

REPORT TO: POLICY AND RESOURCES COMMITTEE – 25 FEBRUARY 2016

REPORT ON: BACK OFFICE & SUPPORT FUNCTIONS

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 63-2016

1 PURPOSE OF REPORT

- 1.1 The purpose of the report is to outline proposals for further rationalisation and streamlining of back office and support functions as part of Phase 4 of Changing for the Future (CFTF).

2 RECOMMENDATIONS

2. It is recommended that the Executive Director of Corporate Services be remitted to implement the savings and progress the reviews as outlined.

3 FINANCIAL IMPLICATIONS

- 3.1 The savings target identified within Phase 4 for this project was £2m. Appendix 1 outlines the anticipated savings for 2016/17 and 2017/18 as £841,000 and £1.441m respectively.

4 BACKGROUND

- 4.1 At the commencement of the CFTF Programme in 2010, a project was initiated to review all back office and support functions provided across the Council to determine whether or not a centralised operating model would be more efficient and cost effective.

- 4.2 Approximately 20 support functions were identified for review under the Operating Model Redesign Project and savings totalling £1.3m have been realised to date.

- 4.3 A number of reviews which were considered complete at the time are now thought worthy of revisiting in Phase 4 of CFTF under the Modern Council work stream. Appendix 1 provides an overview of the functions to be reviewed and individual savings targets.

- 4.4 Further areas will be reviewed in the coming months with a view to identifying further savings within back office and support functions within the Council.

5.0 POLICY IMPLICATIONS

- 5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, and Equality Impact Assessment. There are no issues in this regard to report on.

6.0 CONSULTATION

- 6.1 The Council's Management Team have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

- 7.1 None

	Function	Outcome	Saving 15/16 Achieved	Saving 16/17 Anticipated	Saving 17/18 Anticipated
1	Payroll	Centralisation of the Payroll Function and move to self service. This saving will be achieved through vacancy management.	£0	£23,000	£23,000
2	Cash Collection and Reconciliation	More efficient cash collection, banking and reconciliation arrangements including roll-out of online school payments. This will release time-savings within schools.	£0	£32,000	£32,000
3	Accounting Services	Review of Accounting Services functions and structure to support the new Council services. This will be achieved through VER scheme without impacting on service delivery.	£0	£45,000	£95,000
4	Training	Learning and Organisational Development now form part of the Human Resources and Business Support Service and has responsibility for the delivery of a corporate Learning and OD strategy which forms part of the 'Our People Strategy', together with the development of the Modern Apprentice Scheme and other opportunities to develop and support the Developing the Young Workforce agenda. A review is underway to determine staff resource required. This saving will be achieved through a vacancy management and VER/VR approach.	£26,000	£126,000	£126,000
5	Clerical/Admin Support	The Corporate Business Support Service was established in 2013. This review of administrative and clerical functions identified areas which could be centralised to achieve efficiencies, reduce duplication and work towards improved service delivery. This report represents Stage 2 of this review which seeks to identify best practice achieved, focus on new areas not yet targeted and where service delivery can be improved and implement this best practice approach across wider areas in a holistic and efficient way. The review is linked to the property and mobile working review, the introduction of new software systems eg Mosaic, a review of transactional finance tasks and is linked to the Channel Shift review. The aim over the next 2 years is to ensure that the correct back office administrative and clerical support is available in the right places delivery across services rather than specific to individual services.			

	Function	Outcome	Saving 15/16 Achieved	Saving 16/17 Anticipated	Saving 17/18 Anticipated
	Clerical/Admin Support (Cont)	The savings outlined in the report equate to a reduction of approximately 45 fte posts over 2016/17 and 2017/18 across all services and will be achieved by a variety of methods including a focus on active vacancy management, focussing on actual hours required to undertake tasks, continuing to improve working practices and optimising the use of voluntary early retirement/voluntary redundancy where this is financially viable.	£0	£350,000	£750,000
6	Courier and Mail Handling	Centralisation of all mail services within the Council and the option of using an external firm to deal with all non-bulk mail, which would provide a reduced mail cost and staff efficiencies.	£0	£100,000	£200,000
7	Contact Centre	The consolidation of contact centres within the Council continues to be progressed with a central team taking calls for a variety of services. The integration of services allows for a more efficient deployment of resources with multi-skilled advisers providing services to the public.	£0	£50,000	£50,000
8	Democratic and Legal Services	Following receipt of applications for Voluntary Early Retirement/Voluntary Redundancy from staff in Democratic and Legal Services, a review of structures is being carried out to ensure that appropriate levels of service are provided in the most economic, effective and efficient way possible. Some VER/VR's have already been completed, others will be completed by the end of financial year 2015/16 and the rest will be completed during the course of financial year 2016/17.	£0	£80,000	£130,000
9	Internal Audit/Corporate Fraud	These two previously separate teams will now be amalgamated under one manager.	£0	£35,000	£35,000
			£26,000	£841,000	£1,441,000