

Outcome 6 – A responsible, effective and efficient organisation

| | | | | | |
|--|---|---|---|---|---|
| What this means: | The Council serves the people of Cheshire East through: ensuring quality and best value for local people, striving to get it right first time, and acting with integrity, being open, honest and accountable and delivering on our promises | | | | |
| What the Council will focus on: | 1. Best Use of Assets | 2. Effective Processes | 3. Engaging Our Staff | 4. Enhance Leadership and Governance | 5. Strong Financial Management |
| What this will look like: | Property, Plant, Equipment and Information assets will be appropriate and add value to service delivery. | Strong Governance and appropriate internal controls will be in place. | Staff will be engaged and their welfare and development will be managed well. | External and internal assessment will show how the Council is performing. | Financial control will be effective. Budgets will be well prepared. Financial information will be accurate and appropriate. |

Strategic Overview

This outcome requires all departments to maintain compliance whilst increasing productivity through the better use of systems, automated processes and challenging the value for money of all initiatives.

Services most associated with supporting the achievement of Outcome 6, such as Legal, Accountancy, HR and ICT work alongside all Council Directorates and the Group of Cheshire East companies. They are responsible for providing professional expertise and technology that enable front-line services to operate effectively. These services have a vital role in ensuring compliance with the law and local constitutional requirements and supporting elected Members and senior officers when making decisions that are transparent and accountable.

Achievements within Outcome 6 is measured by such things as promoting local democracy; unqualified 'true and fair' opinions from the external auditors; the level of income collection; how the costs of support compare with national comparisons; and achieving the best rate of returns on investments.

During 2019/20 the Council will continue the council-wide Working for a Brighter Future Together Programme.

The Council is also undertaking a review of all the Council's buildings and IT systems, our customer management systems, our commissioning and procurement arrangements and our current framework for taking the commercialisation agenda forward.

A baseline review will also support the development of savings opportunities relating to this programme.

The proposals contained within this section are achievable, but in some cases will also depend on changing behaviours staff and moving arrangements to modern self-service options.

Proposals to vary the Budget under Outcome 6 Services are focused on these areas:

| Changing the way we work <i>Managing services in a way that gets more for less. Investing in modern technology to get better quality outputs, eliminating duplication and streamlining processes.</i> | 2019/20 £m* | 2020/21 £m* | 2021/22 £m* |
|---|----------------|----------------|----------------|
| <p>Reduce costs of core processes (Revenue Savings) [48]</p> <p>The implementation of a new Enterprise Resource Platform solution across Transactional Finance / Human Resources, and the associated business process transformation will result in streamlined processes and efficiency savings in future years.</p> <p style="text-align: right;"><i>Impact on Corporate Service Budget =</i></p> | -0.250 | -0.250 | -0.250 |
| <p>Delivery of the Equality, Diversity and Inclusion Strategy (Revenue Investment) [49]</p> <p>The Council has made significant progress in its implementation of the Equality and Diversity Strategy. A dedicated budget is required to support the ongoing delivery of priority initiatives and training programmes defined in the annual work programme.</p> <p style="text-align: right;"><i>Impact on Cross Service Budget =</i></p> | +0.020 | +0.020 | +0.020 |
| <p>Reversal of Admin Review Efficiencies (Reversal of Revenue Savings) [NEW]</p> <p>In the last year the Council has been proactive in reducing the level of business administration support. Individual initiatives, including MARS and restructuring of teams, have impacted on the level of further savings that can be achieved by the business admin review. As such it is expected that £0.2m of these savings will not be achieved.</p> <p style="text-align: right;"><i>Impact on Corporate Directorate Service Budget =</i></p> | +0.200 | +0.200 | +0.200 |
| <p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: right;"><i>Values are not cumulative</i></p> | | | |

| Income generation | 2019/20 | 2020/21 | 2021/22 |
|---|---------|---------|---------|
| <i>Charging strategies for each service area to increase income where appropriate based on market rates and considering the price elasticity of demand for services.</i> | £m* | £m* | £m* |
| <p>ASDV Pension Contribution (Revenue Savings) [50]</p> <p>Management Fees to Council Alternative Service Delivery Vehicles (ASDVs) should be reduced to reflect a reduction in Employer pension contributions. This aligns with the reduction in Local Government Pension Scheme (LGPS) current service contribution rates in the last triennial valuation. Management fees have not previously been adjusted for this matter, in anticipation of the potential impacts of introducing an alternative pension scheme. As the introduction of an alternative pension scheme has been postponed, pending consideration as part of the ASDV Review, it is therefore proposed to reduce operational management fees, to reflect the current lower costs of making pension contributions. The proposal has no impact on service levels or the overall funding of the pension scheme. The proposal will be effected by abating the Corporate allocation for pay/pensions changes for 2018/19.</p> <p style="text-align: right;"><i>Impact on Central Service Budget =</i></p> | -0.152 | -0.152 | -0.152 |
| <p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p> | | | |

| Income generation | 2019/20 | 2020/21 | 2021/22 |
|---|---------|---------|---------|
| <i>Charging strategies for each service area to increase income where appropriate based on market rates and considering the price elasticity of demand for services.</i> | £m* | £m* | £m* |
| <p>Legal Services Income (Revenue Savings) [51]</p> <p>To further increase the department's income generation from third parties in relation to planning related work.</p> <p style="text-align: right;"><i>Impact on Legal Service Budget =</i></p> | -0.030 | -0.030 | -0.030 |
| <p>Registrations Income (Revenue Savings) [52]</p> <p>The proposed growth in Registration Income is a reasonable and proportionate increase in various fees which apply to the team which administer marriages and other civil ceremonies. Given the extensive scale of the Registration Service business, the achievement of this proposed growth is felt to be achievable.</p> <p style="text-align: right;"><i>Impact on Registrations Service Budget =</i></p> | -0.075 | -0.075 | -0.075 |
| <p>Income from the recovery of local taxation (Revenue Income Foregone) [53]</p> <p>The budget for income (cost recovery) from the issue of court summonses has been reviewed to reflect the trend of reducing arrears cases, as more tax payers are paying on time, and subsequent reduction in legal action.</p> <p style="text-align: right;"><i>Impact on Revenues Service Budget =</i></p> | +0.050 | +0.050 | +0.050 |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</p> <p style="text-align: center;">Values are not cumulative</p> | | | |

| Investment in services | | | |
|---|----------------|----------------|----------------|
| <i>Investment will be put into systems that support key services and into other assets to ensure they remain fit for purpose. The impact of capital spending will be managed at affordable levels.</i> | 2019/20 £m* | 2020/21 £m* | 2021/22 £m* |
| <p>Corporate Services Restructure (Revenue Investment) [54]</p> <p>The Corporate Directorate is undergoing a review and restructure which will require an increase in its staffing budget to support and enhance both new and existing teams. Some costs within this service area relate to one-off projects, both Capital and Revenue. The overall funding for one-off projects will be reviewed, but in the meantime, growth in this budget will be matched by a draw down of reserves.</p> <p style="text-align: right;"><i>Impact on Cross Service Budget =</i></p> | +0.280 | +0.280 | +0.280 |
| <p>Growth in Legal services (Revenue Investment) [55]</p> <p>To address a number of long-standing unfunded establishment posts. It also provides additional capacity to meet demand in child and adult social care and education, as well as building resilience across the service which will reduce dependency on more costly external legal support and enable income generation. Some costs within this service area relate to one-off projects, both Capital and Revenue. The overall funding for one-off projects will be reviewed, but in the meantime, growth in this budget will be matched by a draw down of reserves.</p> <p style="text-align: right;"><i>Impact on Legal Service Budget =</i></p> | +0.250 | +0.250 | +0.250 |
| <p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p> | | | |

| Investment in services | | | |
|---|----------------|----------------|----------------|
| <i>Investment will be put into systems that support key services and into other assets to ensure they remain fit for purpose. The impact of capital spending will be managed at affordable levels.</i> | 2019/20 £m* | 2020/21 £m* | 2021/22 £m* |
| <p>Growth in HR services (Revenue Investment) [56]</p> <p>Human Resources is undergoing a review and restructure to ensure the appropriate support and capacity is available to services across the Council as we embark upon a number of wide-ranging restructures of services and embark on the Whole Organisation Transformation Programme proposals. This will require a permanent increase for its staffing budget to support and enhance both new and existing teams. Some costs within this service area relate to one-off projects, both Capital and Revenue. The overall funding for one-off projects will be reviewed, but in the meantime, growth in this budget will be matched by a draw down of reserves.</p> <p style="text-align: right;"><i>Impact on HR Service Budget =</i></p> | +0.175 | +0.175 | +0.175 |
| <p>Local Election Costs 2019 (Revenue Investment) [57]</p> <p>All-out Borough, Town and Parish Council elections will take place on 2nd May 2019 funded by Cheshire East Council. No European or Central Government election or referendum are scheduled to take place on the same day, as has happened in previous years, so costs cannot be shared. To ensure there are sufficient funds in the 2019/20 financial year, the Council will require an additional sum for the Electoral Services budget in the region of up to £450,000. This expenditure relates to a single event and is therefore matched by a draw down of reserves.</p> <p style="text-align: right;"><i>Impact on Elections Service Budget =</i></p> | +0.450 | 0.000 | 0.000 |
| <p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p> | | | |

| Investment in services <i>Investment will be put into systems that support key services and into other assets to ensure they remain fit for purpose. The impact of capital spending will be managed at affordable levels.</i> | 2019/20 £m* | 2020/21 £m* | 2021/22 £m* |
|---|------------------------------|------------------------------|------------------------------|
| Community Governance Review (Revenue Investment) [NEW] The September meeting of the Constitution Committee considered a report on a proposed Community Governance Review (CGR) of town and parish council (T&PC) governance arrangements in the Borough. The review will focus on boundaries, parish size and membership, grouping of parishes, etc. There are 186 T&PC wards which are the subject of the CGR: a major undertaking. Whilst much of this work will take place in the 2019/20 year, some work has already begun, and some costs incurred. Funding is required in order to ensure that this major piece of work can be effectively undertaken. <p style="text-align: right;"><i>Impact on Elections Service Budget =</i></p> | +0.037 | +0.037 | +0.037 |
| <p style="text-align: center;"><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19. Values are not cumulative</i></p> | | | |

| Reducing subsidy | 2019/20 | 2020/21 | 2021/22 |
|--|---------|---------|---------|
| <i>Ensure limited resources are redirected to the areas with the most critical need.</i> | £m* | £m* | £m* |
| <p>Insurance Contributions (Revenue Savings) [58]</p> <p>The Council is entering in to new contractual arrangements that will allow a reduction in the total cost of administering highways insurance claims. Claims will be handled and paid by the Highways Service provider, unless the claim relates to defects in the Council's policies. This approach will support a reduction in the cost of administration, premiums and claims.</p> <p style="text-align: right;"><i>Impact on Insurance Service Budget =</i></p> | -0.100 | -0.100 | -0.100 |
| <p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p> | | | |