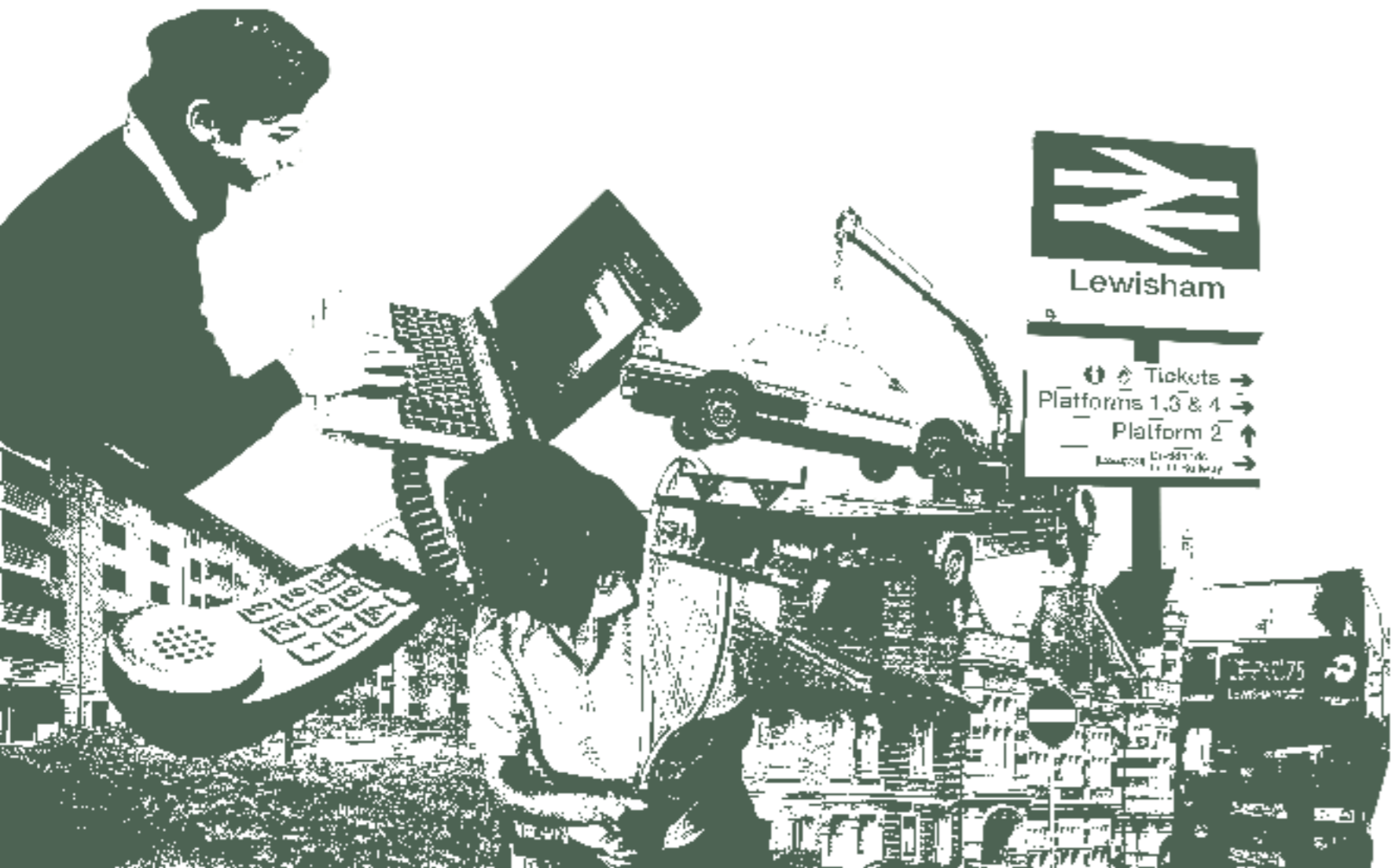


Over the next three to four years the Government wants to release major resources into frontline services to meet the public's highest priorities and improve efficiency.



Chapter 6 Cross-cutting corporate issues

Improving organisational efficiency

The Government's 'Efficiency Review' has wide-ranging implications for all public sector organisations. Led by the Office of Government Commerce Chief Executive, Sir Peter Gershon, on behalf of the Treasury, the Gershon review aims to cut billions from public sector budgets, with a subsequent redirection of funds to the highest priority frontline public services.

The Government asks all councils to submit statements setting out what efficiencies they propose to deliver in 2006/07 and then a further statement identifying actual efficiencies generated in 2005/06. This reporting arrangement is part of an ongoing programme that aims to secure nearly £6.5 billion in efficiency gains from local government by 2007/08. Lewisham Council has so far submitted two statements to Government on its efficiency gains; the first of these was submitted in April 2005 and the second in June 2005. Both of these statements describe the specific measures Lewisham proposes to take, and has taken, to make more effective use of its finances, technology, staff and other resources. The Council is due to submit its next 'forward looking' Efficiency Statement in April 2006.

There is growing national pressure to deliver further efficiencies of a more strategic nature within and across authorities and their partners. We are looking at multi-year efficiency targets as being key drivers to influencing the determination of the 2007/08 budget and future budgets.

Lewisham's Efficiency Programme has worked to support national developments. Over recent years the Council has, in many respects, been ahead of the Gershon agenda on several service-specific and cross-cutting areas, such as children's and young people's services, strategic procurement, back-office transformation and the use of ICT as an enabler to efficiency in transactional services.



Over the next three to four years the Government wants to release major resources into frontline services to meet the public's highest priorities and improve efficiency. It also wants to reduce the bureaucracy faced by frontline professionals, freeing them up to respond with greater flexibility to meeting their customers' needs.

Lewisham's Efficiency Programme is working to empower all staff and lead to improved efficiency across all areas of the Council. In accordance with the Gershon review, priority areas have been established around procurement; back-office functions; transactional services and public service policy; funding and regulation. The Efficiency Programme has a number of work streams, each of which falls into one of the national priority categories.

Procurement of goods and services from third parties:

The aim is to achieve better value for money through more collective and professionalised purchasing across the Council. This includes the implementation of a new e-procurement system and the remodelling of ordering and payment processes for the whole Council.

Corporate services are essential to support frontline staff in their day-to-day work and to manage resources effectively. This stream includes:

- WorkSmart – allowing the organisation to operate more flexibly from a smaller number of modern offices, with customer contact through specific and dedicated outlets
- ICT – sharing information and knowledge electronically
- budget management – creating and embedding an enhanced budget management ethos across the Council
- human resources – strengthening and improving the processes for recruitment and retention, building capacity for the organisation and reducing sickness absence
- design and print – strategic review of the Council's processes for design, print and document management.

Transactional services have a direct impact on members of the public and the financial systems that enable such transactions. The Council's overall strategy for seeking efficiencies is progressing well, with the creation of a Customer Services Directorate and a clear focus on the required investment in systems to support frontline customer services. This will generate efficiencies by enabling 'one stop' solutions and allow back-office functions to refocus on service delivery. We have also been using process mapping techniques as part of our Best Value reviews to identify process-driven efficiencies.

Embedding efficiencies and value for money across the Council

The Council is currently undergoing a change programme. An essential part of this programme involves embedding the ethos of 'efficiency' within the culture of the organisation. This will be achieved through a transparent commitment at senior level to the efficiency agenda.

The Council is actively pursuing its pilot efficiency projects for agency staff and the electronic marketplace. Through the Lewisham Strategic Partnership, the Council is considering how it can share elements of service provision, such as office accommodation and recruitment, with its local partners.

Lewisham has a very strong commitment to value for money and in 2005 agreed to help the IDeA develop a programme of support to councils on the efficiency agenda by piloting an efficiency peer review. The review team were asked to provide a challenge to Lewisham's efficiency strategy and assess how well efficiency is integrated into council processes and normal business around how we:

- review value for money
- have delivered efficiencies and our approach to non-cashable efficiency gains
- look to make long-term procurement decisions.

The review reported that:

- we were an 'early mover' on efficiency
- there is a genuine enthusiasm and commitment to efficiency at both member and officer level
- value for money is in the mindset of the organisation.

The Best Value review programmes have targeted high-cost services with recommendations for clear value for money improvements. The 2005/06 programme placed a further emphasis on efficiency, with reviews of financial management and non-cashable efficiency savings.

Lewisham has exceeded the Government's efficiency target of £6.7m in 2005/06 by some £3.4m. The 2006/09 Financial Survey and agreed Budget Strategy for 2006/07 set minimum annual targets of £3.35m cashable efficiencies and £3.35m non-cashable efficiencies.

People management

People management strategy

Our people management strategy recognises the important role all staff play in helping us to deliver services in a modern way and to high standards by:

- continuously developing a flexible and responsive organisation
- working with our partners to facilitate new ways of working
- creating life-long learning and development opportunities to deliver service priorities and increase employability
- ensuring a workforce that reflects the community it serves and maximises the contribution and potential of all staff
- creating a culture with open, honest communication and respect for individuals to energise and motivate the whole workforce
- continuing to develop processes and behaviour which underpin effective performance management.



We have statutory and locally established performance indicators to measure our effectiveness as an employer. We want to ensure that:

- the people who manage and provide the Council's services reflect the diversity of the local population
- we are a model employer, developing the workforce and investing in our staff to maximise their contribution and potential
- we maximise our workforce's efficiency through effective human resource practices and processes.

We will continue to review, develop and implement best practice in people management, while providing day-to-day support for the organisation in delivering effective services through its employees. This will involve:

- ensuring a committed and motivated workforce to support and improve service delivery
- implementing a more systematic approach to developing employees in the skills required in service delivery
- taking measures to meet people management performance indicators.

Key priorities for 2006/07

We will continue to lead cultural and behavioural change to develop and enhance a performance-based culture. The focus of this year will be to support the development of new ways of working. This will be done through the *Lewisham Way* programme to embed the three key messages around 'Fast Forward':

- customer focus
- improving performance
- 'One Council'.

The Council has developed a set of service objectives which will underpin and shape our approach to people management:

1. ensuring current organisational changes are effectively implemented and embedded
2. improving management capacity to support organisational change and service improvement
3. embedding performance management across the organisation
4. ensuring human resources systems are in place to improve people management performance
5. ensuring human resources advice, processes and administration are delivered to high satisfaction and performance
6. delivering flexibility and equality in the workforce
7. driving service changes through better reward and benefit strategies
8. delivering organisational processes which involve and engage employees.

Asset management

In recent years asset management has come to prominence as an issue for councils that recognise the size and significance of land and property holdings as the second largest asset after staff. Key national reports about buildings and their management include the *Egan Report*, which challenged the construction industry to radically improve its economy and effectiveness, and *Hot Property*, which stated that 'the way in which local authorities manage property is central to their ability to support Best Value delivery'.

Lewisham recognises that the quality and management of its asset base is critical to the Council's operational effectiveness, its financial well-being and the environmental and economic quality of the wider borough. Other drivers to review property assets and the way in which these are managed are:

- statutory duties, such as compliance with the Disability Discrimination Act (part III)
- new investment streams for schools, housing stock and leisure facilities such as libraries and swimming pools, which provide exciting opportunities but must be carefully managed to improve operational efficiency and avoid service disruption
- new partnerships within the public sector that create opportunities to share operational buildings with others, adding value to service delivery and facilitating the rationalisation of assets
- the prudential borrowing regime, enabling the Council to look at the whole life costs of its buildings, rather than short-term solutions to meet accommodation needs.

The Council has undertaken some key reviews to ensure that it gets maximum advantage from these opportunities. A strategic review of the Council's office and depot accommodation by property experts Donaldsons, working in conjunction with BT, explored the scope for flexible working and maximising the use of new technology solutions.

A Best Value review of asset management is expected to lead to the development of new asset management arrangements. Phase 1 is complete and looked at the rationale for centralising and effecting a corporate approach to the strategic and operational management of the Council's assets and included the bringing together of all asset management functions into one team.



Phase 2 is focusing on the authority's management of its assets across the whole of the Council, recognising the very significant contribution that good management of assets can make towards achieving the Council's vision. It is reviewing how the Council should manage its assets in the future in terms of the structure, resources, processes and operations behind delivery and is seeking to identify an approach that will:

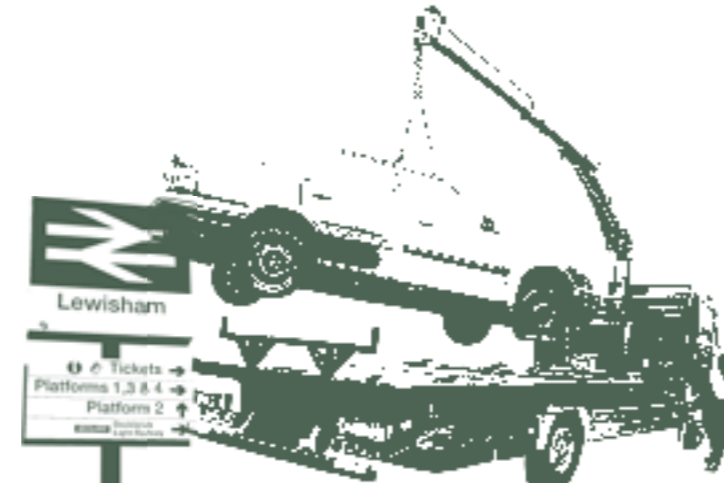
- enable it to have a strategic asset management function that meets the aims of the property, clients, occupiers and the Council
- ensure that properties are fit for purpose in respect of sufficiency, suitability and condition
- ensure that new developments maximise all opportunities for service delivery
- identify efficiency gains – cashable and non-cashable
- ensure that systems are put in place to maintain an effective register of its property portfolio
- integrate local needs and responsibilities with corporate responsibilities to deliver a seamless property service
- consider the effectiveness of the way that the organisation manages its assets from the point of view of service delivery
- take account of Lewisham's Building Schools for the Future plans and the Decent Homes Options for the delivery of services to the housing stock
- produce fully costed options for the delivery of the above which clearly set out risks and benefits to the Council.

The coordination of asset management priorities with partner bodies will involve reviews of key areas such as strategic partnering and the development of service-led property solutions.

e-Government and electronic service delivery

We are looking to exploit opportunities made available through new technology, by connecting Lewisham to information and communications systems and know-how. As part of this, our e-government strategy will enable us to meet our commitment to achieve the electronic delivery of public services by helping Lewisham citizens to:

- gain access to ICT in appropriate locations
- develop ICT skills which improve their job opportunities
- access electronic information
- use technology to improve and enrich their everyday lives
- develop community-based measures to tackle exclusion from the information society.



As an enabling function, ICT/e-government has an impact – to a greater or lesser degree – on all areas of service delivery and works within many policy frameworks:

- Government's modernisation and e-agenda, including Implementing Electronic Government (IEG), the Priority Service Outcomes, Best Value performance indicator (BVPI) 157 and public service agreements (PSAs)
- CPA, Best Value and the drive for continuous improvement and demonstrable efficiency savings
- information governance, including the Freedom of Information Act, the Data Protection Act and general information/asset management
- ICT/e-government are essential building blocks to delivering local policy objectives like Lewisham Strategic Partnership, and corporate and multi-agency information sharing/collaboration priorities.

We have been very active in helping to promote partnership working both locally and nationally. With the Framework for Multi-Agency Environments (FAME) project, we helped develop and implement the Lewisham Information Sharing and Assessment (LISA) system, as well as managing and helping to develop the FAME programme nationally. On a regional/subregional level we work closely with London Connects and South East London e-Government Services (SEaLEGS) partnership and have close links with the Improvement and Development Agency (IDeA), the Society of Information Technology Management (Socitm), the Office of the Deputy Prime Minister (ODPM), e-Standards Body, National Projects and other partner agencies. Locally we have been involved in multi-agency information sharing and the Connected Community, working across the organisations of the Council and its partners, such as health, police, Connexions, community groups, voluntary organisations, etc.

We will help to achieve national and local objectives by delivering Implementing e-Government 4 (IEG4), including the Priority Service Outcomes.

The e-government agenda has major implications for each and every service provided by the Council, as the Council has delivered on its commitment to provide 100% of services electronically, 12 months before the Government's target. The new e-procurement programme will also have implications for service providers by simplifying our approach to procuring goods and services and ensuring we obtain best value for money on behalf of the people of Lewisham.

Cross-cutting corporate issues

Best value ref no.	Indicator	Lewisham performance			Comparative performance in other areas					Lewisham targets				Performance against target
		Actual 2003/04	Actual 2004/05	Actual 2005/06	Best England quartile 04/05	Best London quartile 04/05	Greenwich 04/05	Southwark 04/05	Bromley 04/05	Target 2005/06	Target 2006/07	Target 2007/08	Target 2008/09	
Advice and guidance														
BV226a	total amount spent by the local authority on advice and guidance services provided by external organisations		new for 2005/06	n/a						baseline year	n/a	n/a	n/a	
BV226b	percentage of the monies spent on advice and guidance services provision which was given to organisations holding the Community Legal Services (CLS) Quality Mark at 'General Help' level and above		new for 2005/06	n/a							n/a	n/a	n/a	
BV226c	total amount spent on guidance and advice in the areas of housing, welfare benefits and consumer matters which is provided directly by the authority to the public		new for 2005/06	n/a							n/a	n/a	n/a	
Resident satisfaction. The best value user satisfaction survey takes place every three years. Next survey to be held September - November 2006.														
BV03	percentage of citizens satisfied with the overall service provided by their authority (based on 1,180 respondents, confidence interval +/- 3%)	48%		60%	57%	49%	53%	57%			50%			
BV04	percentage of those making complaints satisfied with the handling of those complaints (based on 315 respondents, confidence interval +/- 5%)	29%		36%	32%	33%	26%	33%			31%			

note: comparative data is shown throughout the document for national (best value) indicators as reported by the Audit Commission in 2004/05. This data is not available for either local indicators or new national indicators