

**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT TO CORPORATE RESOURCES & IMPROVEMENT OVERVIEW AND  
SCRUTINY COMMITTEE**

**10 DECEMBER 2015**

**REPORT OF THE CORPORATE DIRECTOR RESOURCES**

**BRIDGEND CHANGE PROGRAMME: WORKING TOGETHER TO MAKE BEST  
USE OF RESOURCES**

**1. PURPOSE OF REPORT**

- 1.1 This report provides the Committee with a briefing on the Bridgend Change Programme projects which relate to Improvement Priority 6: Making Best Use of Resources.

**2. CONNECTION TO CORPORATE IMPROVEMENT PLAN / OTHER PRIORITIES**

- 2.1 Working together to make the best use of resources is one of the Council's six corporate improvement priorities.

**3. BACKGROUND**

- 3.1 Through the Bridgend Change Programme the Council has successfully delivered a number of projects that have helped the Council to reduce operating costs and to make significant improvements to the way that it works, whilst also protecting front line services. It will remain the framework for the next four years, but has been rebranded in line with the three proposed new corporate improvement priorities:

- Supporting a successful economy
- Helping people to be more self-reliant
- Smarter use of resources

- 3.2 **Appendix 1** shows the key programmes that will be delivered under the Transformation Programme from 2016-17, but in the meantime this report provides the Committee with a briefing on projects that fall under the current Priority 6: Working Together to Make the Best Use of Resources. Since the last report to Committee in April 2015 two new programmes have been established and these are also reported here.

## **4. CURRENT SITUATION / PROPOSAL**

### **Maximising Space and Technology Programme**

- 4.1 The aim of the MST programme was to realise significant efficiency savings by making the most of our resources (employees, assets and ICT). The remit and membership of the Programme Board changed during the course of the programme but was most recently under the oversight of the Corporate Director Education and Transformation. The programme is now in closure phase having delivered the disposal of Sunnyside and the relocation of employees into the Civic Offices; and the refurbishment of the Civic Offices.
- 4.2 The Programme delivered a capital receipt of £750,000 from the Sunnyside disposal (£500,000 received and a further £250,000 is subject to contractual trigger), revenue saving of £320,000 per annum from 1 April 2016, and a 261 tonne reduction in carbon emissions. The Civic Offices refurbishment enabled the relocation of 400 staff and cost £1.404 million in total against an approved budget of £1.472 million.
- 4.3 A closure report will be presented to the Programme Management Board and any outstanding actions will be taken forward by the Digital Transformation Programme or the Rationalisation of the Estate Programme.

### **Rationalising the Estate Programme**

- 4.4 The Council has been rationalising its administrative estate for a number of years and, since 2010, has reduced the number of administrative assets in its ownership from 27 to 11. The Rationalising the Estate Programme will seek to go further and to create an agile workforce and “fit for purpose” administrative estate to support and futureproof (as far as is practicable) the delivery of the Council’s business. The Programme Board is chaired by the Corporate Director Resources and has three main objectives:
- To further rationalise the administrative estate;
  - To make Civic Offices safe, dry and warm;
  - To ensure staff are able to effectively and efficiently work in their new environment through improved ICT equipment and software; and policies and procedures that support and enable an agile and flexible workforce.
- 4.5 Council recently approved £1.217 million investment in ICT to facilitate agile working and £2.55 million for the external fabric of the Civic Offices. This programme will oversee that investment. The lease of Raven’s Court and the relocation of employees is due to be completed by April 1<sup>st</sup> 2016 while the external works to the Civic Offices are due to be completed by the end of March 2017.

### **Digital Transformation Programme**

- 4.6 The Council recognises that digital technology presents an opportunity to improve access to services while reducing operating costs. 8 out of 10 adults

already regularly use the internet in Bridgend County Borough<sup>1</sup> and nearly 100% of 16 – 34 year olds. However, national data collected in 2014<sup>2</sup> shows that currently Bridgend Council has very few digital channels, compared to other Councils and a recent SOCITM<sup>3</sup> survey gave the Council only 1 of 4 possible stars for its website. The Digital Efficiency Report<sup>4</sup> suggests that transactions online can be 20 times cheaper than by phone, 30 times cheaper than by post and as much as 50 times cheaper than face-to-face.

- 4.7 These facts make a compelling case for change, but the change required is not just about digitising processes (although connecting people, processes and data will be critical). The first step is about adopting a digital-first mind set where everyone embraces what is possible using digital technology.
- 4.8 While IT will be integral to the process, it is other parts of the Council that will need to lead the digital transformation as it will require a complete rethink of all our operations. It requires reimagining customer journeys and creating new processes to enhance how people experience the Council over their entire lifecycle. Successful implementation will lead to improved services and reduced costs. The digital programme will take a holistic view to ensure that short, medium and long term projects are cohesive, sustainable and citizen focussed.
- 4.9 The vision is that the Council will create a single unified digital environment which puts the people who use our services at its core, creating digital solutions that are simple and intuitive. The scope of the programme is that it will include all service users' (internal and external) interactions with the Council. It will include front facing interactions with citizens and front to back office systems. It will not include direct interactions between external service users and schools or interactions within schools themselves. The objectives being that by embracing digital technology this programme has four primary objectives:
- To improve understanding of customers' views
  - To improve the customer experience;
  - To improve efficiency; and
  - To reduce operating costs
- 4.10 A programme board has been established and the Senior Responsible Owner is the Corporate Director Resources. A programme brief has been agreed by the Programme Management Board and an outline business case is currently being drafted to include potential options for development.

## **Finance system hosting**

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<sup>1</sup> StatsWales May 2014

<sup>2</sup> StatsWales, May 2014

<sup>3</sup> Society of IT Practitioners

<sup>4</sup> Cabinet Office, November 2012

- 4.11 The contract for the provision of the current Finance E5 system is currently held with Insight Direct (UK) Limited which provides the system by means of a hosted arrangement with Daisy Data Centres. E5 provides a suite of fully integrated component modules including accounts payable, accounts receivable, general ledger, purchase management, e-procurement and sales invoicing. The ordering, accounts payable and general ledger modules are also used by all primary schools within the County Borough. In addition, the system provides an enhanced budgeting and forecasting functionality delivered through a Collaborative Planning module.
- 4.12 The current contract with Insight Direct (UK) Limited for both the maintenance and the hosted service is due to expire on 31<sup>st</sup> March 2016. The project is focused bringing the E5 system in-house and run it on Bridgend Infrastructure to deliver budget savings of £200,000 per annum within the ICT software budget from 1 April 2016-17 (RES3). The cost of E5 currently represents approximately 25% of the £1.4million allocated for the Council's entire software budget.
- 4.13 The project is on track and has a GREEN RAG status. A go live rehearsal is scheduled for the weekend of 9-10 January 2016. The plan is to go live on 30-31 January 2016.

#### **Community Care Information Solution (CCIS)**

- 4.14 This project relates to the joint procurement of an all Wales community care information system which will support the NHS and all twenty two councils in Wales. BCBC led the procurement and has been awarded £6.5 million grant by the Welsh Government to fund the infrastructure costs (report to Cabinet on 31 March 2015 refers).
- 4.15 The project has now moved into implementation phase and there is a National WCCIS Board, jointly chaired by the Director of Community Services, Caerphilly County Borough Council and the Chief Executive of Powys Teaching Health Board. This has been set up to oversee the strategic implementation of WCCIS across Wales, however, the actual implementation arrangements will be managed locally and regionally. Bridgend is represented on this Board by the Corporate Director, Social Services and Wellbeing and the Corporate Director, Resources as alternates.
- 4.16 Underneath this, Bridgend has a Project Board chaired by the Corporate Director, Social Services and Wellbeing. This Board comprises senior management representation from across the Council. Reporting into the Board, is a Project Team, comprising practitioners across the service areas, chaired by an ADSS representative whose focus is to support the national Board and implementation of the new system.
- 4.17 As part of the planning process for the implementation of WCCIS in Bridgend, it was important that the Council aligned itself with the national programme. This has caused a change to the initial proposed timescale. The targeted 'Go-Live' date is now the 31<sup>st</sup> March 2016.

4.18 Locally in Bridgend, work has been ongoing for a number of months in preparation for the Go-Live date. This has included:

- Data cleansing and data validation
- Re-design of document set
- Work on business processes
- Awareness and training on the new system

4.19 Training of staff within the Council will be provided on a “train the trainer” basis, held at a BCBC location. The training requirements have been clearly established as part of the Authority Requirements schedule in the local Deployment Order. It is recognised that the timescale is tight but there is a plan in place to enable training across the services and there is support in place from other local authorities and Careworks to facilitate this.

4.20 All changes are in line with, and in preparation for, the Social Services and Wellbeing (Wales) Act 2014.

#### **Sickness Absence**

4.21 The Council is continuously looking for ways in which to reduce sickness absence across the organisation and commissioned a national benchmarking research project from the WLGA with a view to learning from others and identifying areas for further improvement in this authority. A final report has been produced together with a comprehensive compendium of current policy practice and performance.

4.22 In addition to the national project, arrangements have been put in place to provide managers with enhanced information (such as absence triggers) required to assist them in managing sickness absence. Corporate oversight of the absence review process has also been introduced to ensure that long term absences are proactively managed.

4.23 An increased focus is being placed on prevention and early intervention and since April 2015 more than 75 health and wellbeing initiatives have been promoted to employees. In addition there has been a programme of training rolled out to support managers to fulfil their responsibilities in managing absence.

#### **Service Level Agreement with the Schools**

4.24 The Authority currently provides schools with a wide range of support services including HR, payroll, finance, facilities’ management, cleaning, building maintenance and ICT. The project to review the financing of current arrangements is on track and the proposed 2016-17 budget reduction of £75,000 has been identified. The project currently has an AMBER RAG status as it is subject to consultation with the Schools’ Budget Forum in December.

## **Parc Afon Ewenni Programme**

4.25 The Parc Afon Ewenni Programme currently has an AMBER RAG status due to two significant issues. The first relates to the depot relocation project where drainage requirements from Welsh Water have made the proposed relocation unaffordable within the current capital programme budget. As a result the Depot Project Board is considering alternatives including an interim solution which involves leaving the depot (albeit on a smaller footprint) on the Waterton site.

The second relates to the County Borough Supplies relocation which is currently under review due to uncertainty from partners regarding the future of the service.

4.26 Officers are working to resolve these issues and will report further to Members at the appropriate point. At this stage the Programme has an AMBER status as the timetable for the release of the Parc Afon Ewenni site is still deliverable as long as the above issues are resolved within the next six months. Any delay will have an impact on the timing of the receipt and linked disposals programme.

## **Out of Hour's Service Provision**

4.27 In 2014-15 the Council spent approximately £514,000 on standby arrangements. In January 2015 the Corporate Director Resources established a task and finish project board to investigate whether this spend could be reduced without impacting on citizens or our statutory obligations.

4.28 The project board reviewed out of hour's provision looking at demand data and reasons for contact. The review identified a number of areas for improvement:

- Improved practices / standards - Working practices across the Authority are not consistent, some teams are claiming standby/callout payments for work carried out during standard (ie 9am - 5pm) office hours due to their working schedules;
- Shared services / collaboration - There is an opportunity to utilise the Customer Community Support Unit (CCSU) to filter calls so only clearly defined emergency situations are dealt with, and other tasks can be held over until the next working day. There is also an opportunity to upskill officers to reduce the total number of people on standby.
- Consistency - there is room to reduce the variation between services as to what is considered to be an emergency and what can wait until normal business hours.

4.29 The project Board developed and is implementing an action plan to deliver £11,000 savings in the current financial year and further recurrent savings of £140,000 from 1 April 2016 within existing budget reduction proposals (COM4, COM7, COM9 and RES32). The project is on track and currently has an AMBER RAG Status as it is dependent upon the outcome of staff consultations.

## **Overtime**

- 4.30 In 2014-15 the Council spent £670,000 on overtime. In January 2015 the Corporate Director Resources established a task and finish project board with the aim of reducing the Council's spend in this area.

The project board made the following recommendations that have been accepted by the Corporate Management Board:

- Unless there are exceptional or predetermined reasons, asking employees to work excess of 37 hours a week must be avoided.
  - If an employee is requested to work in excess of 37 hours a week, then the reason for this will be detailed and recorded by the Directorate.
  - Group Managers/Heads of Service will monitor overtime levels to ensure that operational managers are not allowing employees to work in excess of 37 hours.
  - Where existing overtime arrangements are custom and practice, a review of this can only be completed through formal consultation.
  - Quarterly overtime reports will be provided to the directorate identifying actual spend.
  - A summary of these reports will be reported to CMB quarterly.
- 4.31 The project board has developed and is implementing an action plan to deliver £101,000 savings in the current financial year and further recurrent savings of £251,000 from 1 April 2016 within existing budget reduction proposals ((COM7 and COM9). The project is on track and currently has an AMBER RAG Status as it is dependent upon the outcome of staff consultations.

## **Enhanced Disposal Programme**

- 4.32 One of the key objectives of the Council's Asset Management Plan 2021 is the review and release of surplus assets. In 2013 an enhanced disposal programme was identified as a means of driving forward release of assets and enabling service remodeling and MTFS budget reductions. The programme identified the potential for the Council to realise up to £21 million in capital receipts over a three year period, excluding a further £4 million anticipated to come from major projects.
- 4.33 The project is managed through the Property Services Disposal Board and reports to the Strong Communities Connecting Services Board and School Modernisation Programme Board. Cabinet approval or delegated authority is sought for any disposal. The priorities for the enhanced disposal programme have been identified as:
1. Major Projects: Parc Afon Ewenny; Porthcawl regeneration;
  2. 21<sup>st</sup> Century Schools Programme - delivery of £11.8 million match funding;
  3. High profile cases: Jennings; Ogmores Residential Centre; and
  4. Releasing assets in line with Strong Communities Connecting Services Programme Reviews

4.34 Fifty four sales have been completed sales since 1 April 2014 realising circa £9.3 million and annual revenue savings of £450,000. The table below shows the targets for future years and should be considered in the context that receipts are highly dependent on market & site conditions.

	<b>Actual 2014-15</b>	<b>Actual 2015-16</b>	<b>Target 2015-16</b>	<b>Target 2016-17</b>	<b>Target 2017- 19</b>
	£4,189,430	£5,070,500	£6,000,000	£4,000,000	£7,000,000
<b>Cumulative Total</b>	<b>£4,189,430</b>	<b>£9,259,930</b>	<b>£10,000,000</b>	<b>£14,000,000</b>	<b>£21,000,000</b>

4.35 It should be noted that a current £2 million shortfall is identified from the initial £21 million target due to market and site conditions, which it is anticipated will be met by an extension of the programme into 2018-19 and miscellaneous “windfall” sites.

4.36 Property Services is continuing to pursue the programme rigorously, but is facing ongoing difficulties in staff recruitment which has reduced capacity.

### **Schools’ Modernisation Programme**

4.37 The Schools’ Modernisation Programme currently runs up to 2018-19 and equates to £44.95 million funding for Band A school projects. 50% of the cost is to be funded by the Welsh Government and 50% from capital receipts arising from the sale of surplus school sites, Section 106 payments and funding by the Council’s capital programme. The programme is overseen by the School Modernisation Programme Board and the Senior Responsible Owner is the Corporate Director Education and Transformation. The programme currently has a RED RAG status due to resourcing, timing and finance issues associated with the delays effected by the Judicial Review of the Bettws scheme. The Board is currently seeking to resolve resourcing issues to avoid impacting on the timing of the delivery of certain projects within the programme which in turn will impact on spend. The programme plan is under review but is currently as follows:

- Coety Primary School: construction of the replacement school at Parc Derwen complete and the school opened in November 2015.
- Relocation of Ysgol Bryn Castell, Pupil Referral Unit and YOTAS at the former Ogmere Comprehensive School (plus additional support services). The project is complete and the relocated Ysgol Bryn Castell opened in June 2015.
- Garw Valley South: Design has commenced on the replacement school for Bettws Primary School and Ysgol Gynradd Gymraeg Cwm Garw, which are to be located on the site of the existing Bettws Primary School, subject to consultation.



- Brynmenyn Primary School is in start-up phase and is currently scheduled to be complete by January 2018;
- Pencoed Primary School is in design phase and is currently scheduled to be complete by January 2018;
- Mynydd Cynffig Primary School Feasibility is due to be finished in November 2015 with completion of scheme scheduled for September 2018;
- Hersonsbridge Special School the scheme is yet to be determined, but is not scheduled until 2018-19.

4.38 In September 2015 Cabinet was updated on the work of the Schools' Task Group and agreed to the appointment of a strategic partner to support the development of a Strategy that will provide an evidence based rationale for change and will form a basis in order to reach informed conclusions about the nature of provision of primary, secondary and post 16 education and the need to add, remove or relocate school places.

4.39 Work is also ongoing under the Safe, Dry, Warm project which aims to improve the maintenance of our forty primary schools, nine secondary schools and two special schools and help to reduce the £30 million maintenance backlog. This project is on track and has a GREEN RAG status which actions around:

- Keeping school buildings safe, dry and warm;
- Ensuring clear accountability of both the council and schools;
- Developing clear guidance on compliance, repairs and maintenance responsibilities and procedures, Equality Act 2010 (DDA) Strategy, FRA Strategy;
- Establishing a robust compliance monitoring system;
- Developing a prioritised works programme; and
- Developing and documenting communication channels

### **Strong Communities – Connecting Services**

4.40 'Strong Communities – Connecting Services' is a partnership Board hosted by Bridgend Council with the aim of working with key partners (eg ABMU, South Wales Police, Bridgend College) to maximise the potential to deliver effective integrated services within communities with a particular focus on assets. It is a long standing programme which periodically undertakes area reviews from which detailed neighbourhood reports and action plans are developed. The Board meets bimonthly and challenges directorates within the council as well as our partners on the sustainability of property needs and opportunities to share with other service providers and release assets.

4.41 The current work programme (which runs to December 2017) relates to the identification of opportunities for an integrated approach to;

- asset rationalisation,
- disposal including Community Asset Transfer,
- accommodation sharing and the
- identification of economic and social development opportunities

- Joint and shared service provision

4.42 Since its establishment the SCCS Programme has facilitated the delivery of:

- The release of 122 assets (including HALO and Cultural Trust Assets);
- £11.65 million capital receipts (£9.3 million since April 2014);
- The release of these assets has resulted in rental and property running cost savings of £1.38m pa of which £455,000 pa relates to rental paid on leased properties
- Maintenance backlog reduction from released assets of £9.58 million

<b>Overall Totals to date from the 2009 base line</b>					
<b>Total Assets Released (including HALO &amp; Cultural Trust)</b>	<b>Annual Property Running Costs including rental</b>	<b>Total Rental Saved</b>	<b>Capital Receipts Generated</b>	<b>Maintenance Backlog Reduction from released assets</b>	<b>CO2 Emissions reduction from released assets</b>
122	£1,381,519	£454,764	£11,650,000	£9,583,656	5318.66

### **Joint Regulatory Services Project**

4.43 As part of the Welsh Government’s Regional Collaboration Fund (RCF), the Bridgend, Cardiff and Vale of Glamorgan Councils considered and approved a shared service opportunity in relation to Regulatory Services (Environmental Health, Trading Standards and Licensing). Following a procurement exercise, using the RCF, external agents, Atkins were commissioned in September 2013 to produce a business case, Target Operating Model and implementation plan for the creation of a shared regulatory service.

4.44 An officer project team reviewed the commissioned work and proposals with a view to ensuring these would fit the changing circumstances of the Councils. The information used in the creation of the commissioned report was the 2013/14 budget for the services.

4.45 On 22<sup>nd</sup> September 2014, the Vale of Glamorgan’s Cabinet approved the proposal to create a shared Regulatory service with approval also being gained from the Bridgend and Cardiff Cabinets on October 7<sup>th</sup> and 9<sup>th</sup> respectively. As some of the functions undertaken by the Regulatory Service are “non-executive” functions these proposals also needed to be considered and approved by the full Council at each Authority. The proposal was approved by Bridgend Council on 15<sup>th</sup> October, by Cardiff Council on 23<sup>rd</sup> October and by the Vale of Glamorgan on 12<sup>th</sup> November 2014.

4.46 The scope of the regional service is captured in a Joint Working Agreement between the local authorities plus a joint Business Plan and a Core Services

document which sets out exactly what is in scope and what is not. Crucially, the model of delivery places the customer at the centre of all that the organisation does, and the key role of administration and support is clearly recognised as the vital interface between service users and the delivery of the services they require.

- 4.47 The Joint Working agreement provides the constitution for a Joint Committee to be formed and begin its role of overseeing the implementation, development and on-going operation of the Shared Regulatory Service, the first meeting took place on 20<sup>th</sup> April 2015. Beneath this there is also an officer management board to oversee the operation of the service and review its savings targets and priorities.

### **Procurement and Commissioning Programme**

- 4.48 Staffing issues have enabled work to be concentrated on the corporate contracts register which is populated and is intended to go live in December across all Directorates of the Authority. Several members of the project board have left the Authority and it was planned to reconvene the board in November to determine the following:
- ICT confirmation on availability of data loading template.
  - Departmental Confirmation of users and Corporate Contract Register “Champion”
  - Training dates for both Departmental Managers and support staff.
  - Consideration of the reduction of the present £75,000 limit for corporate involvement to £25,000 to further ensure appropriate commissioning of services across the Authority.
- 4.49 The Authority has however been contacted by Welsh Government and encouraged to make better use of existing national frameworks and support systems. To that end data has been collated and provided to Welsh Government and it is likely that several work-streams will develop to support the Corporate Contract Register, further develop electronic tendering and support e-auctioning.
- 4.50 In order to fully support the project it is proposed, prior to the next financial year, to restructure of the corporate procurement team. This will, subject to consultation, provide a category lead oversight across the Authority.
- 4.51 In connection with the work with Welsh Government an Authority wide review of purchasing process will be undertaken to ensure the removal of paper systems and the increase in use of purchasing cards to ensure income generation in the buying process.

## **5. EFFECT UPON POLICY FRAMEWORK & PROCEDURE RULES**

- 5.1 There is no effect upon policy framework or procedure rules in this report.

**6. EQUALITY IMPACT ASSESSMENT**

6.1 There are no negative equality implications to this report.

**7. FINANCIAL IMPLICATIONS**

7.1 There are no financial implications arising from this report which is for information only.

**8. RECOMMENDATION**

8.1 The Committee receives and considers the information provided in this report.

**Ness Young, Corporate Director**

**Contact Officer:  
Ness Young, Corporate Director**



# SHAPING BRIDGEND'S FUTURE



Here is a simple guide to our major transformation projects which are either ongoing, or are due to begin soon, and where they fit into BCBC's proposed new corporate priorities. Starting in the next issue of the Bridgend's newsletter, due out in December, we'll be taking a look at each of the projects in more detail.

## ● SUPPORTING A SUCCESSFUL ECONOMY

### Successful Economy Programme

Key programmes include the 'Vibrant and Viable' scheme which is redeveloping the Rhiw car park in Bridgend and converting vacant space above shops into accommodation, creating a community living in the heart of the town centre. Other regeneration and local development schemes include Porthcawl, Parc Afon Ewenni and Llynfi sites reclamation.

### City Deal

Working with neighbouring South East Wales councils we are seeking a 'City Deal' from the UK and Welsh Governments which could result in around £1 billion investment in major capital projects across the Cardiff Capital Region over the next 10 to 15 years.

## ● HELPING PEOPLE TO BE MORE SELF RELIANT

### Remodelling Adult Social Care

A large programme which includes the re-commissioning of adult homecare and residential extra care, and the implementation of the Social Services and Wellbeing (Wales) Act.

### Remodelling Children's Services

Re-model residential care in children's services and create a Multi-Agency Safeguarding Hub which can become the single point of contact for all safeguarding concerns regarding children and young people in Bridgend County Borough.

### Third Sector Programme

Improve engagement with the Third Sector to encourage a thriving sector that can partner the council in delivering and developing services. This programme will also include working with communities to develop Community Asset Transfer opportunities, and engaging with town and community councils to develop a charter.

## ● SMARTER USE OF RESOURCES

### Digital Transformation Programme

Putting our customers at the core of what we do, we will make our services available online by redesigning the way we operate. This programme will improve access to our services while reducing our operating costs.

### Rationalising the council's estate

Pursuing opportunities to rationalise our estate, we will continue our enhanced programme of asset disposals and community asset transfers, and we will make further running costs savings by making the most of the assets we retain.

### Schools' Modernisation Programme

We will invest in a sustainable education system for Bridgend County Borough that enhances the learning environment and reduces the recurrent costs and carbon footprint of education buildings. We will also be reviewing primary, secondary and post 16 education to develop a sustainable and effective pattern of provision across the county borough.

