

10 CORPORATE SERVICES

10.1 Introduction and background

Establishing a new council for Cornwall creates opportunities to make substantial efficiency gains and increase corporate capacity in relation to the organisation and delivery of certain corporate services. In general, these opportunities stem from economies of scale and eliminating the duplication of effort and resources within the prevailing two-tier structure of local government in Cornwall.

10.2 Employment Strategy and Policy

Under the prevailing two-tier structure for local government in Cornwall, in order to meet their responsibilities as separate employers, seven councils develop, implement, review and monitor a wide range of strategic plans, policies and procedures relating to the employment, management, development and welfare of their employees.

From recruitment through to retirement, these plans, policies and procedures must cover all aspects of employment - including the induction, training, discipline and dismissal of staff. Every local authority employer must also have policies relating to the exercise of discretions under the local government pension scheme. Local authorities are also expected to have comprehensive workforce development plans and to have in place a wide range of policies and procedures relating to health and safety.

Legislation also places a general duty on public authorities to promote race equality and to produce a Race Equality Scheme that, in part, relates to



the recruitment and employment of staff. From December 2006, public authorities have a new duty to eliminate disability discrimination and promote equality for disabled people and, from April 2007, a duty to promote equality between the sexes.

In order to meet these responsibilities – within the present structure of local government in Cornwall – seven councils must consult a wide range of stakeholders and partner organisations, implement and then monitor their separate schemes. Within a unified structure for local government, this duplication of effort and resources – involving both councils and partner organisations throughout Cornwall – would be significantly reduced.

Furthermore, employment plans, policies and procedures must be developed and reviewed on a regular basis to comply with new legislation. To illustrate this point, on 1 October 2006, for example, the following employment legislation came into effect:

- Employment Equality (Age) Regulations 2006
- The Work and Families Act 2006
- The Maternity and Parental Leave and Paternity and Adoption (Amendment) Regulations 2006
- Employment Act 2002 (Amendment Order) 2006
- Amendment to Trade Union and Labour Relations (Consolidation) Act 1992

Opportunities for improvements

A unified approach eliminates the need for seven separate local authority employers to spend time and resources researching, developing, consulting upon, implementing, reviewing and monitoring their separate employment plans, policies and procedures. Within a unified structure for local government, one new council would carry out this work. Eliminating the present duplication of effort in these areas of work also has the important potential to release resources, which could be used to increase the capacity of a new council to develop an organisation where the skills and talents of employees are focused on the delivery of efficient and responsive community services.

10.3 Advisory and Support Services

Within a new unified Council there would be opportunities to rationalise the organisation and delivery of professional expertise that – under the present structure for local government in Cornwall - supports the day-to-day operations of seven councils. Bringing discrete pools of expertise together in one organisation (e.g. relating to personnel, training or health and safety) creates an opportunity to reduce the management overhead of professional services, reduce the duplication of specialist resources and generally benefit from economies of scale.

10.4 Back Office Operations

Within a new structure there would be opportunities to maximise efficiency gains, and realise other benefits, associated with new ways of delivering various corporate services within a local authority.

Part Two: **Achieving our aims and objectives**

These new ways of working, allow back-office operations to be undertaken more efficiently by automating and linking tasks together through modern computer-based and networked applications. For example, modern HR/Payroll applications:

- can transform and streamline cumbersome and outdated processes for managing transactions associated with recruitment, personnel and training administration, absence management, records management and the payment of staff, and
- improve significantly the quality and accessibility of personnel-related information essential to good people management.

The county council's detailed examination of these benefits - in relation to the areas highlighted above - estimated that re-engineering its back-office operations would reduce costs by around £440,000 a year. The county council will be implementing a new HR/Payroll application in early 2007.

The benefits and efficiency gains associated with new ways of working, as outlined above, can be maximised within a new council – where the transformation of back-office operations can be facilitated by a single modern HR/Payroll application. These benefits stem from:

- Realising Economies of Scale:

Implementing and maintaining a new HR/Payroll application – serving the needs of a new council – provides an opportunity to maximise efficiency savings that are not being achieved within the present two-tier structure for local government (with four out of seven councils operating their own systems). Essentially, there is considerable potential to minimise the overheads incurred by operating multiple applications (licences, hardware, accommodation,

management, operating and maintenance costs). There is also potential to benefit from procurement of relevant consumables and support services.

- Eliminating the Duplication of Effort and Resources:

Implementing and maintaining a modern HR/Payroll application – serving the needs of a new council – would reduce the duplication of effort and resources required to re-engineer to modern standards back-office operations across seven councils. Within a new council, the effort and resources required to maintain systems and standards associated with recruitment, personnel and training administration, absence management, records management, corporate reports and the payment of staff would be minimised.

- Reducing Complexity:

There is an opportunity to reduce the complexity and costs associated with certain back-office operations under the present two-tier structure for local government. For example, by reducing the number of interfaces between corporate applications (e.g. between HR/Payroll and Financial systems) and by reducing the inter-authority administration associated with council tax orders and administration of the Local Government Pension Scheme.

10.5 Strategic Policy and Performance

Introduction and background

Strategic Policy and Performance covers a wide range of activities that include:

- Strategic policy and development (including support to the Executive and PDSC)
- Strategic performance management and improvement
- Research, intelligence and consultation
- Community Safety (including community cohesion, equality and diversity)
- Community leadership (including Cornwall Strategic Partnership and the Local Area Agreement)

Many of these activities operate at a countywide level and involve a close 'interaction' with district councils. Although good relations exist in virtually all activities, dealing with and reaching agreement with 6 different organisations, each with their own democratic approved mechanisms takes considerable time and effort. Often decisions reached by consensus are not as innovative as those that could be made by one organisation alone. On occasions agreement has not been reached and consequently new ideas have not progressed.

In addition to this, progress in some areas e.g. equality and diversity has been inhibited by the limited capacity within districts. Factors here include the availability of resources, skills, commitment and differing priorities. In other areas resources have been utilised overcoming or addressing bureaucratic processes and incompatible systems e.g. data sharing, performance management.

In other areas considerable resources are deployed by the different authorities to produce strategic policies for each organisation e.g. Best Value Performance Plan, Disability Equality Scheme that could be significantly reduced if a single strategic policy was required.

Opportunities for improvement

Bringing together these activities will result in significant benefits through the streamlining of corporate policy activity. These include:

- Reduction in activity / duplication e.g. executive support, strategic policy development, research
- Added value - common, shared data
- Reduced bureaucracy - data sharing, legal agreements
- Increased innovation – more risk averse, currently as strong as the 'weakest link'
- Common objectives – community strategy
- Increased capacity and flexibility – staff and resources

In addition to the improved activities there are benefits for the staff concerned, especially those in the district councils who often have sole responsibility for activities and have very limited career progression opportunities.

10.6 Procurement

The county council has established a Corporate Procurement Unit (CPU) which works closely with the South West Centre of Excellence and the district councils in a countywide partnership. It is clear that a corporate approach to procurement can deliver significant efficiencies, not only through

the procurement of goods and services but by building the capacity of the organisation to ensure best practice but also to standardise and rationalise procedures.

At present multiple standards, approaches and tools are used for procurement across the seven councils. Further there are common supplies markets used by each authority that have to adapt to different systems depending on which authority they are dealing with. This adds costs to business.

Opportunities for improvement

Clearly the bringing together of procurement across the seven councils will bring significant benefits. These include:

- a single procurement model
- a single spend analysis and contracts database
- economies of scale in purchasing
- a single approach to e-procurement
- reduced costs to local authorities and business in "negotiations"
- an improved interface between the local authority as client/commissioner and the market place

10.7 Property Services

Introduction and background

The County Council's property estate consists of around 1000 properties across Cornwall and is highly diverse. It includes directly managed assets occupied by front line services such as libraries, support buildings such as offices and stores, tenanted farms and schools. Unlike most district councils, the Council does not hold a "commercial estate" aimed at producing an income, as a conscious decision was made not to tie up capital in this way. The district councils hold land and property assets in various forms. These have yet to be assessed. We are keen to explore the proposals outlined in the White Paper for communities to play a greater role by managing or owning community assets.

Opportunities for improvements in a unified structure

There are considerable advantages in bringing together the management of the land and property assets of all the councils in Cornwall. These include:

- *Consistent policies and standards*
This will allow a swifter and more efficient delivery of service and decision making – timing is often a major factor in securing beneficial property deals.
- *Clearer communication*
Having the ability to merge teams in geographic centres would bring services together physically and improve communication.
- *Streamlining and removal of duplication*
Through a single authority and authorisation process

- *Economics of scale*
Through more efficient use of properties and a wider choice of assets. This would allow us to choose where to reinvest and where to shed property to best financial and public benefit. Agglomeration of building services can lead to larger and more cost-efficient contracts. Expansion of existing countywide term maintenance contracts instead of maintaining 7 different arrangements will bring efficiencies of scale and better performance.
- *Procurement*
A larger property base in a single geographic region will enable procurement savings e.g. in energy procurement, consultant/contractor framework agreements. The use of a single contractor assessment process will streamline works and maximise administration efficiency.
- *Emergency call out*
Existing arrangements could be rationalised instead of duplicated, leading to administrative and financial savings.
- *Improved building stock / reduced maintenance backlog*
With a wider range of assets available it will be easier to target expenditure towards or away from buildings as necessary rather than being forced to maintain what exists
- *Centralised property information*
While there is some sharing of information, there is no true centralised database of property for all local authority functions across Cornwall. With a single database it would be possible to manage more effectively the wider estate
- *Potential for more community involvement / use of assets*
With the improved local communication proposed, the community use of assets would be improved.

In conclusion, all of the improvements arising from a single council will lead to better asset management and this in turn will support better and more efficient front line services. Aside from commercial estates currently held by the present district councils, property is held only in support of front line service delivery. Asset management of a larger property portfolio, which is both physically and geographically diverse, will provide even greater opportunity for rationalisation as well as economies of scale.

It is clear that Government is expecting local councils to operate their property portfolios in a more dynamic and commercial way in the future whilst engaging community usage and ownership. This process of making all our assets work for us – “sweating our assets” will be made more manageable by having a countywide strategy coupled with local consistent and informed delivery.

By adopting a unified approach the skills of proficient property managers across the county and all district councils can be brought together to provide a strategic unit, highly proficient in all areas.

We now have a comprehensive GIS data-base of all county council property and are already carrying out a high level strategic review of Cornwall County Council office accommodation. Bringing the district property stock into this review would allow further rationalisation and opportunities. The use of one database for all properties must bring about more efficient knowledge access and more speedy delivery of outputs.

Proposal

Once a decision is reached on our proposals for a unified structure we will undertake a comprehensive asset review to determine the optimal configuration of office and service accommodation to facilitate

effective service delivery, the provision of Community Access Points, community aspirations for use of property and the disposal of surplus land and assets etc

10.8 Legal Services

Introduction and background

All the councils have legal teams providing advice and undertaking a wide range of legal work. However, only the County Council's Legal Team has the capacity and expertise to provide comprehensive support to Members and officers. In particular, the district legal teams do not have the wide range of expertise needed to respond to the varying and complex legal issues generated by a modern Local Authority eg. employment and commercial law.

A particular issue is that staff cannot be recruited at a middle/senior level due to a combination of higher comparable salaries in the private sector and the fastest increasing house prices in the country in Cornwall. Although staff recruitment at a more junior level is easier, staff retention becomes a problem because of lack of career progression opportunities within a small team and the salary/house price factors referred to above.

The recruitment and retention difficulties lead to unhelpful competition between the seven Authorities to attract candidates from outside Cornwall and/or to recruit staff from other Local Authorities within Cornwall.

There is some duplication amongst all 7 Legal Teams e.g. requirements relating to Data Protection and Freedom of Information and considerable duplication in the work of the districts. Although closer joint working would address this problem to a limited extent, the single entity solution would be far more effective and efficient.

Opportunities for improvement

Our proposal is to combine the strength and expertise of seven public Legal Teams, thereby improving capacity and capability overall.

Although there will still be a need to outsource work to the private sector – indeed this will provide better value for the Council in some areas – the size and scope of work of a combined service will make it a more attractive option for partnering arrangements with the private sector.

There will be sufficient work generated by the new Council for in-house specialists which will reduce the reliance on external firms and cut down the amount of research time required.

Recruitment and retention will be improved significantly.

Increased capacity will mean that work will always be undertaken at an appropriate level and will provide better value for the Council.

Investing in a single IT support system and one law library will lead to savings and enable, for instance, an invest-to-save project for electronic case and file management.

The county council already delivers legal services to external clients such as the Council of the Isles of Scilly, the Devon Fire & Rescue Service and the Devon & Cornwall Probation Area. The intention would be for the new combined service to tender for and deliver services to other public sector clients which would improve economies of scale and which again would assist in the recruitment and retention of staff.

10.9 Members' Support

Introduction

Providing Members with sufficient support in their role at the local level and at the strategic level is fundamental to good governance, to the success of a single council and to the delivery of the outcomes and aspirations set out in this bid. It is recognised that with a single council members will have an enhanced community leadership role and an increased local workload and therefore will need more support than at present, particularly in their local role and in developing functions such as licensing. In many ways this will be met with the introduction of Community Development Officers and the associated local support structure.

All the councils have dedicated services which support their separate democratic functions. This includes Members' training, ICT support, payment of allowances etc.

The main issue for the County Council at the moment is procuring and introducing for the coming financial year a committee management system. Embedding that system within Committee Services in the coming year will put us in a strong position to deal with any changing workload which may come from a unified governance system for the county.

Some of the issues arising from existing 2-tier arrangements include:

- a number of Members are dual-hatted; there can often be the difficulty of clashing commitments from both county and district. This can also lead to difficulties in seeking to arrange meetings within tight timescales

- the procedure rules operated by the seven councils all vary to some degree; this can lead to confusion both for Members and the public.

Opportunities for improvement

A unified structure would bring a number of improvement opportunities:

- all strategic decision making undertaken within the one organisation reducing duplication and aiding clarity for the public and partners
- efficiency savings resulting from the above
- clear Member responsibility at a local level for community issues supported by local decision-making with greater public accessibility with increase officer support at the local level
- provision of Members with a Community Fund will allow them to address local issues
- Members will have an enhanced role in planning local service delivery, have more local performance management data and will be able to scrutinise the council's local service delivery
- an enhanced scrutiny process which would be more responsive to local issues and would include greater scrutiny of other public sector organisations
- closer and more symbiotic working relationships with Town/Parish Councils and other public partnership agencies.

What Members will be able to expect from a Unified Structure

First and foremost there will be a much greater resource dedicated to supporting the work of Members locally. In many ways this will be met with the introduction of Community Development Officers (CDOs) and associated local support structure to support local members and the community networks. The proposals for community networks will ensure that Members have a clear point of contact in officer terms e.g. planning for all the local government functions within their area and a secretarial function to assist them with diaries, correspondence, etc. CDOs will also be able to assist members in new ways, such as undertaking local consultation events, surveys and surgeries. It will be for Members individually to decide how much they wish to rely on the officer support being provided. Those Members who wish to continue to handle correspondence themselves will be able to do so.

A further area which will be much better resourced is the Member Training/ Development area with greater opportunities for Members to receive training in particular skills but also through the introduction of a formalised Member Development Programme, the opportunity to develop a wide ranging set of competencies to assist them in the various fields in which they operate.

Advances in IT mean that, in the new council, it would be much easier to support Members with one integrated communications system, minimising the amount of additional IT equipment Members need in their homes, but still giving them even better access to the council itself. Members will also be in a position to operate their own pages on the council's internet which are accessible to the public to improve communication with constituents.

10.10 ICT Services

Introduction and background

The use of ICT is pivotal to the success of a proposed unified council for Cornwall. A high level of service availability will be expected from critical systems and infrastructure, supported by rapid response and fix of problems when they occur. Examples of the sorts of service levels that will be expected are:-

- Network links that do not fail.
- Enterprise applications and public access channels that do not fail.
- Security attacks that do not get through defences.
- Performance Indicators that show the ICT support organisation to be consistently performing in the top quartile, supported by high marks from user satisfaction surveys.

ISG (Information Services Group), the county council's in house ICT support unit is already delivering on most of these points. Plans to establish a no single point of failure with the link to the Internet and protection for the authority's Oracle databases are already underway. In addition to this there has been increased customer satisfaction from survey results over the last 5 years, and it tops the SOCITM regional performance indicators on project management.

Strategic approach – changing 'Cutting Bureaucracy' to 'Citizen First'

The strategic approach to enabling the right ICT for a new unified Council is a simple approach, based upon an existing proven model of success.

Firstly, the partnership work that has already successfully delivered key infrastructure items such as the voice and data network, and the public facing Internet, will be further developed to establish the capacity required to support the needs of a single community focused authority.

Secondly, to build upon the transformational programme of work currently called 'Cutting Bureaucracy'. This is already delivering major efficiency savings by capturing business processes, and through re-engineering, making them more efficient. A new Council would be established around a strong citizen and community focus, and to reflect this, the programme is now called 'Citizen First', and has been realigned to reflect the importance of the citizens and communities.

The following diagram outlines the key components of the 'Citizen First' programme.

The potential to achieve efficiency savings from consolidating infrastructure and applications, stop duplication, and pooling of resources is considerable.

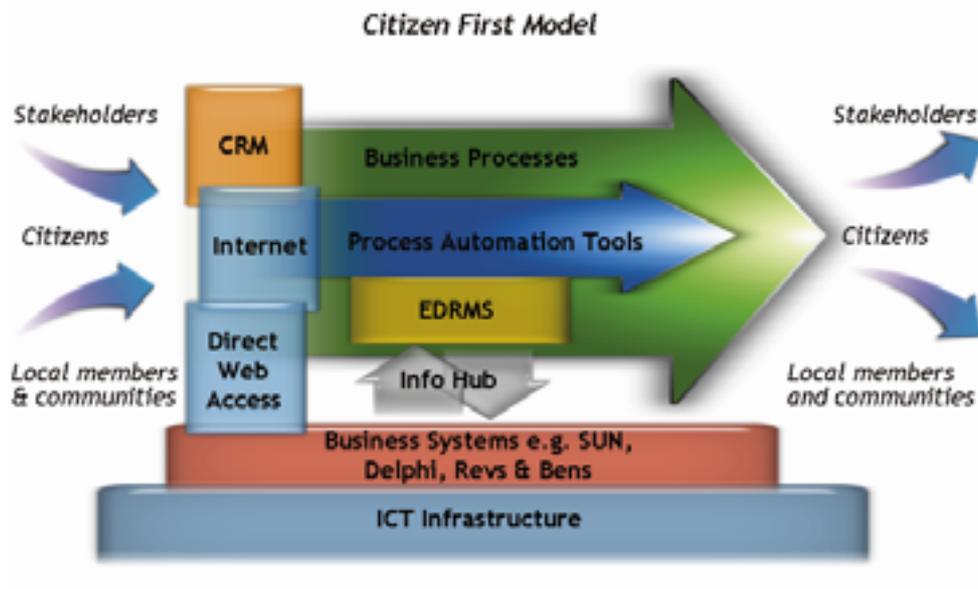
The approach that will be taken is to identify areas of excellence from the existing arrangements within the seven organisations, using the best of what already exists to create a single consolidated solution.

We propose to establish a single support and delivery organisation. This will require the level of capacity, skills, and service quality associated with the application and infrastructure matrix expected from an organisation of this size. A clear objective of a new ICT organisation is that it is standards based and high performing.

Application transition costs will be offset by the savings made from consolidating the business areas these applications support. Other transition costs will be recovered from the ICT efficiency savings.

Use of ICT will be a key element in facilitating support to local councillors in their community role.

A more detailed study supports this case (see Case Study 6).



a strong sustainable community for one and all