this should be addressed in parallel with other e-government developments. However, in the short term there are ways in which selected information, on budgets for example, could be made available if the necessary resources are identified.
- The outcome of this review will be an action plan to address both intranet publication and the development of a clear code of practice for officers to follow when presenting financial information in reports for decision making. Although there are guidelines implicit in the Financial Regulations, these are evidently not clear and explicit enough as they stand for them to be applied consistently by all the authors of reports to Members’ complete satisfaction. To facilitate the development of this code of practice, it is essential that input from Members is available to ensure that the outcomes of the exercise match their requirements. A full, formal working party would not seem appropriate.

Recommended that:

A small number of Members with a particular interest in the issue be nominated to be available to provide advice and feedback to officers during the development of a code of practice for reporting financial information.

(3) Investigate flexi time including hot desking and home-working arrangements.

Progress to date

Documentation has been collated on which to develop an appropriate Home Working Policy. Fundamentals have been identified, and a draft will be produced.

A flexi policy is in draft and has been consulted upon. However it will require amendment if other aspects below are progressed.

Time off in Lieu (TOIL) information has been collated and the high volume can be addressed through some of the flexible approaches.

If recommendations on flexibilities are agreed, then consultation to implement them should begin.

A member of staff within Office Services has piloted some home working and some advantages/disadvantages etc have been identified.

An Officer from Revenue Services is prepared to pilot a different approach. Support is needed from IT to do this but there is a resources and availability issue.

The Best Value review will also cover other aspects eg CIC and reprographics.

Recommended that

the following issues are further considered:

- development of the current draft flexitime PPN further to meet the needs of the organisation and staff, taking into account the flexibilities considered below. It may be beneficial to remove the core hours from the flexi draft and have them agreed Service by Service to meet needs.
- agree and publicise the Councils approach to TOIL in order to reduce volume, encouraging use of flexibilities.
- the development of a flexible approach to contracting individuals to the organisation to best meet the needs of the service and the individual, including:
 - o Annual hours or a core hours approach allowing for increase in hours during some peak demand weeks and less during others, thereby negating the need for overtime and TOIL.
 - o Incorporating all aspects of a role that are fundamental to it, eg evening meeting attendance, weekend working and include in the pay offered. (as per changes offered to new Heads of Service etc).
 - o 9 day fortnight.
- Examination of all vacancies to see which mix of flexibilities or contract best fits the needs of the service. Any current staff who wish to make use of the flexibilities of the new contract approach and where it is appropriate to be issued with variations of contract.
- development of a home working scheme to incorporate the three key elements:
 - o At home.
 - o Based from home.
 - o Occasional ad hoc to meet needs of service eg project work.

- To identify which sections of the organisation will be able to use a hot desk approach.

(4) Develop a corporate procurement function including the possibility of working with other organisations in order to achieve best value in service delivery.

Progress to date

- Much of the investigatory work has been taken care of by the Government. The recently published document “Delivering Better Services for Citizens” is the outcome of the work of a taskforce, chaired by Sir Ian Byatt, set up to review the state of procurement skills and practice in local government.
- That report makes a set of 19 recommendations for the procurement function within a local authority under the following main headings:
 - Aligning procurement and Best Value
 - Developing a corporate procurement function
 - Reviewing current practice
 - Engaging Members
 - Improving regulations
 - Building capability
 - Using e-procurement
 - Funding improvement
- This Council has already approved its “Strategy for Securing Competitive and Successful Services” which gives a sound starting point from which to build. However, it has been assessed that much remains to be done locally to ensure that the principles outlined in that strategy are fully applied in practice. We particularly need to develop a wider capacity to appreciate the newer procurement routes and gain access to the resources needed to take advantage of them.
- The outcome of this review of current practice will be an action plan and associated recommendations designed to enable the Council to move forward where necessary in line with these Byatt recommendations. In the meantime, the starting point in this process is clearly seen to lie in the recommendation on engaging Members:-

“ Elected members should take a strategic role in securing quality outcomes. This should include scrutinising the procurement processes and monitoring the outcomes of procurements. There should be clear political responsibility for procurement with appropriate training. “

Recommended that :

this Committee, being responsible for procurement matters, identify its preferred arrangements for achieving that “clear political responsibility”.

(5) Investigate the most appropriate way of ensuring that, if possible, by 2005 all the Council's services are available electronically

Progress to date

- An IEG (Implementing Electronic Government) Statement was submitted to the DTLR in July 2001. This was a bidding process and any Council commitment will be subject to the normal budgetary procedure. Confirmation has since been received that the Statement meets the criteria for a share of the Local Government Online funding. It is likely that this will take the form of a capital grant for 2002/03 of around £250,000, although an announcement is not expected until late December 2001. The IEG Statement provides a vision for modern service delivery in 2005, by which date it is expected that all services should be available electronically. It is proposed that the statement is used as the basis for preparation of an "e-Government" Strategy for the period to 2005.
- Work has begun to draw up the draft 2002/03 IT programme, including e-Government projects, for the 24 January 2002 Resources Committee. Possible projects include:
 - Infrastructure improvements, including secure web hosting and "portal" development.
 - Replacement of financial management systems.
 - National projects, including the National Land and Property Gazetteer.
- Current e-Government projects in progress:
 - Investigation of credit/debit card payment facilities.
 - Partnership with key supplier and four other councils to develop an on-line "Planning Information Portal". Anticipated go live date of April 2002.
 - Development of interactive forms for use on web site and Intranet.

Recommended that

- Officers explore in principle the priorities for spending the IEG Government funding.
- A Member Task Group be set up to oversee the development of an e-Government Strategy and determine the priorities for spending the IEG funding.
- A public opinion survey be commissioned, preferably in partnership with other councils, to help shape an e-Government strategy.

(6) Investigate ways of improving the information flow between staff, members and the public.

Progress to date

- Various opportunities for improving information flows have been included within the Communications Strategy Action Plan. A number of other possible

initiatives were identified in the IEG Statement, for example, the development of on-line public consultation.

Recommended that

- the Intranet and web site are further developed to improve access to information for staff, Members and the public.
 - current arrangements for disseminating information (paper and electronic) to Members are reviewed to identify weaknesses and possible improvements.
- (7) **Develop a corporate risk management implementation strategy including the benefits of introducing effective risk analysis.**

Progress to date

A draft plan to implement the objectives in the Council's Risk Management Policy Statement is being considered by the officer Risk Management Group and comments are awaited. It has also been circulated to the Member Reference Group.

The plan identifies the steps that must be taken:

- Identify the risks (**Risk Identification**)
- Assess the impact of potential losses in terms of likelihood and severity (**Risk Analysis**)
- Take steps to avoid or reduce impact (**Risk Control**)
- Monitor and regularly review (**Risk Monitoring**)

The plan recommends that external assistance may be required particularly in the early stages of the process. AON Ltd (the Council's risk management and insurance advisors) and Zurich Municipal (the Council's insurers) can provide this assistance and both have been asked for further details/costs etc.

- (8) **Investigate the benefit of the Council self insuring through the Council's own fund against certain risks and also review the excess levels contained in various policies.**

Progress to date

Consultation with AON and a number of Essex authorities has led to the following conclusions:

- That depending on the levels of excess, policies covered and claims history, a minimum sum for a reserve fund would probably be in the order of £500,000. This would be created by a transfer from the New Financial Framework Reserve.
- A specialist advisor should be appointed to advise on the size of the fund.
- Arrangements should be considered for in house claims handling if a fund is established.

- The Council must maintain its own database for claims not handled by its insurers.

Recommended that

in principle, the Council establish an insurance reserve, the size to be determined following the conclusion of this review.

(9) Investigate possible improvement to individual services by reviewing cross-cutting internal working arrangements.

Progress to date

Some tasks/services have been identified for further investigation:-

- Car leasing administration
- Payroll matters
- Cashiers/Reception/Office Services
- IT/Telecommunications
- Shared courier service
- Shared procurement arrangements

The above services are all within the Resources Directorate and therefore the Director of Resources can progress as necessary.

(10) Ensure that the current investigation into payroll arrangements is concluded and best value obtained.

This section will follow.

(11) Investigate partnership opportunities with other public authorities or the private sector at individual service level and/or also covering the whole of Corporate Support Services.

Progress to date

Meetings have been held with other public authorities and private sector organisations.
Site visits have been undertaken.
Discussions have been held with Government officials, specialist advisors.
Opportunities have been discussed at Members/Officers Challenge Events.

At both Members' Reference Panel and Challenge Event, there was strong support for exploring further any partnership opportunities.

It is apparent that for this Council to receive specific information on any investment/savings options etc, the process needs to be further investigated. So far, all meetings and presentations have been on an informal basis. It is clear from discussions with other authorities that in order to get specific financial information then some formal advertisement (eg Official Journal of European Community (OJEC) notice) needs to be placed in order to show commitment for investigation to both other public/private organisations.

Informal discussions with the Audit Commission – Inspection Service have taken place which fully support this procedure in order to tackle properly the Challenge and Competition elements of Best Value.

Recommended that

in order to further explore partnership opportunities, an OJEC notice or equivalent be placed.

Background Papers: None