

**Body:** CABINET

**Date:** 8 July 2015

**Subject:** Sustainable Service Delivery Strategy (SSDS) Update

**Report Of:** Deputy Chief Executive

**Ward(s)** All

**Purpose** To update Members on the progress made within the SSDS programme, with particular reference to:

- the implementation of shared corporate services
- the Future Model Programme Plan (Phase Two)
- the Corporate Landlord implementation plan.

**Recommendation:** Members are asked to:

- i) To agree the SSDS progress update
- ii) To agree the range of additional shared roles and services currently emerging between Eastbourne Borough Council and Lewes District Council and the commitment to future shared services outlined in the report.

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## **1.0 Background/Introduction**

1.1 The Sustainable Service Delivery Strategy (SSDS) is a key response to the increasing cost and demand pressures facing the Council. It is a programme that was developed to promote a range of solutions, both internal transformation and effective partnership working with other organisations.

This report presents an update on key initiatives carried out under the SSDS, namely:

- Future Model (Phase Two)
- Shared Corporate Services
- Corporate Landlord

### **1.2 SSDS: Future Model**

In [July 2013](#) Cabinet approved the adoption and implementation of Phase Two of the Future Model under Option 5 of the SSDS and delegated authority to the DRIVE Programme Board to run the programme within the allocated resources.

The Future Model Programme aims to improve service delivery whilst delivering savings estimated at £1.7m to £2m across the organisation. The current phase, Phase Two, is estimated to save £1.2m - £1.5m.

The Future Model describes a new way of organising and delivering council services, delivering efficiencies at the same time as putting the customer at the heart of all we do.

### 1.3 **SSDS: Shared Corporate Services**

In [October 2014](#) Cabinet approved the implementation of the shared corporate services programme as recommended by the Improvement and Efficiency Social Enterprise (iESE) review of corporate services, the first stage being the implementation of a shared human resources (HR) service provided by Eastbourne Borough Council (EBC) and a shared Legal service provided by Lewes District Council (LDC).

### 1.4 **SSDS: Corporate Landlord**

In [December 2013](#) Cabinet approved the implementation of a corporate landlord model for strategic asset management and the development of a detailed implementation plan.

In [October 2014](#) Cabinet approved an amended implementation timescale for the corporate landlord model, with a phased introduction across 2015/16 and 2016/17.

## 2.0 **Future Model Programme Update**

### 2.1 **Summary of programme status**

In [December 2014](#) Cabinet approved the principles of the draft Target Operating Model (TOM) which described the significant structural changes to the council and Eastbourne Homes Ltd that arise from applying the Future Model to both organisations. Cabinet also delegated to the Chief Executive the authority to approve any changes to the model arising from consultation.

A comprehensive consultation exercise followed Cabinet's approval of the draft TOM, starting in December 2014. More than 450 questions and comments were received from staff, and all received a response through a combination of published answers and individual meetings. Due to the amount of feedback received, consultation extended into February with the final TOM published in March.

As a result of consultation, a range of changes were made in the final TOM. Some of the most significant were:

- Removal of a number of teams from scope, resulting in a revised baseline of full time equivalent (FTE) roles in scope.
- Establishing a 'Community of Practice' to oversee the transition of revenues and benefits services to the new model
- Adjustments to the numbers and grades of roles in various areas,

- informed by the ongoing programme of workshops and staff feedback
- Recruitment timetable and process adjusted in response to longer consultation period.

The publication of the final TOM enabled the staff recruitment process to begin, and the first (internal) phase of this completed in early June. External recruitment to the vacant roles began in June and will continue over the rest of the summer. Successful recruitment to vacant roles in the new structure will be a factor in the timetable for the implementation of the new teams and processes.

Another major programme milestone achieved since December was the successful relocation of Eastbourne Homes from Ivy House to 1 Grove Road and the completion of the redesign of the Customer Contact Centre at 1 Grove Road. This was another essential component of the Phase Two business case, realising significant savings (see below). The move was the culmination of the agile working programme which has enabled EBC and EHL to rationalise five office buildings down to two, 1 Grove Road and the Town Hall, realising significant savings as a result. We have also been able to lease space to partners in both buildings to increase income.

## 2.2 **Key activities July – September**

The focus of the programme is now on completing the build of new processes and switching on the technology to enable the new teams to adopt Future Model ways of working. There are more than 250 processes to build, and at the time of publication more than 50% of that work is done. It has been necessary to prioritise the work to ensure the critical processes and technology components required for the new teams to function effectively are delivered first. This has resulted in some programme deliverables, such as the new online services, being rescheduled for delivery in the autumn.

Progress is being monitored on a weekly basis by a dedicated transition working group, which also considers issues such as training requirements for the new teams and the sequencing of services moving into the new model.

## 3.0 **Shared Corporate Services Update**

### 3.1 **Human Resources (HR) and Legal Shared Services Update**

The HR and Legal shared services went live on schedule in April 2015, with EBC hosting the HR shared service and LDC hosting the Legal shared service. Staff transfer under TUPE completed successfully and all new staff are in post, with the exception of one role in the Legal team.

The next step will be the development of service level agreements (SLAs) for both services.

The early success of the arrangements has already resulted in some interest from other authorities about potentially joining the service in future.

### 4.2 **IT Shared Services Update**

The IT shared services roadmap is currently being developed, building on the early work undertaken by iESE. Due to the different delivery models for IT infrastructure services (in house at LDC and outsourced at EBC), as well as the complex blend of IT systems and contracts in place across both authorities, the draft roadmap outlines developing the IT shared service in three phases over a five year period.

The first phase activities which are underway now are:

- Moving to common provider for wide area network services ('The Link' - [www.linksussex.org](http://www.linksussex.org))
- Detailed analysis of IT spend and contracts across both authorities
- Integrated Microsoft Outlook and file server solution across LDC and EBC, to provide a smoother service for the shared HR and Legal services
- Developing a shared IT Project Management Office (PMO)

#### 4.3 **Finance Shared Services Update**

Due to the different financial systems used by EBC and LDC, the shared service opportunities for finance are currently focussing on sharing expertise across the two authorities and moving to common financial reporting formats.

#### 4.4 **Property Shared Services and Corporate Landlord Update**

The alignment of the property teams across EBC and LDC is ongoing, with recruitment to joint posts underway and a shared statutory compliance officer in post.

Detailed work is underway to prepare for the procurement of elements of corporate landlord delivery. This work includes analysis of budgets across both EBC and LDC to determine which operational activities should be in scope and to estimate savings opportunities. This detailed work needs to be completed before the scope and timetable for the procurement and alignment of the services across EBC and LDC can be finalised.

#### 4.5 **Other Ad Hoc Shared Services Opportunities**

In October the EBC and LDC Cabinets delegated authority to the Chief Executives in consultation with the respective Council Leaders to take advantage of opportunities as and when they arise to align systems or posts within the two authorities in order to generate benefits in terms of quality, savings or resilience.

Since then a number of opportunities have been taken to do this, namely:

- Two further shared roles at senior management level (Senior Head of Planning, Regeneration and Assets and Senior Head of Tourism and Leisure)
- Shared Printing Service, hosted by EBC
- Sharing of specialist skills around council tax and the Community Infrastructure Levy (CIL)

#### 4.6 **Commitment to future Shared Services**

Following the recent election, the leaders of Eastbourne Borough and Lewes District Councils have met and indicated their willingness to explore and consider all opportunities for joint working and shared services across the two councils. It is intended to hold an informal joint Cabinet meeting in the summer to discuss and commission a detailed business case to look at options to progress.

### **5.0 Resource Implications**

#### 5.1 Financial:

Following the EHL relocation and a detailed analysis of the outcomes of the recruitment process, the programme savings are estimated to amount to £1.45 million, which includes £1.2 million of staff related savings. These savings are consistent with the original business case estimates.

#### 5.2 Staffing:

As a result of the consultation process and other decisions made within the programme, the number of staff in scope of Phase Two was reduced from 219.5 to 168.1 FTE roles. There are 141.5 FTE roles in the new model, a reduction of 26.6. Following internal recruitment we have 34.6 FTE redundancies, of which 17.9 were as a result of voluntary redundancy requests.

Support continues to be provided for staff who have been unsuccessful in securing a role in the new structure, in line with the Redundancy and Redeployment Procedure, including some fixed term contracts to support the organisation through the period of transition.

External recruitment to vacant roles has commenced.

### **6.0 Conclusion**

#### 6.1 The SSDS consists of a range of options and projects to ensure that EBC remains a sustainable organisation in the face of ongoing reductions in government funding.

Significant progress has been made in the three SSDS projects outlined in this report with Future Model internal recruitment complete, the first shared corporate services live and detailed work on the Corporate Landlord proposals being undertaken.

**Henry Branson**  
**Senior Head Of Projects, Performance and Technology**

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## **Background Papers:**

The Background Papers used in compiling this report were as follows:

- Future Model Programme Plan
- Future Model Project Highlight Reports
- Sustainable Service Delivery Strategy Programme – Implementation of the Future Model Phase 2 (Cabinet Paper, 10 July 2013)
- Strategic Asset Management (Cabinet Paper, 11 December 2013)
- Sustainable Service Delivery (SSDS) Updates (Cabinet Papers, February 2014, July 2014, October 2014, December 2014)

To inspect or obtain copies of background papers please refer to the contact officer listed above.

# Appendix 1: Proposed new CMT Structure and Accountabilities

