OSCC Report to Cabinet

Title:	**Options for Change**
Date:	**28 June 2010**
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Electoral divisions affected:	**All**
Portfolio areas affected:	**All**

Summary

At a time of increasing budget pressures and the requirement for prudent financial management by the public sector, local authorities need to examine the provision and level of public services they deliver.

In October 2009, the Overview and Scrutiny Commissioning Committee (OSCC) embarked on a review to examine statutory, mandatory and discretionary spend at Buckinghamshire County Council. The overall aims were to make recommendations to Cabinet that would inform its decisions around possible different delivery methods and to identify options for additional savings in order to meet the expected significant budget deficit.

During this review, members compiled a resource pool of information about statutory and discretionary services and minimum levels of service provision, from evidence provided by service areas. Using this information members of the Commissioning Committee have identified a number of options for change, which, if taken, will lead to substantial cost reductions. Whilst a number of them will impact on residents and will cause significant organisational turmoil, the committee is of the view that all these options should be taken.

Recommendations
1. **Cabinet is asked to consider the list of proposals in more detail with a view to informing budget decisions.**

2. **Cabinet is asked to bring a report to the OSCC outlining which options will be taken and timescales for realising the benefits.**

Introduction

1. The Overview and Scrutiny review into statutory, mandatory and discretionary spend was prompted by the considerable pressures facing the Council to improve service provision whilst making savings, and by expectations of reduced funding to the public sector nationally.

Phase 1

2. During Phase 1 of this review, members compiled a resource pool of information about statutory and discretionary services and minimum levels of service provision, from evidence provided by service areas.

3. Some discussion took place during this phase around the type of authority the Council wants to be in future, levels of service the Council can provide, whether there are better ways of providing what it already delivers and whether the Council should charge for services above the minimum provision.

4. Phase 1 did not assess risks associated with reducing or removing discretionary services or of reducing levels of statutory/mandatory services, and the impact this could have on residents, employees and partners.

Phase 2

5. Phase 2 of the review looked in more detail at the following areas:
- Out of county placements for children in Buckinghamshire
- Casualty Reduction
- Swan Rider

6. The aims of Phase 2 were:
- To learn more about the activities that take place within these areas
- To establish how funding is currently used
- To identify how well the Council is working with partners in these area
- To identify whether these services could operate in different ways to save costs, without impacting on frontline delivery.

During this phase, significant improvements for services were identified, which, when implemented, will lead to some cash savings.

Phase 3

7. Members recognise that the Council, when planning services, needs to ensure
- that residents continue to be at the centre of any planning;
- that we pool resources and work more effectively with others
- that the Council moves more quickly towards being a council that commissions and enables services rather than one that provides all services.

8. In the third and final phase of the review, members of the Commission Commissioning examined further the information gathered during Phase 1 for each of the four portfolio areas:

- Adults and Family Wellbeing
- Children and Young People
- Communities and Built Environment
- Resources and Business Transformation

9. Using this information, members looked at all services within these portfolios and identified over 80 options for change, which if taken could lead to substantial cost savings. These include 21 cross-service proposals which would impact across the entire organisation.

10. Members' first concern has been to determine the number of people who may potentially be affected and the level of any impact. Members recognise that some of the recommendations will change levels of services, some will be politically difficult and others will cause significant upheaval in the organisation. Some propose alternative ways of delivering and some support existing work. However, the Committee believes there is no choice but to grapple with these issues in these difficult times.

11. Members did not cost all the proposals – that will be for services to do. However, where they were able to put a cost, they believe there to be savings in the region of £7 - 8 million for just a quarter of the proposals.

12. Members recognise that time is no longer an affordable luxury and that that this is a difficult task for all. Some of the options for change put forward are already under review but the pace of change needs to be increased.

13. Looking into the future they believe that the biggest gains will come from joining services across the public sector, particularly health and social care.

Conclusion

14. These proposals are put forward at a time of significant and continuing change within the Authority. In addition, with a change of national government, members are mindful that all service areas will be affected by the government's forthcoming spending review 2010, and by changes to legislation and grant funding. Members believe that each of the recommendations are achievable and, if taken forward, will contribute to mitigating the budget shortfall.

15. In the same way that the Treasury has asked government departments to prioritise their main programmes against a tough set of criteria to ensure value for money in public spending, members recommend that a similar set of criteria may be worth considering for assessment of future Council activity, i.e.

1. Is the activity essential to meet the Council's priorities?
2. Does the Council need to fund this activity?
3. Does the activity provide substantial economic value?
4. Can the activity be targeted to those most in need?
5. How can the activity be provided at lower cost?
6. Can the activity be provided by others?
7. Can the activity be provided at a local level?

Options for Change – Cross-Service Proposals

Proposal	Risk / Impact					Potential savings	Comments
	Residents		Political	Organisational (internal)	Reputational (external)		
	Impact	Reach:					
1. Split procurement from commissioning and centralise the procurement process as a matter of urgency	L	L	L	H	L		To replace all procurement in service divisions – create a specialist team
2. Consider moving swiftly to shed provider services where it is shown to be cost effective	L	L	L	M	L		
3. Eliminate multi-attendance at conferences, seminars etc.	L	L	L	L	L		Create a shared portal with individuals having ownership. Heads of Service to be accountable.
4. Identify the level of spend on external consultancy services. Consider reducing by 25% and agree criteria for employing consultants	L	L	L	M	L		Some consultancy represents good value for money and a form of critical friend challenge.

Proposal	Residents Impact:	Reach:	Political	Organisational (internal)	Reputational (external)	Potential savings	Comments
5. Increase numbers of jointly funded partnership posts	L	L	L	H	L		Extension of the Total Place concept. Examples could include increasing joint posts in integrated teams in ASC and CYP. Roles in community safety and localities such as Susie Yapp.
6. Introduce performance-related pay for all staff	L	L	L	H	L		Performance and reward system being updated. Implementation for performance from 2011 and pay from 2012
7. Close Sports & Social club in Aylesbury and realise development	L	L	L	L	L		
8. Rationalise the number of senior officers attending Cabinet and Council meetings	L	L	M	L	L		
9. Reduce the number of IT software licence fees	L	L	L	M	L		Currently 14,000 desktop applications. Try to incorporate as many as possible within SAP

Proposal	Residents		Political	Organisational (internal)	Reputational (external)	Potential savings	Comments
	Impact:	Reach:					
10. Reduce the number of staff from an individual service at internal meetings	L	L	L	L	L		One individual – one role. Need to ask 'Why am I here?' and walk out if not relevant.
11. Reduce the number of staff from individual or multi-service teams attending external meetings	L	L	L	L	L		One individual – one role. Need to ask 'Why am I here?' and walk out if not relevant.
12. Reduce spend on publications and subscriptions by 5% p.a. over the next three years	L	L	L	L	L		Purchase centrally/ share library; purchase corporate licence for web versions?
13. Centralise internal / external consultation function	L	L	L	L	L		Eliminate consultation function in service areas
14. Make the most efficient use of hot-desking in other locations e.g. Parish Councils, libraries	L	L	L	L	L		Particularly relevant for area based workers – carry out a feasibility study?
15. Ensure all services that charge the public and partners are self-funding and include all overhead costs	M	M	M	?	?		
16. Eliminate automatic incremental rises in pay scales for all staff	L	L	L	H	L		

Proposal	Residents Impact:	Reach:	Political	Organisational (internal)	Reputational (external)	Potential savings	Comments
17. Reduce the number of staff meetings by 50%	L	L	L	L	L		
18. Review staff car parking with a view to rationalising parking passes and introduce charges for parking	L	L	M	H	L		In line with current planning in negotiation with TUs.
19. Increase speed of implementation of hot desking to free up property assets	L	L	L	M	L		New ways of Working is being implemented as part of Transformation. The need for cultural change and for a greater number of staff to hot desk is evident and will free up the County Council's property portfolio
20. Reduce stationery costs by 5% over a three year period.	L	L	L	L	L		
21. Cease production of discretionary promotional material and activity for travel choice unless positive impact on take up of activity can be measured	L	L	L	L	L		

Options for Change – Children and Young People

Proposal	Residents Impact: Reach:		Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
			Risk / Impact				
Name of Service- Achievement and Learning							
1. Ensure direct work with schools is fully costed, including all overheads- management costs, property costs etc.	M	M	M	L	H		Intervene only in exceptional circumstances
2. Reduce provision of School Improvement Service to statutory minimum and target poor performing schools with an expectation of 30% saving.	M	L	L	H	L		
3. Challenge level and costs of strategic management with a view to reducing overheads by 30% over the next 3 years.	L	L	L	M	H		

Proposal	Residents Impact:	Reach:	Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
4. Clarify the financial accountability/ responsibility for levels of administrative support available in schools and, if appropriate, challenge the levels.	L	L	L	L	L		
5. Review and challenge definition of Special Educational Need	H	L	H	L	H		
6. Streamline intervention and assessment procedures across agencies in order to reduce costs by 25% and provide earlier solutions.	L	L	L	M	L		
7. Outsource Educational Psychology Service.	L	L	L	H	L		

Proposal	Residents Impact: Reach:		Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
8. Cease funding of Little Kingshill Village Hall and ask school to pay for its use direct.	L	L	L	L	L		
9. Remove discretionary element of additional music services	H	L	M	L	L		
10. Ensure the rest of music service is on a full cost recovery basis or reduce the level of spend by 30%	H	L	M	L	L		
11. Reduce provision of governor services by 20%	H	L	L	L	L		
Name of Service - Safeguarding							
12. Reduce central overhead costs by increasing utilisation of independent fostering agencies	L	L	L	M	L		Already being looked at?

Proposal	Residents Impact: Reach:		Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
13. Increase co-operative working with other local authorities on training and recruitment of social workers	L	L	L	L	L		
Name of Service- Commissioning and Business Improvement							
14. Carry out risk analysis on reduction of grants and sustainability of services that are grant funded.	L	L	L	L	L		
15. Separate commissioning from procurement - moving procurement to a centralised service for ASC and CYP [1]	L	L	L	H	L		

[1] Conduct a review to consider outsourcing the provider services (such as social workers, care assistants etc) keeping the commissioning function in-house – similar to Transportation model

Proposal	Residents Impact: Reach:		Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
16. Split residual function from Commissioning and Business Improvement between Safeguarding and Achievement & Learning as appropriate, and remove Commissioning and Business Improvement Service	L	L	L	H	L		

Options for Change – Communities and Built Environment

Proposal	Residents Impact: Reach:		Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
Risk / Impact							
Name of Service- Planning, Environment, Development and Property							
1. Reduce waste education budget by 50%	L	L	M	M	M		
2. Outsource building maintenance function	L	L	L	H	L		
3. Ensure all pieces of land and property owned by the Council are captured on a single register and maximum use is made or disposed of	L	L	L	L	L		
4. Introduce and implement a robust Corporate Property Strategy immediately	L	L	M	M	L		Release surplus property
5. Recover all Development Control costs	L	L	L	L	L		
6. Country parks must be self-financing in their entirety	H	M	L	L	M		
7. Rationalise use of property between County and partners	L	L	L	H	L		
Proposal	**Residents**		**Political**	**Organisational**	**Reputational**	**Potential Saving**	**Comments**

Proposal	Residents		Political	Organisational	Reputational	Potential Saving	Comments
	Impact:	Reach:		(internal)	(external)		
8. Where buildings are declared surplus by the County Council, opportunities are investigated for community groups to lease and maintain.	L	L	L	L	L		
Name of Service- Transport							
9. Computerise street lighting system and introduce a plan to upgrade current stock	M	H	H	L	L		This is an 'Invest to save' option. The initial outlay would be recouped by year on year savings. The plan to upgrade current stock must be definitive and time limited.
10. Review installation of safety cameras when government funding ceases – have red lights at priority junctions	M	H	M	L	M		Government has indicated it will stop central funds for fixed speed cameras
11. Assess whether staff travel choice discounts are cost neutral and, if not, include in current review of terms and conditions	L	L	L	H	L		'Staff' includes teachers Would be negotiable
12. Support initiatives to ensure Swan Rider can be more cost efficient/ cost neutral	M	L	L	M	L		

	Impact:	Reach:		(internal)	(external)		
13. Transport Development Control and Land Charges – recover all costs	L	L	L	L	M		Should the recovered funds be placed in the central pot?
14. Support the outsourcing of the Civil Enforcement Areas (CEAs)	H	M	H	L	H		
15. Provide home to school transport for the nearest available catchment school only	H	M	H	L	L		Would require a change in policy
Name of Service- Localities and Safer Communities							
16. Cut discretionary budget for community cohesion activities by 50%	H	L	M	M	M		
17. Form a joint Resilience Team with the District Councils	L	L	M	M	M		
18. Develop a countywide approach to Safer Communities	L	H	M	M	M		Currently, each Council has its own Community Safety Partnership
19. Drug and Alcohol Team (DAAT) – Reduce costs by creating joint posts with partners	L	L	M	L	L		

Options for Change – Resources and Business Transformation

Proposal	Residents Impact: Reach:		Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
			Risk / Impact				
Name of Service- Customer Contact							
1. Centralise customer complaints from services into customer contact service	L	L	L	M	L		At present customer complaints are managed by service areas. There is no consistency of response or monitoring of complaints across the board. Centralising the function would mean migrating some staff from service areas and this would lead to efficiency savings.
Name of Service- Finance and Commercial Services							
2. Outsource welfare benefits and finance deputy services if not financially viable	L	L	M	L	M		Could be outsourced to the voluntary sector or District Councils?
Name of Service- Human Resources							
3. Anything outsourced to other organisations should be on full cost recovery basis	L	L	L	L	L		
Name of Service- Legal and Democratic Services							

Proposal	Residents Impact:	Reach:	Political	Organisational (internal)	Reputational (external)	Potential Saving	Comments
4. Reduce printing costs by 5% p.a. over 3 years	L	L	M	L	L		
5. Submit member expenses electronically	L	L	L	L	L		At present members fill in expenses in hard copy. To save on bureaucracy this could be done on SAP
6. Joined up meetings / costs – share Democratic Services resource with partners	L	L	L	M	L		
7. Develop contracted legal services to, for e.g. Parish Councils	L	L	L	L	M		Investment
8. Revitalise member library and stock with strategic documents and journals in order to reduce spend on hard copies	L	L	L	L	L		
Name of Service `- Service Transformation							
9. Reconfigure ICT to support new ways of working, including video conferencing, conference calls, use of tablets	L	L	L	H	L		Reduce need for 'face to face' meetings. Invest to save.
Proposal	**Residents**		**Political**	**Organisational**	**Reputational**	**Potential**	**Comments**

	Impact:	Reach:		(internal)	(external)	Saving	
10. Outsource ICT or ensure in-house service is cost effective	L	L	L	H	L		Already out to soft test the market
Name of Service- Policy, Performance and Communications							
11. Centralise further – bring all Communications Officers into one team	L	L	L	H	L		
12. Reduce and target number of press releases: group them for maximum impact	L	H	M	L	L		
13. Stop officers sending large documents over a certain size by email; send summaries and a link.	L	H	M	M	L		Review method and formatting, use new ways of communicating, request hard copies – otherwise use email links
14. Centralise the research function to remove duplication	L	L	L	M	L		Eliminate for service areas

Options for Change - Adults and Family Wellbeing

Proposal	Residents Impact:	Reach:	Political	Organisational (internal)	Reputational (external)	Potential savings	Comments
	Risk / Impact						
Name of Service: Service Provision							
1. Level of care – review substantial care provision with a view to reducing and consider providing critical care only	H	L	H	M	H		Eligibility criteria to be reviewed by service area
2. Accelerate service integration with NHS ie: rehabilitation services	L	M	H+	H	H		
3. Ensure all Voluntary Sector contracts including Carer's Bucks have clear delivery targets	L	L	M	L	M		
4.Support the rationalisation of Day Centres	H	L	H	H	H		Currently under review
5. Outsource adult social care provider services - retaining commissioning function in house	L	L	H	H	L		Transportation has already gone down this route. ASC delivery arm budget **c.£92m**
Proposal	**Residents**		**Political**	**Organisational**	**Reputational**	**Potential**	**Comments**

	Impact:	Reach:		(internal)	(external)	savings	
6. Supporting people: reduce /rationalise number of provider contracts	L	L	L	L	M		Supporting people is no longer a ring-fenced grant but outstanding commitments to partners to be quantified
7. Complex Care – query level of funding for Learning Disabilities	H	L	H	L	H		£18M for Learning Disabilities appears disproportionately high in comparison to £20m for older people
Commissioning and Service Improvement							
8. Separate commissioning from procurement - moving procurement to a centralised service for ASC and CYP (see footnote 2)	L	L	L	H	L		
9. Accelerate the Telecare project to reduce staff costs whilst maintaining service levels	H	L	H	L	H		
10. Amalgamate Commissioning and Service Improvement and Service Provision into a single, integrated service following the streamlining of the commissioning and	L	L	L	H	L		

procurement function.							
Name of Service – Culture and Learning							
Proposal	**Residents Impact:**	**Reach:**	**Political**	**Organisational (internal)**	**Reputational (external)**	**Potential savings**	**Comments**
11. Library service: support reorganisation and reconfiguration of services	H	L	H	L	H		Service area working on a 'bare bones' financial assessment of what a minimum service would cost
12. Charge for storage of records – store electronically and reduce access.	L	L	L	L	L		
13. Find alternative funding and locality for County Museum and challenge the requirement for storage at Halton	L	L	M	L	H		Includes museum at Aylesbury and Halton collection
14. Transfer costs of community centres to Parish and District councils (see footnote 3)	L	L	L	L	H		Stokenchurch included in MTP 2011 Centres facilitate significant community activity including youth clubs
15. Community activities (i.e. local reading groups etc) to be transferred to voluntary sector and local councils.	H	H	H	H	H		Many activities linked to libraries infra-structure. Reduction would impact on vulnerable groups

Notes:
*H=High, M=Medium, L=Low
Impact = severity of effect on residents
Reach = number of people affected
Organisational = difficulty of implementation, exposure to legal challenge, disruption to organisation

Footnotes:
1. Universal and prevention services not costed – so not appropriate to include in proposals until more information is provided from service area around total budget and potential for savings
2. Conduct a review to consider outsourcing the provider services (such as social workers, care assistants etc) keeping the commissioning function in-house – similar to Transportation model
3. Consider possibility of closing community centres if no appetite for funding from Parishes/Districts