Organisational Change
2017/18 Council Fund Budget

Organisational Change Overview and Scrutiny Committee

June 2016

Purpose of the Presentation

» To explain and invite the review of the proposals for the Organisational Change Portfolios for 2017/18 and comment

» To explain and invite the review of the ongoing work on Organisational Change Planning and Stewardship

Local Context

» Portfolio Business Plans set 30% efficiency targets over 3 years to 2017/18

» Significant cost reductions prior to the 3 year business planning period:

  » Leisure efficiencies, increase in income and retention of market share

  » Co-location of libraries, reduction in number, improvements to service

  » Facilities Management entrepreneurial approach, cost recovery

  » Property scaling down of overheads

Local Context

» A mixture of mandatory and discretionary services

» Recognition that change would be required due to budget pressures

» Reflects the Councils funding case to WG as services have to meet the needs of a dispersed area with a number of towns to serve

» Limited regional collaboration opportunities at present for these services

» No national investment or model for these services

Current Plans

» Aiming to sustain services and jobs

» A mixed approach depending on what has the best chance of achieving this aim

» Community Asset Transfer: Leisure, Libraries, Assets

» Alternative Delivery Models: Facility Management, Leisure, Libraries

» Business Plan Improvements: Valuation, Property

» Theatr Clwyd: 35% reduction in subsidy over 2 years, now needs to concentrate on sustainability

» Museums and Archives small services with only other realistic options cessation of service or regional working

Organisational Change Comparative Analysis

	Facilities Management	Property	Libraries	Leisure
Value for Money (VFM)	A	A	G	A
Efficiency	G	G	G	G
Resilience	A	A	A	A

Organisational Change – Business Plan Efficiencies and Pressures

Organisational Change – Efficiencies Summary 2017/18

Facilities Management   £0.126m

Property   £0.382m

Leisure and Libraries   £0.435m

Organisational Change Total   **£0.943m**

Facilities Management

Facilities Management – Efficiency Target 2017/18

» Alternative Delivery Model   £0.126m

Efficiency Statement – Facilities Management

» School meals uptake figures of 41% for 2015/16 Compared to national average in 2015/16 of 52%.

» Total cost per meal of £2.48 resulting in subsidised service ADM targeting £2.00

» School meal charge of £2.05, 7th lowest in Wales (Avg £2.14, Highest £2.40).

» 8,200 meals served each day total of 1.6m a year

» Total cleaning cost per hour of £11.20 compared to national average of £12.03.

Resilience Statement – Facilities Management

» Currently provide school meals for 81 of the 82 FCC schools.

» Cater and Clean at the 3 FCC owned Elderly Peoples Homes.

» 2017/18 plans for an Alternative Delivery Model aiming for a 10% efficiency for that year and future years.

» Income Generation targets of 2% annually for next 5 years.

» ADM will allow for external trading and new income realisation. Alternatively we are at risk of losing services and jobs in order to meet the budget reductions.

» By reducing the budget and NOT attracting new business through the ADM decisions would need to be made around the service we provide the pupils of our schools. This could mean a cold service only or in some cases no food service at all.

» 67,477 m2 Cleaned daily by cleaning team of 120 staff.

Property

Property – Efficiency Target 2017/18

» Property   £0.382m

Efficiency Statement – Property

- » Agile working
- » Running cost reductions in our office estate through asset rationalisation £1.9m falling to £1.5m (19.9% reduction)
- » Flint Office staff utilisation through agile working 2011/12- 156 staff in building, 2015/16 increased to 280 staff
- » Reduced running costs per member of staff in Flint Offices since 2011 by 58%
- » Agile working and supporting policies held up as best practice

Resilience Statement – Property

» Service needs to reflect projects in the pipeline and resource accordingly, commissioning model will create resilience, manage peaks and troughs

» Capital programme delivery will be compromised if service continues to reduce

» Exposure to external market rates, loss of control and knowledge around our internal property market

Libraries

Libraries – Efficiency Target 2017/18

» Alternative Delivery Model   £0.415m
(with Leisure)

» Deeside Library re-locations   £0.020m

Efficiency Statement – Libraries

» Visits to Flintshire libraries for 2015/16 were 3,963 per 1,000 population

» Flintshire was ranked 10th in Wales for visits per capita

» Cost per visit is £2.82

» Participation in the Summer Reading Challenge 2015 was ranked 4th in Wales

» Library membership was 76,488 in 2015-16, an increase of 5% from 2014-15, whilst overall UK membership fell by 4% (CIPFA)

» 99% library users rated Flintshire libraries as 'good' or 'very good' , the best scores obtained by surveying authorities in 2014-15

» Efficiency of staffing rotas and opening hours have been optimised

Resilience Statement – Libraries

» Efficiencies and re-location of libraries in 2015/16 followed by Community Asset Transfers in 2016/17 has provided a sustainable, efficient and flexible network of hub libraries

» 2017/18 plans for an Alternative Delivery Model aiming for a 10% efficiency for that year and future years

» Going further would mean reduction in the number of libraries or a substantial reduction in opening hours

» Our current model is the optimal model for library locations and any further reductions would mean we fail to achieve this model

» Reducing opening hours would impact on the service level to communities and our performance on Welsh Public Library Standards

Leisure

Leisure – Efficiency Target 2017/18

» Alternative Delivery Model   £0.415m
(with Libraries)

Efficiency Statement – Leisure

» Visits to sport and leisure facilities for 2015/16 was 9,739 visits per 1,000 population

» Flintshire was ranked 2nd out of the six comparable larger authorities and 5th in Wales overall

» Average cost per visit is £1.66 (APSE UK range from £1.44-£2.23 depending on facility type)

» Welsh Audit Office report 'Delivering with Less' in 2014/15 showed Flintshire to be mid range amongst the six comparable larger authorities with three having lower cost per visit and two having higher cost per visit

» An overall increase in Hooked on Sport from 2013 to 2015 from 42% to 49%, nearly half of all children aged 7-16 in Flintshire participate in at least 3 occasions of sport per week. Flintshire was ranked 5th overall in Wales

Resilience Statement – Leisure

» CATs of Connahs Quay Swimming Pool and Holywell Leisure Centre aim to reduce subsidies at these centres by 80%

» 2017/18 plans for an Alternative Delivery Model aiming for a 10% efficiency for that year and future years

» Going further would mean reduction in the number of leisure centres or a substantial reduction in opening hours

» Our current model is the optimal model for leisure centre locations and any further reductions would mean we fail to achieve this model

» Reducing opening hours would impact on the service level to communities and the numbers of people becoming 'hooked on sport'

QUESTIONS?