

EAST RENFREWSHIRE COUNCIL

CABINET

20 August 2015

Report by Deputy Chief Executive

ANNUAL EFFICIENCY STATEMENT 2014/15

**PURPOSE OF REPORT**

1. To bring forward the Council's Annual Efficiency Statement and give an update on the development of a new change programme for East Renfrewshire Council – the Modern Ambitious Programme (MAP).

**RECOMMENDATIONS**

2. It is recommended that Cabinet agree to:
- (a) approve the annual efficiency statement 2014/15 for submission to CoSLA; and
  - (b) note the progress being made to develop a new change programme for the future - the 'Modern Ambitious Programme (MAP)' and deliver efficiencies for 2015/16 and beyond.

**BACKGROUND**

3. Councils are required to provide annual efficiency statements to CoSLA each year. A summary statement is then developed for the Scottish Government. East Renfrewshire's statement is also placed on the Council website for public access.

4. Efficiencies can arise in several ways, including planned changes as part of the change programme (formerly PSE and now MAP); departmental or service efficiency work, often linked to budgetary pressures; restructures; and from sound financial management and good business practices (e.g. contract reviews and better procurement).

5. The reporting requirements place an emphasis on how local authorities have "used efficiencies to protect quality and level of services and maintained outputs and outcomes in the face of budget cuts". The Government's definition of efficiency is as follows:

*"Where a body managed to deliver services or functions that can be shown to result in a broadly similar (or improved) level of outcome or output for a lower input value than previously, an efficiency saving has been made. The amount saved is the difference between the previous unit cost and what is now spent to deliver the outcome."*

6. The Council's high level template for return to CoSLA is attached at Annex 1.

## **PSE PROGRAMME & 2014/15 EFFICIENCIES**

7. In June 2015 Cabinet considered a report recognising the contribution of the Public Service Excellence (PSE) programme since its introduction in 2009. The report outlined the key achievements of the programme to 2014. This profile has now been updated for a more comprehensive picture of the main achievements of PSE between 2009 and its closure in 2015 (Annex 2).

8. Key project areas in 2014/15 have been in our Community Health and Care Partnership and Environment Department; implementation of a new managed print strategy; progression of a programme of transformation in our sports services; and development of the Culture and Leisure Trust.

9. We have also undertaken significant work in the in-house design, development and implementation of a new SQA PDA accredited course in project management which is growing in-house skills in this area and in managing change. We are currently in discussion with the Improvement Service who are interested in sharing the benefits of this learning programme with other councils so we may be asked to roll this course out across Scotland.

### CHCP

10. The CHCP projects in 2014/2015 were a combination of service redesigns, development of new processes and delivery of financial efficiencies.

11. The Care at Home Programme is in the midst of a five year work plan. In 2014/15 the Reablement Service was expanded to enable more service users to re-gain independence following hospital discharge. There was an extensive training programme for our Home Care partners and East Renfrewshire Council Home Care employees on a monitoring system that will ensure the quality of care given to our Service Users remains of a high standard, with continuity of care set as a high priority. Internally, we have also begun to modernise how care is planned to ensure we are constantly working to provide a service that is fit for purpose, person centred, flexible, consistent and enabling.

12. As a result of these efforts, the Care at Home Programme realised significant cashable savings of £280,000 for 2014/15, with work set to continue to further improve and develop the service.

13. In preparation for the Self Directed Support (SDS) Act implementation in 2014, a number of projects were initiated to prepare CHCP for this change. The SDS Project was key in the delivery of a new customer pathway as well as new policy and procedures, putting service user choice and control at its core. This project developed new practice guidance for care management staff, which continues to evolve as we embed SDS as the default way of working.

14. In addition, the Public Social Partnership (PSP) and Supported Living projects saw the CHCP and the third sector working together to transform supported living services with service users at the heart of change by having full choice and control over all aspects of their care. As a result all individuals supported have opted to use SDS to select their future service provider. This enabled the implementation of SDS and delivered savings of £192,000 during 2014/15, with further savings anticipated.

15. During 2014 the Agile working project was implemented across CHCP. This project has resulted in 383 CHCP (including 136 NHS) staff having the capability to work from a number of locations including home thus increasing productivity. Moving to an agile way of

working is in preparation for the move to Eastwood Health & Care Centre which will see a number of buildings occupied by CHCP staff close and where new staff/desk ratios will be introduced. The footprint of the new building means agile and new ways of working are critical to success. We will continue to enhance agile working through the implementation of an electronic document management system (EDRMS) and also projects which will encourage teams to work together to gain maximum effectiveness and efficiency from agile working.

### Managed Print

16. A 5 year Managed Print contract was awarded to Canon in June 2014 based on 2 lots: 1) replacement of the existing print estate on the corporate network and all leased copiers on the corporate and education networks and 2) replacement of the existing print estate in educational establishments (excluding copiers).

17. This was progressed as a 4-stage project with examination of print across the school estate to be implemented as the latter stage. In the meantime, the existing print estate on the corporate network has now been replaced as has the digital print kit in the print room. A new Print Policy was introduced, imposing certain restrictions on how the organisation uses print to reduce print volumes and paper costs; support a paper-lite business approach and maximise the use of digital solutions across business processes – this is in the process of being rolled out.

18. Print and paper budgets are being centralised and there is potential to generate significant savings in future years in the form of reduced printing; reduced procurement costs and improved contract management and an enhanced council print estate. This will also have environmental and sustainability benefits which will support the Council's drive for carbon reduction.

### Sports

19. The Sports Transformation Programme is close to concluding its first phase, with a re-structuring providing flatter hierarchies and increased management accountability. A recent Investors in People (IIP) health-check assessment indicated that there was progress with staff beginning to respond positively to change.

20. The focus in the transformation project is shifting now to programming, to ensure that maximum possible use is made of the facilities available and that the community derives maximum possible benefit from them. The continuing development of libraries as community hubs, including building on the early success of the Barrhead Foundry, is also designed to increase visits.

21. The services are also working towards delivery of a "stretch" aim which calls for East Renfrewshire to become the highest performing council area in participation and engagement rates for adult residents in sporting and cultural activities by 2018.

22. To date the Sport transformation programme has delivered £84,000 in revenue savings and has made possible the opening of the Barrhead Foundry, including the library, over a 90 hour week.

### Other Projects

23. In the Environment Department, 2014/15 saw the upgrade of several key systems in Housing, such as Servitor (Jobs, Payroll and Stores application) and OptiTime (work scheduling application). The Servitor mobile module for Housing Repairs Service went live in

December 2014 alongside the deployment of smart phones for Housing Repairs staff. In addition, a new Housing Asset Management system was tendered for and implemented including a mobile module and portals. This went live in June 2015.

24. Service reviews of Building Standards and Prevention Services were also undertaken this year and a review of Cleansing and Waste in relation to complaints and requests for service is nearing completion. There was also preparation for further agile deployment and a successful CPA bid submitted for Capital funding.

## **A NEW PROGRAMME OF CHANGE FOR EAST RENFREWSHIRE COUNCIL**

25. The Cabinet paper in June gave detail on progress towards an organisational development strategy, focused on the Council's 5 capabilities – prevention; digital; modernising; community engagement and data,. This was closely aligned to a new Council vision: "A modern, ambitious council, creating a fairer future with all" and an outline of what East Renfrewshire Council might develop to look like in the future. Cabinet agreed to launch a new change programme for the next 3-5 years to implement changes to develop our future council and contribute necessary budget savings.

26. Over the summer work has been ongoing on the detail of this new programme which, to align with the new vision, will be called the Modern, Ambitious Programme (MAP).The programme will implement the common view of what the future will look like in East Renfrewshire Council and will focus primarily on 3 of the capabilities: digital; modernising (which will include a workstream on assets/facilities) and data/information. There will be separate workstreams and defined projects for each of these, but there are links across all three. Organisational development will be a key underpinning programme.

### Digital

27. For the digital component, we see this being focused on the elements of digital services; digital workforce and digital communities. Redesigning services end to end from a customer perspective; putting in place the underpinning technologies to make those journeys more streamlined and efficient; and ensuring that employees and customers have the skills, motivation and levels of trust required to use them. There is a useful national paper on digital transformation which goes a bit further in explaining the potential of digital - an excerpt is included below:

*Digitally enabled business transformation is the opportunity to change processes from end to end to make them significantly more effective. It is not just about putting a form on-line, twitter or having an "app". It is about end to end design, starting with the customer and finishing with task completion.*

*Examples could be:*

- On-line pot hole reporting that goes straight to a subcontractor and schedules the fix;*
- "Flipping the classroom" where pupils learn from a tablet etc at home and teachers become tutors;*
- Sensor technology in the homes of vulnerable older people, monitoring their health and care with access to immediate human contact via a tablet or iPad;*
- Data analytics used to identify vulnerable client groups, to monitor traffic queues, to programme when gutters / drains need cleaned etc.*
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*Digitally enabled business transformation is both a policy issue and an operational issue. The potential for digital technology to change how services are delivered is of a scale similar to the opportunities of the prevention agenda.*

*(Excerpt from SOLACE paper on Digital Transformation, May 2015)*

28. Digital is likely to be one of the areas where we may require some external assistance to help us to realise our full potential; advising on the 'art of the possible' and how we may make use of new technologies that are now becoming more mainstreamed (e.g. smart infrastructure, wearable technology and 3D printing). There are also a range of national developments in this area which we will be involved with, not least in the field of e-health and social care.

### Modernising

29. The Modernising workstream is a catch-all one which will concentrate on streamlining and improving the way we do business and removing duplication and bureaucracy. A key component of this will be a workstream around our property assets and with a particular focus on office accommodation. This will seek to rationalise our office portfolio whilst making our working environments fit for the future as teams become more flexible in the way they work and as we move more and more services online for self-service. This should enable modern, efficient, dynamic and productive working environments, where we and our partners can work together in efficient and well maintained buildings.

### Data/Information

30. It is clear that East Renfrewshire Council is currently awash with data, but in need of useful, reliable and real time information that relates to the core business of the Council.

31. Services have often taken a technology led approach to information system procurement, leading to these systems not fully addressing business requirements. In some cases it is not easy to extract information in the required format, so in order to obtain the right information to meet the strategic, managerial and operational needs of the Council staff often create 'workarounds' where reports which originated from systems are further manipulated. Information from different systems is often collated manually using spreadsheets. The Data/Information workstream will focus on improving this area and relates closely to digital.

32. Already we have brought in the temporary skills of an ICT Enterprise Architect who will develop and maintain the architecture for the Council's ICT systems and services - the blue print that shows how the Council's different access channels, systems, and infrastructure components fit together. In addition, ICT Business Relationship Managers are in place to work with services to ensure that their current and future ICT needs are aligned with their business requirements. A key aspect of their role is to assist services to understand the potential benefits of technology and to assist in the development of business requirements and business cases.

### Department Programmes

33. Departments are currently working on their own priorities for change within the wider context of MAP and aligned to the 3 workstreams outlined above. Each department will have ownership, control and oversight of its own programme working to their own visions of the future which are aligned to the overall Council one. When this is all brought together we will have a coherent and challenging programme of change that will deliver future efficiencies and bring to life the picture of our future council.

34. The programme will have strong governance by the Corporate Management Team, particularly where the projects require access to key corporate resources (e.g. programme management office; ICT or HR) and critical ties to organisational development; leadership development/training and benefits realisation to ensure that savings are delivered as planned. In addition there will be a focus on good communication and employee engagement at all levels, based on the premise that the success of MAP is everyone's responsibility right across the Council.

## **FINANCIAL IMPLICATIONS**

35. In addition to savings generated through the PSE programme, the Council continues to actively review opportunities for applying efficiency savings over the whole range of its services. There is evidence in the attached efficiency statement that, through these efforts and PSE, the Council has made cash-releasing savings of £4,322,400 in 2014/15.

36. These savings are primarily a result of efforts to do more with less. Instead of being considered as new funding sources, these efficiencies represent the Council's effectiveness at living within its means, meeting the challenges of decreasing resources across the board.

37. The Council is rigorous in its approach to verifying efficiencies (i.e. ensuring no adverse knock-on effect on productivity or quality), but we must balance this with the need to avoid creating a new bureaucracy of monitoring and reporting efficiencies. This can result in an under-reporting of efficiencies and it is likely that the figures reported here are not a comprehensive picture of the significant work being done on a daily basis by services to minimise costs, redesign services, rationalise structures and generally achieve best value for money. Examples include the significant level of work put in this year to develop the new Culture and Leisure Trust and to implement the new print strategy, savings of which will only come to fruition and be reported in future years. Likewise, with the CHCP agile programme, financial savings of which will only be realised when the new health centre is opened and the other smaller premises vacated.

38. As explained in June, it is proposed to fund MAP through funding sources such as Spend to Save; the Modernisation Fund and through the Capital Programme. There is an ambitious and challenging journey ahead and we need to work carefully to develop sound business cases and be realistic about what current levels of capacity and resource will achieve. This may mean the need to reprioritise activities/funding and use external assistance/resource where required. The programme will have the delivery of savings; efficiencies and benefits at its heart and will be a key enabler in the delivery of challenging future budget targets.

## **CONCLUSION**

39. The Annual Efficiency Statement demonstrates the Council's continued success in driving out real tangible efficiencies and making savings. There is also a strong story to tell about the contribution that PSE has made since 2009 in changing the way we work and putting in place some key enablers on which we can now build.

40. With the advent of MAP we have a real and exciting opportunity to widen the scope, scale and pace of this change. Capitalising on the capabilities of digital; modernising and data/information, and driving to a common view of what the future of East Renfrewshire Council looks like, we have the opportunity now to get much broader engagement across the organisation in really driving future change.

41. Changes of this scale do not come easily and the concept will be daunting for many. There will be challenges of workload and capacity; temporary dips in performance as we manage the 'change curve' and bed in new processes; competing demands placed on staff time and key services; and freeing up capacity for creativity and innovation whilst keeping operations running. However, with a clear path in sight; strong governance; the right skills, funding and support, there is a great opportunity to be ambitious for the future and to fundamentally redesign the way we work and interact with our communities.

## **RECOMMENDATIONS**

42. It is recommended that Cabinet agree to:

- (a) approve the annual efficiency statement 2014/15 for submission to CoSLA; and
- (b) note the progress being made to develop a new change programme for the future - the 'Modern Ambitious Programme (MAP)' and deliver efficiencies for 2015/16 and beyond.

## **REPORT AUTHOR**

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29 July 2015

## **BACKGROUND PAPERS**

- Culture & Leisure Trust, Council 25 June 2015
- A Programme for Our Future Council, Cabinet 4 June 2015
- Scottish Wide Area Network (SWAN), Cabinet 26 March 2015
- Update on Corporate Asset Management Arrangements, Cabinet 25 September 2014
- Annual Efficiency Statement 2013/14 and Update on PSE, Cabinet 21 August 2014
- Organisational Development Plan, Council 15 May 2013

## **KEYWORDS**

This report sets out the Council's Annual Efficiency Statement 2014/15 and updates on the change and efficiency programme – Public Service Excellence. Keywords are: efficiency; PSE; public service excellence; savings; change; performance; CoSLA.

**EAST RENFREWSHIRE COUNCIL  
CONFIRMATION OF EFFICIENCIES DELIVERED IN 2014-15**

<b>1</b>	<b>Local Authority Name</b>	East Renfrewshire Council
<b>2</b>	<b>Total cash efficiency achieved for 2014-15</b>	£4,322,400
<b>3</b>	<b>Summary of efficiency activity e.g.</b>	<ul style="list-style-type: none"> <li>• Examples of key efficiency outcomes or activities undertaken in 2014/15 include:</li> </ul> <p><b>General</b></p> <ul style="list-style-type: none"> <li>• Delivery of £4,886,000 cashable savings from our Public Service Excellence (PSE) programme since 2009.</li> <li>• Key project areas in 2014/15 have been in our Community Health and Care Partnership (see below section on Shared Services/Collaboration); in our Environment Department; progression of a programme of transformation in our sports services; implementation of a new managed print strategy; and development of a Culture and Leisure Trust.</li> <li>• In-house design, development and implementation of a new SQA PDA accredited course in project management which the Improvement Service are interested in rolling-out wider across Scotland.</li> <li>• Development of a comprehensive new change programme for launch in 2015/16, based on delivery of a vision of what our future council should look like. Based on the Council's 5 capabilities and especially around the themes of digital; modernising and data, with organisational development as a key underpinning theme.</li> </ul> <p><b>Procurement</b></p> <ul style="list-style-type: none"> <li>• Sustainable Procurement policy approved, includes both sustainability and community benefits which are to be considered in procurement exercises under the Reform Act legislation</li> <li>• Community benefits clauses are included in all tenders over £100,000</li> <li>• Increase in the volume of transactions via the purchasing cards from 17,181 to 17,759</li> <li>• Value of spend awarded via Quick Quote increased from £4,086,995 to £4,518,042</li> <li>• Procurement and Environment Department working together in the City Deal project</li> <li>• Meet the buyer events for City Deal and Scotland Excel</li> <li>• Chief Procurement Officer presented to local businesses on public sector procurement at a local event organised by the Supplier Development Programme.</li> <li>• 91% participation level for Scotland Excel contracts (the remainder will be covered either by an ERC contract or not required )</li> </ul>

**Shared Services/Collaboration**

- Detailed work undertaken on the transfer of services to a new East Renfrewshire Culture & Leisure Trust, live July 2015.
- Preparations made for Health and Social Care Partnership integration, live from October 2015.
- We will receive £37.8m in grant support towards our £44million infrastructure investment for East Renfrewshire through the Glasgow & Clyde Valley City Deal.
- Conclusion of collaborative project with Renfrewshire Council primarily based on ICT but with a range of other workstreams including agile working, customer management and information as an asset.
- Expansion of CHCP Reablement Service to enable more service users to re-gain independence following hospital discharge, including implementation of a monitoring system to ensure quality and consistency of care. Contributed towards savings of £280,000 in Care at Home Programme in 2014/15.
- Implementation of Self Directed Support (SDS) including delivery of a new customer pathway as well as new policy and procedures giving service users choice and control
- Our Public Social Partnership (PSP) and Supported Living projects saw the CHCP and the third sector working together to transform Supported Living services. As a result all individuals supported have opted to use SDS to select their future service provider. This enabled the implementation of SDS and delivered savings of £192,000 during 2014/15, with further savings anticipated.
- 383 CHCP (136 NHS) staff now working in agile ways, having the capability to work from a number of locations including home, in preparation for the new Eastwood Health & Care Centre which will see a number of buildings occupied by CHCP staff close

**Asset Management**

- Implementation of Housing agile working pilot to consider efficiency and space saving opportunities
- An asset disposal framework is in place and is used to support asset rationalisations. Surplus asset disposals through sale/lease took place throughout 2014/15, reducing the Council's ongoing revenue and backlog maintenance liabilities
- Through effective asset management and the effective use of the resources available, the Council's backlog maintenance figure in relation to its property assets has further reduced from £80.89 to £76.90 per square meter of GIA.
- Up to date asset plans are approved and in place for all our major assets (Housing, Fleet, Property, Roads, Parks/Open Spaces and IT).
- Discussions with community groups have taken place regarding possible community asset disposals. Development Trust Association Scotland engaged to prepare brief for possible feasibility study.
- Total number of operational buildings reduced from 122 to 118.
- Discussions commenced in 2014 with our Community Planning partners regarding the sharing of property assets. Skills Development Scotland are now co-located with our Employability Team within a Council-owned building, and discussions are ongoing with other CPP partners.

4	<b>Breakdown of efficiency saving by Procurement, Shared Services or Asset Management</b> (only where relevant – not all efficiencies will fall into these categories, so the figures here do not have to match the overall total).	Procurement = £449,400
		Shared Services = £300,300
		Asset Management = £217,000
5	<b>Evidence:</b> What performance measures and/or quality indicators are used to ensure that efficiencies were achieved without any detriment to services?	Key sources of evidence include: efficiency templates that measure financial, productivity and quality aspects of each initiative; annual Citizens' Panel survey results; national survey data on quality of life; service-level surveys; performance indicators and benchmarks; usage rates for services; Assurance & Improvement Plan; external audits and inspections; internal audits; How Good Is Our Service self-assessments.

**Signed**

**(Chief Executive)**

**Signed**

**(Council Leader)**

Date ...

# PSE Programme | April 2009 – March 2015

## Why?

Improved outcomes

Clearer customer focus

Increased efficiency

## Headlines

158 PSE projects completed

A real team approach to projects

Satisfaction with ERC services stable at 75%

Workforce down 283 FTE

13.25% reduction in real terms revenue budget

Cash saving £4.9million



Chief Officers down 9 (from 27 to 18)

## Delivery Against our PSE Principles:

### 1) One Council

- New service support model
  - HR
  - Finance
  - Customer First
  - Business Support
  - Facility Support

Integrated, digitised systems  
 - My Insider - online payroll & expenses; information; PRD; training  
 - Online flexi & annual leave  
 - Less paper; quicker process; electronic documents

### 2) Clearer Strategic Intent

- New vision, values, capabilities
- Strategy for the future
- Golden thread through SOA, ODP & onwards
- Performance reporting
- Outcomes focused
- Streamlined
- Generated electronically

### 3) Customer First as main point to handle enquiries

- Customers First now handling over 360,000 contacts a year
- New services into Customer First 35
- Integrated Registration, Housing Repairs into Customer First
- Multiple transactions in one - 91% dealt with on first contact
- Multi-skilling of staff
- Housing repairs call answer rate up 25%
- Satisfaction ratings consistently above 95%



### Services online



- Socitim 4\* rating
- New Council website - 524,000 unique web visitors a year
- Fully accessible to mobile devices - one of only three in Scotland
- Huge increase in online pay/book/report/apply services
- Annual Online payments up
- First in Scotland to offer cashless catering in all schools
- Pay 4 Schools C. 80% uptake
- Online planning applications 40-50% uptake
- 1st Scottish council to launch Facebook.
- Social Media audience of 16,000
- Twitter - highest conversation rating & 2nd for % population
- 1000 service agreements live in care finance for HSCP
- Development of members portal
- Wireless in place at three school sites
- 200 home support workers now agile

### Shift in contact through customer first



### 4) Asset management

- Office estate down
- Rhuallan House being sold
- Barrhead Registration Building leased
- Backlog maintenance down by £23 per sqm/GIA
- 362 CHCP staff agile so planned use of buildings down from 18 to 4 & desk: staff ratio improved in preparation for new health centre
- £100K cost avoidance from online P&TS stock condition survey
- New housing asset management system installed
- Open plan office environment - floor 1 HQ

### 5) Support activities streamlined

- 3 x integrated Business Support teams in 3 departments
- IT systems rationalised & linked (e.g. Seemis/eFins & Civica/Icon)
- Over £200K saved from web printing and print review
- Intranet launched
- E-learning live
- Significant reduction in number of employees on casual contracts
- Recruitment process streamlined with reduced end-to-end time and reduced time to issue contract
- VIEW capability for agile working
- EDRMS in for council tax and benefits
- Schools using e-procurement
- Online completion of asbestos/legionnaire's tasks

## PSE - supporting service change



## Organisation Development

Embedding the 5 capabilities -  
 Prevention; Digital; Community engagement; Data; Modernisation

### FIVE Capabilities



SQA project management accreditation - 13 candidates graduated  
 Basic project management course - 51 staff

New training includes agile teams; successful change; project management; yellow belt

Launch of leadership competencies and values

## What's next? - a 'Modern, Ambitious Programme' MAP

- Launch of MAP to deliver our future vision of ERC
- Helping to meet ongoing financial challenges
- Key work streams: Digital; Modernising; and Data, with comprehensive Organisational Development
- Fundamentally redesigning services from the customer perspective, digitally whenever possible
- Improving assets and agile working
- Empowering our employees - it's everyone's responsibility
- Living our values - caring, trustworthy, efficient, innovative, people-centred

