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Date:

Dear Member

CORPORATE POLICY OVERVIEW AND SCRUTINY COMMITTEE - WEDNESDAY, 6 JULY 2011

Attached are the Powerpoint presentations given at the meeting

Agenda No	Item
B3	<u>Savings Monitoring Report (1 - 12)</u>
B5	<u>Update on the transformation Programme 'Change to Keep Succeeding' - Presentation (13 - 26)</u>

Yours sincerely

Peter Sass
Head of Democratic Services

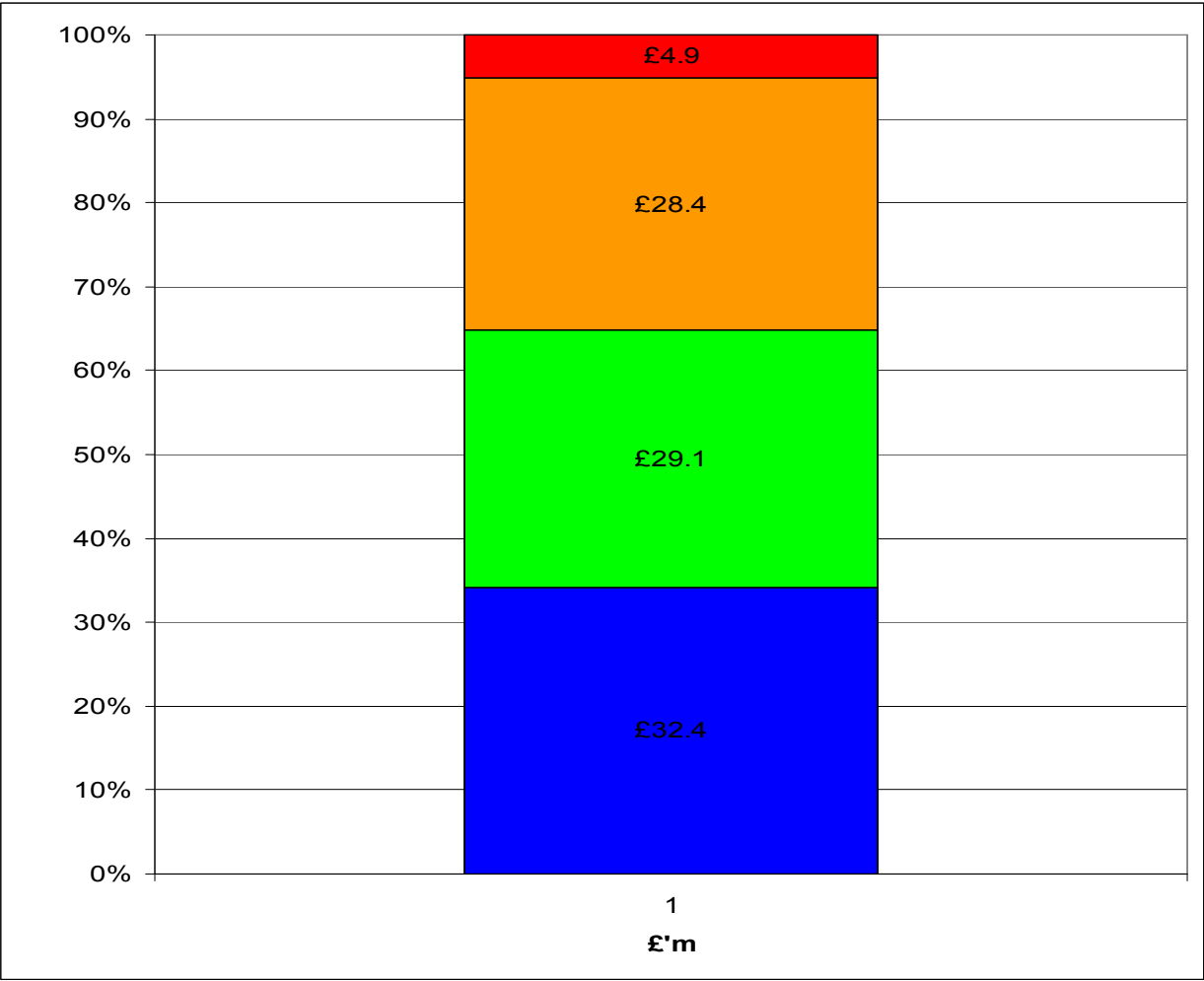
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Corporate Policy Overview & Scrutiny Committee – 6th July 2011

Budget Savings 2011-12



Overall KCC Position

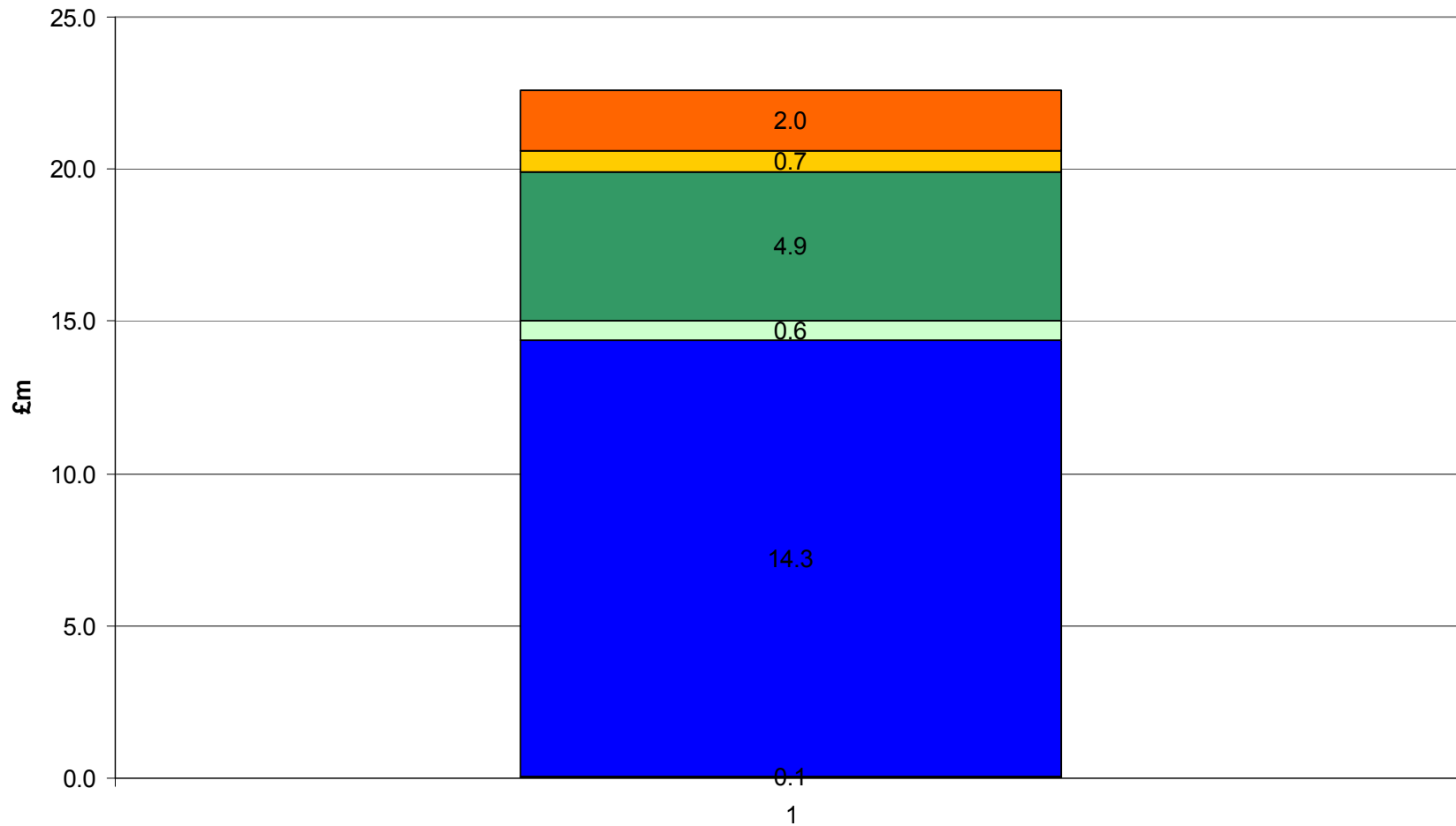


Corporate budgets 2011/12

	Gross	Income/ Grants	Net	Savings included in budget
	£000s	£000s	£000s	£000s
BSS				
Directorate Budgets	2,792	-10,459	-7,667	-328
Governance & Law	12,366	-9,325	3,041	-653
Business Strategy	10,195	-752	9,443	-380
Finance	21,012	-5,390	15,622	-635
Property	25,416	-4,686	20,730	-2,837
Human Resources	19,418	-7,178	12,240	-1,549
ICT	32,108	-12,404	19,705	-943
Directorate Total	123,306	-50,193	73,113	-7,325
Financing Items	133,387	-8,955	124,432	-15,174
Public Health	552	-148	404	-74

Note - includes savings transferred from other directorates

Business Strategy & Support Budgets



Overall Corporate Budgets 2011-12

- Total Savings of £7.3m included in Net Budget of £73.1m (excl Financing Items)
 - Represents 10%
- Savings represent a combination of efficiency savings, income generation and reductions in support services in line with reductions elsewhere across the authority

Capital Financing

- £100k amber in 2011/12 (overall saving is £400k over 2 years)
- Proposal is to save on financing costs during the year as capital projects slip
- Currently amber as at this stage in the year its too early to predict capital slippage

Workforce Professional Development

- £199k amber in 2011/12 (overall saving is £398k over 2 years)
- This unit which transferred from CFE to HR is funded by a mixture of base budget and grant income. Proposal is to move the unit to self funded through charging for services
- Currently amber as income has fallen in 2011/12 as schools capacity to buy in services has reduced. Alternative option to deliver through staff vacancies being developed

ISG

- £787k amber in 2011/12
- Savings would come from a combination of staff savings from reduced demand in response to spending reductions elsewhere in KCC and income generation from selling network capacity to other organisations
- Currently amber as key milestones have not yet been reached

Property

- £279k amber in 2011/12
- Proposal is to remove area based business support team transferred from CFE
- Currently amber as key milestone for consultation not yet been reached

Management Structures

- £262k amber in 2011/12
- Represents the share of structural savings for staff transferring from former CFE as part of centralisation
- Currently amber as savings affects a number of different functions which are working to different timescales

Amber Outside PID

- Savings under £200k total £1,398k in 2011/12
- £683k estimated amber.
- These are variety of individual measures each under the £200k threshold and not subject to the formal PID process.
- Of these just under half have been estimated as amber mainly due to timing issues

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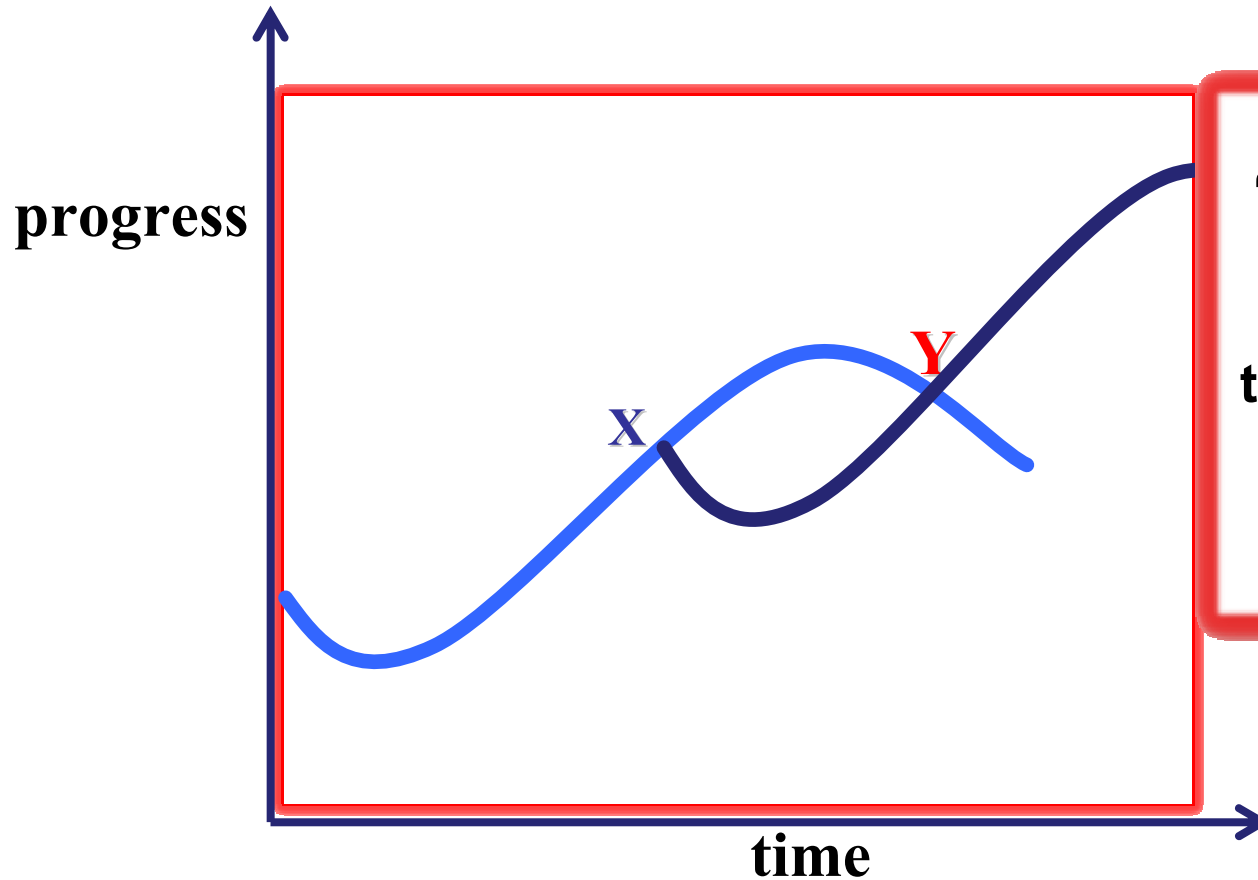
Change to keep succeeding

Corporate Policy Overview & Scrutiny Committee

6 July 2011



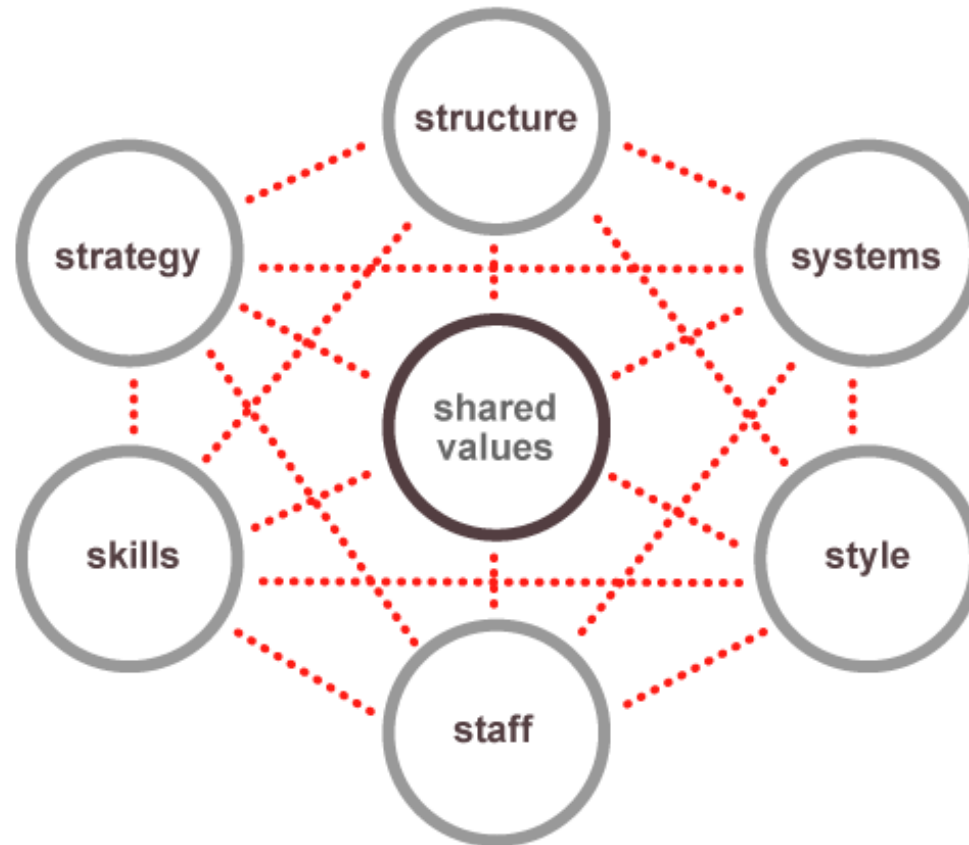
change to keep succeeding

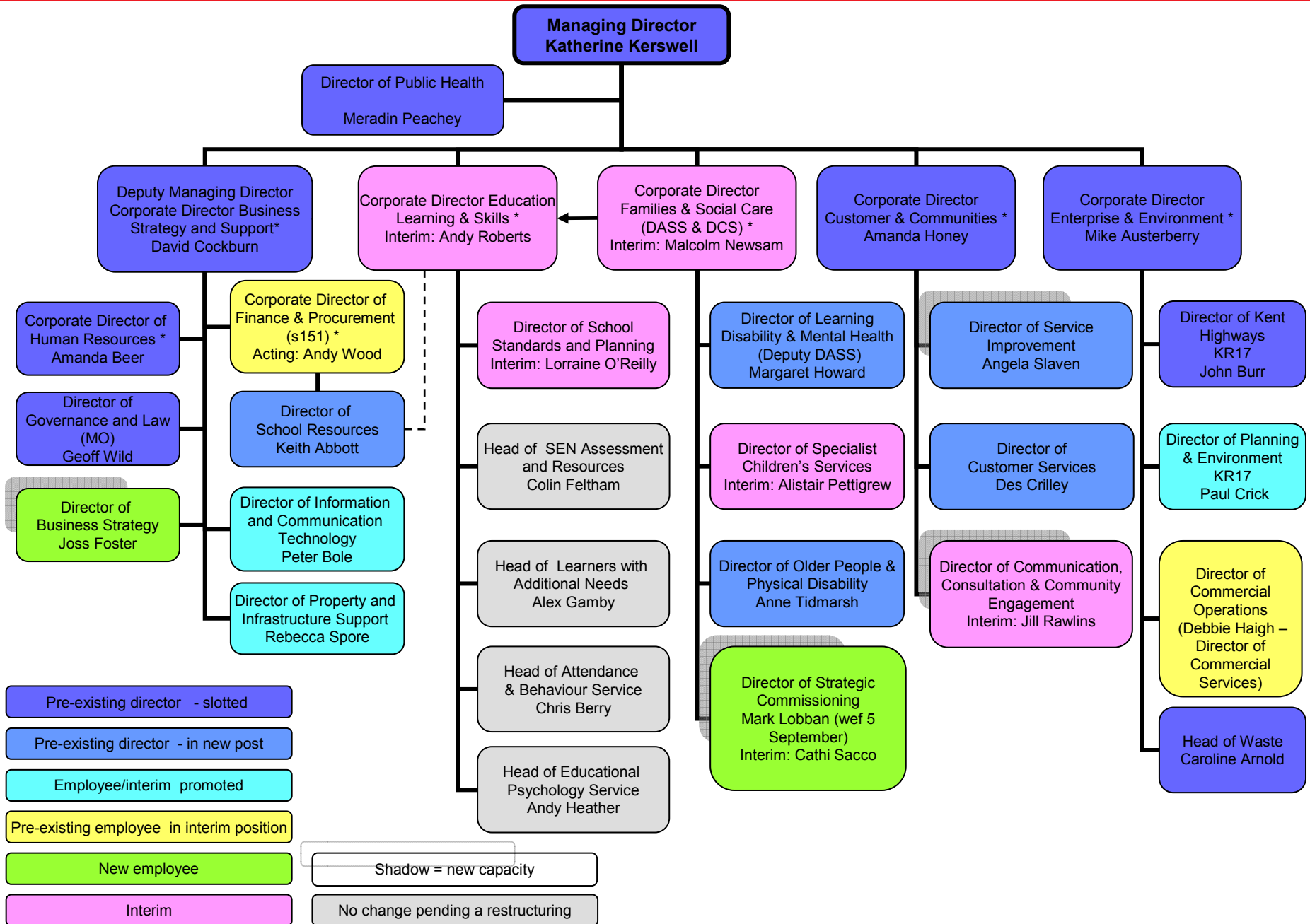


“One of the paradoxes of success is that the things that got you there, are seldom those that keep you there.”

Charles Handy

McKinsey's 7S model





achievements to date...

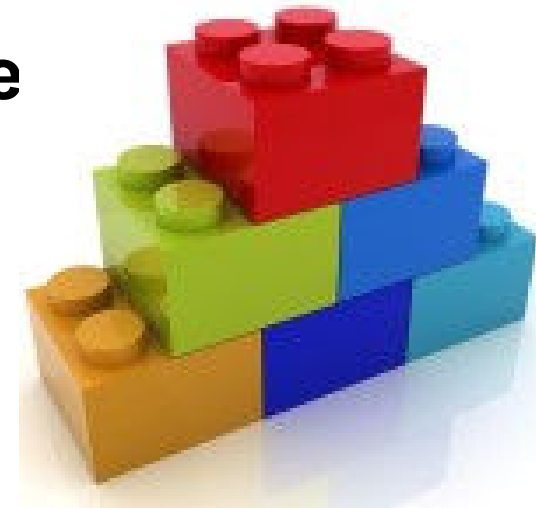
- **reorganised on schedule**
 - no impact on external service delivery
 - no disruption to internal services and systems
 - no legal objections
- **created new capacity**
- **expanded roles for all directors**
- **enhanced engagement with staff**
 - **Challenger and Pioneer groups**
 - **SharePoint**
 - **Talk to the Top**

successful management of programme risks...

- **simultaneously managed new MTFP, accounting changes and organisational restructure**
- **built support amongst managers**
- **service delivery maintained**
- **IT, HR and Finance resourced**
- **integrated into 2011/12 budget planning**
- **positive response from external partners**

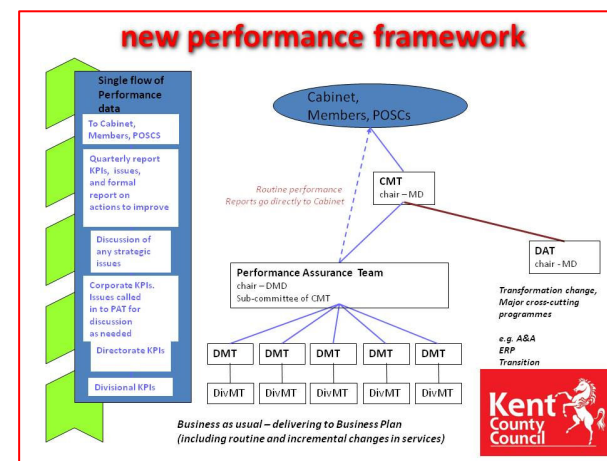
new organisation building blocks..

- 1. one front line access model**
 - **customer service strategy**
- 2. one business support mode**
 - **freedoms and frameworks**
 - **central shared services**
 - **system of internal control**
- 3. one way of working**
 - **the Kent manager**
 - **shared values and behaviours**
 - **statements of required practice - SORPs**



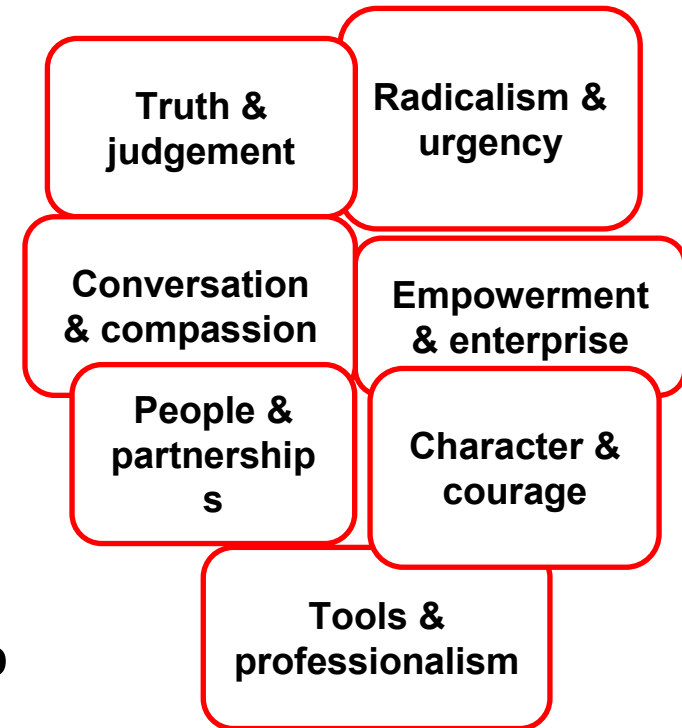
internal control system...

- a new way of working
- core principles:
 - supportiveness
 - transparency & improvement
 - accountability
 - subsidiarity
- right skills, competencies, behaviours, tools
- performance and delivery assurance (PAT, DAT)
- Standards of Required Practice (SORPS)
- deliver for improved Member confidence



one council – brand and culture..

- **one council branding**
- **culture change**
 - values and behaviours
 - **1 Council 2 deliver 3 ambitions 4 Kent**
- Phase 3 (understand and believe)
 - **Talk to the Top**
 - **empowered and equipped to do the job**
 - **change workshops**
 - **change champions**
 - **Kent Manager**



one council – communication...

- single newsletter
- K-mail, K-mag
- core brief
- communications review – channels, benchmarking, process, development



engagement...

- **process & standards**
- **relationships & work groups**
- **contact & presence**
 - 47 – 24
 - 4000 - 900
- **recognition**
 - NEDs
 - talent management
 - recognising success
 - celebrating success

The Q12 Index

1. Do you know what is expected of you at work?
2. Do you have the materials and equipment to do your work right?
3. At work, do you have the opportunity to do what you do best every day?
4. In the last seven days, have you received recognition or praise for doing good work?
5. Does your supervisor, or someone at work, seem to care about you as a person?
6. Is there someone at work who encourages your development?
7. At work, do your opinions seem to count?
8. Does the mission/purpose of your company make you feel your job is important?
9. Are your associates (fellow employees) committed to doing quality work?
10. Do you have a best friend at work?
11. In the last six months, has someone at work talked to you about your progress?
12. In the last year, have you had opportunities to learn and grow?

restructure savings...

	2011/12	2012/13
Total savings	£95m	£65m
of which staff savings total	£27m	£17m
of which savings from staff restructure	£20m	£14m

our original targets for staff restructure savings were:

	two year	four year
Management structures	£8m	£12m
CED support services	£5m	£5m
Communications	£2m	£2m
Access	£3m	£2m
Assessment	£1m	£8m

Thank you

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