

## Integrated Impact Assessment Statement – Operational Efficiencies Target

### CORPORATE PROPOSAL

A key strand of the Council's Change Strategy is an emphasis upon driving improvements to deliver the high-quality services that citizens both expect and deserve. In this vein, and in the spirit of continuous improvement, a Council-wide, year-on-year efficiencies target has been set for each of the four years covered by the Strategy. The first year's target is 1.55% of the net budgets of the Communities and Families, Resources and Place Directorates and services reporting to the Chief Executive, together totalling £9.5m, with discussions continuing as to the precise allocation of this overall target across these areas.

In recognising the significance of this target in the context of the overall budget framework, a dedicated project manager has already been appointed and is working with the services concerned to identify detailed delivery plans in these areas. Given the formative stage of these discussions, *it is proposed that a further update on work in this area be provided to the Finance and Resources Committee meeting on 7 March to provide members with greater assurance as to its deliverability and, where necessary, highlight areas where further action will be required to address any specific disproportionate impacts on people with protected characteristics, those vulnerable to falling into poverty, geographical communities or staff, nor on the economy or environment.*

At a high level, the target is underpinned by a number of specific, and some more generic, strands as follows:

- Reductions in agency staffing - £1.5m
- Vacancy management - £1m
- Reductions in sickness absence - £0.25m
- Reduction in overtime costs - £1m
- Senior management - £0.5m
- Efficiencies identified through creation of LEAN team - £1.25m
- Process automation - £0.5m
- Additional income generation - £1.5m
- Remaining sum to be allocated across Directorates - £2m.

The first group of **workforce control-related savings targets** will be managed in accordance with relevant Council policies and operational procedures and through stronger line management accountability at all levels for managing expenditure well. This will be complemented by revisions to the Council's approach to managing organisational change. Reductions in overtime and sickness absence have the potential to improve employees' work-life balance and wider physical and mental well-being. Reductions in agency staffing, while needing to strike an appropriate balance in maintaining flexibility in service delivery where, in particular, demand fluctuates, have the potential to provide benefits to the individuals concerned, as well as colleagues and service users, through enhanced continuity of service. This said, as the savings entail a decrease in overall resourcing levels, it is likely that some prioritisation of existing work will be required so as not to result in increased stress levels, and potential sickness absence, amongst other staff.

The work of the **LEAN team** will seek to stop, reduce and transform processes across the Council by identifying inefficiency, wastage and duplication, as well as better exploiting the opportunities that technology affords through linkages with complementary **process automation** work. Whilst acknowledging that some corresponding reduction in staffing is inevitable, these reviews offer the

potential to free up staff time to focus on less repetitive, and more rewarding work, learning new skills and thereby increasing job satisfaction.

The proposed appointment of a **Commercial Director, subject to any revisions to senior management structures that are to be implemented** will provide a renewed focus at an organisational level on income generation opportunities. Proposals will, however, be discussed with elected members to ensure that they strike an appropriate balance between maximising the level of income necessary for the city and ensuring that services for the most vulnerable are not compromised by becoming “more business-like” in our approach to service provision.