

Report to Overview & Scrutiny

Future Council – Roadmap

1.0 Background

I reported to Cabinet on 6 June 2011 the Corporate Plan for 2011-14 and within it the Future Council Roadmap.

The roadmap (**Appendix 1**) references the Council's Medium Term Financial Strategy (see the bottom row of the diagram). This identified the savings already agreed through service prioritisation (around £3 million over the next two years) and the remaining savings that need to be found by 2015 (a further £2 million).

To achieve the further savings requirement of £2M, a more radical approach is needed and the Future Council Strategy proposes four key transformers:

- Service redesign: integrating services to produce efficiencies and improve customer service; revising service specifications; changing operational delivery arrangements;
- Channel shift: moving services on line (particularly transactional activities such as paying for a service, requesting a service or notifying the Council about a service requirement or about information) and via telephony and self-serve. We need to ensure that outcomes are co-designed with our customers and leads to improved customer experience. The recent analysis we have undertaken about customer preferences shows that a large proportion of survey respondents had used the website to find information (91%) but far fewer had used it 'to report' (22%), 'to pay' (14%) or 'to apply for services' (13%).
- Market testing: consideration of our largest services for outsourcing – testing the market in respect of value for money, competitiveness and quality; using market analysis to benchmark against our existing costs and enabling the policy choice to be made about in-house (redesigned) or externalised services. A policy statement on the key issues identified by Portfolioholders is attached at **Appendix 2**.
- Reviewing corporate and shared services costs and functions to align them to the departmental changes that emerge from any front line service changes. The all staff briefings, Roadmap Bulletins 1 & 2 of are a useful summary of the service areas under review (**Appendix 3**).

2.0 Role of Overview and Scrutiny Committee

The Future Council roadmap envisaged Overview & Scrutiny Committee playing a role at this point of the process to:

- (1) Review the Policy Statement and add any questions or issues it wishes to see addressed;
- (2) Help assess the cultural change issues the Council will have to consider if it adopts an outsourcing option for a wide range of services. This would involve understanding:
 - The governance issues for members;
 - How to intervene when members want change (a service delivery problem in a ward for example);
 - How to ensure services remain accountable to members;
 - How to learn from the experience of other authorities;
 - How to learn from the experience of successful changed delivery of service through the Housing Trust and SLM;
 - How to influence externalised services through the existing channels of Full Council, Cabinet and Portfolio Holders;
 - How to secure outcome based specifications rather than input based ones.

The views of Overview & Scrutiny Committee would be timely for the design work around an externalised service, if this option is adopted, which we would undertake in March/April 2012.

Recommendations

The Committee is asked to consider the scrutiny brief set out above.