



# Customer & Shared Services Recovery Programme

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C&SS Overview & Scrutiny Committee

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## Background

- New C&SS Directorate formed - March 2010
  - Senior Management Review Implemented - June 2010
  - Evidence of variable performance and failing services
  - Recovery Programme instigated - July 2010
  - External validation on the issues - Sept 2010
  - Programme Plan: Scope/Outcomes - Oct 2010
  - First Recovery Board - Oct 2010
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- Note: The recent restructure into Corporate Services has not changed the scope or nature of the Recovery programme

## Programme Objectives

- Getting the basics right (as defined by internal customers)
- Service Quality improvements enabling efficiencies and wider strategic agenda
- Platform for re-modelling of support functions in medium term

## Programme Work Streams

- People
- Finance
- Revenue & Benefits
- ICT
- Assets
- Procurement

## People Work Stream - Outcomes

- Robust HR management information
- Effective support to enable change agenda
- Consistent interpretation & application of HR process and policies
- Clear processes which are effective and easy to use reducing bureaucracy and cost
- Revised structure and operating model

## People Work Stream - Key Activity

### Phase 1 (Nov 2010 – June 2011)

- Basics
- Design Principles & Governance
- Metrics
- Training for Managers
- Process improvement & Policy Framework
- Development of Business Case for Change
- HR Support to Savings & Efficiencies

### Phase 2 (Aug 2011 – Dec 2011)

- Moving towards a new HR Operating Model
  - Consultation
  - HR Structure
  - Job Evaluation
  - Selection
  - Development Assessment
  - Process Design
  - Transition & Implementation
- Establishment Control
- Payroll

## People Work Stream - Progress to date

- Key HR processes improvement completed
- Change Management training delivered to managers and Customer Focus Training delivered to Senior Managers
- New Directorate HR dashboards detailing key Management Information produced
- Revised HR structure and operating model agreed
- On going support of CBC Efficiencies Programme
- Considerable activity supporting activity on review of Terms & Conditions

## People Work Stream - Issues to resolve

- Delivering the HR Operating Model
  - consult with HR team on structural changes (August 2011)
  - finalise HR structure (August 2011)
  - evaluate jobs within the new HR structure (August 2011)
  - conduct skills assessment, identify gaps and develop training plans (December 2011)
  - training rollout (April 2012)
  - processes design supporting the new operating model (April 2012)
  - transition to the new operating model (Dec 2011)
- Establishment Control - budget set (April 2012)
- Payroll - bring payroll back in house (September 2012)



## Finance Work Stream - Outcomes

- Robust financial management information & reporting
- Effective and consistent support to directorates
- Competent and supported budget managers
- Effective and efficient core processes:
  - Financial planning and budget setting
  - Year-end closure
- Revised structure and operating model

## Finance Work Stream - Key Activity

- Agree strategic role of Finance
  - design principles & target operating model (Complete)
  - new organisation structure and resourcing (Sep 2011 - Nov 2011)
- Improve Council-wide financial capability (March 2012)
- Improve financial management Information content (first phase complete, ongoing)
- Upgrade financial reporting, budgeting & planning processes (Dec 2011)
- Successful year end close (Sep 2011)
- Support delivery of £19.2m savings (via EIG), within achieving a balanced budget (March 2012)

## Finance Work Stream - Progress to date

- Successful year end close position
- 2011-12 Budget and Capital Programme approved
- Appointment of new Section 151 Officer
- Considerable progress in resolving Bedford Borough indebtedness
- Improving effectiveness of SAP Finance and SRM via data integrity
- Further improving financial management information
- Revised Finance structure and operating model agreed
- Senior Finance Group (cross finance forum of 15 – 20 Senior Finance Staff) established

## Finance Work Stream - Issues to resolve

- Implementation of new structure and operating model (Sep 2011 - Nov 2011)
- Training needs analysis/training for finance staff & cost centre managers (March 2012)
- SAP optimisation (March 2012)
- Upgrade / improve financial reporting process (Dec 2011)
- Resolve Bedford BC indebtedness (Oct 2011)
- Audited financial statements (Sept 2011)
- Continued focus on tracking & reconciling savings and monitoring risks & upsides (Ongoing)

## Revenue & Benefits Work Stream - Outcomes

- Benefits Service improves significantly from a low level towards satisfactory targets:
  - Average claims under NI 181 < 25 days
- More effective Revenue Services collection:
  - Council tax collection > 98%
  - Council tax arrears to be reduced by 10%
  - NNDR collection rate improved to 98.5%
- Sustainable business model

## Revenue & Benefits Work Stream - Key Activity

- Benefits performance improvement
  - improve performance deliverables against NI181 (March 2012)
  - maximise benefit subsidy (March 2012)
  - reducing benefit overpayment & improving overpayment recovery (Oct 2011)
  - clear backlogs of new claims (Oct 2011)
- Revenues collection performance improvement
  - reduce backlog of Council Tax billing amendments (Oct 2011)
  - improve direct debit take up (Dec 2011)
  - improve Council Tax in year collection rate (March 2012)
  - improve National Non Domestic Rate in year collection rate (March 2012)
  - reduce the level of previous years Council Tax and NNDR arrears (March 2012)

## Revenue & Benefits Work Stream - Progress to date

- Engagement with Audit Commission on prioritised Recovery activity & with DWP in relation to agreed improvement actions
- External review of 2010/11 subsidy claim. Changes to working practices will support the achievement of improved LA error rates in 11-12, saving c£300k.
- NI 181 - reduced from 45 days to 25 days at financial year end
- Clearing of backlog commenced by Liberata
- Review of Single Persons Discount – circa £405k
- Customer Journey Mapping – identify the resident experience on benefit claims cycle
- Scoping direct debit take up campaign
- Take up campaign to encourage BACs housing benefit payments
- Test & configuration of Civica Appeals and Quality Checking Modules

## Revenue & Benefits Work Stream - Issues to resolve

- Continued reduction of backlog for new benefit claims (Oct 2011)
- Continued activity driving performance improvement (Oct 2011 - March 2012):
  - NI181
  - council tax collection, reduction of arrears & backlog
  - reduction in benefits overpayments
- Recruitment activity to fill vacant posts & reduce contractor resource costs (Nov 2011)



## ICT Work Stream - Outcomes

- A stable, reliable network & applications
- Good system performance everywhere at all times
- Robust and measured set of core ICT indicators
- Easy to access information & applications
- A responsive ICT that delivers on projects and resolves problems
- ICT projects delivered to agreed time line with appropriate governance based on agreed priorities
- Clear understanding of ICT plans, timescales and outcomes

## ICT Work Stream - Key Activity

- Stabilisation (Dec 2011)
  - Monitoring of key systems with automatic alerting and proactive ICT response (Dec 2011)
  - Continued trend of reducing number of reported incidents to service desk (Dec 2011)
  - Robust and measured set of core ICT indicators (Sept 2011 - Dec 2011)
- Major Projects (Dec 2011)
  - ICT governance arrangements delivering projects to agreed schedule (Dec 2011)
  - Business Relationship Managers attending monthly directorate meetings and providing appropriate updates.
  - SOCITIM customer satisfaction survey showing improving satisfaction levels (Sep 2011 - Dec 2011)
- Governance (Dec 2011)
  - Updated ICT schedule presented to CMT every 6 weeks (Dec 2011)
  - ICT strategy presented to Executive (Oct 2011)

(Based on revised scope agreed in July 2011)

## ICT Work Stream - Progress to date

- Proposed ICT strategy & priorities externally validated
- Senior management agreement to stabilisation and application priorities
- Migration of help desk to Contact Centre improving responsiveness & resolution of problems
- Recruitment of Business Relationship Managers and Stability Programme Director
- CBC network project formally closed:
  - Majority of buildings now served by CBC network links removing the dependency on BBC (73 CBC buildings / 139 schools)
  - Majority of applications now migrated onto Citrix (60)
  - Secure remote access implemented protecting our network from security breaches (2FA token roll out & encrypted lap tops)
- All projects now have scheduled dates agreed by Senior Management (July 2011)
- Revised ICT governance approach approved by Senior Management (July 2011)

## ICT Work Stream - Issues to resolve

- Completion of phase 2 stability tasks by September 2012
- Planning of phase 3 stability tasks as part of 2012 - 2013 service planning

## Assets Work Stream - Outcomes

- Full understanding & optimisation of £1.6bn property portfolio
- Corporate Asset Management Plan
- Medium Term Accommodation Plan
- Effective delivery of capital development programme
- Enable the delivery of key asset related corporate strategies
- Revised structure and operating model

## Assets Work Stream - Key Activity

- Clear information on our Assets
  - validation & update of Asset data to a single system (Complete)
  - programme of condition surveys (Complete)
- Medium Term Accommodation Plan
  - agree Accommodation strategy - corporate office rationalisation (October 2011)
  - identify service/property requirements with Directorates (October 2011)
  - accommodation plan implementation (Oct 2011)
- Corporate Asset Management Plan
  - understand Directorate requirements for property & accommodation (October 2011)
  - sign off Corporate Asset Management Plan & action (Jan 2012)
- Operating Model
  - implement Directorate Service Level Agreements (Complete)
  - centralise Property Budgets (Sept 2011)
  - develop & implement new Assets structure (Nov 2011)
- Clear processes for Capital Development and Disposals
  - formulation of disposals programme (Complete)
  - develop Corporate Capital Building Programme Business Case (being considered by CAMG)
- Facilities Management
  - initial review & implement of structure change (Complete)
  - centralise the FM Helpdesk & develop Assets ICT Portal (Complete)
  - re-procurement of current contracts (Dec 2011)

## Assets Work Stream - Progress to date

- Property development function brought back in-house from Mouchel
- Consolidation of CBC Asset data to a single system & completion of first tranche condition surveys
- Good progress on the Centralisation of Property Budgets and Property SLA
- Medium Term Accommodation Strategy commenced, being re-scoped currently
- Disposals programme agreed
- Facilities Management initial review & restructure completed (including centralisation of help desk)
- Schools Services comprising catering, grounds maintenance and cleaning now terminated
- Print and Design rationalised and market tested
- Schools buy back service implemented
- Statutory maintenance obligations will be met this year

## **Assets Work Stream - Issues to resolve**

- Identify service/property requirements with Directorates (September 2011)
- Start the implementation of Medium Term Accommodation Plan (Oct 2011)
- Sign off and implement the Corporate Asset Management Plan (Jan 2012)
- Completion centralisation of property budgets (Sep 2011)
- Develop & implement new Assets structure (Nov 2011)
- Continue with the programme of disposals (March 2012)
- Complete the re-procurement of FM current contracts (Dec 2011)



## Procurement Work Stream - Outcomes

- Effective and compliant procurement processes
- Maximisation of corporate contracts
- Improved organisational procurement capability
- Delivery of £1M cross-cutting procurement savings 2011/12; well underway
- Reduced supplier debt (prompt payment of invoices & less retrospective invoices)
- Significant efficiencies identified and delivered in 12-13
- Revised structure and operating model

## Procurement Work Stream - Key Activity

- Streamlined Requisitioning
  - review, reduction of and training requisitioners (Complete)
  - implement No PO NO Pay policy (Complete)
  - SAP systems improvements (December 2011)
- Accounts Payable Processes
  - develop business case for e-invoicing (Complete)
  - develop business case for duplicate payment detections software (Sept 2011)
  - implement Optical Character Recognition to enable electronic retrieval of invoices (Dec 2011)
- £1m cross-cutting Efficiency Savings in 11-12
  - review Business Cases for Corporate Contract savings (substantially complete Sep 2011)
  - implement supplier inflation / cost reductions, c £400k savings (September 2011)
  - review all contracts with >£1m spend (Sept 2011 – Mar 2012)

## Procurement Work Stream - Progress to date

- Implementation of Streamlined Requisitioning to improve compliance with procurement procedures & corporate contracts; no PO No Pay policy implemented
- Various medium level ICT improvements in progress
- Efficiency plan agreed to drive £1M savings 2011/12:
  - review of corporate contracts
  - letters sent to suppliers re withholding inflationary payments & requesting 15% cost reductions; expect c £500k savings
  - high value contract reviews

## **Procurement Work Stream - Issues to resolve**

- Continued activity driving the £1m cross-cutting Efficiency Savings (Aug 2011 - Mar 2012)
- Support the delivery of significant procurement and contract management savings across the Council in 12-13

## Summary / Conclusion

- Creation of CBC led to considerable change and challenges in C&SS
- Robust Recovery programme and governance implemented
- Focus on improving service quality & getting the basics right
- Provides the platform to further transform support functions in the medium term
- Enables Service Directorates to focus on improving / developing services and drive out further efficiencies