



# **Business Strategy**

**2011/12 – 2014/15**

# **Oxfordshire Customer Services**



## Directorate Statement

Oxfordshire Customer Services was formed in late 2010, when the Customer Contact Centre, ICT and Procurement formally merged in with Shared Services. The structure charts for Shared Services, Customer Contact Centre, ICT and Procurement are attached. As part of the Business Strategy changes from April 2011, all of these services will be incorporated within the Environment and Economy directorate.

### **Customer Services**

Oxfordshire Customer Services provides a Customer Contact Centre and manages internal relationships between services to benefit our external customers. It also provides Financial and Management Accounting; Financial Services; Human Resources, and ICT and Procurement services to mainly internal customers but some external services are provided. Additionally the school meals service, Food with Thought is based here, alongside QCS which provides a range of facility services.

The QuEST Business Unit provides an interface with schools, enabling them to access Council services. Finally, Adult Learning services are managed from within Customer Services.

### **Oxfordshire Customer Services 2015**

The 5 year vision for Oxfordshire Customer Services is founded upon 3 key elements:

1. The requirement to support the County Council's cost reduction strategy.
2. Harnessing the benefits and synergies resulting from the transfer to Environment and Economy, and the potential to link to further options such as external partnering.
3. Providing quality access and support to the public which meets their needs and maintaining support to internal customers.

**The cost reduction strategy** would mean that by 2015 the organisation would employ considerably fewer people and this could be achieved in customer services by:

- Re-structuring the organisation to realise opportunities, provided by the wider range of services that have come together, to reduce the overall number of senior staff.

- Seeking improvements in productivity that enable existing services to be delivered more efficiently and reduce the number of staff employed.
- Reducing capacity to reflect reduced volumes of support required by the wider organisation.
- Identifying discretionary activity that can be reduced or discarded and enabling further reductions in staff levels.
- Investigating and progressing opportunities for linking services to external partners. Work is in hand to investigate the potential of combining with another large authority to provide SAP support.

**Harnessing the benefits and synergies** from the consolidation of teams into Customer Services will be revealed as the new management team begins work.

Examples include the potential benefits identified by 'rolling' customer facing activity from all teams into the Customer Contact Centre, offers economies of scale, standardisation of service and an improved focus on work processes speeding 'turn round' time. Consolidating ICT into Customer Services offers greater scope to create an organisation-wide process improvement strategy. Bringing Procurement and Accounts Payable into one service, offers scope for greater co-ordination leading to improved procurement practice. Relocation of adult learning due to consolidation of council property assets will provide further opportunity to combine activities with Learning and Development.

**Improving and maintaining support** to customers throughout this period of change is a prime objective. In addition to the normal management and monitoring of service performance, options will be considered for different approaches to service delivery.

### **Summary**

This vision summarises how Customer Services is responding to a rapidly changing situation and is seeking to maximise the opportunities presented by very recent developments.

Many of the initiatives are at an early stage and as yet, changes to the wider County Council have not been articulated in sufficient detail so that their impact on Customer Services can be quantified.

As a result it is not possible to create a clear picture of the service in 5 years time but it is possible to illustrate how the service is working to develop options and alternatives and ensure that it is well placed to respond effectively.

<b>Directorate/Service</b>	<b>Oxfordshire Customer Services</b>
<b>2010/11 Gross Budget (including Food with Thought &amp; QCS)</b>	£56.068m
<b>2010/11 FTE</b>	639.9 – excluding Food with Thought and QCS

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Savings (£m)</b>	-1.789	-3.268	-3.922	-4.400

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>TOTAL</b>
<b>Planned FTEs</b>	-17.6	-16.9	-11.9	-12.4		-58.8

Estimated redundancy costs over the 4 years total £0.480m based on an average calculation.

## Service Area: Central Team (including Quest Business Unit) & Cross Service

<b>Employees</b>	<b>13.57</b>
<b>2010/11 Gross Budget</b>	<b>£3.037m</b>

	2011/12	2012/13	2013/14	2014/15
<b>Savings (£m) (*)</b>	-0.607	-0.638	-0.638	-0.638

(\*) Cross service & Management & Administration

### Current service activity

This team comprises, the Shared Services leadership team, Business Development, Quality and Customer Services, Office Services and Personal Assistants. Quality & Customer Services manages the collation of performance data, the service level agreement process, supports key process improvement programmes by providing business process re-engineering resources and manages internal and external communications. Business Development supports service development initiatives, business planning and provides line management to Food with Thought / QCS Cleaning and the QuEST Business Unit. Office services provide general office support, postal distribution and collation etc. PA's provide senior management with support and oversee the interface with Unipart Services regarding building services etc. (Note: gross budget includes central recharges).

### Statutory minimum

There are no statutory requirements relating to this group apart from Health and Safety requirements.

### Proposals to deliver efficiencies

Staff relocation allowance budget of £0.060m will cease to be required during the next two years.

Using the County Hall postal facilities rather than Unipart will save £0.040m per year.

Shared Services contributed business case savings of £2.2m to the MTFP in 2010/11 and will make a further contribution of £0.123m in 2011/12 in addition to a planned saving of £0.304m.

Deletion of the head of Shared Services post will save £0.111m.

### Impact of the proposal on service users and communities

It is believed that these changes will not adversely affect the internal running of the Service.

Impact of the proposal on other council services

It is believed that these changes will not adversely affect other council services.

Capital implications of proposed change

There are no capital implications from these changes

## Service Area - Shared Services Human Resources

<b>Employees</b>	<b>Headcount: 168</b> <b>FTE: 151</b>
<b>2010/11 Gross Budget</b>	£7.954m

	2011/12	2012/13	2013/14	2014/5
<b>Savings (£m)</b>	-0.232	-0.420	-0.608	-0.796

### Current service activity

The Shared Services Human Resources Team drives the Council's key data system (SAP). This enables the Council's workforce to be paid and enables Managers to purchase goods and services and pay suppliers; it enables sufficient numbers of people to be recruited to run the Council's services; it ensures all those recruited are vetted to ensure they are 'safe' to work with vulnerable services users and young people in Oxfordshire Schools; it issues contracts of employment for employees; it works to provide sufficient teachers and apprentices are recruited to meet the Council's workforce needs; it ensures the Council's Workforce is paid on time each month; it ensures that the workforce development needs are met including those of the social care independent sector; it ensures the health, safety and wellbeing of employees are met keeping to a minimum accidents, incidents, and levels of sickness absence; it ensures that Managers and Headteachers are supported in handling complex employee relations issues and dealing with organisational change; it manages redundancies and retirements.

### Statutory minimum

The Council has statutory and legal obligations as an employer. The Health and Safety at work Act 1974 requires employers to ensure the health, safety and welfare at work of all its' employees. For the Council responsibilities extend to third party providers who provide services for Oxfordshire clients. Employment legislation sets down the requirements for the employment of people – key acts include: The Employment Act, 2008; Equalities Act 2008. There are various Codes of Practice which the Courts expect us to follow i.e. Codes of Practice on Disciplinary and Grievance Procedures.

Within Learning and Development there is not a direct statutory framework, however we support services which are driven by statute i.e. Safeguarding Training, Health and Safety at Work Act. There is a whole area of activity which is not driven by statute (but driven by the Business Strategy) covering Core Skills such as ICT training, management development, NVQs etc., which if stopped could delivery significant savings, however this may impact on the overall capability and capacity of the organisation.

### Proposals to deliver efficiencies

The savings forecast detailed above is based upon an assumption that the organisation staff base will contract by 20% of its current size

over a 4 year period by. The savings to be achieved from a reduction in HR staff are approximated at £0.151m per year over this period. Please note, this has excluded any reduction in Schools staff base and any posts that are grant funded.

The savings achievable in HR staff are assumed to be proportional to reduction in the staff based serviced. The existing savings of £0.040m in 2011/12 and £0.075m in 2012/13 by reviewing HR functions and processes can also be delivered.

An additional saving of £0.037m per year over the 4 year period is to be taken from the Learning & Development budget under the same assumptions. The area based grant for Children's Social Care Workforce training has been removed permanently.

HR posts serving schools are typically charged through QuEST on a per head basis. If Schools make savings it will reduce income for HR (in any event CIPFA benchmarking demonstrates we are in the lowest quartile for HR staff to schools staff).

The savings from partnering have not been included in these calculations as presently the potential savings are unknown. Any future partnering savings could overtake any proposals listed here.

HR, on coming into Shared Services achieved a 35% reduction in FTE. The HR Service is going to be under more pressure in supporting the organisation through change including downsizing. Further reductions than those itemised here would cause severe operational problems and slow down the pace of change for the organisation. HR staff will be expected to 'flex' between teams as demands initially increases.

#### Impact of the proposal on service users and communities

The proposals outlined will not adversely impact service users and communities.

#### Impact of the proposal on other council services

The proposals as outlined will not adversely impact on other council services. Any further reductions would limit our ability to support the organisation through the changes required.

#### Capital implications of proposed change

No capital implications.



## Service Area - Financial & Management Accounting (FMA)

<b>Employees</b>	<b>Headcount: 91</b>
	<b>FTE: 85.5</b>
<b>2010/11 Gross Budget</b>	<b>£4.276m</b>

	2011/12	2012/13	2013/14	2014/15
<b>Savings (£m)</b>	-0.023	-0.048	-0.085	-0.184

\*Proposed savings do not take account of potential offsetting redundancy costs as these are not quantifiable at this stage.

### Current service activity

Provision of a high quality and professional financial and management accounting service to best practice standards to all customers. Specifically this includes maintaining and updating the Council's financial management system and the production of financial statements. The service also provides Officers, Schools and Members with financial advice, support and challenge to assist effective service delivery; and manages the Council's bank accounts and tax affairs

### Statutory minimum

Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and to secure that one of their officers has responsibility for the administration of those affairs. The Chief Finance Officer discharges those statutory responsibilities through Finance Business Partners and their teams and resources have to be sufficient to give assurance on effective financial control. The Council is required by statute to compile annual accounts within a prescribed timetable and format which present a true and fair view of the Council's financial position. Over time, these requirements are becoming more onerous and putting increasing pressure on existing resources. On this basis, proposals for reducing support to the production of financial statements have not been included. The taxation advice service has also been protected as previous reduction or externalisation has not been successful and taxation penalties can be costly.

### Proposals to deliver efficiencies

In moving to Shared Services, FMA delivered a 25% reduction in FTE. Resources have subsequently been increased to strengthen support to Schools and to meet Directorate requests for additional management accounting support. Given that these resources have only recently been put in place and are meeting an immediate need for financial advice in a difficult economic climate, reductions are not proposed in earlier years. However options for reducing the level of management accounting support if numbers of cost centres and managers reduce once the Business Strategy is implemented are included in later years. These can only be delivered if demands on the service reduce.

Existing policy plans for savings generated from system improvements have been reinstated together with further assumed savings generated from a 20% reduction in transactions.

It is not yet possible to quantify any impact of the Transforming Adult Social Care agenda and the abolition of Primary Care Trusts on services within FMA. There may be further savings to be generated from restructurings within the new Customer Services team and from reviewing working arrangements with Corporate Finance and these will be explored.

Impact of the proposal on service users and communities

The proposal outlined will not adversely impact service users and communities.

Impact of the proposal on other council services

The proposal outlined should not adversely impact on other council services if assumptions on downsizing are met. The savings profile has been back loaded to ensure there is adequate financial advice available to services when planning how to meet their savings targets.

Capital implications of proposed change

There are no capital implications from these proposals.

## Customer Service Centre (CSC) Programme

<b>Employees</b>	<b>36 (Access Team and Highways Enquiries) + 64 FTE to be transferred to the CSC</b>
<b>2010/11 Gross Budget</b>	<b>£0.660m (Current CSC) + estimated £1.840m for the 64 additional FTE to be transferred (Original Budget £1.278m)</b>

	2011/12	2012/13	2013/14	2014/15
<b>CSC Savings (£m)</b>	-0.197	-0.474	-0.626	-0.713
<b>Additional Access Team savings from SCS Proposals (£m)</b>	-0.064	-0.098	-0.098	-0.098

It should be noted that this is a distinct business case with one off investment costs of £2.380m which includes staffing, procurement of a Customer Relationship Management (CRM) system, delivery of a Channel Management Strategy, Internal/External Self Service, Customer Service Centre set up and general Customer Service Training for the organisation.

In addition no redundancy costs are included in the savings. Whilst un-quantifiable at this stage, it should be acknowledged that these would need to be accounted for.

### Current service activity

- The Customer Service Centre (CSC) consists of the sole access route for all new contacts (and re-referrals) into social care and the single point of contact for enquiries from the public and other bodies regarding the road network and other issues, as well as a number of connected administrative functions. The CSC Business Case which was agreed by the Change Management Board in December 2009 includes both the benefits to customer service for the Council and potential efficiency savings through reducing duplications in service management and maximising the areas of efficiency.
- The central switchboard function, the handling of reported street light, illuminated traffic sign or bollard problems, as well as elements of the Registration Helpdesk (Births and Deaths) are transferring to the CSC in 2010. Other known functions transferring into the CSC include the Family Information Service (CYPF), Concessionary Fares Signposting (District Function), and Carers Information & Advice.

**Other services transferring to the CSC will be agreed as part of the programme and will be essential to its success.**

#### Statutory minimum

Statutory minimum required for the Access Team:

- Assessments - integration of health and social care, disabled parking badges, Ofsted and other people/safety checks, mortality data

Statutory minimum required for the Highways Enquiries Team:

- Section 41 of The Highways Act 1980 imposes a duty to maintain highways maintainable at public expense. Section 58 provides a defence against action relating to alleged failure to maintain on the grounds that the authority has taken such care as in the circumstances was reasonably required to secure that the part of the highway in question was not dangerous for traffic. The Highways Enquiries Team is the single point of contact for the public and other bodies regarding the road network.

#### Proposals to deliver efficiencies

- All services agreed as a part of this project are assumed to be transferred as they are which was a requirement of the original business case
- **A quantified additional internal pressure has occurred due to the time taken between the writing of the business case and the initiation of the programme.** This has resulted in Directorates taking some savings to deliver their savings targets that had been attributed to the programme. **This means that additional functions and FTEs need to be identified to transfer in order to cover the shortfall in the Customer Services budget.**
- A number of teams have transferred over with Directorate savings requirements not yet identified. A plan for the remaining savings is currently being worked on.
- Projected savings totalling £0.713m over 5 years (£0.611m of which is included in the medium term financial plan) are on track at this stage **but in order to deliver the savings the CSC will need to benefit from economies of scale through bringing in a range of additional functions from across the Council.**
- The Programme Team will investigate delivering functions at a lower cost and recharging directorates for additional functionality, in addition to reducing FTEs within the CSC where appropriate to do so.
- The programme team is in the process of accelerating all elements of the plan in order to deliver the benefits and efficiencies quicker than set out in the above savings schedule, but as the phase 3 services have yet to be agreed it is impossible to calculate the accelerated savings schedule at this stage.

#### Impact of the proposal on service users and communities

As set out in the business case, service users will benefit from improvements to the provision of customer services.

Impact of the proposal on other council services

- There are agreed efficiencies in service savings plans prior to the business case being confirmed that will need to be achieved on top of the savings described above by the CSC.

Capital implications of proposed change

- It is unlikely that the transfer of functions to the CSC will release capital assets in itself, although the programme may contribute to the capital programme through centralising services into one location.

## Shared Services - Financial Services

<b>Employees</b>	<b>79.62 ftes</b>
<b>2010/11 Gross Budget</b>	<b>£3.047m</b>

	2011/12	2012/13	2013/14	2014/15
<b>Savings (£m)</b>	0	0	0	0

### Current service activity

Financial Services covers seven disparate teams providing financial support across the Council, or wider in the case of Pensions Administration who cover around 80 employers within the Oxfordshire Pension Fund. Current service activity includes the administration of approximately 37,000 pension records, control of 5 payrolls each month, covering payments to 22,000 employees, the payment of around 200,000 invoices, the management of 1,600 insurance claims, the management of the financial affairs of around 900 social care clients unable to manage their own affairs, the financial assessment of 150-200 new social care clients each month, and the management of approximately 100,000 debtor accounts each year.

### Statutory minimum

The responsibilities for Pension Administration are set out in statute, with the current Regulations being The Local Government Pension Scheme (Administration) Regulations 2008, and The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007. The Regulations do not set out a statutory minimum level of provision, but Scheme Members have the right to challenge the work of the section through the Statutory Independent Disputes Resolution Procedure to the Pensions Ombudsman, who can award compensation in cases deemed to involve mal-administration. Financial Assessment of social care clients in residential care is governed under Charging for Residential Accommodation Guidance (CRAG) which is statutory guidance. Council's are not required to charge social care clients for support delivered in the community, but where charges are made, the financial assessment process is governed by the Fairer Charging Policies for Home Care and other Non-Residential Social Services: Guidance for Councils with Social Services Responsibilities. Other Financial Services are governed by section 151 of the Local Government Act 1972 which requires the Council to ensure appropriate financial arrangements are in place.

### Proposals to deliver efficiencies

No specific proposals are identified here in respect of **Pensions Administration and Insurance**, as the costs of these services are not directly charged to the revenue account, and therefore any efficiencies will not directly follow through to the net expenditure of the County Council.

For **Accounts Payable**, the Council has recently agreed a project to automate as much of the invoice payment process as possible, and to expand the newly improved service to cover schools. It is estimated that the net increase in income once schools are on board will be between £0.060m and £0.100m per annum, which initially will be required to repay the investment cost. Contributions to the savings target will not be realised until 2014/15.

**Accounts Payable** should be capable of delivering further savings in line with the reduction in invoices associated with the budget reductions across the Council, as well as the changes under the Transforming Adult Social Care agenda. The saving figure cannot be estimated until further information is available on the nature of the budget reductions across the Council.

At present, no specific proposals have been identified in respect of payroll control, given the small size of the team, and the sensitive nature of the control function undertaken. The team could deliver savings through economies of scale if we are in a position to provide payroll services to outside organisations. The work of this team is not directly related to the size of the Council, so no savings should be assumed as a result of the overall reduction in the Council's budget.

The **Financial Assessment Team** has recently delivered efficiency savings through the mobile working project. Further process efficiency savings would need to be considered alongside process changes within Adult Social Care, including the possibility of basic financial assessments being undertaken by care management staff, and a smaller financial assessments team providing quality assurance (and directly picking up complex cases), strategic advice, and policy development. Such proposals would need to be developed jointly with Adult Social Care.

It may be possible to cut **Financial Assessments** as a consequence of reductions in the Adult Social Care budget. Such cuts will be dependent on the extent that reductions in adult social care are based on fewer client numbers, as opposed to smaller care packages. Initial indications from Adult Social Care suggest savings will be targeted through smaller care packages, which will not lead to proportionate savings in Financial Assessments. Cuts in Financial Assessments without a corresponding reduction in client numbers is likely to increase the overall costs to the Council due to the loss of income.

No specific proposals have been identified for **the Income Team**, as all previous analysis has shown that reducing expenditure in this team is more than offset by lost income (through an increase in bad debt). As with Financial Assessments, any reduction in costs is highly dependent on the nature of the savings proposed for Adult Social Care, and will not automatically follow from reductions in social care costs. The team will look for further efficiencies through increasing the number of social care clients paying for their care through direct debit arrangements.

The **Money Management** service is currently working with Adult Social Care to review the priorities for the service, which have provisionally been agreed as Safeguarding cases and those cases where the intervention of money management safeguards the payment of social care charges. The Service is also looking to develop an advice service which allows clients to be supported to manage their financial affairs without the need for a full money management service. Any savings in costs are dependent on care management reviewing existing cases to remove non-priority clients from the service.

Impact of the proposal on service users and communities

The only proposal identified to date that will directly impact on service users and communities is the re-prioritisation of money management. Any savings are dependent on the withdrawal of service from existing clients, placing additional pressure on them, their families and their support groups. The prioritisation process should protect those clients most vulnerable to financial abuse.

Impact of the proposal on other council services

Apart from the efficiency savings in Accounts Payable, all proposals will need to be developed in partnership with the services we support to ensure any impact is consistent with the overall vision for the service.

Capital implications of proposed change

There are no capital implications from these proposals.



## County Procurement Team (CPT)

<b>Employees</b>	<b>14</b>
<b>2010/11 Gross Budget</b>	<b>£0.671m</b>

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Savings (£m)</b>	-0.030	-0.030	-0.030	-0.060

### Current service activity

County Procurement provides

- a) Professional leadership and support to the de-centralised commissioning/procurement/contracts related activity across the council
- b) Management of the transactional activities that run the SAP procurement process up to but not including invoice matching and payment, and the procurement card process except the banking related aspects of this activity.

### Statutory minimum

The only statutory requirement is to run procurement in a compliant way in accordance with the Constitution and Public Procurement Legislation and to achieve value for money; and to publish details of our contracts and contract opportunities in the public domain. Whilst it is not mandatory that this process is run centrally, it is regarded as good practice by both central and local government to do so.

We have to be compliant with our Constitution, and European/UK legislation to ensure

- Fairness, openness, and transparency in our dealings
- value for money, sustainability and service delivery certainty through third parties directly and indirectly

### Proposals to deliver efficiencies

There will be a further rationalisation of the current team.

### Impact of the proposal on other council services

None anticipated

### Capital implications of proposed change

None anticipated

## Service Area - ICT Services (Including Corporate Information Management Unit, Schools Support and SAP)

Employees	149.2 (Apr 11)
2010/11 Gross Budget	£21.992m

	2011/12	2012/13	2013/14	2014/15
Savings (£m)	-0.636	-1.560	-1.837	-1.911

### Current service activity

ICT Services maintains the Council's ICT infrastructure and secure access to systems and facilities required by internal customers to deliver the Council's services as well as supporting the infrastructure necessary for the Council's website and intranet. The service includes provision of desktop PCs and laptops for the user community and delivery to the desktop of business applications.. Through the Oxfordshire Community network (OCN) and its facilities we deliver services to schools and District Councils. Schools fund directly a dedicated support service for their key business applications. Another dedicated team (Corporate Information Management Unit) provides a dedicated records management function for the Council.

The management focus this year has been on achieving financial stability, and robust review of governance and strategy. Key outcomes have been the new ICT Strategy and an ICT Officers Working Group with direct accountability to the Business Strategy Group. The significant issues now and moving forward for ICT engagement will be OCN, SAP, Infrastructure renewal and Applications rationalisation.

### Statutory minimum

The function of the ICT Service is to support the delivery of the Council's services to Oxfordshire citizens. Statutory duties apply at the front-end of service delivery and ICT is a component in that delivery. We are directly 'responsible' to provide for the technical infrastructure requirements of Government Code Connect, ICT security, Protective Marking Scheme. Records management is a mandatory requirement under various elements of legislation and the Local Government Act 1972.

### Proposals to deliver efficiencies

- (1) From April 2011, Ordnance Survey mapping charges will no longer apply to Local Authorities, saving approximately £0.100m per annum from 2010/11.

- (2) Through management action already taken we expect savings of £0.196m from staff budget for SAP Support in 2011/12. The existing Serco Contract arrangements, which expire during 2012, include repayment of original investment costs in SAP. These repayments will not be required in any new contract arrangements. **The total annual saving by 2014/15 will be £1.3m.**
- (3) We propose to minimise Refresh of Desktops and Laptops in 2011/12 and 2012/13. We plan to “virtualise” the Desktop estate as early as possible in 2011/12. This means that the use of existing Laptops and PCs can be extended by a further two years. Instead of refreshing at 4-5 year intervals we can refresh at 7-8 year intervals. However, only equipment deployed from 2007 will be suitable for virtualisation but we believe that, given the expected level of staff reductions, we will be able to take out all equipment from 2006 and earlier and provision existing staff. Covering the costs of virtualisation including some additional server hardware should provide net savings of £0.150m in 2011/12 and £0.300m in 2012/13. **A total of £0.450m over the four year period. Savings from base budget from 2013/14 onwards will be £0.100m per year due to the new refresh cycle.**
- (4) We propose a rigorous audit of actual software usage across the whole OCC estate, commencing in February 2011. The aim will be to identify opportunities to reduce software deployment and licensing to the point of real proven need. The exercise will extend beyond Microsoft products to all other business software applications in use. Where no use of software is seen over a two month period, access to it will be stopped as will the license. **We believe that minimum savings of £0.050m will be possible from FY 2011/12 onwards.**
- (5) We would anticipate some further reduction in staffing levels as Council itself reduces in scale. We will expect to make a saving of £0.072m in each year **making a total annual saving of £0.296m per annum by 2014/15**
- (6) Use of an external contractor for desktop support can be reduced by employing an apprentice. **Net saving £0.063m.**

#### Further Options:

- (1) ICT propose a rigorous audit of actual printer use across the Council’s estate.
- (2) We propose a comprehensive print service tender to encompass all printed paper production. A single managed service for the use of all printers and multi-functional devices to encompass toner supply and all maintenance.
- (3) Reduction in the number of Council properties should lead to cost reductions in network services.

(4) OCN is supported via a managed service contract. This contract has 4 years to run. Changes in the market place, in technology and in our customer needs mean we should re-evaluate our options. There may be some potential to drive down costs – even by bringing some elements in-house.

**Options considered but not proposed:**

- (1) Rationalise the use of business applications.
  
- (2) Consolidate applications support by identifying and bringing into ICT Services any staff resource working on business applications support.

**Impact of the proposal on service users and communities**

The key impact will be cultural change associated with the move to a virtualised desktop experience and removal of any software, hardware and access to services that is not strictly required for work purposes.

**Impact of the proposal on other council services**

Minimal other than cultural change. Some Learning & Development input would be desirable.

**Capital implications of proposed change**

The suppression of the Refresh in 2011/12 and 2012/13 will reduce the capital requirement for replacement of equipment.

**Pressures already in the MTFP**

All pressures, totalling £0.844m by 2014/15 are still required as described in the MTFP.

## Service Area: Adult Learning

<b>Employees</b>	<b>111fte</b>
<b>20010/11 Gross Budget</b>	£4.987m including £4.6m from Skills Funding Agency (SFA) and tuition fees

	2011/12	2012/13	2013/14	2014/15
<b>Savings (£m)</b>	0	0	0	0

### Current service activity

The Adult Learning Service provides learning opportunities for young people aged 16-18 and adults aged 19+, and is largely government funded. The Skills Funding Agency increasingly bases grant distribution on outcome and performance measures. Programmes include leisure learning, skills for life (including ESOL), adults with learning disabilities, targeted courses to attract people with low skills back into learning, family learning and workforce development.

Many partnership arrangements are in place with a range of community providers in addition to direct delivery.

Workforce programmes are run with a number of employers and are expected to generate approximately £200k from employer/employee funded training. A pilot for increasing resident funded leisure learning begins in November.

### Statutory minimum

Adult Learning is not statutory

### Proposals to deliver efficiencies

No savings are proposed at this stage. The service is grant funded and the future of the service will be reviewed when the level of grant for the academic year 2011/12 is announced by the government. All staff are county council employees. The total redundancy cost of closing the service would be in the region of £1.2m.

Internal efficiencies will be possible by bringing together the support functions of learning and development and adult learning. In 2011, although these are not quantifiable currently.

### Impact of the proposal on service users and communities

There are vulnerable service users such as people from targeted communities (eg homeless, travellers, people with low skills, and geographical areas such as Blackbird Leys and Neithrop). Equality assessments will be necessary prior to any reductions

Impact of the proposal on other council services

The Adult Learning Service supports programmes within OCC.

Capital implications of proposed change

No implications.

## Summary

Shared Services have made good progress in achieving savings with the original business case having been delivered. The additional savings outlined here are a substantial increase from the original business case and inevitably there will be a risk in ensuring that sufficient capability and capacity remain to support directorates.

ICT is making solid progress, but it must be remembered that some of this only brings the function up to the required starting point. Future investment to drive ICT and benefit organizational savings will be a specific challenge.

HR had already reduced by 35% when coming into Shared Services; a further 20% saving (excluding QUEST and grant funded posts) is proposed over a 4 year period. These reductions need to be worked alongside the wider organisational reductions since HR support is needed to support management in re-shaping the organisation and demands on HR will be heavier initially.

The transfer to E&E will provide opportunity for savings by aligning current generic functions. This is yet to be quantified but is being progressed.

Adult Learning has recently transferred to Customer Services, but does not feature in the savings targets. Work is in hand to quantify what additional income can be generated and rationalization of activities after staff relocation. The key aspect is likely to be cost avoidance rather than savings.

The gap in savings requirements is being further examined to quantify what level of savings may be generated internally or with another Authority. An alternative route of partnering with a commercial interest is also under investigation. Either option would need to undergo full project management status and would require Cabinet approval