CARLISLE CITY COUNCIL
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COMMUNITY OVERVIEW AND SCRUTINY PANEL

Panel Report

Public

Date of Meeting: **8 February 2010**

Title: **SCRUTINY OF TRANSFORMATION**

Report of: **Deputy Chief Executive**

Report reference: **CE 06 10**

Summary:

The purpose of this report is to outline the approach to Transformation and propose the nature of Scrutiny involvement throughout the process. It is important at this early stage to be clear about the level at which Scrutiny wish to be involved in Transformation and how Scrutiny can best support the delivery of organisational objectives.

Questions for / input required from Scrutiny:

The key issue here is to ensure of the most effective deployment of Scrutiny towards the highest impact (or risk) elements of Transformation. It is suggested here that the priorities for Scrutiny of Transformation are determined by Scrutiny Chairs in discussion with senior officers. If Transformation Scrutiny is not prioritised in this way there is a risk that the sheer volume of work would make effective scrutiny impossible.

Recommendations:

1. That the Resources Panel monitor delivery of savings against the Transformation targets.

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

2. That the relevant Scrutiny Panels monitor the implementation of business change against the Transformation plans and the Corporate Plan.
3. That the Scrutiny Chairs and senior officers meet as required to enable the Chairs to prioritise specific areas of Transformation work for more detailed scrutiny.

Background

The Council has saved nearly £1m from the recurring revenue budget this year (2009/10) and needs to do the same next year and the year after – a total reduction of the operating costs of the Council of £3m. The represents a reduction in the net revenue budget of approximately 18%.

The logistics of saving this much money mean that substantial and unpopular decisions about resources need to be taken in a timely fashion. It will not be possible or appropriate to scrutinise every proposed saving and alternative in great detail – the work of Scrutiny will need to be targeted accordingly. A sensible way forward would be for Scrutiny Panels to use a risk-based approach to identify those elements of transformation where there is likely to be a high impact. This is similar to the way in which, for example, Internal Audit identify areas for their attention. Members will be familiar with the risk scoring system that the Council uses and this could be applied, by members, to elements of Transformation in order to prioritise their work. It has been made clear by Scrutiny Panels in the past that they do not consider it a role of Scrutiny to identify savings – so the work of the panels will most productively concentrate on managing the impact of savings.

The overall strategic approach to Transformation described here will enable Scrutiny Panels to measure the delivery of Transformation against the intended outcomes (primarily financial savings) and help ensure a consistency of approach throughout the process.

All significant decisions about resources are subject to the Council's decision-making framework and can be called in should that be considered necessary.

The Approach to Transformation

The need to save approximately £3m over three years requires a fundamentally different approach to a programme of efficiency reviews and vacancy management. The scale of the task requires substantial targeted savings driven by the organisation's priorities. Significant progress has already been made with the restructure of the management team and identification of savings within the Governance and Resources Directorates. The new structure including appointed Chief Officers is attached at Appendix 1.

The strategic approach underpinning all of this is the Corporate Plan – which Scrutiny Panels will shortly be considering.

The Transformation Team is systematically working through the organisation department by department. This should be understood in the context of the need for a fundamental cultural change within the Council that will see the challenge and business change associated with Transformation as the way in which the organisation operates from now on. Discussions with staff, Councillors and other stakeholders, informed by the Council's priorities, identify options for change. The activities currently undertaken by the Council need to be tested against a number of questions – these include.

- Does the activity need to be undertaken at all? How does it fit with our priorities?

- Could it be delivered more efficiently through working in a new way?

- Should it be delivered directly by the Council? e.g. would a shared service, or a commissioned service be more cost effective?

- What would the impact of change be and how should it be managed?

At this stage a number of proposals are generated, supported by an analysis of costs, savings and risks for each. There will be a number of Transformation workshops for all members taking place during February (and beyond) – whilst these will of course be useful they are not intended in any way to substitute for the work of Scrutiny. The Scrutiny Panels work will enable a more detailed focus upon key elements and potential decisions around the Transformation Programme. For example a proposed saving may be linked to a significant procurement decision – the implications of which would benefit from detailed Scrutiny.

It is suggested that the Chairs of the relevant Scrutiny Panels could at this stage risk asses and prioritise areas for Scrutiny. Officers will support this process. It will be worthwhile to identify the objectives and outcomes for Scrutiny at this stage – for example a series of resolutions supporting or not supporting individual proposals will not be as useful as the development of constructive alternative approaches to achieving the objectives required. For particularly high impact proposals it may be valuable to establish specific task and finish groups to give these further attention and make appropriate recommendations.

With the benefit of these inputs officers will then be in a position to make recommendations to the appropriate decision-making body (usually the Executive in the first instance). Many decisions around Transformation will fall within the responsibilities delegated to officers and will be actioned accordingly.

Monitoring of Delivery

Scrutiny Panels will have an important role to play in monitoring the delivery of actions and savings determined by the Transformation Programme. It is suggested the Resources Panel monitors the delivery of savings against target throughout the financial year and all Panels monitor the management of change and its impact in their particular areas of interest. It is proposed that this element of scrutinising Transformation will be addressed through monitoring of the Corporate Plan. It is important to be aware that there are two sets of related targets to be monitored .Firstly the identification of sufficient savings to deliver the required budget reductions. Secondly the fulfilment of those identified savings by delivering change.

Recommendations

That the Resources Panel monitor delivery of savings against the Transformation targets.

That the relevant Scrutiny Panels monitor the implementation of business change against the Transformation plans and the Corporate Plan.

That the Scrutiny Chairs and senior officers meet as required to enable the Chairs to prioritise specific areas of Transformation work for more detailed scrutiny.

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CARLISLE CITY COUNCIL

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Town Clerk and Chief Executive
Maggie Mooney

Chief Executive's Office

- *Policy & Performance*
- *Organisational Development*
- *Communications*
- *PA Support Team*
- *Emergency Planning*

Strategic Director & Deputy Chief Executive
Jason Gooding

Strategic Director
Darren Crossley

Peter Mason
Assistant Director (Resources)

- *Section 151*
- *Financial strategy*
- *Financial Services*
- *Audit*
- *Risk Management*
- *ICT*
- *Property and Facilities management*
- *Shared Service Monitoring*
- *Corporate support services*
- *Procurement*
- *Payroll/HR Operational*

Mark Lambert
Assistant Director (Governance)

- *Monitoring Officer*
- *Legal Services*
- *Democratic Services*
- *Overview and Scrutiny*
- *Standards Committee*
- *Electoral Services*
- *Land Charges*
- *Health and Safety*
- *Licensing*
- *Mayor*
- *Member Services*
- *Independent Remuneration Panel*

Christopher Hardman
Assistant Director (Economic Development)

- *Economic Development*
- *Carlisle Tourism Partnership*
- *Rural Policy*
- *City Centre Management*
- *Liaison with Carlisle Renaissance.*
- *Business Support*
- *Enterprise Centre*
- *Planning*
- *Property Portfolio (Strategic)*

Keith Gerrard
Assistant Director (Community Engagement)

- *Customer Contact Centre*
- *Community Support*
- *Carlisle Partnership*
- *Neighbourhoods/Rural support*
- *Health*
- *Homelessness/Hostels*
- *Housing Strategy & Support*
- *Crime & Disorder Partnership*
- *Community consultation*
- *Bereavement Services*
- *Sport and Leisure*
- *Tullie House*
- *Revenues and Benefits*

Angela Culleton
Assistant Director (Local Environment)

- *Streetscene (incl. Highways, drainage and street lighting)*
- *Waste*
- *Refuse collection and recycling*
- *Environmental protection*
- *Food hygiene*
- *Green spaces*
- *CCTV*
- *Car Parks*