

Corporate Resources Department

Service Plan 2016 -2019

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Introduction

The Corporate Resources division in its current form was constituted in 2013/14 and consists of the five divisions which make up the Corporate Core of the organisation, with the added responsibility for the development of a cohesive approach to the delivery of services which the authority trades in competition with other providers. Corporate Resources have a key role in driving change and in enabling the delivery of savings and service improvements across Derbyshire County Council. We also have a key role in keeping the organisation running on a day to day and year on year basis, paying suppliers and staff, keeping our IT systems running and supporting the democratic process amongst many other things.

This plan is intended to capture some of the synergies between the different parts of the Directorate and make the links at a corporate level to our delivery of the five key Council Pledges:

- A Local Derbyshire
- A Derbyshire that Works
- A Healthy Derbyshire
- A Safer Derbyshire
- A Derbyshire that Cares

We are also seeking this year to demonstrate how Corporate Resources is a key player in the delivery of the Council's four priority areas of Innovation, Income Generation, Thriving Communities and Working in Partnership.

Operational Context

The Corporate Resources Directorate is the 'engine room' and core of the operations of Derbyshire County Council. Our role is to help deliver the complex and wide ranging infrastructure that the Council needs to operate efficiently, effectively and legally, and support the other areas of the Council to meet their strategic objectives. It also takes a lead role in enabling and advising members and colleagues on strategic matters in our own areas of expertise. In the current climate of shrinking budgets and

significant organisational change, Corporate Resources staff assume a key role in recognising and leading on opportunities to help the Council to embrace new ways of working to meet the objectives of its strategic plan.

The current Corporate Resources Directorate consists of the following key divisions and functions.

- **Human Resources:** The HR Division provides direction and leadership to the Council on HR strategy, policy and best practice. With a workforce of 36,000, including schools, the Division also provides transactional services through the Shared Service Centre, including SAP HR development, payroll, recruitment, vetting and contracts. The SSC income is in excess of £1million providing payroll and other services to schools and partners. The operational HR function provides support to managers and staff within the Chief Executive's Office and the Corporate Resources Department on a range of issues including application of corporate policies, workforce changes and matters relating to individuals. Services of this nature for Children's Services, Adult Care and Economy, Transport and Environment Departments are delivered through devolved departmental operational HR Teams, with a corporate and consistent approach enabled through the Strategic HR Group. The HR function across the Council is the subject of a "external review" the outcome of which may affect the current HR model and the responsibilities of the HR Division.

The HR Division plays a key role in facilitating and co-ordinating the Council's employee relations framework and in ensuring statutory requirements and good practice are observed. The HR Division also leads on pay and reward matters, organisational development, resourcing, for example Resources@Derbyshire and workforce planning, essential in a period of workforce changes and reductions. Learning and development is a key strand of our work and although budgets are delegated to services, the corporate role is to co-ordinate and guide the overall strategy.

Employee well-being, including occupational health services and preventative work both within and outside the workplace are key areas of corporate HR work, fundamental in supporting our workforce through difficult times whilst maintaining services. The corporate Health and Safety function also sits within Human Resources as well as the Derbyshire Business Centre, which provides mail, printing and scanning services across the Council.

- **Corporate Property:** Corporate Property manages the land and property holdings of the Council. A complete 'end to end' service is currently provided, including strategic management of our estate through our asset management function,

a full design service and a highly skilled operational arm. The business of corporate property has a workforce of 1,640 with an income in excess of £40m including 22 apprentices.

Corporate Property also provides work to the majority of our schools on a buyback basis as well as delivering contracts won in open competition, in addition to supporting our own corporate estate. Derbyshire County Council is one of the last County authorities in the UK to provide such a highly skilled and experienced design and building service directly.

Our asset management function works alongside colleagues in DCC and across the wider public and private estate to ensure that we get maximum value from our assets. Increasingly, this entails co-location and joint working opportunities for staff and services but also the identification of land assets where joint working would deliver even wider benefits. The Corporate Property division also contains our Disability Design Service which acts as an agent on behalf of the disabled residents of Derbyshire to adapt their homes by accessing Disabled Facilities Grants. The purpose of an adaptation is to modify disabling environments in order to restore or enable independent living, privacy, confidence and dignity for individuals and their families. Corporate Property also host the Council's Carbon Reduction unit, which aside from working with property and other colleagues to reduce and manage the Council's waste and emissions is also working with the Chief Executive's Unit to develop renewables as an income generation opportunity for Derbyshire.

In 2015/16, Corporate Property restructured significantly to not only generate major savings but also to make a clear separation between the delivery of property services and a corporate landlord function. The corporate landlord function has been asked to embark on a programme of consolidating property budgets and building management functions to ensure a joined up approach and enabling the Council to make the most efficient use of its property assets.

- **Finance:** The Finance Division co-ordinate the use of the Council's financial resources and provide direction and leadership on financial strategy, policy and best practice. Currently, a key role is supporting the Council to deliver on the budget reductions as a result of reduced government funding, demographic pressures and other pressures such as equal pay claims and the rising costs of waste disposal. The division leads on setting the Council's budget and financial strategies and on working with members and managers to monitor expenditure and assess the value for money of everything we spend as a Council.

Whilst most finance functions are delivered directly by the Corporate Finance Division, including SAP Finance and Procurement system development a number of financial management functions and some transactional payment activity remains directly provided by staff in the three largest departments.

The division has a key public-facing role in that it delivers services which pay our providers, monitors and collects debts and provides leadership on the procurement of goods and services across the Council, whilst delivering operationally on the implementation of the majority of procurement activity across the Council. Good procurement practice is essential in ensuring that the Council obtains maximum value for money and frees up resources to maintain front line services.

The Derbyshire Pension Fund is run in-house within the Corporate Finance Division and is a high performing and low cost fund with assets under investment of around £3.5bn. The County Council administers the pension fund on behalf of over 160 employing authorities, including the County Council, has over 90,000 members and pays pensions of around £100m per year. Also included within the finance division is our risk and insurance team, which supports the Council's risk management process and ensures that sufficient and appropriate insurance cover is provided in a cost effective manner.

The Finance Division includes the Council's internal audit function which works with management to ensure that proper controls are in place to help prevent fraud and deliver maximum value from public money.

The division is responsible for ensuring the Council's borrowing and cash resources are effectively managed to minimise the revenue costs (around £55m per annum) of loans outstanding, and maximise revenue income (around £4m per annum) from investments.

- **Transformation/ ICT:** The Transformation Division provides ICT services to over 7,000 employees including systems that are critical in our engagement and connection with the community of Derbyshire. The ICT service is provided predominantly in house and the demands on the Transformation Service are continually increasing. An upgrade to the Council's internet service and a replacement for the e-mail solution will be necessary in 2016/17 to meet increased demands. In conjunction with this a review of the Council's desktop software licencing position will also need to be initiated in 2016/17.

The Transformation Service supports over 270 business systems delivered to over 280 locations across the County. Management of the Council's telephony service is undertaken by the Transformation Division, which also provides telephone and on-line service desk facilities for users. The Service Desk responds to approximately 100,000 ICT issues and service requests per year and has a customer satisfaction rating of over 90%.

In addition to supporting the Council's ICT systems and services on a day to day basis, over 320 ICT related contracts are also actively managed, including the overall SAP development programme and the delivery of SAP based business intelligence. Currently the Transformation Service is working with Service Departments on 68 new ICT development projects to support required changes to service requirements.

Also attached to the Transformation Division is the Information Governance Team who lead on information governance and security issues across the Council, including ensuring that we retain our ISO270001 and PSN accreditations.

A recent independent ICT user satisfaction survey found that over 82% of users thought that the ICT function had improved or maintained its performance. The service has recently produced a draft strategy based on findings from a recent SOCITM survey and consultations across the Council, which is currently subject to external review.

- **Legal and Democratic:** Our Division is committed to providing a high quality and value for money legal and administrative service to the Council.

Our legal team has a diverse range of skills reflecting the wide range of Council services and has made considerable savings over recent years by delivering high quality work in house rather than paying expensive external fees. Our legal expertise includes child care, environmental services, commercial and common law, equalities law, corporate litigation, education and adult care, rights of way and safety of sports grounds.

Legal Services, working in partnership with Children's Services, have recently secured savings of £500,000 over a four year period by leading on a joint procurement exercise for childcare barristers' services with Nottinghamshire County Council. We were also a leading partner in the establishment of the East Midlands Law Share arrangement and have recently established a shared solicitor post with Derbyshire Dales District Council which will provide significant advantages to both Councils. In partnership with the local family and magistrates' courts and Derby City Council and with

expert technical advice from Transformation colleagues, we are currently implementing a project to digitalise court documents which should not only deliver significant efficiencies to the Council but also contribute to the smoother running of the judicial process.

We will also be exploring with other Departments the best legal vehicles to use in order that the Council can take maximum advantage of future income opportunities.

As well as providing legal services, the Division also includes the Democratic Services Team who support the delivery of effective local government. This includes committee support, Overview and Scrutiny and the overall management of the democratic process. In addition, the Director of Legal Services serves as the Council's monitoring officer, advising on legal and governance issues.

This Division also includes the Council's Registration Services which register over 12,000 births, deaths and marriages at a range of registration offices and external venues across Derbyshire.

- **Traded Services:** In 2014/15, the Council made the decision to invest in a two year post at Assistant Director level to develop the Traded Services programme. The remit of the post was to look at the range of services currently traded by the Council and develop a strategy and plan for retaining and developing business.

As most of the Council's traded business is done with schools, the initial focus was school engagement and the implementation of an action plan to improve how we interface with schools. A cross-Council Traded Services strategic group has been established to look both schools and non-schools trading and identify and develop opportunities and a second task and finish group supports the Assistant Director in decision and development around trading with schools.

The Directorate overall earns a significant level of income from selling its services to schools and this position will need to be considered in the face of the accelerating academisation agenda. Currently, the Council generates £44m in income from trading with schools and £11m from non-schools trading.

POLICY CONTEXT

Derbyshire County Council is facing a difficult financial challenge, with budget reductions in the region of £110m required over the period 2016/17 to 2019/20. This is in addition to budget reductions already achieved from 2010 to 2016. Where possible, Corporate Resources has met the savings challenge by tightening processes, using technology to deliver savings and working more flexibly and efficiently and deleting vacancies arising through natural turnover. However, along with the rest of the Council, we are now in a position where we need to give rigorous consideration to how we apply increasingly scarce resources to meet service need and there will be inevitable changes in how we deliver services as well as the resources we have available to support initiatives outside of our 'business as usual'.

With the County Council undergoing a period of transformational change, the role of Corporate Resources in working with departmental colleagues and with the recently founded 'Innovations Team' to deliver this change is significant. Corporate Resources staff will play a key role in advising colleagues and in generating strategies and innovations to support business change. It is this imperative that has driven the generation of the key business objectives for the Corporate Resources Directorate for 2015/16 and the medium term.

The Council has previously recognised that the delivery of the Council's savings plan and change agenda will require considerable input from Corporate Resources, at a time when the pressure on front line services is such that there is an expectation that significant savings will come from the so-called 'back office'. As a consequence, during 2015/16 we carried out a fundamental review of our property services and reviewed a number of our procedures in finance and in the coming 12 months will be implementing the findings of recently commissioned reviews of our Human Resources functions and draft ICT Strategy. Both reviews are intended to ensure that we are maximising the outcomes for the resources deployed across the Council and will look at systems, process and structures.

The proposed establishment of a Derbyshire and Nottinghamshire Combined Authority will provide opportunities for Corporate Resources to play a key role in guiding and advising, working with other colleagues, to maximise the opportunities this could offer for Derbyshire. This could include more joint working and service sharing, maximising

opportunities from new funding streams linked to skills and employment and considering development of properties and housing holistically across the counties. In anticipation of these opportunities, the Council will be exploring via a business case the opportunities that may be available to it from the establishment of a property development company.

The Directorate is currently considering the impact of the Government's apprenticeship levy and the increased requirements for the public sector to deliver more and a wider range of apprenticeships. Against the backdrop of workforce reductions this needs to be balanced against skills, learning and development and workforce planning and the intention is to develop a robust and high quality DCC apprenticeship offer that could potentially be extended to other partners via combined authority arrangements. We are also working with Children's Services to ensure that our role as corporate parent can be exercised as effectively as possible.

Key Directorate Objectives

The following are the key Directorate objectives for 2016/17 and the Council Pledges they support. If these objectives are approved as the overall priorities for the Directorate, each Division will then produce a plan setting out how that Division will contribute to their delivery. Ultimately, these objectives will be cascaded through the performance management process to individual employee's own contributions through the 'My Plan' process.

We will:

- 1) Undertake a review of council wide HR functions and our draft ICT Strategy to ensure that we are making the best use of increasingly scarce resources and have the capacity, capability and infrastructure to meet the requirements of the Council Plan. (A Derbyshire that Works)
- 2) Complete an evaluation and business case for an accelerated programme to unlock the revenue potential of the Council's land assets and establish the appropriate vehicle to do so (A Derbyshire that Works, A Local Derbyshire)

- 3) Improve the corporate approach to workforce realignment, vacancy management and redeployment to minimise redundancies and agency staff costs (A Derbyshire that Works, A Derbyshire that Cares)
- 4) Support our staff by working with services to offer a “guaranteed minimum hours contract” to those relief staff who want one (A Derbyshire that Works, a Derbyshire that Cares)
- 5) Improve our recruitment process including the procurement of a new E-recruit system (A Derbyshire that Works, A Derbyshire that Care)
- 6) Deliver a comprehensive asset management strategy and plan, including engaging with the ‘One Public Estate’ programme resulting in reducing our estate where appropriate and continuing to work with services to develop new ways of working to cut down on costs (A Healthy Derbyshire, A Local Derbyshire)
- 7) Implementing a Corporate Landlord approach to reduce costs, deliver a joined up approach to managing Council buildings and freeing up front line services to deliver (A Derbyshire that Works)
- 8) Put in place a corporate strategy for learning and development across all levels of the Council, including a leadership development programme tailored to meet the needs of the Derbyshire service transformation programme and an enhanced apprenticeship scheme. (A Derbyshire that Works, A Derbyshire that Cares)
- 9) Develop a performance scorecard for the Corporate Resources Directorate and effective monitoring and reporting (A Derbyshire that Works)
- 10) Review our current and potential traded activity to ensure that we are in the best position to maximise our income from trading in the future (A Derbyshire that Works)

Performance and Outcome Measures

Objective	Success Measure	Timescale
Complete the review of HR Functions and draft ICT Strategy	Reviews completed	April 2016
	Implementation plan in place	May 2016
	Action complete & recommendations implemented	To be confirmed once the Council has approved the recommendations
Complete evaluation and business case to establish Development Company	Business Case completed	June 2016
	Action plan for implementation in place	July 2016
Improve corporate management of workforce realignment and reduction processes to mitigate compulsory redundancies	Produce corporate workforce plan	September 2016
Implement guaranteed minimum hours contracts for relief staff	Implement an effective internal jobs market	April 2017
	Guidance in place and offer made to staff	September 2016
Improve our recruitment process	Revise recruitment policy and procedure	May 2016
	Implement a new recruitment system	December 2016
Establish a Corporate Property Asset Management Plan and assist in the delivery of the One Public Estate Phase Three Programme	Corporate Property Asset Management Plan to be approved	March 2017
	Successful implementation of the projects identified in the OPE submission that require DCC input	March 2018
Implement a corporate landlord approach to the management of Council owned and used land and property assets	Corporate management of the Phase 1 properties (i.e. County buildings, shared premises and leased in/ out properties) completed Corporate management of all other properties	March 2017

	completed	March 2018
Corporate L&D Strategy developed	Strategy and action plan submitted to Cabinet	July 2016
	Leadership development competencies and Derbyshire Manager standards established with plan in place for development	July 2016
	Commercial awareness training pilot carried out and evaluated	September 2016
Develop a performance scorecard for the Corporate Resources Directorate	Scorecard indicators and reporting processes agreed	June 2016
	Scorecard established in APEX	August 2016
	First performance reports produced according to agreed processes above	October 2016

Appendices:

Benchmarking Data

Financials and staffing figures

Savings Plans 2016/17

CORPORATE RESOURCES DEPARTMENT

BENCHMARKING DATA

1. Finance

	Key PI	DCC	Average	Ranking	Comment/interpretation
Accountancy	total cost per£'k Gross Revenue turnover	2.41	4.39	69/69	Least expensive of the participants
Procurement	Cost per staff member (£'000s)	35.9	48.3	9/12	below average
Exchequer					
- Creditors	Cost per creditor invoice processed	1.21	1.36	8/18	below average
- Debtors	Cost per debtor invoice processed	0.72	3.5	10/10	least expensive of participants
Internal Audit	Cost per audit day	250	275	n/a	below average
Pension Fund					
- administration	Cost per member	15.65	23.97	n/a	bottom quartile
- investments	Cost per member	61.94	101.8	n/a	bottom quartile

2. Human Resources

	Key PI	DCC	Average	Ranking	Comment/interpretation
Human Resources	Cost per FTE employee	437	461	12/36	below average
Payroll	Net cost per Payslip	2.94	4.35	27/42	below average

3. Legal Services

	Key PI	DCC	Average	Ranking	Comment/interpretation
Democratic services	direct cost per 1000 population	230	320	7/9	70% of average cost
Legal Services	Cost per child care case	8,900	22,000	7/7	least expensive

4. Property

	Key PI	DCC	Average	Ranking	Comment/interpretation
Traditional projects	Fee percentage for £1m - £3m project	11.35%	11.72%	n/a	below average
Design and Build	Fee percentage for £1m - £3m project	8.51%	8.81%	n/a	below average
Project Management	Fee percentage for £1m - £3m project	1.00%	2.27%	n/a	below average

5. Transformation

	Key PI	DCC	Average	Ranking	Comment/interpretation
ICT Spend	Per Head of Population	£23.30	£45.10	2/16	DCC costs are significantly less (48% less) than the average group ICT spend
ICT Spend	Per User	£2,417	£2,988	6/16	DCC costs are significantly less (19% less) than the average group ICT spend
ICT Support	No. of Users Supported per staff member	40	39	7/16	More than the average number of users are supported per DCC ICT staff member
Systems Availability	Networks & Key applications available	84	76	4/16	Top Quartile performance

CORPORATE RESOURCES DEPARTMENT

CONTROLLABLE BUDGET 2016/17

DIVISION	Employees £	Premises £	Transport £	Supplies & Services £	Transfer payments £	Agency & Contracted Services £	Unallocated budget £	Support Service Recharges £	Misc £	Total Expenditure £	Income £	Grants £	Net Expenditure £
CORPORATE FINANCE													
- Corporate Finance Division	4,729,691		23,930	200,457			-94,563	-353,626		4,505,889	-1,982,745		2,523,144
- BSF/PFI	30,905	1,657	1,600	62,943		372,220				469,325			469,325
- Insurance	17,034	2,194,816	311,500	2,878,079				-2,631,599		2,769,829			2,769,829
- Core Systems	132,759		5,000	976,393						1,114,152			1,114,152
- VR/CR Scheme	18,952									18,952			18,952
TRANSFORMATION SERVICES													
- Transformation Division	8,428,089		43,000	3,887,132		554,977	-140,000	-1,268,586		11,504,612	-226,999		11,277,613
- Change Management				261,447						261,447			261,447
LEGAL SERVICES													
- Legal Services Division	3,308,773		27,492	201,028			-394,393	-24,328		3,118,573	-430,738		2,687,835
- Coroners	647,792	72,490	3,500	1,141,790				7,700		1,873,272	-400,503		1,472,769
- Registrars	705,357	33,732	14,618	23,957						777,663	-1,071,422		-293,759
CORPORATE HR													
- Human Resources	2,786,288	24,072	32,980	292,803			-57,000	-103,980		2,975,162	-789		2,974,373
- Shared Services Centre	2,368,958	0	3,259	32,566			-305,174	-832,382		1,267,227	-150,000		1,117,227
- Business Centre	573,740	2,283	21,112	349,844			-149,421	51,017		848,574	-202,591		645,984
COUNTY PROPERTY													
- County Property Division	3,387,594	1,000	191,685	436,800				39,650		4,056,729	-376,049		3,680,680
- Building Maintenance		8,011,559								8,011,559			8,011,559
- County Buildings	508,837	2,241,592	1,454	371,323				186,950		3,310,155	-508,088		2,802,068
- Industrial Development	1,861	139,968								141,829	-2,018,108		-1,876,279
CRD CENTRALLY HELD BUDGETS	357,142			111,166						468,308			468,308
MEMBERS													
- Chair's Fund				37,361						37,361			37,361
- Democratic Representation and Management	195,341	127	59,632	1,082,593						1,337,693			1,337,693
- Member Community Leadership				268,800						268,800			268,800
MISCELLANEOUS													
- Corporate Management				443,687						443,687			443,687
- Unapportionable Central Overheads	42,545									42,545			42,545
- Flood Defence Levies									302,785	302,785			302,785
- Corporate Efficiencies	0						-278,047			-278,047			-278,047
- Travellers		17,500		4,000		45,500				67,000			67,000
- Others	21,722			50,444			-193,722			-121,556	-24,470		-146,026
TOTAL	28,263,378	12,740,795	740,762	13,114,613	0	972,697	-1,612,320	-4,929,183	302,785	49,593,526	-7,392,501	0	42,201,026

CORPORATE RESOURCES DEPARTMENT

SAVINGS 2016 -17

	£	£
Corporate Finance		
Staffing Reductions	80,000	
Risk Management Projects	50,000	
PFI Payments Restructuring	200,000	
Increase in Insurance Risk	325,000	
VR/VER Budget	75,000	
		730,000
Transformation Services		
Reduction in Systems Maintenance	300,000	
Change Management	200,000	
Supplies and Services/ Procurement	345,000	
Reduction in Development Budgets	270,000	
Increased Maintenance Income	200,000	
		1,315,000
Legal Services		
Staffing Reductions	120,000	
Registrars' Income	145,000	
Court Digitalisation	30,000	
Increased Fees and Charges	51,000	
		346,000
Corporate Property		
Staffing Reductions	562,000	
		562,000
Corporate HR		
Departmental Training Reductions	100,000	
Hybrid Mail	35,000	
		135,000
TOTAL		3,088,000