

**BROMSGROVE DISTRICT COUNCIL AND REDDITCH BOROUGH COUNCIL**

**SHARED SERVICES BOARD**

**24<sup>th</sup> June 2010**

**SHARED SERVICES / TRANSFORMATION PROGRAMME**

**1. SUMMARY**

- 1.1 This report presents for consideration by the Shared Services Board a draft proposal for the future programme of shared service and transformation between Bromsgrove District and Redditch Borough Councils. It also outlines the change methodology to be used by Bromsgrove and Redditch Council's to deliver the programme of transformation.

**2. RECOMMENDATIONS**

- 2.1 It is recommended that the Shared Services Board:
- 2.1.1 approve the use of the WMIEP systems thinking change methodology for the transformation of service areas; and
- 2.1.2 discuss and agree the proposed programme of service areas to be considered for Shared Services / Transformation between the two councils.

**3. BACKGROUND**

- 3.1 In June 2008, both RBC and BDC agreed to the appointment of a Shared Chief Executive with effect from 1<sup>st</sup> August 2008. As part of the agreement to share a Chief Executive a number of opportunities for developing other shared services were identified and have been progressed eg: the single management team.
- 3.2 In order to continue to progress the shared service and transformation agenda SERCO were engaged, in 2009, to deliver a report outlining the case for joint and shared working between Bromsgrove and Redditch Councils. The findings from the Serco report have been included in the proposed three year programme for shared services/transformation. This is attached at Appendix 1.
- 3.3 In addition to the SERCO document a further analysis of services has been undertaken to assess the potential benefits of systems thinking / transformational activity. The analysis plotted the potential savings and service improvements (as a result of systems thinking) against the ease of implementation. The output from this analysis has also been used to inform the draft programme plan.
- 3.4 In order to further influence the development of the programme plan, visits were made to Warwick District Council and to Staffordshire Moorlands /

High Peak Borough Council. Warwick District Council has done a lot of work on transformational / systems thinking and has achieved some significant improvements to performance in both Benefits (Housing and Council Tax) and Housing Repairs. Staffordshire Moorlands and High Peak Councils also have a single Chief Executive and a single management team and share a number of services. It is clear from the reference site visits and from discussions with other Shared Chief Executives that no council has yet combined the two approaches of transformational thinking and shared services as BDC and RBC are proposing to do.

- 3.5 The West Midlands Improvement and Efficiency Partnership have also been extremely helpful and supportive in the development of the proposed programme and have provided four days of 'systems thinking' support and training to the Single Management Team. The training has enabled CMT to have a better understanding of the systems thinking approach and how it can be used to maximise the potential benefits of shared services and transformation.
- 3.6 Following completion of the analysis and site visits it is felt that there are six service areas that would benefit from transformational system thinking (before the implementation of any shared service). These areas are as follows:

**Year 1**

Revenues and Benefits (although these will be undertaken jointly due to the cross over of the issues / working practices it is worth recognising that they are distinct areas)

WETT Regulatory Services

**Year 2**

Planning

Depot Services (Refuse Collection, Recycling, Street Cleansing and Grounds Maintenance)

**Year 3**

Housing

Community Services/Community Cohesion

- 3.7 It is worth noting that the whole council will be affected by transformational / systems thinking however with regard to the service areas outlined above it is felt that it is crucial that these service areas are "transformed" before a shared service is considered.
- 3.8 The shared service aspect of the programme plan (Appendix 2) is based on the same three year timeline and would see a number of services being shared whilst the above transformation activity was carried out.
- 3.9 In considering the proposed shared services / transformation programme the Board are asked to note the following:
- The programme is flexible and may change to take account of opportunities as and when they arise e.g., when posts become vacant

- The programme will need to be reviewed to take account of any future developments in the WETT (Worcestershire Enhanced Two Tier) programme. The WETT Programme Board will have an away day on 25<sup>th</sup> June to develop proposals for the next phase of the programme – the Board may wish to consider areas that they would like put forward.
- Members will note that it is suggested that the Programme start from September 2010 although initial work may be undertaken before then. This is to enable the views of staff to be taken into account – staff briefings will be held week commencing 28<sup>th</sup> June to outline the proposed programme. It will also enable us to recruit to the Shared Service / Transformation team which will support areas going through reviews.
- Whilst Appendix 1 includes the potential savings identified by Serco in the initial business case members should note that these are not necessarily the savings that will be delivered by the area in question.
- There may also be the need for interim management structures in some service areas to ensure that services operate effectively on a day today basis and that there is capacity to carry out the transformation work. However, these changes will be minimised to reduce the impact on staff.

#### **4. KEY ISSUES**

##### What is Systems Thinking?

- 4.1 Systems thinking is an approach to changing the way we deliver our services. The approach adopts a whole system, or, end to end, view of how we deliver our services and includes the analysis and impact of: external pressures eg: from central government, what our customers want, how we currently deliver our services, the difference between work demand and failure demand, how we could change/improve the way we deliver our services and how we can measure the improvements.
- 4.2 This approach is currently being used by a number of other local authorities to deliver significant service improvements and efficiencies. These include: Warwick District Council, Stoke on Trent City Council, Dudley MBC and Stafford County.

##### Transformation Team

- 4.3 Another key issue to be considered is the management of the programme to ensure that it is delivered on time and to plan. This will need to be addressed through the additional transformation / shared service resource that was outlined in the original single management team proposals. Further work to establish this team will be required prior to the delivery of the programme plan.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 None arising directly from this report, although indirectly the intention of the programme plan is for each service area to deliver efficiencies/savings and improvements in service quality.

## **6. LEGAL IMPLICATIONS**

6.1 None

## **7. POLICY IMPLICATIONS**

7.1 None

## **8. COUNCIL OBJECTIVES**

8.1 Each Council will need to ensure any proposals support its own Council Objectives.

## **9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS**

9.1 None arising directly from this report. However, it is envisaged that risks will be mitigated and controlled as part of the programme and project governance.

## **10. CUSTOMER IMPLICATIONS**

10.1 No direct impact on the Customer arising from this report, although indirectly the intention of each area is to deliver efficiencies/savings or improve service quality to the ultimate benefit of the customer.

## **11. EQUALITIES AND DIVERSITY IMPLICATIONS**

11.1 None arising directly from this report. These will be addressed as each proposed service area is considered for sharing or transformation.

## **12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT**

12.1 Value for Money and delivery of efficiencies is the main driving force behind the shared service/transformation programme.

## **13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY**

13.1 None

## **14. HUMAN RESOURCES IMPLICATIONS**

14.1 None arising directly from this report. However, it is envisaged that any HR implications will be included as part of the programme and project governance.

## **15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS**

15.1 None arising directly from this report. However, it is envisaged that there may be short term performance implications in some service areas while the programme is being delivered.

**16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998**

16.1 None

**17. HEALTH INEQUALITIES IMPLICATIONS**

17.1 None

**18. LESSONS LEARNT**

18.1 The analysis method of plotting savings/service improvements against ease of implementation was discussed at an Action Learning Set with other Shared Chief Executives who endorsed the approach. However, it was also felt that two other factors should be considered: Take advantage as and when opportunities arise e.g. through vacant posts and be aware of the impacts of more than one shared service / transformational activity within one service area.

**19. COMMUNITY AND STAKEHOLDER ENGAGEMENT**

19.1 None

**20. WARDS AFFECTED**

All Wards

**21. APPENDICES**

Appendix 1 Shared Services / Transformation Timeline – supporting information  
Appendix 2 Proposed Shared Services / Transformation Timeline

**22. BACKGROUND PAPERS**

None

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