



**Buckinghamshire County Council**  
**Select Committee**  
Finance, Performance and Resources

**Date:** Tuesday 8 March 2016  
**Time:** 10.00 am (pre-meet for Committee Members at 9.30am)  
**Venue:** Mezzanine Room 2, County Hall, Aylesbury

**AGENDA**

**9.30 am Pre-meeting Discussion**

This session is for members of the Committee only. It is to allow the members time to discuss lines of questioning, areas for discussion and what needs to be achieved during the meeting.

**10.00 am Formal Meeting Begins**

<b>Agenda Item</b>	<b>Time</b>	<b>Page No</b>
<b>1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP</b>	<b>10am</b>	
<b>2 DECLARATIONS OF INTEREST</b> To disclose any Personal or Disclosable Pecuniary Interests		
<b>3 MINUTES</b> To agree the minutes of the meeting held on Tuesday 15 December 2015.		<b>5 - 10</b>



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#### 4 **PUBLIC QUESTIONS**

Public Questions is an opportunity for people who live, work or study in the county to put a question to a Scrutiny Committee about any issue that has an impact on their local community or the county as a whole.

Members of public, who have given prior notice, will be invited to put their question in person.

The Cabinet Member and responsible officers will then be invited to respond.

Further information and details on how to register can be found through the following link:-

<http://www.buckscc.gov.uk/about-your-council/scrutiny/get-involved/>

#### 5 **CHAIRMAN'S REPORT**

For the Chairman of the Committee to provide an update to the Committee on recent scrutiny related activity.

#### 6 **REVIEW OF BUSINESS SERVICES PLUS BUSINESS PLAN** **10.20am** **11 - 32**

As part of the Future Shape restructure, Business Services Plus has been operational since 1<sup>st</sup> April 2015. BSP is the County Council's internal support services unit, which is focused on delivering high quality, customer-focused services to support frontline business units and external customers.

##### **Attendees:**

John Chilver, Cabinet Member for Resources  
Jonathon Noble, Commercial Director  
Rachel Bennett, Business Planning Co-Ordinator  
Mark Preston, Finance Director

#### 7 **BRIEFING ON DIGITAL SAVINGS** **11.10am** **33 - 38**

To provide a briefing on the Council's Digital Savings.

##### **Attendees:**

John Chilver, Cabinet Member for Resources  
Matthew Cain, Head of Digital  
Sophie Payne, Head of Customer Experience and Communications

#### 8 **BUDGET SCRUTINY INQUIRY** **12noon** **39 - 46**

Cabinet's response to the Budget Scrutiny Inquiry recommendations is attached.

**9 COMMITTEE WORK PROGRAMME 12.15pm**

To consider and agree the Finance, Performance and Resources Select Committee Work Programme for future meetings.

**Suggested items:**

1. Property update (once the final review has taken place – after June)
2. Income generation
3. Chief Executive update (once the new Chief Executive has been appointed, invite to a meeting to discuss their priorities and progress)
4. Shared Services update
5. Budget savings monitoring
6. Inquiry recommendation monitoring – Crisis Support (12 months); Rent-in-Advance (12 months), Budget Scrutiny (6 and 12 months)

**10 DATE AND TIME OF NEXT MEETING 12.30pm**

The next meeting is due to take place on Tuesday 3 May 2016 at 10am in Mezzanine Room 2.

**Purpose of the committee**

The role of the Finance, Performance and Resources Select Committee is to hold decision-makers to account for improving outcomes and services for Buckinghamshire.

It shall have the power to scrutinise all issues in relation to the Council's strategic performance, financial management and corporate issues. This will include all areas under the remit of the Council's Headquarters and Business Services Plus (Business Unit). This includes, but not exclusively, responsibility for scrutinising issues in relation to:

- The Strategic Plan and Medium Term Financial Plan
- HQ Assurance responsibilities—including scrutiny of the strategic oversight of capital
- HQ Strategy & Policy responsibilities—including the strategic commissioning of Council resources.
- HQ Enterprise—including the commissioning of services from Business Services Plus such as legal services; and ICT; and the Council's strategic approach to communications and customers.
- The overall effectiveness of the scrutiny function
- Strategic alliances and partnerships with others externally—nationally, regionally and locally.

*By convention the Chairmen of the other Select Committees are invited to participate in the annual budget scrutiny inquiry, whereby the Executive's draft budget is automatically referred for scrutiny as part of the annual budget setting process.*

## Webcasting notice

Please note: this meeting may be filmed for subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with the Council's published policy.

Therefore by entering the meeting room, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If members of the public do not wish to have their image captured they should sit within the marked area and highlight this to an Officer.

If you have any queries regarding this, please contact Member Services on 01296 382876.

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If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

*For further information please contact:* Liz Wheaton on 01296 383856; Email [ewheaton@buckscc.gov.uk](mailto:ewheaton@buckscc.gov.uk)

## Members

Mr W Bendyshe-Brown	Mr B Roberts (C)
Mr W Chapple OBE (VC)	Mr D Shakespeare OBE
Mr S Lambert	Mr A Stevens
Mr D Martin	Vacancy



**Buckinghamshire County Council**  
**Select Committee**  
Finance, Performance and Resources

# Minutes

## *FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE*

**MINUTES OF THE FINANCE, PERFORMANCE AND RESOURCES SELECT COMMITTEE HELD ON TUESDAY 15 DECEMBER 2015, IN MEZZANINE ROOM 2, COUNTY HALL, AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 12.58 PM.**

This meeting was webcast. To review the detailed discussions that took place please see the webcast which can be found at: <http://www.buckscc.public-i.tv/core/portal/home>  
The webcasts are retained on this website for 6 months. Recordings of any previous meetings beyond this can be requested (contact: [democracy@buckscc.gov.uk](mailto:democracy@buckscc.gov.uk))

### **MEMBERS PRESENT**

Mr W Bendyshe-Brown, Mr W Chapple OBE (Vice-Chairman), Mr S Lambert, Mr D Martin, Mr B Roberts (Chairman), Mr D Shakespeare OBE and Mr A Stevens

### **OTHERS IN ATTENDANCE**

Mr R Ambrose, Mr J Chilver, Mr J Huskinson, Mr D Johnston, Mr Z Mohammed, Dr J Nethercoat, Mr M Phillips, Mr R Schmidt, Ms J West and Mrs E Wheaton (Secretary)

### **1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP**

Apologies were received from David Schofield. Bill Bendyshe-Brown joined the meeting late.

There were no changes in membership.

### **2 DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **3 MINUTES**

The minutes of the meeting held on Tuesday 10 November 2015 were agreed as a correct record.



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The corrected amended minutes of the meeting held on 29 September 2015 were noted.

#### **4 PUBLIC QUESTIONS**

There were no public questions.

#### **5 CHAIRMAN'S REPORT**

The Chairman confirmed that David Shakespeare will be chairing the budget scrutiny inquiry. He reported that this Select Committee should agree the final report on the budget scrutiny inquiry which is submitted to Cabinet. However, due to the short timescale the report will be emailed round to Members for comment with a proposal to delegate final agreement of the report to the Chairman of Finance, Performance and Resources Select Committee in conjunction with the Chairman of the Budget Scrutiny Inquiry Group, David Shakespeare. Members agreed with this proposal.

The Chairman went on to say that Cabinet discussed the prudential borrowing paper at its meeting on 7 December and it will be discussed further at the majority group meeting in December. Cabinet will discuss it again in the New Year.

#### **6 DRAFT INCOME GENERATION STRATEGY AND DRAFT CHARGING POLICY**

The Chairman welcomed Richard Schmidt, Head of Strategic Finance and John Chilver, Cabinet Member for Resources.

The following main points were made during the presentation.

- The council needs to generate income to fund its services.
- There is a rising demand for services, yet Government funding is reducing so there is a need to look at the options for generating income.
- The largest single source of income was the dedicated schools grant which is a ring-fenced grant to be spent on funding schools.
- Council tax is the largest source of locally generated income for the council. The overall yield from council tax is large for Buckinghamshire, due to the relatively high value of properties.
- The council operates as a number of large “funds” and recharges between these “funds” can be like income as far as the receiving fund is concerned. If Business Units are going to sell their services, they need to know what the whole cost would be including support costs. There was an acceptance that the council does not want to over complicate the re-charging process but if Business Units are to adopt a more commercial approach, they need to understand all the costs associated with delivering the service.
- At present, the rate of taxation for businesses is set nationally.
- The council already makes a diverse range of charges for its services with some charges set by statute and others fully at the discretion of the council.
- There are three key principles underlying the Income Generation Strategy:
  - Change the culture of the organisation
  - Change approaches
  - Introduce new methods of working.
- Key stakeholders are not fully engaged with the proposed strategy but they will be over the coming months.
- Employees are being encouraged to undertake skills training in order to drive this approach forward.
- The discussions around pooling are well advanced and a bid has been submitted and accepted by Government which would see savings of around £0.5million a year.

## **SEE PAPERS/WEBCAST FOR FULL CONTENT**

### **7 PROPERTY STRATEGY**

The Chairman welcomed John Chilver (Cabinet Member for Resources), Joe Nethercoat (Head of Strategic Assets), Richard Drew (Rural Partner, Carter Jonas) and Jo West (Estates Officer).

The following main points were made during the presentation.

- The Agricultural Estate is identified as an Investment Portfolio as against an Operational Estate.
- Carter Jonas was instructed to conduct an Agricultural Estate Asset Strategy Review. They have examined the Estate on an asset by asset basis.
- The draft report is currently being finalised but some highlights were mentioned:
  - The Agricultural Estate comprises approximately 4,500 acres of land and associated buildings.
  - The total gross income from the Estate is in excess of £600,000.
- Cabinet Members Warren Whyte and John Chilver will make a decision based on discussions with the local member.
- Forecasting can help to identify where rent will go up and where capital investment/expenditure lies.
- The Agricultural Estate has been broken down into three parts – core (has development opportunities), non-core and tradeable (could sell it tomorrow or hold onto it for an income).
- A review of the non-agricultural estate is also being carried out and has a targeted end date of June 2016.

## **SEE PAPERS/WEBCAST FOR FULL CONTENT**

### **8 UPDATE ON CRISIS SUPPORT**

The Chairman welcomed Martin Phillips, Cabinet Member for Community Engagement and Richard Ambrose, Director of Assurance.

At the last Committee meeting, Members received a six month progress update on the recommendations of the Crisis Support Inquiry. Committee Members requested further information on the proposed loan scheme in conjunction with the local Credit Union.

The Cabinet Member updated Members that representative from M4Money and council officers are meeting to discuss how the scheme will work. It is due to start on 1 April 2016.

The loan will be a corporate loan rather than using the Local Emergency Support funding. A private individual has offered to match the county council's £50k. The Chairman asked the Cabinet Member to pass on the Committee's thanks to the individual for their generosity.

**Action: Cabinet Member for Community Engagement**

The Cabinet Member for Community Engagement clarified that any reduction in voluntary sector funding is subject to an Equality Impact Assessment and a RAG status is assigned.

### **9 BUDGET SCRUTINY INQUIRY - PROGRESS REPORT ONE YEAR ON**

Richard Ambrose, Director of Assurance took Members through the Budget Scrutiny Inquiry recommendations and provided a 12 month progress report for each recommendation. Attached is the RAG status which the Committee assigned to each recommendation.

## **SEE PAPERS/WEBCAST FOR FULL CONTENT**

### **10 COMMITTEE WORK PROGRAMME**

Members noted the work programme and were asked to submit any topics for consideration at future meetings to Liz Wheaton in Member Services ([ewheaton@buckscc.gov.uk](mailto:ewheaton@buckscc.gov.uk)).

It was agreed to set up an Inquiry Group in the New Year to look in more detail at the County Council's Property portfolio.

### **11 FINANCIAL PRESSURES ON THE BUDGET - CHILDREN'S SERVICES**

The Chairman welcomed Zahir Mohammed (Cabinet Member for Education and Skills), David Johnston (Strategic Director, Children and Young People) and John Huskinson (Finance Director). Apologies were received from Lin Hazell (Cabinet Member for Children's Services).

During the presentation and discussion, the following main points were made.

- There have been a number of significant pressures across the portfolio – a reliance on agency staff to support children's and safeguarding which has cost the county council twice as much as recruiting people directly. 35-36% of the workforce comprised agency staff at the beginning of the year but this has reduced to around 22-23% but it is still a significant pressure on budget.
- Buckinghamshire has a sustained, higher level of looked after children. 50 of these children are in residential placements which has driven the budget upwards.
- Since July this year, Kent County Council has written to Local Authorities asking for their assistance with unaccompanied asylum seekers (children). The provider market is driving the costs up due to demand. There are currently 22 children in Bucks and it costs around £40-50k per child to provide the services for unaccompanied children. The numbers are rising. There is a proposal about how to share the burden and the Strategic Director agreed to circulate a copy of the proposal.

**Action: Strategic Director**

- There has been an increase in the number of children with Special Educational Needs which has increased pressure on the budget. The level of funding cannot support the increase in the demand.
- A review of SEN transport will be starting in January, ready for implementation in July 2016. The Committee asked to see the feedback of the review before implementation.

**Action: Strategic Director**

- A transport options appraisal is currently taking place.
- A proposal is going to the One Council Board on the future of Foster Carers. The Strategic Director agreed to circulate the report to the Committee Members.

**Action: Strategic Director**

- The services are dealing with a range of emerging needs which have to meet.
- A number of men have been convicted for Child Sexual Exploitation and more investigations are going on with more victims coming forward. People have the confidence to come forward now but in order to meet the demand, more services need to put in place.



- There is a proposal being developed to build children's homes in the county. The Chairman asked for an update on this at a future Committee meeting.

**Action: Strategic Director**

## **SEE PAPERS/WECAST FOR FULL CONTENT**

### **12 EXCLUSION OF THE PRESS AND PUBLIC**

#### **RESOLVED**

**That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)**

### **13 FINANCIAL PRESSURES ON THE BUDGET - CHILDREN'S SERVICES**

The exempt session was not required at the meeting to discuss this item in further detail.

The confidential minutes of the meeting held on Tuesday 10 November 2015 were agreed as a correct record.

### **14 DATE AND TIME OF NEXT MEETING**

The Budget Scrutiny Inquiry will be taking place on Tuesday 19<sup>th</sup>, Wednesday 20<sup>th</sup> and Thursday 21<sup>st</sup> January 2016.

#### **2016 dates**

8 March

3 May

28 June

13 September

1 November

**CHAIRMAN**





**Buckinghamshire County Council**

## Select Committee

Finance, Performance and Resources

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### Report to the Finance, Performance and Resources Select Committee

<b>Title:</b>	Business Services Plus Business Unit Plan
<b>Committee date:</b>	8 <sup>th</sup> March 2016
<b>Author:</b>	Jonathon Noble, Commercial Director
<b>Contact officer:</b>	Rachel Bennett, ext 3991, <a href="mailto:rbennett@buckscc.gov.uk">rbennett@buckscc.gov.uk</a>
<b>Cabinet Member sign-off:</b>	John Chilver, Cabinet Member for Resources

#### **Purpose of Agenda Item**

Select Committee has requested to view the Business Plan for Business Services Plus (BSP) to understand its key functions, priorities and the plans in place to meet these priorities. The Select Committee also wants assurances that any activities attached can be delivered within the given budget. The Committee has also expressed an interest in BSP's income generation strategy and its plans around shared services.

#### **Background**

As part of the Future Shape restructure, BSP has been operational since 1<sup>st</sup> April 2015. BSP is the County Council's internal support services unit, which is focused on delivering high quality, customer-focused services to support frontline business units and external customers. It was formed from the former Resources and Business Transformation (RBT) directorate and includes:

- Corporate Business Support
- Customer Contact
- Finance (excluding HQ Assurance functions, e.g. strategic finance, risk and audit)
- HR
- ICT
- Legal
- Procurement
- Property (excluding Corporate Landlord and major projects)



Property is a new addition to BSP's service portfolio, having transferred from the former PLACE service. The functions that have transferred are Facilities Management and Building Services (including management of the Bilfinger Europa contract), which has allowed us to create a joined-up, inclusive support service offer, improving the experience for customers.

In addition to providing services to the County Council, BSP does business with more than 250 external customers, including schools, academies, charities, and other public authorities such as Buckinghamshire and Milton Keynes Fire & Rescue Authority, Milton Keynes Council and Harrow Council. As local authority, we are not legally able to make profit on the sale of services but the income from these organisations makes a contribution to our overheads, allowing us to sustain services we could not otherwise afford and reducing back office costs to protect frontline services.

To support this activity, and with one of the Council's main focuses becoming more commercially minded, we have also introduced a new Commercial Team for the business unit. This has bought commercial focus to the business unit, which includes securing new business, building relationships to ensure repeat business and looking to share services with other organisations.

### **Summary**

The business plan sets out BSP's key services, how it will achieve its MTP savings and opportunities for further income generation and process transformation.

### **Key issues**

With the inclusion of Property services, the business unit has inherited an overspend which its leadership team are working to manage. Although this is still a significant risk, good progress has been made: in 2015, the overspend was forecast at £1.2m but this has been managed down to £380k with potential remaining to balance the budget overall as a business unit at year-end. This is attributed not only to the hard work of Property services but to the diligence of all colleagues during the non-essential spending freeze in managing public money carefully to bring the budget back on track.

Other issues are the lack of funding for Legionella and asbestos testing of the County Council's buildings, which the Cabinet Member has set as a priority to be addressed, and recruitment and retention challenges in some of the key professions, including building surveying, ICT and procurement.

### **Resource implications**

As a support service, rising demand on the frontline and challenges in other areas of the organisation invariably has an impact on BSP. Significant resources have been contributed to the Council's Ofsted Improvement Plan, particularly to make enhancements in ICT and to our HR processes. The progress made has been reflected in the most recent inspection.



Good progress has been made on income generation with limited resources for business development and we have been successful in securing business with new customers such as independent schools, charities and other local authorities. We have seen an incremental increase in our external revenue; recent investments in technology, including our e-commerce capability and sales management database should allow us to take this even further.

### **Next steps**

The BSP Business Plan Executive Summary is due for sign off at Cabinet on 18<sup>th</sup> February.

Sessions are planned across the business unit to communicate the business plan to colleagues and to ensure that they understand how their roles directly contribute to the successful delivery of our priorities.





## Business Services Plus

### Business Unit Plan 2016/17 – 2019/20

Author: Gillian Quinton

Date: 6<sup>th</sup> November 2015

Agreed by: John Chilver, Cabinet Member, Finance and Resources  
Martin Phillips, Cabinet Member, Community Engagement

Refresh in 1 years time: 6<sup>th</sup> November 2016

Version Control			
Version Number	Date	Author	Comment and nature of update
V1	06.11.2015	RB	Initial ideas for draft to be discussed with BU Senior Managers
V2	13.11.2015	RB	Updates following meeting with Commercial Director
V3	24.11.2015	RB	Updates following meeting with Consultancy and Operations Director and Business Planning meeting across all Business Units
V4	02.12.2015	RB	Update following Meeting with Cabinet Member Added in BSP Contracts Update of Statutory Duties
V5	08.12.2015	RB	Update following meeting with Gillian Quinton Deletion of sections of the plan which aren't relevant to BSP Updated BSP Priorities
V6	31.01.2016	RB	Update following BSP Board and confirmation of MTP information and Leadership Away Day

## **CONTENTS**

**Section 1: What we do and what we are working towards**

**Contracts Summary**

**Section 2: Other Services Not Linked to a Strategic Plan Outcome**

**Section 3: Horizon Scanning**

**Section 4: Opportunities**

**Section 5: Risks/Areas for Disinvestment**

**Section 6: New Statutory Duties**

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## Business Services Plus

### What We Do and What We Are Working Towards

Business Services Plus aims to provide the best possible value business services, based on the needs of our customers. Its prime aim is to support the delivery of vital front line services across the council through effective and efficient business processes that enable employees to focus on core business.

In providing services, the Business Unit will be commercially minded, focused on customers, quality and transforming the business through digital technologies. A new improved approach to account management will ensure that the needs of our customers are prioritised in the design and delivery of services. The Business Unit will also identify new services and products which are saleable to a wider range of customers both within and outside the County Council in order to deliver greater value and reduce the unit cost of service to internal customers. In considering how best to provide the services needed by customers all options will be appraised in terms of their value for money including in house delivery and external delivery.

The Business Unit has three distinct functions:

1. A Commercial and Business Development function which will lead on commercial relationships, oversee contracts held by the BU, business plan development, identifying and following up on new business opportunities, customer relationship management.
2. A Consultancy function which will lead on the professional and advisory support to customers
3. Operational services which will lead on delivering high quality operational and transactional services to customers.

### Who's Responsible for the Plan?

John  
Chilver



Cabinet  
Member

Martin  
Phillips



Cabinet  
Member

Gill Quinton



Managing  
Director

### What Money Do We Have To Deliver The Council's Key Outcomes?

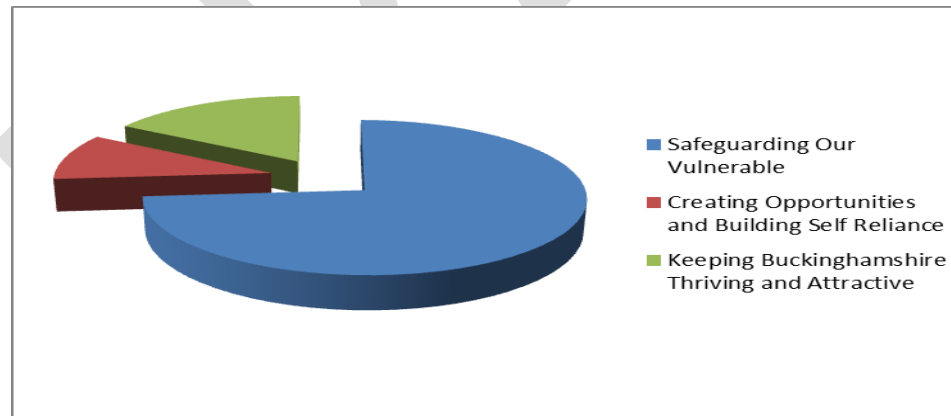
Business Services Plus (BSP) business unit supports the Council to deliver its 3 main outcomes shown below in the table. Prorata has been applied to the Council's total budget by outcome and applied to the BSP total budget to give a breakdown by outcome for BSP.

#### Medium Term Planning Budget by Outcome for BSP Business Unit

<b>Strategic Outcome</b>	<b>2016/17 (000s)</b>	<b>2017/18 (000s)</b>	<b>2018/19 (000s)</b>	<b>2019/20 (000s)</b>
Safeguarding Our Vulnerable	14,745	14,315	13,843	13,869
Creating Opportunities & Building Self-Reliance	1,985	1,684	1,602	1,549
Keeping Buckinghamshire Thriving & Attractive	3,269	3,118	2,974	2,900
<b>Total Budget</b>	<b>19,999</b>	<b>19,118</b>	<b>18,419</b>	<b>18,319</b>

The figures show a decreasing budget over time.

Chart - 2016/2017 Budget by Outcome for BSP



Business Services Plus have refreshed their priorities for the coming year:

## BUSINESS UNIT PRIORITIES

### OUR BUSINESS UNIT PRIORITIES

- Developing more **Shared Services** with likeminded partners and delivering Strategic Options Appraisals
- **Commercialisation** – generating income and diversifying our customer base
- **Business Improvement** – creating efficiencies and making savings through transformation, smarter ways of working and new technologies

### OUR COUNCIL PRIORITIES

- **Workforce Challenges** – recruitment, workforce retention, enable the organisation to face the recruitment challenges
- **Work Tools**– delivering tools for people to be able to work efficiently
- **Customer Experience & Demand Management**– the quickest and most efficient way of dealing with customers. Service areas working together to minimise hand offs.

### Key contracts that are due for review within the life of this Business Plan

Key Programmes/Projects/Activities * denotes statutory activity	Key Contracts Due For Review	Annual cost	Review Date	Member
Managed Services for Temporary Agency Resources (MSTAR) Agency Recruitment Interims & Specialist Contractors	Pertemps	6,000,000	31/03/2016	John Chilver
Planned & Reactive Maintenance Service Contract	Bilfinger Europa Facility Management Ltd	1,406,763	31/03/2017	John Chilver
Supply of IT Hardware and Services	Computacenter (UK) Ltd.	500,000	19/12/2015	John Chilver
Managed Print Service	Ricoh	400,000	01/09/2016	John Chilver
Capita Annual Support and Maintenance	Capita plc	198,617	31/03/2016	Lin Hazel
Managed Hosting - Swift/AIS	Northgate Public Services		31/03/2017	John Chilver

		112,501		
Servicing & Supply of Portable Fire Equipment	Churches Fire Security Ltd	107,000	31/12/2016	Warren Whyte
People Asset Management	People Asset Management	101,000	08/09/2016	John Chilver
Provision of Banking Services	Lloyds Bank	54,259	31/03/2016	John Chilver
Liquidlogic Children's System (LCS) Support and Maintenance Agreement	Liquidlogic	51,333	31/03/2016	Lin Hazel
Liquidlogic Early Help Module(EHM) Contract	Liquidlogic	15,333	31/03/2016	Lin Hazel
Provision of the Government Procurement Card	Barclays Bank Plc	-	31/03/2016	John Chilver
BT Enterprise Broadband	BT Global Services		03/12/2015	John Chilver

## Section 2: Other Services That Do Not Currently Contribute To Strategic Plan Outcomes

Detail any other key service areas or activities currently being delivered but which do not directly deliver the Strategic Plan Outcomes.

Other services	Why we deliver these	Interdependencies (with other parts of BCC, partners or third parties)	Cost £	Cabinet Member
Commercial Services	<p><b>Commercial Services</b> Ensuring high performance as a commercial business through an integrated approach to business planning, development and customer relationship management and driving the transformation and digital programme for the Business Unit.</p> <p><b>The Commercial Team will help achieve the BSP Priorities by delivering:</b></p>	The People Strategy team in HQ will determine the overarching behaviours and skills programme for the Council. The Shared	£340K	John Chilver

	<ul style="list-style-type: none"> <li>• Shared Services with London Borough of Harrow, including Legal, HR, procurement and any other opportunities</li> <li>• Shared service with other like mentioned authorities where there is a value proposition to do so</li> <li>• Our net additional income targets, working with service areas to focus on our most profitable product lines</li> <li>• Contracts with new customers out of county and in different industry sectors to create resilience in our customer portfolio</li> <li>• Savings through business and digital transformation</li> <li>• Continuous improvement in the customer experience to help other parts of the council and it's delivery vehicles to meet their priorities.</li> </ul> <p><b>The key functions to do this are:</b></p> <p><b>Business Planning &amp; Change</b>  This team are responsible for the effective central governance of the business unit including</p> <ul style="list-style-type: none"> <li>• Business Plan</li> <li>• Assurance and risk management</li> <li>• Business Continuity Planning</li> </ul> <p>They are responsible for the business unit Transformation plan and the successful management and delivery for the change projects within this</p> <p>They will also review and improve Customer Experience: processes, technology (including digital), training and culture</p> <p><b>Business Development &amp; Account Management</b>  This team will generate new business and implement effective account management for existing and new customers.</p> <p>They will use market research, commercial information / intelligence to achieve this and ensure that that we have value for money product costings and pricing</p>	<p>Services BU will operate in line with this programme and will deliver or commission services (e.g. training) that directly contribute to achieving its goals.</p>		
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<p>Operations</p>	<p><b>Operations</b>  Delivering high quality, value for money business enablement services to customers through a range of professional and efficient operational and transactional processes.</p> <p>BSP includes an Operations Delivery Unit that will provide services to internal and external customers, employing new channels of contact to reduce the cost of demand.</p> <p><b>Operations will help achieve the BSP Priorities by delivering:</b></p> <ul style="list-style-type: none"> <li>• Excellent customer service on a day to day basis e.g. through a new service desk solution and great customer responsiveness</li> <li>• Efficient processes e.g. new recruitment process and enhancements to the new starter process</li> <li>• Continuous improvement in technology and ways of working e.g. Purchase to Pay project, Firmstep web solution and C-Talk</li> </ul> <p><b>The key functions to do this are:</b></p> <p><b>Corporate Business Support</b>  Our CBS service will provide a bespoke administrative support service to meet business unit's requirements.</p> <p>It will offer a wide range of services including, project support, administrative support to statutory functions, assistance with business process improvements and system applications.</p> <p><b>Finance Transactions</b>  The Finance operations function is made up of several divisions of specialised Finance Officers who will provide expert advice and support in many aspects of the financial business.</p> <p>Services include accounts receivable, debt recovery, schools financial</p>	<p>There will be a dependency on customer willingness to engage with the new BU through more digitally based channels. BUs will need to be willing to involve the Advisory Directorate in the development of their BU plans so that Shared Services can develop a greater understanding of service needs.</p>	<p>£10.9m</p>	<p>John Chilver/Martin Phillips</p>
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	<p>support, reporting, purchase to payment processes, reconciliation and advisory services. Also providing Section 151 assurance in regards to schools and business areas with compliance to Financial regulations and instructions.</p> <p><b>HR Operations</b> Providing HR expertise focused around the customer.</p> <p>Providing advice on:</p> <ul style="list-style-type: none"> <li>• Change Management including TUPE transfer advice, providing full resourcing advice</li> <li>• The Employee Relations advisory team offer a wide range of services from tailored professional advice on all employee relations issues to bespoke workshops, mediation, coaching and mentoring.</li> <li>• The Reward Team provide reward advice tailored to meet business needs.</li> <li>• The Management Information Team provides a range of workforce analytics.</li> <li>• The Learning &amp; Development Team deliver training workshops, online and e-learning courses and bespoke training.</li> </ul> <p><b>Customer Services</b> Provides Service Desks (Finance, HR and ICT) for the first point of call for any Finance, HR or ICT issues.</p> <p>Deskside Support provides laptops and desktops to staff and to Buckinghamshire libraries, and are on hand to help with any problems that might arise.</p> <p>The Contact Centre is the entry point into the Council for the residents of Buckinghamshire. They deal with a wide variety of subjects coming in by telephone, email, webchat and online forms.</p>			
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	<p>The ICT Schools Team consists of SIMS, FMS and the Schools Technical Team and combined they offer a one stop shop for schools ICT requirements including training, consultancy, provision and support of hardware and software and other services such as a cloud based backup service, and a popular Bursar and Admin Service.</p> <p><b>Payroll &amp; Transactions</b> A professional payroll service to all customers of BCC payroll ensuring accurate and on-time payments to over 13,000 payees each month.</p> <p>Processing for over 60,000 transactional changes each year, new starters, leavers, LVTC's and claims.</p> <p>A highly skilled Teachers Pension service to both BCC staff, BCC payroll customers and non BCC payroll customers.</p> <p>Pensions support on the LGPS, NHS and teachers pensions schemes for over 11,000 active pension members.</p> <p><b>Property Facilities Management</b> Facilities Management (FM) We are committed to offering a high quality, efficient and flexible service to effectively assist business units in managing and protecting their buildings, assets and people.</p> <p>Our FM is enhanced by its close relationship with its business partners in ICT, HR and Finance in terms of a joined up approach to solutions, such as office moves and ICT/FM provision.</p>			
Consultancy Services	<p><b>Consultancy Services</b> Providing high quality professional advisory and project management services to support customers in their business as usual activities and business transformation goals.</p> <p>Consultancy will provide a wide range of technical and professional advice</p>	Frontline BU commissioning and change plans will drive the volume and type of demand on	£8.8m	John Chilver



	<p>to Business Units to support them in their commissioning plans. We will follow a delivery plan for Shared Services based on our Options Appraisal, which evaluates the most effective means to deliver services.</p> <p><b>Consultancy will help achieve the BSP Priorities by delivering:</b></p> <ul style="list-style-type: none"> <li>• Improvements in technology that makes the business run e.g. SAP developments, system upgrades and introduction of new solutions</li> <li>• Transformed Property service that allows us to run our buildings efficiently within our financial envelope</li> <li>• A shared Legal service with the London Borough of Harrow</li> <li>• A regional procurement service with the London Boroughs of Harrow and Brent</li> <li>• Improving the account management focus and project support</li> </ul> <p><b>The key functions to do this are:</b></p> <p><b>ICT</b> Provision of network infrastructure and application support across all business units and a variety of external customers.</p> <p>Consultancy advice and support on technology requirements and developments including SAP, line of business applications and network provision.</p> <p><b>Property</b> Repairs and maintenance across the corporate, agricultural and schools estate.</p> <p>Capital programme delivery of building projects for both and corporate and school customers including heating and ventilation projects.</p> <p>Provisions of Health and Safety advice and guidance as well as building compliance and property asset database maintenance.</p>	<p>Shared Services BU.</p> <p>Given the commercial trading nature of this BU, there are also interdependencies with existing client groups (e.g. schools).</p>		
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	<p><b>Finance</b> Provision of management accounting support to all business units and external customers.</p> <p>Provision of procurement guidance, support and advice.</p> <p><b>Legal</b> Provision of Legal advice to Children’s and Adults services as well as specific specialist Legal advice on matters such as property and employment litigation.</p> <p>The team also provide insurance claims handling, stage 3 complaints and school appeals services.</p> <p><b>Procurement</b> The procurement service provides professional procurement advice and tendering services to support the organisation in its commissioning and contract requirements.</p>			
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### Section 3: Horizon Scanning/Other Impacts

Horizon scanning for potential major changes to legislation/other changes that could impact on the service in the next few years. Macro impacts only – details can be provided in the MTP impact assessments if necessary.

- **Care Bill** – Adults, Health & Communities’ response to the requirements of the Care Act will have a call-on Shared Services
- **OFSTED Improvement Plan** – CYP’s response to the Ofsted inspection will have a call on Shared Services
- **Outsourced services market** – disaggregation in this marketplace will require a different approach to commissioning
- **Outsourcing of Adult Learning**
- **Alternative Delivery Vehicles in the organisation** – Impact on BSP income and knock on affect to the cost quoted to other BUs and customers.
- **Legal services market** – consolidation in the legal services marketplace will require a different approach to delivery

- **Legionnaires and Asbestos**
- **Aging set of Council building assets to be maintained**
- **Increased partnership working (Adult Social Care)** leading to complex technology requirements, procurement and staffing arrangements
- **Constraints on Capital/Revenue Investment on technology resulting in inefficient systems**
- **Council Overspend**
- **Business Rates changes** – Changes to process of distributing business rates could result in a reduction received by councils
- **Increase in living wage** – Increase in minimum wage and the impact on business operation
- **Transformation Programmes of other business units**
- **Cloud based technology – Digital Tools Programme**

#### Section 4: Opportunities

Have you explored other new ways of working? What opportunities are there to improve service delivery?

E.g. joint commissioning/options appraisals/areas for investment/horizon scanning/ways to generate income (if appropriate)

- **Third Party Spend review** – Review in progress of all third party spend across the Council to make savings and efficiencies
- **Shared Service options** – Continue to have conversations and develop opportunities for shared services arrangements
- **Legal Services review** - Exploring the mutual benefits of evolving greater collaboration in the organisation and delivery of legal services
- **Digital Tools Programme** - We are putting in a set of new digital tools to Make it easier for customers to self-serve, to Provide a consistent, high-standard of customer service across different channels (phones, email, webchat etc), to match customer expectations and behaviours, to help Business Units to trade services and generate income and to create the business intelligence systems we need to make better use of data and customer intelligence.
- **Income Generation** e.g. Parish Councils, Out of County Schools and Academies

#### Section 5: Risks/Impacts Of Disinvestment

This section refers to those proposed areas of disinvestment and uses the same information from the MTP risk and impact assessment process and therefore uses a direct link. [BSP MTP Tracker February 2016](#).

Any BSP disinvestments will have an impact on front line Business Units and their delivery vehicles to achieve their outcomes. It is important that BSP disinvestments are shared with other BUs so that they have chance to consider and comment.

We will endeavour to mitigate any of our disinvestments by achieving additional income and by further Shared Services arrangements. By doing this it will allow us to maintain capacity and specialisms that we couldn't otherwise afford.

### Section 6: Statutory Duty

Are there any new statutory duties or changes to existing statutory duties on the horizon that could impact on your business unit? What is the minimum level required by law?

Please provide a brief description of the duty with an overview of the impacts on the business unit and if there could be implications for other business units. A briefing paper with fully scoped out impacts can be provided as an appendix if necessary.

There are statutory obligations in respect of Complaints handling, provision of services to schools and notification to Government bodies such as HMRC and DWP.

#### Employee Relations

- Trade union bill impact
- Severance payments cap
- NI contribution changes wef 5.4.16
- School teachers pay and conditions changes (effective from 1.9.2016) – an annual item.

#### Safeguarding in Employment

There are not any changes to current statutory duties / new statutory duties that would affect the "safeguarding in employment" position of the Council. However, there is legislation which proposes changing the age of criminal responsibility in England and Wales from age 10 to age 12; there are minor amendments proposed to the Rehabilitation of Offenders Act; much more significantly there are requirements in the Immigration Bill requiring public sector bodies to ensure that customer facing staff speak "fluent English;" the detail is unspecified as yet although a Code of Conduct setting out further details is planned.

SHARED SERVICES BUSINESS UNIT - MTP DELIVERY MONITORING

February 2016

NB All delivery Targets are Incremental.

Start Year	Delivery Unit	Efficiency/Reduction/Income target	Target 2015/16	Lead	Board Sponsor	Target 2016/17	Lead	Board Sponsor	Target 2017/18	Lead	Board Sponsor	Target 2018/19	Lead	Board Sponsor
2015/16	Commercial	New Business/Increased Income	-198		Jonathon Noble	-171		Jonathon Noble	-72		Jonathon Noble			
	Delivered by :		£50k delivered through OD Service to Harrow and remainder delivered through increased sale of BSP services			Further OD income from sale of services, plus other opportunities and increased sales.			Dependent upon business case development and opportunities.					
2015/16	Ops	P2P	-25		Lloyd Jeffries									
	Delivered by :		£25k delivered by AFW arrangements. The remaining £75k due in 14/15 will also be fully met on a permanent basis.											
2015/16	Ops	CBS/SSC Merger	-34		Lloyd Jeffries									
	Delivered by :		Savings delivered as part of Future Shape restructure.											
2015/16	Transformation	Agency Reduction	-20		Nick Cave									
	Delivered by :		Delivered											
2015/16	Transformation	Conferences Reduction	-1		Nick Cave									
	Delivered by :		Delivered											
2015/16	Transformation	Consultancy Reduction	-9		Nick Cave									
	Delivered by :		Delivered											
2015/16	Transformation	Transformation Phase 1	-100		Nick Cave									
	Delivered by :		Delivered											
2015/16	Ops	Reorganisation of work/creation of Business Operations Service	-132		Lloyd Jeffries									
	Delivered by :		Delivered as part of the Future Shape restructure.											
2017/18	Ops	Reduction of Service Desk support							-75		Lloyd Jeffries			
	Delivered by :					£75k can be delivered in 2016/17 through not recruiting to team leader post and changing line management responsibilities.			Will be delivered early in 2016/17					
2015/16	Ops	Business Support Efficiencies	-50		Lloyd Jeffries	-50		Lloyd Jeffries						
	Delivered by :		Delivered as part of the Future Shape restructure.			Deleiverable through not recruiting to vacancies.								
2015/16	Ops	Streamline Business Support teams				-43		Lloyd Jeffries	-25					
	Delivered by :					Deliverable through bringing together Finance Ops and Accounts Payable.			Should be deliverable through bringing together Finance Ops and Accounts Payable.					
2015/16	Ops	Reduction in PA Support	-32		Lloyd Jeffries	-32		Lloyd Jeffries						
	Delivered by :		Delivered as part of the Future Shape restructure.			Will be delivered.								

Start Year	Delivery Unit	Efficiency/Reduction/Income target	Target 2015/16	Lead	Board Sponsor	Target 2016/17	Lead	Board Sponsor	Target 2017/18	Lead	Board Sponsor	Target 2018/19	Lead	Board Sponsor
2017/18	Ops	Merger of CBS/Property Operations Mgt							-60		Lloyd Jeffries			
	Delivered by :								Alternative delivery will be sought as not enough synergies to merge the management arrangements of the 2 areas.					
2015/16	Finance	Procurement Staffing Reduction	-30		Mark Preston									
	Delivered by :				Delivered as part of the restructuring of Finance in the Shared Services Business Unit.									
2015/16	Finance	Pension Fund Recharge	-20		Mark Preston									
	Delivered by :				Delivered as part of the restructuring of Finance in the Shared Services Business Unit.									
2015/16	Finance	Reduce Finance non-staffing costs	-30		Mark Preston									
	Delivered by :				Delivered as part of the restructuring of Finance in the Shared Services Business Unit.									
2015/16	Finance	Reduce Finance CoE by 2 FTE	-110		Mark Preston									
	Delivered by :				Delivered as part of the restructuring of Finance in the Shared Services Business Unit.									
2015/16	HR	New Resourcing Model	-20		Chris Daltry									
	Delivered by :				Specific reduction to still to be identified.									
2015/16	HR	Reduce Graduate Placements	-180		Chris Daltry									
	Delivered by :				Delivered as part of Future Shape restructuring. Costs until September to be met from Graduate Reserve.									
2015/16	ICT	Rationalisation of Licences (Corporate-wide)	-100		Nick Cave	-15		Nick Cave	-30		Nick Cave			
	Delivered by :				Delivered via Future Shape restructure and SAP licence savings.	Further Opportunities expected to be delivered.		Further Opportunities expected to be delivered.	Further Opportunities expected to be delivered.					
2015/16	Legal	Increased Income	-10		Nick Cave	-65		Nick Cave	-46		Nick Cave			
	Delivered by :				Should be deliverable through new business opportunities.	Look to deliver through new arrangements with Harrow.		Look to deliverable through new arrangements with Harrow.	Look to deliverable through new arrangements with Harrow.					
2015/16	Legal	Head of Legal Reduction	-30		Nick Cave	-5		Nick Cave	-5		Nick Cave			
	Delivered by :				No saving through new arrangements	Look to deliver through new arrangements with Harrow.		Look to deliver through new arrangements with Harrow.	Look to deliver through new arrangements with Harrow.					
2015/16	Legal	Legal Complaints	-10		Nick Cave	-5		Nick Cave	-5		Nick Cave			
	Delivered by :				Delivered through review of resourcing.	Deliverable through new complaints arrangements		Deliverable through new complaints arrangements	Deliverable through new complaints arrangements					
2015/16	Customer Contact	Customer Contact - Removal of posts	-88		Lloyd Jeffries									
	Delivered by :				£47k post reduction delivered during 2014/15. Additional £41k consultancy spend saving delivered.									
2015/16	Customer Contact	Customer Contact	-45		Lloyd Jeffries									
	Delivered by :				Delivered with the reduction of R6 Insight Post and £10k Consultancy									
2015/16	Customer Contact	Customer Contact - Strategic Sourcing of Contact Centre function	-50		Lloyd Jeffries	-50		Lloyd Jeffries						
	Delivered by :				Delivered through the removal of R11 Ops Manager Post	Deliverable through review of Contact Centre function.								
2016/17	Customer Contact	Cessation of One-Stop Shop function - Buckingham Library				-31		Lloyd Jeffries						

Start Year	Delivery Unit	Efficiency/Reduction/Income target	Target 2015/16	Lead	Board Sponsor	Target 2016/17	Lead	Board Sponsor	Target 2017/18	Lead	Board Sponsor	Target 2018/19	Lead	Board Sponsor
	Delivered by :													
2015/16	Property	Facilities Management - Property transformation including staff restructure and new maintenance and asset management contract arrangements.	-180		Nick Cave	-20		Nick Cave	-37		Nick Cave			
	Delivered by :													
2015/16	SSBU	Future Shape - Digital First	-112		All									
	Delivered by :													
2015/16	SSBU	Future Shape - People & Organisational Change	-146		All									
	Delivered by :													
2015/16	SSBU	Future Shape - Strategic Options Appraisal	-90		All									
	Delivered by :													
2015/16	SSBU	BSP Allocated Future Shape Savings				-115		All	-277		All			
	Delivered by :													
2017/18	SSBU	Shared Service with other LA										-354		Gill Quinton
	Delivered by :													
2016/17		Shared Services Opportunity				-200		Nick Cave	-100		Nick Cave	-200		Nick Cave
	Delivered by :													
2015/16	FMS	Reorganisation of work							-25		Lloyd Jeffries			
	Delivered by :													
			-1,852			-802			-757			-554		

**Key Highlights/Risks:**

1. Key focus for is delivery of income generation through new business opportunities. Need to be really conscious of the timing of delivery to ensure the income target is met.
2. Need to ensure the continued delivery of services to existing customer base at the same time as developing new opportunities.







## Buckinghamshire County Council Select Committee

Finance, Performance and Resources

### Report to the Finance, Performance and Resources Select Committee

<b>Title:</b>	Briefing on Digital Savings
<b>Committee date:</b>	8 <sup>th</sup> March 2016
<b>Author:</b>	Sophie Payne and Matthew Cain
<b>Contact officer:</b>	Matthew Cain, ext. 3920 <a href="mailto:mcain@buckscc.gov.uk">mcain@buckscc.gov.uk</a>
<b>Cabinet Member sign-off:</b>	John Chilver, Cabinet Member for Resources

#### Context

Future Shape allocated digital savings to each Business Unit, based on a high level understanding of the scale of the opportunity to digitise services and processes.

The digital savings targets were as follows:

	2015/16		2016/17		2017/18
	Target	Actual	Target	Estimated	Target
Communities, Health and Adult Social Care	£53,000	-	£267,000	£2,500	£634,000
Children's Social Care and Learning	£27,000	-	£137,000	£127,000	£325,000
Transport, Economy and Environment	£28,000	-	£142,000	£170,000	£337,000
Business Services Plus	£112,000	£142,000	£332,000	£161,500	£474,000
HQ	£2,000	£18,000	£7,000	£37,500	£18,000
<b>Total</b>	<b>£222,000</b>	<b>£160,000</b>	<b>£885,000</b>	<b>£498,500</b>	<b>£1,788,000</b>



To support the digital savings, the council invested in digital tools to help support channel shift - moving customer interaction from phone to self-serve digital channels.

The digital reserve (capital) budget invested in three key 'digital tools' to support the digitisation agenda:

- from July 2015, a new telephony platform (C-Talk), enabling the Customer Service Centre to see the history of customer contact across telephone, email and self-service digital
- from November 2015 a customer account platform (provided by Firmstep) which enabled customers to input data and see progress of their requests
- from February 2016 an e-commerce platform (provided by Shop for Support) to improve the experience of purchasing multiple products

The purpose of this item is to help Members understand the progress towards digital savings. The item is for **information** although it may assist in making future recommendations to Cabinet around performance monitoring and financing of the programme.

### **Current status**

The digital savings targets for 2015/16 will not be realised. As Customer, Information and Digital Board noted consistently during the year, Business Units had not identified comprehensive plans either to take advantage of the digital tools or undertake broader digital transformation projects.

However, efforts during the year have identified 40 stand-alone customer contacts that can use the digital tools to facilitate digital self-service and over 1,000 customers have signed up to an account since its introduction. The e-commerce platform will also support a broader range of products - and the improved customer experience is expected to lead to better customer conversion rates. As a result, the digital tools are expected to deliver efficiency savings alone equivalent to £100,000 in 2016/17 and at least that in subsequent years.

We have also avoided costs by getting as much value as possible from our existing tools. For example, by migrating the transportforbucks.net webpages to the corporate website, we could avoid purchasing a new service which was estimated to cost as much as £300,000.

In response to concern over the progress towards digital savings, One Council Board led a 'deep dive' into digital which recommended concerted work to understand the scope for digital transformation in discrete areas. HQ Digital created two 'digital exemplars', focused on our highest volume transactions, examining the end-to-end service experienced by the customer and developing a digital service so good that people prefer to use them.



The exemplars work has identified significant back-office inefficiencies which can be addressed through creation of bespoke solutions. This work has already saved £30,000 that was allocated for a revised home-school transport map and across both exemplars, has a target for saving £300,000 in 2016-17.

The table below summarises the estimated digital savings for 2016/17 based on the current digital projects:

Business Unit	Current estimated savings for 2016/17
Communities, Health and Adult Social Care	£2,500
Children's Social Care and Learning	£100,000
Transport, Economy and Environment	£180,000
Business Services Plus	£19,500
HQ	£19,500
Total	£321,500

## Lessons learned

We have learnt five key lessons from this work:

### 1. Better management and performance information is needed to drive decision making

We do not have clear management or performance information to identify opportunities for digital. Services do not routinely capture digital uptake, customer satisfaction or cost per transaction. This makes it difficult for a Business Unit to identify the whole cost of a service and prioritise transformation.

### 2. Digital capability is vital

Many service areas lack the capacity to engage with digital projects alongside 'business as usual'. Whilst many understand how to take existing processes and apply them to digital (e.g. producing an online version of a form), taking full advantage of technology requires a more detailed understanding of service design.

*Business Units are currently putting in place digital expertise to provide a focal point for co-ordinating transformation.*

### 3. Significant savings require service design

The intensive work on the exemplars has identified the potential for more significant digital savings. For example, there are over 52,000 contacts per year from the 18,000 customers who apply for a school place. However, reducing phone calls alone will not save money



unless the demand is reduced. A corresponding increase in emails, for example, would actually increase costs.

Across our services, there are common barriers to enabling digital self-service:

- Accessing services can be complicated and stressful for customers and designing an experience that's so easy that people prefer to use it requires expertise
- We need to move data in and out of business applications which requires technical expertise we don't typically have in-house
- Reassuring customers requires regular, clear and personalised notification
- Verifying a customer's identity is often a manual or paper-based process

*The digital strategy envisages three further exemplars, focused on our highest volume services. BCC will need to decide the right timing of this work: whether the digital savings from the initial exemplars need to be realised first or the programme expanded in order to deliver to support the digital savings targets of 2016/17.*

#### **4. Supporting greater co-ordination**

The business can struggle to get maximum value from its existing technology and there are examples of individual Business Units procuring packages that include functionality we already own. Business applications with customer front-ends are purchased with insufficient understanding of the opportunities provided by existing tools or the costs generated by sub-standard customer experiences.

#### **5. Importance of new ways of working**

Typically our customer-facing digital solutions take months to "make work" and are not tested with customers until the project is well-advanced. Where these solutions join two pieces of technology, BCC typically acts as a 'post box', co-ordinating stand-alone suppliers, and lacks sufficient understanding of either technology to identify the best solution.

The exemplars project has involved research with customers from the first week of the project, producing over 30 prototypes in 13 weeks to show customers and understand what they do and do not need. Having technical experts on site has enabled us to build solutions rapidly, often at lower cost.

#### **Further action required**

In addition to the actions described above, we believe that further action is needed to ensure the digital savings can be realised.



## **Strengthened role for CID board to support accountability and co-ordination**

We believe that CID would benefit from a broader remit, namely:

- All customer-facing solutions requiring sign-off from CID board, using the digital service standard it adopted in November
- All Business Units required to report monthly to CID board on the pipeline of digital activities
- All digital services required to report monthly on performance, particularly cost per transaction, digital uptake and customer satisfaction
- A £0 spend control on digital will help ensure co-ordination and get the full benefits from our existing technology

## **Better management and performance information**

The business needs to produce and publish management and performance information. Individual services could be required to publish quarterly information detailing digital uptake, the total cost per transaction and customer satisfaction and this information used to identify the support and challenge necessary to stimulate further digitisation.

## **Embedding new ways of working**

We need to do more to understand how to embed new ways of working, and particularly to understand how to support rapid deployment of new technology and iterative development. Currently, our management of risk and the way we work with key enabling functions (e.g. ICT, finance and facilities) all present challenges for resourcing and managing Agile projects.

## **Conclusion**

We have not met the digital savings targets of 2015/16, which is disappointing. However, we believe the experience has taught us valuable lessons for realising future savings - and many of these have been acted on. But more work and investment is required if we're to meet the scale of our ambitions.



**Response to Buckinghamshire Select Committee Inquiry**

**Select Committee Inquiry Title:** Budget Scrutiny

**Committee Chairman:** Brian Roberts & David Shakespeare

**Date report submitted for response:**

**Lead BCC Cabinet Member (where response required from BCC Cabinet) and Lead Officer:**

**Select Committee Support Officer / Advisor (Extension):** Liz Wheaton (ext. 3856)

**Suggested frequency of future updates (e.g. 6 & 12 months):** 6 months & 12 months

Recommendation	Agreed Yes/No	BCC Cabinet / Partner Agency Response including proposed action	Responsible Cabinet Member (for BCC recs)	Responsible Officer	Action by date
69 1. That the delivery of all the savings required in the Medium Term Financial Plan be robustly monitored. The savings delivery programme should be overseen corporately and include quarterly reports to the Finance, Performance and Resources Select Committee	Yes - In part	It is absolutely the intention of Cabinet that savings will be robustly monitored. Cabinet will continue to require quarterly reports on progress both on savings and on overall expenditure and achievement of KPIs. All reports to Cabinet are available to all members.	Martin Tett	Richard Ambrose	Quarterly reports to Cabinet
2. That any new proposals for unidentified savings should ensure due process is followed, including Equality Impact Assessments and public consultation on specific proposals prior to a decision	Yes - In part	As detailed proposals for changes in service provision are developed, then the Council will undertake consultations as appropriate and prepare EIAs to inform its decision making and fully meet its statutory requirements.	Martin Tett	Richard Ambrose	Ongoing
3. That a review of the Future Shape Business Case, agreed by Cabinet in December 2014, is undertaken to assess whether the benefits originally envisaged have been achieved and lessons learnt, as well as make recommendations on any changes to the approach needed	Yes – already underway	The Cabinet have already identified this as a first priority for the newly appointed Chief Executive in 2016. The One Council Board has started the background work to underpin this review, which will be reported to Cabinet following the appointment and agreement of the new Chief Executive.	Martin Tett	Sarah Ashmead	September 2016

<p>4. That business cases for any new Alternative Delivery Vehicles are developed with full consideration to all the possible delivery models and that these include clear and consistent proposals for future governance arrangements so that Members can be assured that adequate controls and contract management are in place. A review of existing ADVs should be undertaken to ensure they are delivering against their business plan</p>	<p>Yes – already underway</p>	<p>The Cabinet have already commissioned a review of the new Delivery Vehicles, with a focus on both delivery against the original business cases and lessons for the future including future governance arrangements.</p>	<p>Martin Tett</p>	<p>Sarah Ashmead</p>	<p>July 2016</p>
<p>40 5. We recommend that the Strategic Initiatives Fund is stopped and all funds earmarked for this are reallocated to supporting services for vulnerable children, including protecting those areas outlined in the rest of the report</p>	<p>No</p>	<p>This fund is critical in providing some modest flexibility to tackle unfunded priorities which emerge during the course of the year. In recent years, the SIF has been deployed to support a wide range of priorities including the debt advice service delivered by the Citizens Advice Bureau, Paralympics Flame Lighting ceremony, the improvement programme in children’s services and HS2 petitioning.</p>	<p>Martin Tett</p>	<p>Chris Williams</p>	
<p>6. To undertake a review of the current levels of agency and interim/consultancy staff across the organisation to consider how to reduce unnecessary costs</p>	<p>Yes - already underway</p>	<p>The use of agency and interim staff across the organisation is already subject to regular review. Bi-annual reports are presented to the One Council Board and to Cabinet Members to review agency usage across the organisation. As a consequence a number of actions have already been taken to reduce spend including a moratorium on the appointment of any new agency staff other than those required to cover critical posts, a review of all existing agency staff and termination of contracts where possible, a review of long-standing agency workers and development of strategies to replace with permanent staff where economically viable.</p>	<p>John Chilver</p>	<p>Gill Quinton</p>	<p>Six monthly reporting</p>



<p>7. To undertake a review of the Pertemps contract to ensure that this remains the most cost-efficient way of meeting the Council's needs</p>	<p>Yes – already underway</p>	<p>There are a number of misunderstandings in the Budget Scrutiny Inquiry Report. In <b>para 25</b> the additional fees quoted are not representative of Pertemps charges. Pertemps do not operate charges of this nature. Outside the Pertemps contract, other agencies may charge between 20-30% of salary costs and may also have clauses to restrict us from being able to convert an agency worker to permanent without the payment of significant fees. However, we now require all new requests for agency workers to be commissioned via the Pertemps contract to avoid additional fees of this nature.</p> <p><b>In para 27</b> of the report, it suggests that the Pertemps contract limits our ability to be competitive. The Pertemps contract is a Master Vendor arrangement which means they act as the conduit to supply all BCC agency workers. We get the best rates if they can supply to us themselves, but where they cannot do this, they open up vacancies to other agencies that are signed up to their supply chain at centrally agreed rates, which are much more economical than those we would be able to obtain by approaching the agencies directly. We have clear SLAs to determine when they open up vacancies to the supply chain. We also benefit from rebates on the Pertemps contract. This year we are budgeting on income of around £140K.</p> <p>The Pertemps contract was renewed in April 2015 and has another 2 years to run plus an option to extend for another year if required. Operation of the contract is reviewed regularly via Operational Management meetings and via a Governance Board which includes the Cabinet Member for Finance and Resources.</p>	<p>John Chilver</p>	<p>Gill Quinton</p>	<p>Ongoing</p>
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<p>8. To undertake a specific project to identify skills gaps within the Business Units and to work across the organisation to upskill the existing staff and to recruit people with commercial skills to current vacancies</p>	<p>Yes – Already Underway</p>	<p>The Future Shape Programme contained a programme workstream entitled People and Organisational Change. The purpose of this workstream was in part to identify and understand any skills gaps in the organisation that may impact on our ability to become a commercially minded organisation. As part of this work, commercial skills were identified as a key development need. A series of activities have been put in place to develop commercial skills including:</p> <ul style="list-style-type: none"> <li>- Workforce development plans for each Business Unit which identify skills gaps.</li> <li>- Commercial awareness training available to all employees including courses such as Commercial Instinct, Effective Bid Writing etc</li> <li>- A robust training and development programme, which identified contract managers across the organisation on Contract Management skills. All contract managers of platinum and gold suppliers have been trained and included action learning sets</li> <li>- Supplier Management Group has been refreshed to focus on: Delivering collaborative work-streams identified in the Commercial Plan such as 'low cost / no cost' solutions, Platinum Plus supplier events and knowledge / skills sharing</li> </ul> <p>New job families and role profiles have been developed which include commercial acumen. Recruitment processes ensure that these competencies are identified and assessed in new recruits where appropriate.</p>	<p>John Chilver</p>	<p>Gill Quinton</p>	<p>Ongoing</p>
<p>9. To consider withdrawing the funding for local priorities and cease running Local Area Forums and instead ensure that there are more effective mechanisms in place for</p>	<p>No</p>	<p>The operating cost of LAFs is some £110k p.a. although the immediate cashable savings if LAFs were discontinued would be less than £5k. The local priorities funding has been reduced to £500,000. Many members have already made commitments for local schemes with Parish or</p>	<p>Martin Phillips</p>	<p>Trevor Boyd</p>	

<p>engaging with communities. The money saved could be reallocated to support services for vulnerable people, including protecting those areas outlined in the rest of the report</p>		<p>Town councils and residents groups. Some schemes have been carried over from 2015/16 due to the freeze on non-essential expenditure with commitments given. There is a risk to the partnerships, built up over recent years with local communities, if commitments given are removed with little warning. A review of LAFs and their funding is due to be given to the Transport Select Committee in the near future where the policy for LAFs can be examined and debated by members.</p>			
<p>43</p> <p>10. To undertake a detailed review of the gully cleaning programme with the objective of achieving greater efficiencies in the use of the plant and equipment</p>	<p>In part</p>	<p>A detailed review of the gully cleaning operation was conducted in 2015, to improve plant utilisation. The review focused specifically on adopting a split shift approach, extending the gully cleaning operation from 6.00am until 10.00pm (depending on the time of year). This would require two specific crews per machine per shift.</p> <p>A number of concerns about the split shift approach were raised by the workforce – including increased driver / operative fatigue, highway safety during early morning and night operations, traffic management on primary routes, customer dissatisfaction in residential areas for early morning and night/evening operation, and increased fleet maintenance and support (breakdown recovery). It was agreed these concerns would need to be addressed before this option can be implemented.</p> <p>The current focus of this service is based on an asset needs based approach (basically seeking to prioritise those gullies most likely to flood or have inherent problems). However the split shift approach will be revisited during 2016.</p>	<p>Mark Shaw</p>	<p>Mike Freestone</p>	<p>December 2016</p>
<p>11. To undertake an options appraisal to assess the cost/benefits of different delivery models for the Fostering and</p>	<p>Yes – Already underway</p>	<p>The Business Unit is currently undertaking an options appraisal to assess the most appropriate delivery model for the fostering service. In relation to the Adoption service, the Council has recently</p>	<p>Lin Hazell</p>	<p>David Johnston</p>	<p>July 2016</p>

Adoption service, including exploring outsourcing		joined forces with a number of other Councils to form a Regional Adoption Agency led by Coram, in accordance with the Government's ambition for adoption services.			
12. To ensure a full public consultation in relation to Children's Centres on all the options for delivering the service in a different way prior to a key decision on any service change. To work in conjunction with Public Health to understand the full impact on the proposed service reduction	In part	The Business Unit will examine all options with regard to Children's Centres which still enable the necessary savings to be achieved. All options will be consulted upon as appropriate and in accordance with statutory requirements.	Zahir Mohammed	David Johnston	September 2016
13. That an options appraisal be carried out on the Educational Psychology Service to assess the best delivery model for this service to maximise the income generation potential	Yes	The EPS is already successful at generating income to support the costs of the service. The Business Unit will explore a range of options in order to assess the opportunities for enhancing the income generation potential.	Zahir Mohammed	David Johnston	July 2016
14. To review the charging policies for all Home to School transport users to ensure maximum income generation opportunities are explored. To undertake a timely public consultation on any proposed changes to the service	In part	The Business Unit continues to keep the charging policies for home to school transport under review. Any changes will be consulted upon as appropriate and in accordance with statutory requirements.	Zahir Mohammed	David Johnston	Ongoing
15. To look at alternative ways of delivering the Youth Counselling Service without cutting the service completely (for example, reduce the number of paid staff and explore possibilities of joint funding the service with Oxford Health Trust)	Yes	The Cabinet recognises the importance of the Youth Counselling Service and is committed to continuing its support for the service as far as possible, within the resources available. The Business Unit will explore all possible options to achieve this.	Zahir Mohammed	David Johnston	May 2016
16. To explore other ways to keep the Duke of Edinburgh Award programme running (for example, explore the idea of a private company/companies	Yes	The Duke of Edinburgh Award programme is highly regarded across the County, providing valuable opportunities for young people to develop skills for life. The Business Unit will look at ways for private and voluntary sector organisations to	Zahir Mohammed	David Johnston	July 2016

sponsoring the programme and target those who currently employ a number of apprentices)		provide ongoing support for the programme in Buckinghamshire.			
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