



# **Business Strategy**

**2011/12 – 2014/15**

**Chief Executive's Office**



## Directorate Statement

<b>Directorate</b>	<b>Chief Executive's Office</b>
<b>2010/11 Gross Budget</b>	£15.871m
<b>2010/11 FTE</b>	225

	2011/12	2012/13	2013/14	2014/15
<b>Savings proposed (£m)</b>	-1.516	-1.818	-2.118	-2.108

	2011/12	2012/13	2013/14	2014/15	TOTAL
<b>Planned savings FTEs</b>	-18.6		-1.4		-20.0

## Context

In recent years the Council has reduced support costs by moving away from a devolved approach and centralising functions in the Chief Executive's Office (communications), in Shared Services (finance, procurement, ICT, HR and others etc) and in Environment & Economy (property, transport). Increasingly the intention is for the Chief Executive's Office to concentrate on strategic activities e.g. budget strategy, driving change and for support functions to be moved to Shared Services (most recently ICT has been moved to Shared services). However some functions such as legal services are retained in the Chief Executive's Office because they are central to the running of the business as well as being a support for the rest of the organisation.

It is important that central/support services are as slim and as efficient as possible. However it is also vital to ensure that we don't reduce these activities in a way that undermines the effectiveness of the County Council's front line services. Discussions are taking place with service directors to ensure that their support needs and ideas for cost improvement are reflected in our budget proposals.

The Chief Executive's Office now consists of 4 small corporate units (Policy/Partnerships/Communications, Human Resources, Corporate Finance and Law & Governance).

The Chief Executive's Office has three primary functions:

- Provide a framework within which the Council can function effectively – the planning and regulatory arrangements.
- Challenge, review, and improve the organisation's effectiveness.

- Provide the organisation with specialist support functions e.g. Legal, Human Relations, Finance. Shared Services will also be involved in the delivery of these services.

## Broad Approach

Most (66%) of the Chief Executive's Office budget is allocated to staffing costs, therefore our business efficiency strategy is largely focused on options for reducing staff numbers. However in some areas e.g. legal work for child protection, demand is increasing and it would be unwise to reduce resources in these areas. In consequence our business efficiency is based on the following:

1. A search for improved productivity and cost effectiveness in all areas of activity. Where benchmarks exist e.g. legal services the evidence suggests that we have effective and relatively low cost provision.
2. Radical change in the areas of Democratic Services, Policy, Partnerships and Communications. Significant staffing reduction and savings will come from these areas.
3. Ongoing reshaping of Communications & Marketing activities to bring together disparate directorate resources into a corporate unit. This will provide significant savings although these will appear in service directorate budgets rather than the Chief Executive's Office budget.
4. Recognition that the Council's business strategy will, in the short to medium term, increase the pressure on HR and finance support and therefore protecting capacity and expertise in these areas will be important.
5. Recognition that support services need to meet the demands and expectations of the service directorates who rely on the expertise from legal, finance and Human Resources staff.

What is set out below are details of changes we are confident can be delivered without undermining our capacity to support services and drive change in the organisation. There are further options for change over the medium term which will be examined in the next 12 months:

- Selling services to other authorities. We already do this but there is potential for more shared costs.
- Income generation – we will look at sponsorship and the selling of advertising space
- Pooled resources – there may be benefit in bringing corporate and service performance teams together. This is a complex area of activity and needs to be explored carefully

## Detailed Service Proposals

### Personal Office (Business Support)

<b>Employees</b>	<b>9 FTEs</b>
<b>2010/11 Gross Budget</b>	<b>£1.709m</b>

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Savings (£m)</b>	-0.165	-0.165	-0.265	-0.265

#### Current Service Activity:

- **Corporate Leadership** (Chief Executive, two assistant chief executives and PA/admin support)
- **Corporate subscriptions** ( LGA etc)
- **Change Fund**
- **Support for Chairman**
- **Support for lord Lieutenant**

#### Statutory minimum

Head of the Paid Service and Section 151 officer are statutory roles

#### Proposals to deliver savings

Proposal includes the reduction of two senior posts totalling £0.161m, and a reduction from 2013/14 of £0.100m for the Change fund. It is proposed to leave the Change Fund in earlier years so that some of it can be used for Community Self Help rather than creating an alternative Corporate Pressure. In addition, a small amount of income is now being received from the Lord Lieutenant.

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

None

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

Reduced ability to provide support to the rest of the organisation and to members.

#### Capital implications of proposed change

None

## Human Resources

<b>Employees</b>	23 FTEs
<b>2010/11 Gross Budget</b>	£2.053m

	2011/12	2012/13	2013/14	2014/15
<b>Savings (£m)</b>	-0.052	-0.213	-0.281	-0.281

### Current Service Activity

- **Strategic HR** - Defines, develops and communicates a comprehensive employment framework for all major aspects of work and employment. This includes:
  - **Policy development** and Implementation (via client role)
  - **Professional advice**
  - **Corporate Employer role**
  - **Workforce analysis** and reporting
- **Organisational Development** – Drives organisational effectiveness by ensuring that the Council has a skilled workforce capable of fulfilling statutory duties. This includes:
  - **Performance management** – appraisal, career development
  - **Workforce planning** – change management
  - **Learning & development** policy and planning
  - **Investors in People** – reputation, staff engagement

### Statutory minimum

The Council must comply with the following employment legislation -Employment Rights Act 1996, Equality Act 2010, Trade Union and Labour Relations (Consolidation) Act 1992, Transfer of Undertaking Regs, Safeguarding of children and vulnerable adults legislation, immigrant workers regulations, Working Time Regulations, European Directives, Statutory Instruments, Health and Safety at Work Act, various Pension Regulations. We are also bound by the variety of national conditions of service including the Green Book, the Youth and Community Workers, Teachers, Fire Fighters etc. This list is not exhaustive.

### Proposals to deliver savings:

Restructuring planned in the existing Medium Term Financial Plan (MTFP) for Human Resources will remain. The pressure on all HR services, but particularly those dealing with employee relations, redundancies etc are certain to increase significantly in coming months and years. Further reductions in HR numbers will need to be phased to enable sufficient support to the organisation in delivering the business strategy. However there will be a reduction in HR Business Partner support over the

period as the organisation consolidates into three directorates. We will also look to consolidate further HR activity within the shared services operation.

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

There is a potential risk of failure to comply with legislation, industrial action and referrals to Employment Tribunal's may increase.

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

Demands on HR staff are increasing so our ability to respond will be stretched over the short to medium term.

**Capital implications of proposed change:**

There are none

## Corporate Finance & Internal Audit

Employees	31 FTEs
2010/11 Gross Budget	£2.923m

	2011/12	2012/13	2013/14	2014/15
Savings (£m)	-0.289	-0.406	-0.460	-0.495

### Current Service Activity

The Unit has a budget of £2.923m and comprises of 31 FTEs. It undertakes the following functions:

- **Strategic planning and advice**, including setting the budget, Medium Term Financial Plan and Capital Programme and monitoring against these in year.
- **Management of the Council's debt portfolio** and cash flow plus management of the Oxfordshire Pension Fund.
- **Client role** in ensuring that Shared Services provide a high quality and effective Financial and Management Accounting (FMA) service to the organisation.
- **Internal Audit**: Provides independent assurance opinions and advice on systems of internal control across the Council (and also to Thames Valley Police Authority and Buckinghamshire County Council).
- **Supporting OCC schools** in achieving FMSiS standards.

### Statutory minimum

Not defined. Section 151 of the Local Government Finance Act 1972 requires that every local authority should make arrangements for the proper administration of their financial affairs. The Chief Finance Officer has responsibility for the administration of those affairs. The Accounts and Audit Regulations 1996 sets out the requirement for internal audit.

### Proposals to deliver savings:

Restructuring planned in the existing MTFP for Corporate Finance will remain. No further reductions are proposed until 2012/13 to enable sufficient support to the organisation in delivering the business strategy.

Savings are planned on a phased approach for Internal Audit with a greater weighting in years three and four in recognition of the increased risk to maintaining effective governance during significant periods of change, i.e. years one and two. The strategy is to extend the collaborative arrangement with our existing partners to operate as a single internal audit function, and to re-engineer our existing processes in order to reduce the management overhead on each audit. The current Internal Audit plan is

for 1495 days on assurance based work. This will reduce in year one by only 65 days; in year four the assurance days will have reduced by 378 days, or 25%, but the total cash saving is 30%.

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

Reduced ability to respond to financial events, new and emerging risks and to provide support, advice and assurance.

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

Reduced ability to respond to financial events, new and emerging risks and to provide support, advice and assurance.

**Capital implications of proposed change:**

None



## Law & Governance Services

Employees	107 FTEs
2010/11 Gross Budget	£5.702m

	2011/12	2012/13	2013/14	2014/15
Savings (£m)	-0.467	-0.531	-0.615	-0.626

### Current Service Activity:

- **Committee Services** -Providing full administrative support, minuting and governance advice to Council, Cabinet and relevant committee meetings.
- **Coroner's Service** - Investigations into deaths appearing to be due to violence, or unnatural, or sudden and of unknown cause, or occurring in legal custody.
- **Education Appeals** - Undertaking all administrative, legal and advice requirements into the proper handling and of Admission and Exclusion appeals.
- **Elections** - Undertaking full support arrangements for the Returning Officer and ensuring proper conduct of County Council elections.
- **Member Support & Development** - Provision of support to Councillors and Co-Opted Members ( political group assistants, training, register of interests, etc)
- **Freedom Of Information (FOI), Complaints and Corporate Governance**
- **Legal Services** provides comprehensive legal advice, representation and assistance to the Council and all directorates. The main teams are Child Protection, Property, Litigation (including Education, Employment & Social Care for Adults), Contracts, Environmental Law,
- **Registration** (registration of births deaths and marriages & civil partnerships. Naming ceremonies, renewal of vows and civil funerals. Undertaking of citizenship ceremonies, nationality checking service and settlement checking service).

### Statutory minimum

- **Committee Services** – Not defined. Significant amount of legislation determines how these functions are undertaken (principally Local Government Acts 1972 and 2000).
- **Complaints & FOI** – complying with the Freedom of Information Act 2000 is a statutory duty, but there is complete flexibility as to how this is undertaken. The Local Government Ombudsman is the formal body that deals with complaints of maladministration against Councils as set out in the Local Government Act 1974 (as amended).

- Coroner's service – statutory duty under the Coroner's Act 1986 and Coroner's and Justice Act 2009 with minimum level of service specified.
- Education Appeals – statutory duty under the School Standards and Framework Act 1998 (as amended by the Education Act 2002). The statutory provisions are supplemented by a statutory code of conduct which sets out the procedures to be adopted in detail.
- Elections – statutory duty under the Representation of the People Acts 1983 and 2000 mainly set out the clear legal requirements that we are required to operate under.
- Member Support & Development – there is a statutory requirement for the Authority to maintain an up to date register of interests and statutory provisions in relation to pay allowances under the Local Government Act 2000.
- Legal services - In relation to the corporate governance role this is undertaken by the Monitoring Officer under the Local Government and Housing Act 1989. There are no other specific statutory requirements as to how legal services are to be provided although clearly all Local Authorities need legal support, irrespective of how that might be organised or commissioned (save for Solicitors Regulation Authority Professional Conduct Standards). Current arrangements with regard to legal support maintain high levels of client satisfaction from directorates and has retained the Law Society's Accreditation for excellence in legal practice since 2002
- Registration of Births, Deaths & Marriages - The registration provisions are determined by the Marriage Act 1949, Registration Service Act 1953, the Marriage and Civil Partnership (Approved Premises) Regulations 2005 & the Nationality, Immigration & Asylum Act 2002.

### **Proposals to deliver efficiencies**

Democratic Services - Proposal to reshape Committee Services with the transfer of support for scrutiny to the Policy Unit is currently underway with significant savings being made both on a managerial level and in relation to staff. This will reduce staffing from 16 to 12. It is proposed to delete the Political Assistants posts from the establishment with savings of £0.139m (This figure includes pension, N.I. contributions but excludes potential redundancy costs). The Council is proposing a reduction in the overall numbers of Councillors to from 74 to 63/64 with an estimated saving of £0.068m if these proposals are accepted by the Local Government Boundaries Commission following their electoral review.

Legal Services is a trading unit. Directorates receive a budget for the purchase of Legal Services which is internally recharged. The proposal (in conjunction Democratic Services) to reduce costs are:

- reduce use of online legal information providers
- increase revenue by undertaking work for other authorities
- reduce staff in FOI & Complaints team (from 4 to 2)
- reduce spend on external legal support
- adjust support to service directorates to suit client demands

Registration - The savings delivered in 2010/11 ( £0.044m) are to be achieved by the reduction of registrars hours, closure of Wantage Office, reduced cover for sickness and other absence, deleted Saturday enhancement payments and increased income levels. The proposed merger of the management of the Coroners Service with the Registration Service provides an opportunity to implement further savings.

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

Democratic Services - the transfer of support for Scrutiny to the Policy Unit should not impact on the service members receive. The current managerial responsibilities of a senior post will need to be absorbed by other managers within Legal & Democratic Services. The deletion of the Political Assistant posts may impact on the quality and availability of support to members and political groups generally both in terms of policy research, advice, co-ordination of business and administrative support. Reduction in the number of members will increase work loads of members both within their communities and their Council work including attendance at meetings.

Legal Services - There will be a reduction in support and oversight of the FOI and complaints systems which potentially could lead to delay in responding and consequential increased risk of failures to comply with legal requirements. However sufficient support will remain to ensure appropriate advice and monitoring of compliance is available.

Registration - reduction in registration provision means clients having to travel further but the service availability remains good.

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

Democratic Services - the transfer of the Scrutiny function will need to be absorbed within the Policy Team. Whilst scrutiny committees are not decision making bodies, it will still be important to observe legal requirements. Policy unit staff will be briefed/trained accordingly. The proposed deletion of the Political Assistants posts may mean that there is a rise in demand for member support from Democratic Service staff who themselves have been subject to review and have reduced staffing levels. In addition there may be more requests from members direct to services on queries that might previously have been handled

and co-ordinated by the Political Assistants. The reduction of members might however reduce required member support from Democratic Services.

FOI – service directorates will need to undertake the direct liaison and responding to requesters with the FOI and Complaints Team simply providing advice and support. The complaints policy itself has been reviewed to reduce burden on managers but at the same time still ensuring complaints are properly considered. The Monitoring Officer will retain liaison responsibility with the Local Government Ombudsman. The reduced FOI Team will still provide a weekly update of requests so that senior managers are informed of current requests.

Registration - none

**Capital implications of proposed change**

There are none.

## Policy/Partnerships/Communications

Employees	55 FTEs
2010/11 Gross Budget	£3.484m

	2011/12	2012/13	2013/14	2014/15
Savings (£m)	-0.594	-0.634	-0.634	-0.634

### Current Service Activity:

The Policy /Partnership /Communication teams fulfil a role as the 'delivery unit' for the Council. Key functions include:

- **Corporate strategy** for the organisation e.g. customer service, ICT, corporate plan, etc
- **Programme management** for the business strategy
- **Performance Management** – monitoring of performance across the organisations
- **Reviews & Challenge** - VFM and cost effectiveness
- **Risk Management**
- **Scrutiny** support, including Health Scrutiny
- **Research and intelligence** for the organisation e.g. Oxfordshire Observatory (partly funded by partners)
- **Consultation & engagement**
- **Partnership governance & review**
- **Local area Agreement** management/Placed based budgeting
- **Equality and diversity**
- **Voluntary & Community sector** – management of relationships
- **Localism** - including community planning coordination
- **Media Relations** - e.g. briefing, explaining and placing stories with all print, web and broadcast media
- **Internal Communications** - ensuring effective communication with the workforce, design, editorial control and production of all electronic and printed internal communications, editorial lead for intranet
- **Marketing** - Responsibility for Council brand/reputation, support for services on marketing campaigns, marketing support for events such as the Big Debate
- **Design & Print** - control of OCC publications, ownership of print procurement process, in-house print and e-comms design for services
- **Web & E-comms** - Responsible for all editorial content on our external website, plus design and channels, responsibility for social media & web strategy

- **Public Affairs** ( Stakeholder relationships, building campaigns to ensure recognition of Oxfordshire)

### **Statutory minimum**

There are few statutory requirements in this area of activity but there are legal obligations in relation to:

- Equality & diversity
- Governance of the Council (scrutiny committees are supported by the Unit)
- Communication (Council tax leaflet, publicising elections, notice of meetings etc.) There is a Code of Practice governing local authority publicity.

### **Proposals to deliver savings:**

The current three Units will be merged and slimmed down to reflect the changes set out in the Business Strategy. It is anticipated that the budget will be reduced by 18% in the next two years. Proposals for changes to the Council magazine 'Oxon News' were agreed by the Cabinet on 19 October 2010.

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

Internal service users may find that we have less capacity to support their policy development needs and project requirements. However the decline in workload in relation to partnerships, Comprehensive Area Assessment (CAA) etc will allow us to reduce resources without significant impact on service users.

Changes to Oxon News may impact on our ability to communicate directly with residents and we will communicate with our residents in other ways.

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

It is unlikely that there will be a noticeable impact on the efficiencies of other Council services. Services use the Oxon News for communication and marketing. Changes to the magazine will impact on the ability of services to communicate with local residents so we will need to use other communication channels

### **Capital implications of proposed change:**

None