INTRODUCTION

East Renfrewshire Council welcomes the opportunity to provide evidence towards Strand 3 of the Local Government and Regeneration Committee’s inquiry into public service reform and local government. The topics covered by Strand 3 – New Ways of Delivering Services are of critical importance to East Renfrewshire Council and we believe that we have a range of experience and examples that would be of value to share. Since the establishment of East Renfrewshire Council we have actively sought and engaged in shared services and partnerships that improve services, make business sense, deliver efficiencies and increase our resilience and flexibility. We are also keen to learn from others and to continue to develop our approaches to service improvement, redesign, change and efficiency.

SUMMARY

In summary, East Renfrewshire Council:

- has been proactive in pursuing, driving and leading shared service opportunities.

- has established a sector-leading Community Health and Care Partnership, creating a model that is replicable across Scotland and is at the forefront of its field.

- has developed its own successful and innovative programme of change – Public Service Excellence.

- is supportive of public service reform where service quality can be improved and better outcomes achieved.

- is excited about and committed to the opportunities of the prevention agenda and particularly further innovative work on the early years agenda.

- would suggest that the most important delivery model/shared service is through joined up local partnership delivery.

- believes that there are clear opportunities for sharing and alternative delivery models arising through the recently published National ICT Strategy for Scotland.

- would caution the notion of shared services as the main answer to budget cuts and would guard against the potential to overestimate the benefits of economies of scale.

- would suggest that reforms must be based on sound evidence and benchmarks; sharing best practice will achieve much quicker gains than complex structures.

- proposes that all shared services should be able to demonstrate improvements in performance, increase the resilience of services or evidence clear reductions in cost.
would argue for further reductions in the burden of regulation to allow flexibility for councils to be dynamic and responsive to local circumstances, and also a relaxation of procurement regulations between public sector bodies to allow more informal sharing.

has examples of innovation, success and proactiveness in the fields of shared services; change; transformation; and community planning and would welcome the opportunity to share these wider.

KEY AREAS

Alternative Delivery Methods

East Renfrewshire Council has taken a proactive approach towards alternative delivery methods. We are currently members of at least 20 key shared service initiatives of varying scale, the largest and furthest developed of which is our Community Health and Care Partnership (CHCP).

In 2006 we entered into a full Community Health and Care Partnership with Greater Glasgow and Clyde Health Board to eliminate duplication and to provide integrated community-based health and social care services. The CHCP employs over 900 people from the Council and Health Board under a single management structure and Director. This was the first fully integrated CHCP in Scotland. The impact of this has been evaluated positively with value added in relation to whole systems working, organising the range of services around the service user and in making health improvement integral to frontline staff roles. There has also been improved efficiency, shared costs and reduced duplication.

Other key examples include:

- **ICT shared service project** with Renfrewshire and Inverclyde Councils. The Project Lead will have responsibility for identifying and implementing business opportunities to improve ICT services in the participating councils. These business opportunities will take forward the National ICT Strategy and will focus on reducing costs, putting more services on-line and enabling Public Sector Reform. The project will be led by East Renfrewshire Council and the Project Lead will identify the best long term solution for the sharing of ICT services across the participating councils.

- Establishment of the first shared Civil Contingencies Service in Scotland, together with Renfrewshire and Inverclyde Councils – key benefits have been increased resilience; a more robust and flexible service and a reduction in East Renfrewshire Council’s operating costs by 29%.

- East Renfrewshire and Midlothian Councils came together in 2009 to form the first collaborative partnership in Scotland through the Scottish Futures Trust (SFT) in order to deliver new Eastwood and Lasswade High Schools. The combined project has a value of £65m, saving at least £4m as a result of the partnership approach. Work began on the Eastwood High School site in 2010 and is due to be completed this year. This successful approach will be replicated for a new build Barrhead High School where ERC will partner with West Dunbartonshire Council who are building a replacement for Our Lady and St Patrick’s secondary school.
The Clyde Valley Learning & Development Project was set up in 2007 following a successful bid to the Efficient Government Fund to deliver efficiencies by working jointly around staff training and development to promote best practice, minimise duplication and improve on standards and quality. Areas where savings are being pursued include: First Aid, Vocational Qualifications, Diversity & Equal Opportunities Training, Training in Social Care, Accredited Programme in First Line Management, and through the introduction of E-Learning Systems.

Waste Management – in April 2012 we entered into an agreement with North Lanarkshire, Renfrewshire and East Dunbartonshire Councils to procure a long term waste solution. A large-scale and complex procurement, consultation, planning and construction process is now commencing and it is hoped that services will commence in 2019. North Ayrshire Council have recently agreed to join the partnership.

Partnership with Renfrewshire Council for the administration of our Non-Domestic Rates.

EquipU – joint with Glasgow, East Dunbartonshire and West Dunbartonshire Councils and Greater Glasgow & Clyde NHS for the provision of disability living equipment for people living at home.

Clyde Valley Health and Social Care collaborative – designed to enhance joint working between local health and social care services and includes representatives from Scotland Excel. In August 2012 the partnership secured 1.5 million euros for projects around telecare and work is ongoing to take these forward.

SEEMIS – Scotland’s pre-eminent Education Management Information System for local authorities.

Procurement of back-office services for decriminalised parking enforcement from Glasgow City Council.

Joined-up delivery at a local level requires common systems and procedures. In recent years, local authorities, including East Renfrewshire Council, have taken a leading role in developing standardised systems to support a growing number of different services. This has included, for example, common systems and procedures for procurement, customer management, public information notices, recruitment and a national property database.

Identification of Opportunities for Sharing Services

The most important delivery model / shared service involves joined up local partnership delivery. This has the potential to make the biggest difference to local residents and embodies the concept of Total Place.

We would caution against the notion of shared services as a panacea. There is a real danger that the benefit of economies of scale can be overstated. The prospect of shared services is very unsettling for staff and can hamper improvement in the meantime, whilst the details of a potential shared service are negotiated. Consequently, while shared services have their place, they are not the answer to budget cuts alone. Many public sector organisations are already very large and employ many thousands of people. It is possible therefore for such organisations to achieve significant economies of scale through simplifying, standardising and streamlining internally and that this can be achieved
much quicker than through a formal shared service. It is also the case, that ‘cleaned up’ systems in each organisation can be a useful precursor to sharing should a suitable business case arise further down the line.

The Council believes strongly that opportunities for sharing services need not only be on a geographical basis - there are wider opportunities if organisations start to think more imaginatively and make links through the National ICT Strategy etc. Greater efficiency and improved outcomes can be achieved through common systems and joined-up local delivery without the need for costly boundary reform.

In terms of identifying a suitable business case for sharing, East Renfrewshire Council has agreed the following core principle to guide decision making in this area: all opportunities must test the extent to which shared services can demonstrate improvements in performance, increase the resilience of services or evidence clear reductions in cost. We believe that this has wider applicability as a sense-test for future proposals across the public sector.

Reforms and business cases for sharing must be based on sound evidence and tested benchmarks. Proposals must improve services for customers and outcomes for our local residents.

We would welcome reforms that ensure all organisations adhere to leading practice design principles, leading to more efficient and effective public services – benchmarking suggests that the size of an organisation is not directly linked to efficiency in terms of unit cost. Sharing best practice will achieve much quicker gains than complex structures. Any reforms that enable improved benchmarking across public services would be helpful in achieving positive outcomes.

**Standardising, Streamlining & Simplifying**

In 2009 East Renfrewshire Council established its Public Service Excellence (PSE) programme to consolidate disparate approaches to change, transformation and efficiency. In the last 3 years we have deployed a significant number of projects and the PSE programme has been the enabler for broader workforce reductions. The programme has delivered recurring savings of £1.75million since it was established and is on course to deliver cumulative recurring savings of at least £3.6million by April 2013. This programme continues to be a key enabler in the Council’s drive to protect funding for frontline services.

Many of the PSE projects that have been implemented to date have been based on the introduction of a new service support model for the Council. This was based on moving as many customer interactions as possible to our Customer First team and/or online; streamlining and consolidating back office systems; providing departments with business partners to give sound advice on HR and Finance; consolidating job roles and widening remits to enable economies of scale and free-up frontline services to concentrate on their primary focus.

On this basis, the last year has seen restructures of accountancy services (to rationalise accountancy activities across the Council), creditors (to create a ‘purchase to pay’ section joint with Procurement); HR services; facility support staff (including janitors, hallkeepers and Council Officers); business support staff; and Customer First.
In East Renfrewshire, the Council has achieved 30% senior management savings by focusing on a clear set of design principles to determine layers of management and spans of control. We have also achieved management savings by creating integrated structures with other organisations at a local level (e.g. the Community Health and Care Partnership). This has led to a leaner organisation and more efficient public services.

In recognition that the Council would find it harder in future years to derive savings from back office services, last year the PSE programme began a particular focus on frontline services, looking at areas such as Housing. The most significant part of that programme is in the CHCP which is undertaking a fundamental, hugely complex transformation programme including 5 workstreams and over 50 projects in a move driven by the challenges of demographic pressures; the increasing need for cost reduction and the strategy on self-directed support. The CHCP PSE programme looks at everything from financial and business support systems to the ‘customer journey’ from first point of interaction to getting the required service.

The PSE programme is also embarking on the development of a potentially significant new workstream for the Council, the ‘Agile Workforce’. This will look at the potential for further modernising the way we work, aimed at delivering efficiencies through a more mobile workforce, making good use of technology and able to work in the field or at home as appropriate.

Managing the Consequences & Navigating Challenges

It is clear that East Renfrewshire Council’s continued focus on making efficiencies, particularly through the PSE programme, has gone a significant way to protect funding for frontline services and prevent negative public impacts. However, in doing this, we are making significant changes to the way the Council does business.

The impact of these change and efficiency projects should not be underestimated. The programme is complex with a range of linkages and interdependencies which must be managed. In addition, coming to terms with service redesigns, new technology and retraining can be a time of great anxiety for staff. This is just the same for shared services.

There have been a number of challenging and time-consuming union negotiations. The unions have acknowledged that multi-skilling is a way to protect jobs for the future but that does not make the change any easier for employees as they try to establish where they fit. We continue to have a no compulsory redundancy policy and have managed structural changes through natural attrition.

National government must continue to reduce the burden of regulation and allow flexibility for councils to be dynamic and responsive to local circumstances. At a time when budgets are being reduced, there is a high risk that ‘reforms’ result in uniformly poor public services, rather than focusing on measures that encourage greater local flexibility and innovation.

It would be particularly useful to look at relaxation of procurement regulations between public sector bodies. This would allow more informal sharing to take place on a more routine and flexible basis than is currently possible. We were able to procure the use of Glasgow City Council for administration of decriminalisation of parking through a procurement exemption process, however if the contract size had been bigger this option would not have been open to us.
Further National Opportunities

There is evidence to suggest that the most successful shared services are those that are either national or are focused on a very small number of councils. National shared services benefit from the drive and direction of moving forward as a single collective body, whilst small local shared services can benefit from good working relationships, trust and common goals for localities.

There are a number of useful national shared initiatives that are now well established. On the procurement side, the Scotland Excel model is working well and there are now a range of national contracts in place which are saving the public sector money every day.

All Scottish council vacancies are now advertised through the ‘myjobsscotland’ website, including teaching posts – this has been an enormously useful system which has had real benefits in terms of advertising costs, postage and paper usage etc.

There are clear further opportunities for sharing and alternative delivery models arising through the recently published National ICT Strategy for Scotland – councils need to capitalise on these, building on the principle that joined-up delivery requires common systems and processes. An example would be the recent communication sent to Councils to highlight that the need for a single Scottish ICT solution, jointly procured, for administration of the Scottish Welfare Fund.

Another example would be the scope for building further on the work around the national Public Information Notices Scotland portal – ‘Tell Me Scotland’. East Renfrewshire Council has full coverage on this site regarding licensing, planning, roads and building standards notices. This has reduced our advertising costs but there is scope to go further through wider awareness raising of this online service and ceasing newspaper advertising altogether, subject to agreement from the Scottish Government.

Improving Outcomes Through Collaboration

East Renfrewshire Council is committed to focusing on outcomes and finding the best way to deliver for local people. We believe that the reform of public services should result in improved outcomes for local communities, particularly in disadvantaged areas and among vulnerable groups. In recent years East Renfrewshire Council has worked exceptionally hard to design services around the needs of local residents and to understand the pathways of those accessing our services. Our hard work has driven up the quality of many Council services and has been recognised in reports published by the national scrutiny bodies and acknowledged by positive customer feedback.

Our Community Health and Care Partnership (CHCP) is a particularly successful example of a shared approach towards improving outcomes. The model on which this is based has potential to be replicated on a wider basis throughout Scotland and is at the forefront of its field.

Within East Renfrewshire, the Council has demonstrated that savings can be made by sharing management and back office costs with the NHS. In light of the demographic ‘time-bomb’ however, the long term sustainability of care for older people will not be secured by such initiatives. We need to start a new conversation in our communities about personal, family and neighbourhood responsibilities. We need to develop capacity for communities to provide more support to vulnerable people. We need to link together faith
groups, community groups and voluntary organisations and provide them with support and expertise. The only way to do this is by working in local communities, building on the relationships and creativity we have spent years developing.

The Council is committed to delivering on the ‘prevention’ agenda and is currently reworking its Single Outcome Agreement with partners to better reflect this renewed drive. A particular area of focus is on work around the ‘early years’. We have created a cross-cutting project team to lead this work and the consensus view emerging is that the preferred option for developing our strategy for early intervention and prevention is through a ‘place’ approach, where we can concentrate our energies and resources on one of our most deprived communities in the first instance, sharing our learning and spreading practice as evidence of success emerges. As part of this we are involved in the innovative national collaborative approach towards early years and excited about the opportunities that this presents.

Opportunities Through Community Planning

The strength of local community planning approaches is the ability to focus with a single mind on outcomes for local residents within a specified area through a defined commitment to work together to concentrate on the best way to deliver.

We have good relationships with our CPP partners and various examples of successes. We are particularly proud of our ongoing joint tasking initiative with the Police, which focuses on getting the best local outcomes from our Community Wardens, Police and council-run CCTV service, including dedicated police CCTV response car at key times of the week.

In addition, we are currently working on an innovative new community HUB development in Barrhead. This will see integration of Council leisure and library services with partner agencies including Skills Development Scotland/Careers; Job Centre Plus; including a business zone for Business Gateway services from which the full range of start-up services will operate; the Chamber of Commerce; and Voluntary Action (social enterprise support and volunteering with an employability focus). More strategic partners such as Scottish Enterprise, Events Scotland and Visit Scotland have all agreed to make use of the HUB on a drop in basis and local employability providers will be utilising rooms and offices to deliver various programmes including Training For Work Enterprise Allowance. We believe that this will integrate key employability services into the public service ‘campus’ we have been creating in Barrhead as part of a wide-ranging programme of regeneration.

CONCLUSION

East Renfrewshire Council has been proactive in pursuing, driving and leading shared service opportunities. We have a range of examples which we believe are replicable across the public sector and we would be as keen to share these as to learn from successful approaches elsewhere. We will continue to develop and deliver on a range of fronts including shared services; internal change and efficiency projects; and new and innovative areas towards the prevention agenda. We believe in the importance of joined-up local service delivery, but also see real wider opportunities opening up through, for example, the National ICT Strategy. In any case, the importance of reform based on sound evidence and benchmarks, and the sharing of good practice more generally, cannot be underestimated.