

IMPROVEMENT PANEL

16th February 2005

**PRESENT:-**

**Labour Group**

Councillor Whyman, M.B.E. (Chair) and Councillors Carroll, Harrington and Murphy.

**Conservative Group**

Councillors Atkin, Ford and Harrison.

**APOLOGY**

An apology for absence from the Meeting was received from Councillor Taylor (Labour Group).

IP/18. **MINUTES**

The Open Minutes of the Improvement Panel Meeting held on 1st December 2004 were received.

IP/19. **MEMBERS' REPORTS**

The Chair advised that he would need to leave the Meeting early and it was agreed that Councillor Murphy be appointed Chair upon his departure.

IP/20. **GERSHON SAVINGS AND SHIFTING RESOURCES**

The Panel received a presentation from the Deputy Chief Executive, which gave an update on the Gershon requirements. The latest guidance was reported, with details of the annual savings target of 2.5% and the need to produce an Annual Efficiency Statement. A slide showed the ongoing annual savings required and by Year 3, the cumulative amount was £1.8 million. A definition of efficiency was provided and cutting services did not count towards the savings target. The Chair sought clarity on the savings requirements and he commented on the mindset for achieving year on year savings. The efficiency definition provided for greater outputs or increased quality for the same inputs and Councillor Murphy questioned how quality would be measured. This had not yet been defined and the issue would be discussed with District Audit. The Head of Policy and Economic Regeneration presumed this would be based on customer's views. Councillor Murphy referred to quality of life indicators. The Deputy Chief Executive used the example of partnership working to show how savings or service improvements could be achieved. Councillor Atkin questioned how Gershon savings were treated and essentially, this was a matter for the Council. One example given was moving staff to frontline services.

The presentation then focused on how Gershon would be achieved and the areas for action. Councillor Harrison questioned why no reference was made to the Police within the list of action areas. The Deputy Chief Executive explained that

the Best Value rules for the Police were different and they were required to show where efficiency savings had been achieved.

An update was given on the Shifting Resources project and how it related to Gershon. There was still a divergence between income and expenditure, but this was reducing. There were obvious overlaps between Gershon and the Shifting Resources project and it was questioned how Gershon could be shaped to achieve the Council's other objectives. There was a need to be clear about what the Council was trying to achieve, to avoid potential future conflicts. Gershon would release funds from cashable savings, but the Council might wish to shift further resources, which might not necessarily count as Gershon savings. A number of examples were given to demonstrate the difference between Gershon savings and the Shifting Resources project.

Defining the project was considered and there were two aspects, for delivering the savings and shifting the resources. To deliver the savings, a project plan would be required and reference was made to the approach used for the Comprehensive Performance Assessment, which had worked well. The presentation covered key components for delivering the savings, together with suggested themes and priorities. The Chair commented that there was a need for this project to be embedded throughout the organisation. Officers recognised the benefits of involving front line staff and explained the approach taken by Management Team to secure their ownership of this project. The suggested themes and priorities were managing the "big picture", cross cutting areas for productive time, corporate services, transactions and asset management, together with sector areas on efficiencies in Council services and efficient working with others.

On the productive time theme, the Deputy Chief Executive felt there was an opportunity to streamline certain internal processes and he gave examples on the booking of leave and re-grading applications. The Working Panel gave further consideration to achieving efficiency savings, how these could be demonstrated and how the released resources could be re-utilised. Cash resources could easily be transferred, but re-training staff to deliver a different service might be less easy and staff motivation issues were recognised. The cross cutting area on Asset Management was also discussed. It might be considered Gershon friendly to reduce the Council's assets, but disposals could reduce the Council's revenue income. In response to a question from Councillor Atkin, further clarification was provided on the overall efficiency savings to be achieved and the cumulative impact.

One of the Corporate Service cross cutting areas was making better use of IT/IEG. If significant savings were not being generated, the Chair questioned why such funding had been provided for IEG initiatives. The Deputy Chief Executive gave a further example of efficiency savings, where a Council had negotiated discounts on procurement. The Chair commented that all local authorities would need to meet the requirements of Gershon and there was an opportunity for partnership working.

The presentation then looked at improvement priorities. Resources and cash released through Gershon initiatives should be directed to the Council's Improvement Priorities. It was questioned whether the current system was adequate for this and how the Council would decide between improving existing services and new services. There was a need for forward thinking to identify where expenditure was likely to be made, the resources required and how to help staff transfer to new service areas. The Chair considered this a difficult issue,

but new services were not necessarily in competition with existing ones. The Deputy Chief Executive felt that developments in traditional areas of Council work had previously met difficulties in getting through the service development process. He questioned whether the Council would have funded information technology improvements if there had not been the Government grant incentives. Councillor Ford used the example of the Call Centre as a new way of delivering an existing service. The presentation concluded by looking at the next steps for this project, the initial project plan and a number of questions were posed for Members consideration.

Note: At 7.00 p.m. Councillor Whyman left the Meeting; Councillor Murphy in the Chair.

Information was circulated on major milestones for the period to April 2005. This covered the Gershon/Shifting Resources themes, awareness and consultation, managing the process, underpinning activities and other significant milestones. Councillor Atkin recognised that this was a large project for the Council and he questioned the impact on Service Plans. There would be an impact on Corporate and Service Plans. The need for the Corporate Scrutiny Committee to be involved was also discussed. Councillor Murphy questioned the purpose of this forum, whether it would undertake the process itself or undertake a co-ordinating and monitoring role. The Chief Executive referred to the Improvement Plan and felt this Group could monitor its delivery. Effectively, the major milestones document was a tool to formulate a plan, to achieve this project. This provided a starting point and the key was to finalise the strategy for Year 1, the roles and responsibilities. The Deputy Chief Executive considered that the Panel should manage this process strategically and provide direction for the future. It would be difficult to undertake this process in a policy committee environment.

Councillor Murphy felt there was a need to agree the “ground rules” at an early date. He spoke of the work undertaken on the Best Value Review Project and there might be some reticence amongst staff towards this project. The Chief Executive confirmed that efficiency was not about making cuts and the need to engage staff in this process was recognised. The Head of Policy and Economic Regeneration commented that from Best Value experience, there was a need to give clear guidance of expectations at the outset of any review.

Note: At 7.10 p.m. Councillor Carroll left the Meeting.

Councillor Murphy spoke of the need for a profile of back and front office operations. Historically, there had been a lack of qualitative information and he gave examples of the information needed to enable high level decision making. The Head of Policy and Economic Regeneration commented on the guidance that had been provided.

Note: At 7.15 p.m. Councillor Harrison left the Meeting.

The Deputy Chief Executive made reference to the former Compulsory Competitive Tendering regime and felt it was unlikely that Government would set targets that local government could not deliver. Savings were achieved year on year and this was about managing the process corporately to determine how to utilise the saved resources. He then referred to the presentation slide on questions for Members, asking whether the Council should have just one project, how Members would manage the project and whether to contribute to the

scrutiny projects. A guide was sought from Members so that when this issue was raised at policy committees, it would be well received. The Chief Executive spoke of the work to be undertaken in all committee forums.

Councillor Atkin noted the tight time scale and there was a lot to achieve. The Deputy Chief Executive thought that the Council's recent structural review would help towards the delivery of this project. There was a challenge for the Corporate Management Team to ensure that managers were ready to deliver Gershon and similarly for political Group Leaders to engage Members. The frequency of future meetings was discussed and it was agreed that these should be held on a fortnightly basis, on Wednesdays at 5.00 p.m. There was a discussion on how Members would manage the project and the perceived roles of the Improvement Panel and the Corporate Scrutiny Committee. It was agreed to undertake a single project and that the Improvement Panel be used as the Task Group for this process.

IP/21. **PROGRESS REPORT ON IMPROVEMENT PLAN**

The Deputy Chief Executive took Members through a circulated document on CPA improvement priorities. The 'traffic light' indicators had again been used and particular reference was made to an area on services to Council tenants that was projected not to be achieved. This was based on a decision of the Government Office for the East Midlands and had to be accepted. Councillor Atkin referred to the section on improving performance and those areas at risk of non-delivery. It was confirmed that these related to major planning applications and the processing of invoices. Councillor Murphy commented on those areas still to be agreed with the Panel and it was planned to discuss these at the next Meeting.

IP/22. **BRIEF FOR RURAL SERVICE STANDARDS PROJECT**

It was agreed that this item be discussed at the next Improvement Panel Meeting.

IP/23. **UPDATE ON PERFORMANCE BREAKTHROUGH PROJECT**

A copy of the Audit Commission report on performance breakthroughs was circulated for the Panel's information. Details were given of planned training sessions and it was confirmed that this was a performance improvement tool. It was questioned whether this training could be utilised throughout the Council. The Deputy Chief Executive referred to the CPA outcome that the Council had achieved improvements, but was currently on a "plateau". It had been suggested that this training be provided and that Members sit in on the session. The training could then be provided throughout the Council. Initially, the training would focus on IT and Housing. The Head of Policy and Economic Regeneration reminded that an inspection of Housing was due to take place in June 2005. The report was noted.

IP/24. **PROPOSALS FOR COMPREHENSIVE PERFORMANCE ASSESSMENT FROM 2005 – CONSULTATION DOCUMENT**

A copy of this document was circulated for the Panel's consideration. It was noted that only limited elements related to services delivered by district councils. From 2005, district councils would receive an annual Direction of Travel Statement. The annual use of resources judgement and services assessment, combined with activity to support the direction of travel assessment, would

enable relationship managers and councils to track performance and improvement across services. It was considered unlikely that this Council's CPA rating would be reviewed within the next 2 – 3 years.

IP/25. **BEST VALUE PERFORMANCE PLAN SUMMARY**

The Head of Policy and Economic Regeneration displayed the Best Value Performance Plan summary leaflet produced for 2004. She explained that it might not be necessary to produce such literature in the future and referred to plans for a Council Newsletter. Information was circulated on the planned content for the 2005 Summary and in terms of format, it was proposed to produce a leaflet similar to that used last year.

Following a question from Councillor Atkin it was confirmed that no feedback was received to last year's BVPP summary leaflet. The Head of Policy and Economic Regeneration felt that the statistics gave a rounded view of the Council's performance and she explained the changes from last year's leaflet. A report would be submitted to the Budget Council Meeting at the end of February on the BVPP Summary. Councillor Harrington questioned the statistical information on the time to process Housing Benefit claims. The reason for the increased time to process applications was the transfer to a new computer system.

IP/26. **ITEMS FOR FUTURE MEETING**

It was proposed that the items for the next Improvement Panel Meeting include performance information at December 2004, targets for 2005/08 and the Corporate Plan 2005/08. The Head of Policy and Economic Regeneration expanded on each of these items.

S. MURPHY

CHAIR

The Meeting terminated at 7.50 p.m.

IMPROVEMENT PANEL

8th March 2005

**PRESENT:-**

**Labour Group**

Councillor Whyman, M.B.E. (Chair) and Councillor Harrington.

**Conservative Group**

Councillors Atkin, Ford and Harrison.

**APOLOGIES**

Apologies for absence from the Meeting were received from Councillors Carroll and Murphy (Labour Group).

IP/27. **MINUTES**

The Open Minutes of the Meeting held on 16th February 2005 were received.

IP/28. **GERSHON PROJECT - MANAGEMENT OF CHANGE**

A report was presented by the Deputy Chief Executive. He explained that the Corporate Management Team (CMT) had considered this subject on 23rd February 2005 and discussed a number of ways that the Gershon agenda could be taken forward. This resulted in a proposal to create a temporary fixed term post of "Business Improvement Manager". It followed the conclusion that it was vital to increase capacity to shape, manage and drive change in how the Council worked. A description was provided of the proposal, to provide the step change in capacity to deliver improvements. The Business Improvement Manager would report to the Deputy Chief Executive and work with the Head of Policy and Economic Regeneration. The proposed brief for this post was submitted.

A number of options were considered by CMT for the delivery of this brief. These were:-

- Do nothing.
- Reprioritise work within existing Policy Team.
- Appointment of consultancy support.
- Internal secondment of an existing employee.
- Appointment of a temporary employee.

The report then set out the reasons for choosing the preferred option, for the internal secondment of an existing employee. The Council had a very confident manager within Building Control, who had good business experience and a Masters Degree in Business Administration. The proposal was to second into a temporary post for a fixed term of two years, to lead on the business re-engineering required for Gershon and the Shifting Resources Project. The report explained proposals to cover the post holder's responsibilities within Building Control. The advantages of this approach were set out and CMT considered this to be the preferred option.

Councillor Harrington felt there was a need for care not to be too close to this project. He supported the proposal and questioned the timescale. The Deputy Chief Executive advised that a report could be submitted to the Finance and Management Committee at its Meeting on 17th March 2005. He felt there was a need for fairness and transparency. The Chief Executive spoke of the need for staff meetings and there was also a need for detailed costings to be considered by the Finance and Management Committee. It was agreed therefore that this matter be referred for further consideration by the Finance and Management Committee.

IP/29. **BEST VALUE PERFORMANCE INDICATORS – 2004/05**

The Head of Policy and Economic Regeneration circulated a spreadsheet which showed the Best Value Performance Indicators for 2004/05 against upper quartile performance. This was considered by Members. It was noted that the “Traffic Light” report would be submitted to the next Improvement Panel Meeting. The data was still to be analysed and a summary would be provided at the next Meeting. Members were reassured that information was being collected.

IP/30. **2005/08 CORPORATE PLAN - FRAMEWORK**

The Improvement Panel gave consideration to a circulated draft document which focussed on the Council’s key aim of caring for the environment. Following its introduction, the paper set out priority themes, targets, 2004/05 milestones and planned outcomes by March 2007. The report posed the question “How are we going to get there?” and provided information on the key aim, underlying themes, the Council’s objectives and 2005/06 milestones. Further sections of the report considered “measuring our success” and a table was provided to look at objectives, service plan milestones and the related outputs and outcomes.

The question was posed on what this key aim meant to the people of South Derbyshire. The Chair commented that there had been a step change in progress following the previous Comprehensive Performance Assessment criticism. Councillor Harrison felt there was a need to address the issue of disproportionate expenditure in the urban core as compared to the rural areas. The Chair added that it might be appropriate to look at service level agreements with parish councils for concurrent expenditure.

IP/31. **RURAL SERVICE STANDARDS PROJECT**

It was reported that this project formed part of the “Rural Proofing” proposal within the Corporate Plan. An advice note from the Countryside Agency was under revision and would be republished in March 2005. This covered the policy dimension of rural proofing and it was proposed to postpone the policy proofing part of this project until the revised advice note had been published.

The purpose of the report was to establish measurable service standards for key district council services, that were important to local people. It sought to establish the Council’s performance against those standards at Ward level and to make comparisons with benchmarks within the District. Finally, the project sought to assess the performance of the Council in delivering equitable service standards across the District and to identify areas for improvement, based on the Council’s priorities. The scope of the project was to consider all Council services but a number of particular services were highlighted. In terms of

methodology, under phase one, Heads of Service would establish a number of key service levels within each Service that were important to customers or the community in general. Information must be available at Ward or Sub-District level. These would be established by a review of Council priorities, the Corporate Plan, Service Plans, the emerging Community Strategy, discussions with Heads of Service and discussions with relevant Committee Chairs.

The consultant would then challenge the list of key service levels and consult with key stakeholders. The consultation would be reviewed and a list of up to 20 service standards selected. This list and a report on how it was derived from the consultation would be the result or outcome for this stage of the process. For phase two, Heads of Service would establish service standards on the list at a Ward level. The consultant would then benchmark the service standards against service levels, standards or targets set by the Council, those in the urban core and the best service level in the parishes. It would identify themes, patterns or features of the resulting data set and a report detailing this information would be the result or outcome of this stage.

The final phase would be a report to the Council, possibly via the Improvement Panel, with an analysis of the results. The report should identify service deficiencies or over provision, which should be resolved from better management or redistribution of existing resources. It should highlight those areas that would require additional resources or produce realisable savings. The conclusions would be reported to stakeholders for comment and the Improvement Panel could consider and recommend proposals to fill gaps or provide more equitable service levels.

The Deputy Chief Executive explained that following the Comprehensive Performance Assessment, the Council had a commitment to undertake a rural proofing exercise. He talked about service standards such as ambulance response times, which varied significantly between the urban and rural areas. There was a need to identify which services were important and to debate differences in standards for the urban and rural areas. He questioned those standards that the Council should measure. The Council would need advice on consulting, so that performance indicators were meaningful to the Council. In particular, there was a need to agree a process on consulting the rural community. The Chair felt that the Council should undertake rural proofing for all services. The Chief Executive referred to the improved communication with parish councils through the quarterly Forum Meetings and the Area Meetings. The Chair referred to North East Derbyshire District Council and its approach to this issue. He was determined to ensure equity of service throughout the District. Councillor Harrison commented that historically, residents of rural areas recognised the collapse of the mining industry within the urban core and there had been no objection to regeneration being directed in this area. This regeneration had now reached a level where the urban core was better placed and resources should now be directed to the rural areas. The Chair commented that he was due to attend an EMRAF conference, but unfortunately was unable to attend. It was agreed that Councillor Harrison attend this conference in his place. Councillor Atkin asked whether resources could be separated for the rural and urban areas. The Chair made comment on the proportion of Council spending directed to the rural areas.

IP/32. **DATES OF FUTURE MEETINGS**

It was noted that future Meetings of the Improvement Panel would be held on 30th March and 12th April 2005.

B. WHYMAN, M.B.E.

CHAIR

The Meeting terminated at 6.05 p.m.

