

## Strategic Management – Scrutiny Budget Briefing

Portfolio Holder: Councillor Ernie White, Leader

Senior Officers: Chief Executive, Director of Place, Director of People,  
Corporate Services Group Manager, Strategic Manager – People &  
Performance, Regulatory Services Group Manager

Management Team and	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
<b>Establishment Costs</b>	£432,645	£432,645	£439,994	£7,349 1.70%	£7,349 1.70%
<b>Other Gross Direct Expenditure</b>	£46,739	£38,918	£46,653	-£86 -0.18%	£7,735 19.87%
<b>Direct Income</b>	-£500	-£500	-£500	£0 0.00%	£0 0.00%
<b>Net Direct Expenditure</b>	£478,884	£471,063	£486,147	£7,263 1.52%	£15,084 3.20%
<b>Overall No. of Posts (FTE)</b>	6.03	6.03	6.03	0.00%	0.00%

Performance	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
<b>Establishment Costs</b>	£157,469	£157,469	£163,630	£6,161 3.91%	£6,161 3.91%
<b>Other Gross Direct Expenditure</b>	£47,155	£36,364	£34,200	-£12,955 -27.47%	-£2,164 -5.95%
<b>Direct Income</b>	£0	£0	£0	£0 0.00%	£0 0.00%
<b>Net Direct Expenditure</b>	£204,624	£193,833	£197,830	-£6,794 -3.32%	£3,997 2.06%
<b>Overall No. of Posts (FTE)</b>	4.49	4.49	4.49	0.00%	0.00%

Emergency Planning	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
<b>Establishment Costs</b>	£0	£0	£0	£0 0.00%	£0 0.00%
<b>Other Gross Direct Expenditure</b>	£29,405	£27,905	£31,474	£2,069 7.04%	£3,569 12.79%
<b>Direct Income</b>	£0	£0	£0	£0 0.00%	£0 0.00%
<b>Net Direct Expenditure</b>	£29,405	£27,905	£31,474	£2,069 7.04%	£3,569 12.79%
<b>Overall No. of Posts</b>	0.00	0.00	0.00	0.00%	0.00%

(FTE)				0.00%	0.00%
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Electoral Registration	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£75,052	£75,052	£78,142	£3,090 4.12%	£3,090 4.12%
Other Gross Direct Expenditure	£111,370	£143,682	£193,340	£81,970 73.60%	£49,658 34.56%
Direct Income	-£1,500	-£60,762	-£61,500	-£60,000 4000.00%	-£738 1.21%
Net Direct Expenditure	£184,922	£157,972	£209,982	£25,060 13.55%	£52,010 32.92%
Overall No. of Posts (FTE)	2.67	2.67	2.67	0.00%	0.00%

Human Resources	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£307,455	£320,229	£325,079	£17,624 5.73%	£4,850 1.51%
Other Gross Direct Expenditure	£142,725	£207,926	£141,331	-£1,394 -0.98%	-£66,595 -32.03%
Direct Income	£0	£0	£0	£0 0.00%	£0 0.00%
Net Direct Expenditure	£450,180	£528,155	£466,410	£16,230 3.61%	-£61,745 -11.69%
Overall No. of Posts (FTE)	6.21	6.21	6.21	0.00%	0.00%

Strategic Management - Total	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£972,621	£985,395	£1,006,845	£34,224 3.52%	£21,450 2.18%
Other Gross Direct Expenditure	£377,394	£454,795	£446,998	£69,604 18.44%	-£7,797 -1.71%
Direct Income	-£2,000	-£61,262	-£62,000	-£60,000 3000.00%	-£738 1.20%
Net Direct Expenditure	£1,348,015	£1,378,928	£1,391,843	£43,828 3.25%	£12,915 0.94%
Overall No. of Posts (FTE)	19.40	19.40	19.40	0.00%	0.00%

## **Movement in budget and staff from last year**

### Management Team

- The headcount for the Strategic Management team is planned to remain unchanged in 2015/16. Establishment costs have increased slightly to allow for the proposal 2% increased for senior officers that is being negotiated nationally.
- £7,700 increase in other gross direct expenditure brings the budget back up to the original 2014/15 budget figure after part of this budget was vired into another budget in the year to support one off project costs in another cost centre of the authority.

### Performance

The majority of movement in the Performance budget can be attributed to the following factors:

- Savings of £12,955 realised in 2014/15 relating to the amalgamation of the performance and risk IT systems which is an ongoing saving.

### Electoral Registration

- Budget has been increased for 2015/16 in order to provide for the District Council Elections in May 2015. Part of this spend is supported by a release of £80,000 from an Earmarked Reserve.
- The revised budget for 2014/15 took account of the need for Individual Electoral Registration (IER) and income increased as a result of a grant received to assist towards those additional costs.

### Human Resources

The majority of movement in the HR budget can be attributed to the following factors:

- Establishment costs for the HR team have been amended following the implementation of changes in the staffing structure. These changes have resulted in an improved level of service provision to BDC with a clear focus on adding value through the quality of advice from HR Advisers.

IT charges for the provision of a Council Wi-Fi system are now reported in this budget.

- Reductions in the Corporate Training Budget will also be provided in 2015/16 due to training being delivered internally by the HR team, rather than by external consultants.

## **Priorities**

To lead the Council in delivery of its corporate ambition to ensure that Blaby is a good place in which to live and work

To ensure that there is effective Leadership at all levels and that appropriate governance arrangements are in place

To lead the Council through the Financial challenges in 2015/16 onwards with the development of a new Blaby Plan aligned with a robust Medium Term Financial Strategy and People Strategy.

To lead and support all members with their ambition to be effective community champions

To ensure the Council has robust arrangements in place for responding to emergencies.

## Services

- **Management Team**  
Includes costs for the Chief Executive and Directors budgets and in addition the costs for corporate health and safety. The corporate health and safety budget delivers the provision of internal advice and support to the Council in respect of its health and safety obligations to both staff and the community.
- **Emergency Planning**  
Includes costs associated with provision for Emergency Planning within the Authority delivered in partnership across the Leicester, Leicestershire & Rutland Resilience Partnership area.
- **Electoral Services**  
Includes election costs and costs associated with the registration of electors
- **Human Resources**  
Includes costs of HR staff who provide professional and technical support on a broad range of issues (including recruitment, sickness absence, performance and conduct, staff restructures, learning and development and policies) ensuring fairness, equality and consistency of matters affecting all staff employed within the Council.
- **Performance**  
Officers provide support to monitor and manage the performance of the Authority, provide guidance and support on Systems Thinking, offer advice on customer insight, carry out consultation exercises, monitor and advise on equalities legislation and practice and support the monitoring and management of risk within the Council.

## Key points

<b>Doing things differently - plans for the coming year</b>	<ul style="list-style-type: none"><li>• The continued development of different ways of working through such things as locality delivery (e.g. the Light Bulb project and Me and My learning) and the continued implementation of the City Deal will bring opportunities and challenges and will require the Council to be agile and creative in our response to change</li><li>• Elected Member development and</li></ul>
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succession planning continues to be important in the face of change and there will be a continued focus in this area

- Planning and monitoring how the Council can remain sustainable given the impact of the financial constraints and risks the Council faces from the uncertainty around future funding streams and the impact of reduced spending by the Leicestershire County Council.

### **Human Resources**

#### **1. Delivery of Learning & Development**

- Learning & Development is to be a key focus throughout 2015-16 to ensure that the demands on both resources and services are positively met by the skill set of our staff.
- Sessions are to be delivered for managers on how to ensure performance is managed within their teams, alongside recruitment and selection and the management of sickness absence.
- Training will also be provided to all staff on a wide set of core skills including IT, customer service skills and also basic literacy and numeracy for those employees who require it. The provision of these skills will help develop individuals outside of work and within their own lives, alongside their employment with BDC.
- The Athena on line learning package will also be redeveloped throughout 2015, ensuring that development can continue in a flexible and cost effective manner.

#### **2. Review HR Systems and Policies**

- Review HR systems and recommend and implement changes to enable improved effectiveness of application of HR policies across BDC.
- Priorities include the continued development of iTrent systems in terms of recruitment, data recording and also the provision of service measures in a swift and more effective manner.
- HR Policies will also be revised throughout 2015 including Disciplinary, Probation and Recruitment. This will ensure that performance will continue to improve, and will complement the delivery of training sessions referred to above.

### **3. Deliver People Strategy:**

- Joint working with staff and Trade unions on the development of the People Strategy 2015-16 will ensure that employees are engaged with the development and progress of BDC. Areas of focus will include the provision of office accommodation, a refreshed Performance Development Appraisal system and initiatives for staff to remain healthy and also recognised for their efforts.
- The provision of on-line exit questionnaires will help define the reasons for staff turnover and ensure that a stable and high performing staff group are retained.

#### **Performance**

##### **1. Gained Customer Service Excellence (CSE) Re-Accreditation; Feb 2014**

- Accredits BDC for processes that focus on providing high quality and efficient customer services which will contribute to organisational improvement and cost reduction across the council in coming years.
- Focus on C.S.E. will continue. BDC has now entered into a 'Continuous Review' programme for the C.S.E. starting in February 2015.

##### **2. New Performance & Risk Software implemented.**

- A new IT system, (InPhase), has replaced the previous 2 systems reducing costs by an estimated £20,000 over 5 years. It is expected that there will be added efficiency improvements across BDC as InPhase has enhanced capabilities to manage projects, service plans and the Corporate Plan. Additionally there are plans to make direct links to other IT systems used across the Council for improved monitoring and management, and further cost savings as a result.

	<p><b>3. Supporting Channel Shift.</b> Following a recommendation to support a Systems Thinking approach and Channel Shift, Lagan CRM (Customer Relationship Management) System, costing £27,000 per annum, has now been discontinued and replaced with the Firmstep Channel Shift/CRM solution. The Performance and Systems team will continue to support the implementation of this solution. An officer has been seconded to Communications to provide additional resource and a direct link is to be established with InPhase for reporting purposes.</p> <p><b>4. Systems Thinking</b></p> <ul style="list-style-type: none"> <li>• Providing regular and ongoing training, guidance and challenge to all levels of staff to make service improvements by understanding customer demand and eliminating waste. Providing expert advice and support to improvement projects across the Council.</li> </ul> <p><b><u>Emergency Planning</u></b></p> <ul style="list-style-type: none"> <li>• Reviewing partnership agreement to deliver emergency planning across the Leicester, Leicestershire and Rutland (LRR) area.</li> </ul>
<b>Income generation</b>	<ul style="list-style-type: none"> <li>• Not applicable to this portfolio although positively enhancing the profile of Blaby will support income generation and economic prosperity across the Council</li> </ul>
<b>Capital plans for the portfolio</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>

### Key performance indicators

- Delivery of the Blaby Plan critical activities are monitored by the Senior Leadership Team
- Delivery of the People Strategy will also be monitored by the Senior Leadership Team
- A quarterly performance appraisal meeting is held between the Chief Executive and Lead Members to ensure delivery of priorities
- Testing, exercising, preparation and delivery of agreed emergency work plans.
- The level of staff sickness absence is also monitored on a monthly basis as part of the corporate dashboard, alongside the make up of employees by disability and ethnic origin. The number of disciplinary

investigations and staff turnover are also monitored internally to identify any areas of concern which may need addressing.

- Number of accidents at work and working days lost to injury.
  - 2011/12 – 35 accidents/incidents,, 34 days lost
  - 2012/13 – 32 accidents/incidents, 15 days lost
  - 2013/14 – 20 accidents/incidents, 12 days lost
  - 2014/15 – 26 accidents/incidents, 19 days lost

Note: officers have been encouraged to report accidents this year to help review where accidents are occurring in order to try to eliminate the risks.

## **Customers**

Services continue to use a variety of customer feedback methods in order to understand and improve service provision. Feedback from the forthcoming visit from the Customer Excellence assessor will assist the Council in its continued focus to understand the needs within the community and give good customer service.

The Performance and Systems Team together with the Customer Services Team will be providing ongoing support to the Council to continue the work relating to the Customer Service Excellence Standard.

Consultation exercises with residents has been undertaken which has enabled the Council to understand customer priorities and these have fed into the development of the Blaby Plan.

The teams will be working closely together to consider and provide more web based opportunities for those wishing to do business with the Council over the internet.

## **Risks**

As outlined in the budget overview meeting legislative changes at a national level is the greatest risk facing our organisation.

Items of particular note are:

- National changes to the payment and distribution mechanism of New Homes Bonus.
- Future savings to be made by Leicestershire County Council and how these may impact our customers.
- Policy changes and valuation appeals impacting Business Rate Retention and any changes to the Localisation of Business Rates scheme.
- Failure to embed Systems Thinking could impact on service delivery and customer and staff satisfaction.
- Non delivery of the People Strategy may have an impact on staff absence, morale and overall performance.
- Health and Safety - risk – negligence. Control Measures are managed through advisory service and the internal Health and Safety blueprint procedures.