

Comments on Finance and Resources Senior Management Service Review/Restructure

Enabling Heads of Service – Aim of Review

Key decisions need to be based on data.

The report states that there are 2 main aims to the review. Firstly to **reduce the costs** associated with enabling and adding value to the organisation.

Can you 1) set out the split between create value, add value and enable for each organisation, and 2) explain what the perceived appropriate ratios are for these costs and on what basis these ratios have been deemed to be appropriate.

The current cost of the service is quoted to be £425k, reducing to £348k. The Business Case quotes savings of £77k per annum with potential redundancy/retirement cost of between £30k and £210k. **In practice if the actual costs of redundancy are £210k due to the costs associated with the individual made redundant then there would be an additional cost of £57k (£28.5k per Council) in 2013/14 and savings of just £37.5k (£18.75k per Council) in 2014/15 and 2015/16. The full savings per annum quoted of £77k per annum would not be achieved until 2016/17.** This assumes that the costs associated with actuarial strain are met over a three year period.

Why have the potential costs associated with this Business Case not been clearly set for members when there could be an additional budget pressure of between £57k and £171k in the current financial year?

In the current financial climate how can this be justified?

The second stated aim of the review is **'link the proposed structure with the Strategic Purposes of the Council which have been developed following evidence of customer demand'**. The strategic purpose 'help me to be financially independent' includes the issue for the citizen 'somewhere affordable to live'. This element is missing from the proposed structure. The review is too narrow in its focus with regards to the evidence arising from customer demand. The Housing Options Intervention has highlighted that the key services required to be present to meet customer facing demand within the Customer Service Centre are Housing Options and the Benefits and Revenues Services in addition to a reception service provided by the CSAs and the Cash Office.

The number of Essential Living Fund applications has been included as a measure for the above strategic purpose. The customers for this service mainly present to either the Benefits for Housing Options Service.

Why has Housing Options been excluded from consideration within this review when the Intervention and strategic purpose point to a clear relationship in terms of the customer?

Enabling the Financial Management of the Organisation

The Business Case states that there is a need to reassess the costs associated with the enabling of the financial management of the organisation it is also important to have a strong and transparent link between the s151 and Deputy s151 officer to facilitate 'proactive and timely decision making' and the exchange of professional advice and support. The change would 'ensure a consistent approach is made when dealing with financial legislative issues'. This implies that the current structure does not.

Can you please explain with examples 1) how the current structure hampers proactive and timely decision making, and 2) how the current structure has led to an inconsistent approach when dealing with financial legislative issues.

The transfer of client management for Internal Audit to the Financial Services Manager is merely a paper exercise as this role is in practice undertaken by the Executive Director Finance & Corporate Resources.

Enabling the Transformation and Organisational Change of the Organisation

This section of the Business Case illustrates the need for HR & OD to be engaged in the Transformation journey that the organisations are on and the future support and development of staff but it fails to explain the benefits of the service reporting to the Head of Business Transformation alongside the IT Section and the Policy and Performance Team.

Help me to become Financially Independent & Enabling the Customer

The Business Case is silent on the link to housing debt when considering an individual's indebtedness. In this respect I consider that this restructure is premature. The Revenues Service needs to encompass the collection of housing rents in order to deal effectively with an individual's indebtedness. The work in Revenues has already identified that housing costs (rent, mortgage and council tax) impact significantly on those who struggle financially. We need to consider a customer's level of indebtedness as one Council (be that Redditch or Bromsgrove) and not from individual services. This is increasingly important with the impact of Welfare Reform, the move to Universal Credit and the move from paying council tax benefit to a council tax discount.

The measures for this strategic purpose include the number of tenants in rent arrears (all arrears).

It states in the Business Case that there has been 'a change within the customer service department, ensuring that experts deliver a quality service'.

The service provided by the CSAs has reduced by more than 70% with many services now dealing directly with their customer directly either face to face or via the telephone. This has itself impacted on the role of the Head of Customer Services. The report is silent on the significant impact that this shift has had on the role of the Head of Customer Services.

Why is the Business Case silent on the impact that this significant change in meeting customer demand has had on the role of the Head of Customer Services?

Other comments

The job descriptions and person specifications (JDs & PSs) are all headed up 'Bromsgrove District Council' with no mention of Redditch Borough Council. Is this right?

The 'responsible for' sections of the JDs & PSs are inconsistent. One refers to post titles, one to services and one to divisions of a service. Should this be consistent at least at the same level in the organisation?

The involvement in this review process of the 4th Tier Managers that directly report to the Heads of Service affected by this review has been limited to the circulation of the current and proposed structure charts. In view of the fact that one of these Heads of Service could by the end of July/beginning of August be on notice of redundancy I consider this to be inadequate. Apart from the fact that they should be fully aware of what is being proposed as it will impact on them they could have had very valid contributions to make to the consultation process.

