



Committee and date

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12

REPORT OF THE PORTFOLIO HOLDER FOR CORPORATE SUPPORT

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1.0 Introduction

- 1.1 This document presents a selection of the work undertaken by Corporate Support services and details some of the aims and objectives for the future.
- 1.2 Throughout 2016, a notable shift in strategy and drive has been instigated and it is hoped that 2017 will deliver more commercial opportunities, resulting in efficiencies, savings and new revenue.
- 1.3 Some of the most integral work for 2016 has been the Digital Transformation project, which will continue through 2017 and beyond. The Apprenticeship Levy is also a project of note and we are fortunate to have started work on this early, to ensure any commercial benefits can be identified and worked through.

2.0 Human Resources and Development

- 2.1 This year has seen the approval of the draft Workforce Strategy which is due to be formally agreed by Cabinet on the 12th December 2016, alongside the ICT Strategy.
- 2.2 The Workforce Strategy supports the strategic priorities of the Council and provides a framework to achieve the visions which will be set out in the Corporate Plan; "The right people with the right skills, in the right place at the right cost", from a service perspective.
- 2.3 The priorities this year have been to focus on developing a commercial approach to HR and Development, an offer that is well defined and backed up by easy to understand but comprehensive service level agreements or contracts.

- 2.4 The approach to service delivery is to be customer focused concentrating on solutions and best outcomes. This has result in consolidation of the existing customer bases of corporate services and schools and the expansion to new customers of academy trusts and town and parish councils. This commercial activity will remain a priority for the coming year.
- 2.5 Other key achievements this year have been to develop and deliver a new in-house management development programme which is currently on the 3rd cohort since launch in March 2016. Also, a commercialism and partnership working skills module has been developed and delivered to teams where trading activity is a priority.
- 2.6 Looking to the future the focus for the teams will be much more around organisation development and behaviour change. The delivery of Digital Transformation will require system change, culture change and behaviour change to be successful.
- 2.7 In the coming year the priorities will be staff engagement – making sure our staff have a voice and opportunity to contribute to the changes that will emerge through digital transformation.
- 2.8 Process redesign, creativity and innovation
There will be a need to review the way we operate currently to consider how systems and processes are organised to be as effective and efficient as possible.
- 2.9 Managing change
It will be essential to help staff and support them through the levels of change that will be required to achieve transformation.
- 2.10 Apprenticeship levy
The introduction of the Apprenticeship Levy gives Shropshire Council a fantastic opportunity to invest in staff development in ways in which has not previously been possible.
- 2.11 In preparation for the introduction of the levy HR is working to identify accredited providers and designing qualifications fit for our workforce of the future.
- 2.12 In addition to developing an internal development framework which underpins the workforce strategy we are working with external partners and stakeholders to ensure that the local economy can benefit from the levy.

3.0 Occupational Health and Safety

- 3.1 Full details of the Shropshire Council Health and Safety Performance are contained in the Annual Health and Safety report which was presented to Cabinet on 28th September 2016.

- 3.2 The points of particular note are that despite a small increase in the numbers of reportable employee accidents to the Health and Safety Executive (HSE) and minor accidents, Shropshire Council performs well in terms of accident statistics.
- 3.3 Following increases in the general levels of absence and in particular stress related absence the Occupational Health and Safety team have been focussing on wellbeing and have delivered 2 wellbeing events in Shirehall to raise awareness in the workforce of both their own general health indicators (blood pressure, blood sugar and cholesterol levels) and the range of self-help and prevention programmes that are available to support well-being.
- 3.4 Progress against the Health and Safety Action plan is good. Relationships within the Council and with external clients continue to develop with new service level agreements and contractual arrangements being put in place.
- 3.5 The focus for the coming year will be to continue to support the reduction in sickness absence and to build on the commercial approach of the teams.

4.0 Digital Transformation

4.1 IT Strategy

The IT Strategy has been drafted and has been reviewed by Directors, Audit and the Risk Management team.

4.2 The IT Strategy sets out how the vision for IT underpins the Council vision and the strategic and delivery principles that will be adhered to in delivering that vision. The document includes the approach being taken to delivering the Digital Transformation Programme, the Disaster Recovery and Business Continuity strategy and progress in the delivery of that strategy, and commercial opportunities being pursued by IT.

4.3 This report will be published in the next few weeks and will be formally audited in the last quarter of this year.

4.4 The Digital Transformation Programme

The Digital Transformation Programme is a major transformation initiative that will enable the Council to transform the delivery of services through a customer focused approach utilising cloud technologies.

4.5 Delivery of this programme is being enacted through three interrelated and concurrent projects:-

- Social Care – which will improve the provision of such services to both Adults and Children's Services to meet the increased demand on these services whilst reducing

the ongoing costs of such service provision

- Business Transformation – that will provide an integrated modern solution for all back-office processes to automate our existing manual and disparate systems, and provide improved management information and a better reporting capability. This project also includes the delivery of an improved Customer Services Centre which will enable customers to contact the Council digitally.
- Technology – to support delivery of the Social Care and Business Transformation projects thereby enabling staff to spend more time on customer-facing activities through improved connectivity; enable agile and flexible working and provide improved Wi-Fi capability in Council offices and other public meeting points. This project will also support the ICT initiative to provide resilient Disaster Recovery and Business Continuity for all Council systems and software

4.6 The business case to support this programme was approved by Cabinet meetings on 27th April and 11th May, and ratified by Council on July 21st. That paper forecast that the cashable savings derived from the programme would be £4.276m and total non-cashable benefits of £31.805m over a 5-year period. The business case will be updated once supplier costs are confirmed as part of the contractual negotiations.

4.7 Social Care Project

The Social Care project has detailed its requirements and invited tenders for delivery of a solution from prospective suppliers. Three such suppliers have tendered and a preferred supplier will be selected by the end of December 2016, based on the quality of responses to our requirements, the cost of the solution, and their previous experiences of delivery to a local authority. The suppliers who can demonstrate such capability and experience will be invited to demonstrate their solution at Shirehall to key stakeholders and evaluators within the Council in early December.

4.8 Once the preferred supplier has been selected the contract for delivery will be negotiated and it is anticipated that a formal contract will be agreed in January 2016 for approval by Cabinet on February 8th. A revised business case will also be provided at that time.

4.9 Business Transformation

The Business Transformation project have gathered the business requirements and are currently completing the Invitation to Tender (ITT). This will be completed by the end of November and issued to prospective suppliers via the appropriate procurement framework.

4.10 Suppliers will be invited to respond to the invitation by the end of January, and after short-listing and confirming their capability and experience of delivery across all the functional areas to local authorities, it is anticipated that a preferred supplier will be appointed and subsequent contracts negotiated by the end of March.

4.11 Configuration and delivery of the preferred solution for Business Transformation, in

conjunction with the appointed supplier, will commence in April 2017, with a view to going live with the fully integrated solution in April 2018 (i.e. aligned to the commencement of the new financial year).

4.12 Technology

The technical requirements to support both the Social Care and Business Transformation projects have been included in their respective ITTs.

4.13 The Technology project is also in the process of finalising its requirements for the Unified Communications (the telephony solution that will support the Customer Services team), examining the existing Data Centre structure and recommending a strategy on hardware that will provide best value for the Council, and improving the Wi-Fi capability at Shirehall, other Council sites, and public meeting places such as libraries.

4.14 Programme Management

The Digital Transformation Programme is on track to deliver against the strategy set out in the business case that was approved by Council in July. In fact the Social Care project is ahead of schedule in the supplier selection and contracts award phase of the project, and anticipates enabling delivery to commence 2 months ahead of schedule.

4.15 The Digital Transformation Programme and the 3 constituent projects are managed through fortnightly programme and project boards who's' memberships include directors acting as the SRO, stakeholders from the relevant services, and officers representing Governance, Audit and Risk Management.

4.16 The actual spend on the programme to date is less than that which was budgeted, the savings being achieved through faster delivery and recruiting less expensive external resources than those originally forecast.

4.17 The business case will be updated once the preferred supplier's actual costs have been factored in, and the resource requirements (internal and external personnel) have been re-forecast

4.18 The Programme Manager also is a member of the ICT Approvals Board to ensure that other ICT related initiatives across the Council do not contradict the Digital Transformation Programme strategy or delivery.

5.0 Communications

5.1 In 2016, the Communications department was relocated to a central point in the West Wing of Shirehall and from August 2016 the department was overseen by a single manager in the Communications and Public Relations manager (Andrew Boxall). Since

that point, a more positive and subsequently commercial approach has been taken by the department.

- 5.2 The early stages of 2017 will see the department undergo a restructure, which should not require any redundancies. The new structure will give security to staff, re-align some pay grades and most importantly create a far more commercial model.
- 5.3 The Media team have been given a focus on finding good news and the new staff newsletter has been created to promote positivity within the organisation. The communications team are also now responsible for the Members Bulletin, “all staff” emails and will soon be trialling a formalisation of the cascade system process (information from upper management) to try and ensure staff are fully up-to-date.
- 5.4 2017 will see the Sustainability and Transformation Plan (STP) and the Digital Transformation Program, delivering a much needed shift in the delivery of information for residents of Shropshire. These shifts have been prepared for and work is underway to ensure the Shropshire Council communications team play a central role.

6.0 Legal and Democratic Services

- 6.1 Legal Services continues to review the service to ensure it is meeting clients changing needs both internally and those who are providing their services through new vehicles. Work is ongoing to improve efficiency, to explore the potential for increased income generation and an opportunity to establish a closer working relationship with another local authority legal department.
- 6.2 Electoral Services have been undertaking the annual canvass. Preparations have begun for the Unitary and Town/Parish Elections next year taking into account the possibility of a general election. Individual Electoral Registration is dealt with on a day-to-day basis alongside any other legislative obligations that are required for Electoral Registration and Elections Legal.

7.0 Data Analysis and Intelligence

- 7.1 The Data Analysis and Intelligence Unit in Commissioning Support continues to progress a broad range of work across the Council ranging from supporting the development of Council Strategies, meeting statutory reporting needs, and developing access to information to manage services and identify opportunities for improvement, including supporting the development of needs assessments, and documents and analysis to underpin the development of new operating and delivery models across the Council.

- 7.2 Coordinating the development of the draft Corporate Plan and the Strategic Action Plans and using the measures and delivery milestones within these documents to refresh the Corporate Performance Management Framework. The opportunity has also been taken to develop a new Performance Portal to make performance information on key measures more accessible; and this approach which will be refined and improved as the new IT systems are implemented.
- 7.3 Working with Adult Social Care and Children’s social care is also a significant area of focus. This involves developing and making available management information reporting to support day to day management of services and identify pressure points and issues that need to be addressed, enabling improved data quality, and the continued delivery of accurate statutory returns to the Department of Health and Department for Education.
- 7.4 Having a better view of what people and communities need and their priorities and ambitions is the focus underpinning work to develop how the Council undertakes engagement activity. The Big Conversation was launched last year and provides the framework for this work. Customer feedback is also a valuable source of information for learning and to identify how improvements can be made, and the coordination, monitoring and analysis of complaints, compliments and comments informs this.

8.0 Assets & Estates

- 8.1 Assets and Estates have successfully made a number of key disposals this financial year including Radbrook Campus and Ludlow Stone House which have generated over £2 million in capital receipts along with financial savings for the Council. Both involved significant preparatory work to enhance and maximise the value. The Estates team have also progressed the sale of a number of smallholdings (tenanted farm holdings) and released them back to those tenants who were interested in acquiring the freehold; this has generated in excess of £3 million in capital receipts thus far.
- 8.2 Students have completed their first year in the Council’s new student accommodation whilst the Market Hall continues to be a success under the Council’s ownership and stewardship; together with the majority of retail units being fully let.
- 8.3 The Corporate Landlord model has been successfully launched and more effective estate management is being applied to assist in the overall rationalisation of the Council’s estate. This is being achieved through a focus on generating future income both in terms of effective disposals and shrewd investment to secure future revenue income streams.
- 8.4 The Assets and Estates teams have successfully relocated a number of teams to deliver significant revenue savings for the Council. This includes the relocation of the

customer services team back to the Shirehall to release the leasehold of the Chancery building.

- 8.5 There have been a number of successful Community Asset Transfers which have been completed in the year including the Abbey Railway Building and Oswestry Gatacre fields and pavilion with a number of others well progressed offering opportunity for continued improved community resilience.
- 8.6 The Council acts as lead authority for the LGA and Cabinet Office sponsored One Public Estate (OPE) Programme which is managed with an extensive range of partners as part of the Shropshire Estates Partnership. The Partnership has been awarded £110,000 of OPE funding to date to assist with service integration, sharing accommodation, rationalising the scale of poorly utilised public estate whilst releasing land and buildings to support investment in new homes, jobs and economic growth.

9.0 Commercial Services

- 9.1 The Council currently provides a range of fee based services for partners, businesses and residents of Shropshire. These include education support services, public health, public protection, planning, property, highways, Human Resources, design and project management, finance and auditing and the operation of outdoor, arts and cultural venues. There is potential for commercial services growth within and outside of the county.
- 9.2 The Council remains firmly committed to creating an enterprising culture amongst its workforce as part of its investment, commercial and economic growth strategy.
- 9.3 Directors have established an Investment Board to consider potential new investment opportunities which maximise the use, value and yield from our extensive range of infrastructure and assets. The Council will invest in land and property development where there is clear evidence that income can be generated on a permanent basis whilst strengthening the local economy in terms of skills, jobs and new homes. This in turn will increase the growth in other Council income streams.
- 9.4 The Council continues to work with SSE to offer a 'Community Tariff' unique to Shropshire residents which will be set at a lower rate than SSE's standard tariff. The expectation is that the 'Community Tariff' will offer 5-10% discount from the SSE standard variable rate for a fixed period. The proposed dual branding approach for the 'Community Tariff' for Shropshire residents will be marketed through Shropshire Council's communication channels and delivered through SSE's end to end energy supply service. The tariff will be launched in spring 2017
- 9.5 This partnership will generate income for the Council and will also receive competitive products relating to potential expansion of the service offering, energy efficiency

measures, access to energy innovations, smart technologies and support to gain access to funding within the energy market. These additional activities and the added social value aspects will be explored and negotiated further as the model is developed.

10.0 Premises Services Team

- 10.1 The Council premises services team has enjoyed another successful year with high levels of buy back from Shropshire Schools, including schools who have not previously bought into the service.
- 10.2 Trading income exceeded £1million for the first time in 2015-16 ensuring a profitable position for the team. New external business contracts awarded included Entatech, Wellmeadow, Morville Academy, Wem and Ellesmere Town Councils. The team has recently been selected as one of the preferred suppliers for First Choice Housing.
- 10.3 A new digital platform and property management system called Tech Forge Cloud has been implemented, including a customer portal which allows schools and clients to raise help calls electronically and can see the status of calls they have raised. Tech Forge cloud has assisted the team to streamline their finance procedures, contract maintenance recording and monitoring and enabled them to utilise system generated KPI's and reports to monitor, review and improve performance.
- 10.4 307 projects worth £8 million were completed in financial year 2015-16 and 283 projects are in progress worth £9 million in the current financial year. These projects included the solar panel project completed in March 2016 to assist the council generate income, the University accommodation project completed ready for first cohort of University Centre Shrewsbury and the more recent provision of design/procurement and project management services for the relocation of Shrewsbury Town Council to Castle Gates Library in the town centre.
- 10.5 23 customer satisfaction surveys were completed with an average satisfaction rate of 99.11% in 2015. 10 customer satisfaction questionnaires have been completed and received in 2016 with an average satisfaction rate of 89.62%. The average score is expected to rise as more questionnaires are received.
- 10.6 The focus of the team will continue to be on business development activities to improve their commercial presence in the market. Further commercial training and development will be undertaken for the whole team to increase commercial skills and knowledge. The type and mix of products and services offered to customers is being reviewed as further changes take place in their business requirements. Further marketing material is being developed with strong brand identity to raise the profile of the professionalism of the team and the services that they provide.

11.0 Shire Services

- 11.1 Shire Services is a trading department of Shropshire Council providing catering and cleaning services predominantly to schools. We currently provide services within 7 local authority areas, as well as within Shropshire. Services are provided in North Wales, Cheshire, Walsall, Telford, Worcester, Hereford and Wolverhampton.
- 11.2 At the beginning of the 16/17 financial year we catered at 175 sites and had 143 cleaning contracts. Our turnover in 2015/16 was £15.924 million.
- 11.3 The unique selling point for Shire Services is its ever increasing commercial arm. Contracts have been held outside of Shropshire for over 20 years, three of the very first contracts that Shire Services won in open tender are still buying into the service; Eirias High School in Colwyn Bay, Ipsley Middle School in Redditch and Chantry High School in Worcester.
- 11.4 Shire Services is the first local authority caterer in the West Midlands to achieve the Soil Association's Gold Food for Life Catering Mark at one of our schools. This places emphasis on local produce and organic ingredients. After a rigorous on-site inspection, we have proved that we serve fresh and healthy meals, that are prepared using at least 15% organic and a selection of local or UK ingredients, making healthy eating the easy option.
- 11.5 In September this year University students arrived in Shrewsbury for the second year. Shire Services work together with the Council and the University of Chester to manage the accommodation for these students at Mardol House, situated above the market hall. We have a Student Accommodation Concierge member of staff on duty in the building 24 hours per day to deal with any issues or concerns that the students have.
- 11.6 There are exciting times ahead for Shire Services as we will very soon be piloting our new online pre-order and payment system in a number of our primary schools. Parents will soon be able to pay online for their child's meals as well as know what their child has eaten. Introducing this new system will have other important benefits; reduced queueing time for pupils, reduced waste as our kitchens know how much of each menu item need to be produced, existing paper based processes can be eliminated as data can be transferred electronically between devices, kitchen employees can spend more time preparing and making food and less time completing paperwork, improve speed of communication between kitchens and Head Office.
- 11.7 Moving forward, we will be offering this service as standard to all our schools. Initial roll out will begin with a small number of schools in January 2017 with a phased block roll-out beginning in April 2017.
- 11.8 One of the challenges that Shires Services has faced is the introduction of the Living Wage which came in to effect from April 2016 meaning all employees who currently

earn less than the national living wage of £7.20 an hour saw an increase in pay. This is good news for our employees but has an impact on the catering and cleaning services as client budgets are increasingly stretched. Added to this is the increase in NI contributions (due to the Government removal of the NI rebate) and auto enrolment into the Pension scheme, all adding to our clients' labour costs.

- 11.9 For 2016/17 plans have already been put in place to significantly reduce the base budget which is required from the Council. Measures include negotiating discounts and rebates with our major food suppliers, deleting vacant posts from the structure, recharging mobile relief staff costs to sites as well as an increase in profit share from commercial contracts as a result of increasing the number of contracts held outside of Shropshire.