

Support Services Briefing 2017

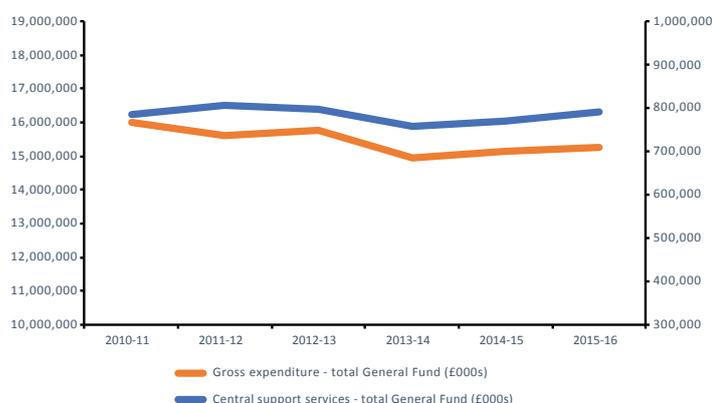
Corporate support services within councils cover a wide range of functions including finance, human resources, corporate management, payroll, legal services and several other corporate functions.

Support services play a key role in supporting the delivery of the council's strategic objectives, including:
Contribution to delivery of key front-line services

- Facilitation of change & transformation programmes
- Provision of data intelligence to understand, target and improve services
- Capacity building for local communities and businesses
- Promoting resilient local economies through tendering, procurement, investment, and recruitment,
- Promoting digital transformation, literacy and access
- Ensuring legal and regulatory compliance

Overall council corporate support costs continue to account for only 5% of total gross revenue spend for local government across Scotland. While overall spend on support services has reduced since 2010/11, a faster reduction in the Total General fund has seen the proportion spent on support services grow slightly. Significant digital investment and increasing centralisation of support services may be important factors contributing to this trend.

Support services spend vs gross expenditure



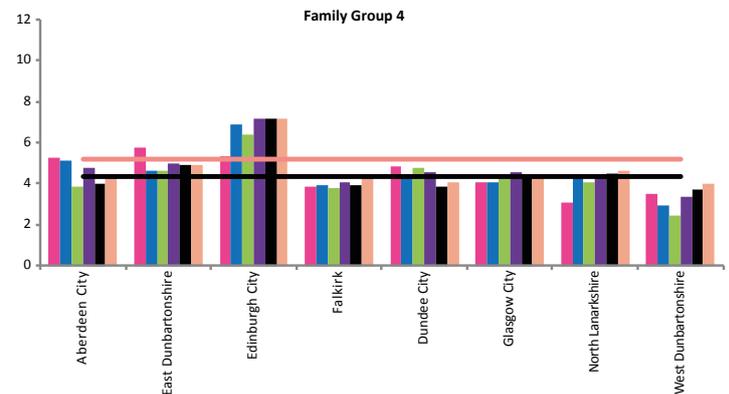
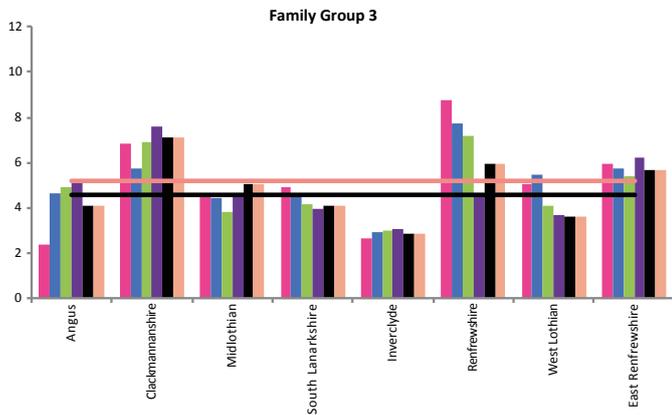
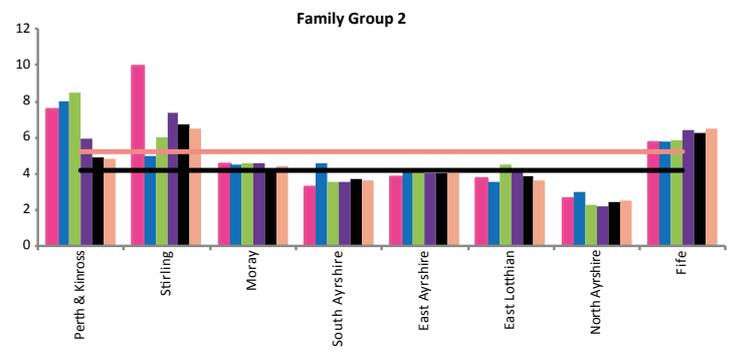
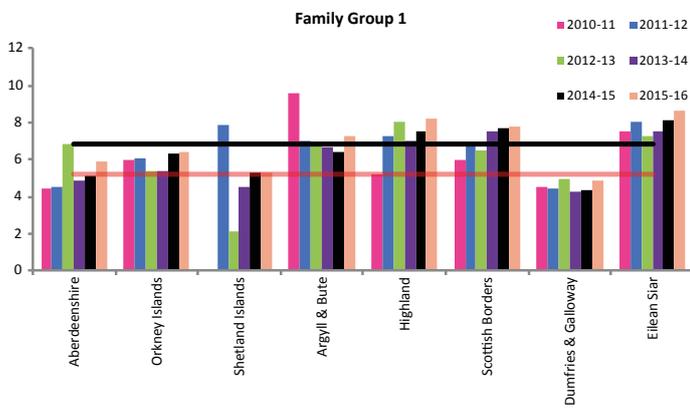
Support services as % of total general fund



The picture across councils with respect to the general trend is not universal. In 2015/16, costs per attendance at a sports facility ranged from £0.68 to £7.06. This variation is presented below by Family Group (councils are grouped by rurality). Satisfaction levels vary considerably across Scotland, ranging from 57% - 94%.

Variation between councils

There is significant variation across councils ranging from 2.5% to 10.2%, with clear differences between urban, rural and semi-rural councils. In general terms support services represent a higher percentage of the total gross expenditure in rural authorities than urban and semi-rural councils; the rates were 6.3% on average for rural councils and 4.3% and 4.4% for urban and semi-rural councils respectively. The variation is presented below by Family Group (councils are grouped by rurality).



Work in family groups has identified the following factors as important in interpreting the variation locally:

- The way support services are structured
- Asset management
- Level and type of staffing
- Level of automation and digitisation
- Use of data intelligence to target efficiency savings or make improvements
- Political/ strategic priorities
- What is included locally within support services costs

Sharing Practice—2016 and 2017 Benchmarking Events

Councils are under pressure to deliver savings across corporate support costs and have been pursuing strategies to streamline and improve processes, and to deliver efficiencies through asset and workforce management. As much of the low hanging fruit has now been taken, the focus has now turned to more fundamental redesign and restructure of corporate support services, for example increased centralisation and the shift away from transactional models to more customer focused systems.

Investment in integrated IT systems and significant growth in self-service is also important, however the expected associated savings will not be realised until the longer term. There are challenges around system alignment and ensuring technology keeps up with the frequent redesign and restructure underway. There are also questions around what increased digital transformation and investment means for staff in terms of their capacity and skills to respond.

Digital & Self- Service

Increased use of digital solutions and self-service, both internal and external are key to success for many councils.

Scottish Borders are implementing Enterprise Resource Planning (ERP) which will integrate back-office systems

East Lothian: Implemented a new HR system for self-service annual leave and flexi time

Fife: Extending online document management system across other areas, for example for children's files, invoices and asset information, and are moving to more paperless meetings, e.g. web cast to be implemented for council meetings.

North Lanarkshire: Working together with the digital office to find solutions to data sharing and issues with sharing permissions to integrate services.

Dundee: Implemented an integrated payroll self-service (itrent)

Angus: Digital Strategy aims to make better use of what is currently in place, redesigning around customer focus, expanding on robotics and shifting services online (both internal and external). They are buying in resource to design a system to improve customer experience and ensure it is more user friendly.

Renfrewshire: ERP system (Agilysys) being implemented which will join IT systems and will support managers to self-serve from the HR and finance functions.

Numerous councils are looking at more joined up, digital IT systems including Office 365 and SharePoint however some other council systems (for example Civica) do not link up with Office 365 yet. (for example, **Fife, North Ayrshire**)

South Lanarkshire: investment in IT via digital transformation strategy has enabled channel shift to greater online service delivery and self-service. This has delivered savings in assets and workforce via greater mobile/agile working and reduction in premises, e.g. Q&A offices have been reduced from around 8 to 3. These offices (and links within libraries) provide support for customers to engage with the online platform, but the rationalisation has allowed the overall service to be reduced.

West Lothian: Increasing shift towards self-service captured within their IT strategy. They are also working with British Gas who have significantly improved their customer satisfaction rates to see what can be learned about online service delivery.

North Ayrshire: Increasing self-service for residents by implementing payment kiosks on council premises.

Argyll & Bute: have increased the use of internal and external self-service and transferred many support tasks to front line managers.

Service Re-design including centralisation

The move to a more centralised service is key for many councils and has been undergoing implementation for some time. Additionally, councils are increasingly focusing the majority of change and transformation projects on back office support services.

Falkirk: Redesign around cross functional services (horizontal versus vertical) to reflect a 'one council' approach. Services need to be data driven (one source of truth), modern and digital, and ensure a community focus. This reflects a significant move away from a transactional model to a value add and customer focused model, with the role of support services explicit within the customer strategy

West Lothian: Centralisation of corporate support functions and budgets to achieve economies of scale and savings and merged services

South Lanarkshire: Corporate wide and service reviews of Finance, HR and legal, business support, policy and strategy are contributing to a move to greater centralisation, e.g. of HR and Finance, with reduced budgets

East Renfrewshire: Centralised service delivery and structures of support services (ongoing)

Renfrewshire: Centralising support services, principally administration, HR (recruitment) and business support. Service review has combined services, reducing the number of departments. The remaining services sit together, delivering greater resilience in provision whilst also enabling staff reductions.

Angus: Reviews were originally service based, but more recently this has moved to a more council focussed change and transformation programme.

Edinburgh: are considering opportunities for more community hubs with co-location of facilities and staff. They are looking for political direction to prioritise reductions to those services that add the least value to customers.

North Ayrshire: Have implemented shared service centre and centralised functions for IT.

Renfrewshire: Carried out HR/ OD/ finance and PMO restructures to ensure more efficient, streamlined services.

East Lothian & Fife: Unified business support. Fife going through a review and restructure for business support and are in the process of implementation of cross functional service delivery.

West Dunbartonshire carried out an in depth Corporate Administration Support (CAS) review resulting in a new organisational structure and realignment of service delivery.

Inverclyde has implemented a hub and spoke model for corporate services.

Procurement & Collaboration

Developing procurement approaches is a key focus for councils in light of the potential efficiencies that can be realised, and many councils are moving to more joined up collaborative approaches in back office systems as well as large scale collaboration across councils.

Edinburgh: Have made significant investment in procurement services to move away from transactional model and deliver greater influence via their procurement strategy. Utilised co-sourcing model with Ernst & Young to build capacity and capability and are aiming to deliver cashable savings of £150million via gainshare (EY gets a % of the savings)

Falkirk: Moving to integrated systems IPR: Worked with Internal Audit to promote collaboration and change procurement procedures. The process identified the need to upskill legal services to improve the way suppliers are held to account.

Dundee, Angus and Perth have collaborated on a channel shift programme to use Firmstep to replace CRM. The aim is to deliver a customer service platform which provides citizens with an opportunity to engage with the council digitally. Through the Tayside Procurement Consortium, the councils have sought to establish an initial 3 year working relationship (from 2016). It allows future opportunities to collaborate, saving time and resources. The contract is being let under Scotland Excel.

East Renfrewshire and Renfrewshire share their rates service.

There is a cross-council collaboration led by **North Ayrshire** to deliver greater HR/Finance integration. This is still in the early stages, but the importance of strong leadership from Chief Executives has been highlighted as an essential factor in gaining traction.

People

All councils are looking at how to involve and support staff in an increasingly digital, modern service. Increasingly, councils are focusing on new approaches to plan and shape the workforce.

Edinburgh: Edinburgh have seen the demographics of their staff shift towards younger staff. They recognise the benefit of recruiting younger people who bring new ideas to transform their support services. However, there is also a need to upskill the new workforce and inform them about services. They have successfully implemented an E-learning programme that can be used to inform staff and drive change within support services.

North Lanarkshire: To support elected members to make informed decisions regarding support services they introduced an opportunity for elected members to come along to meetings to challenge how support services are being delivered.

Falkirk: Focusing on the customer experience and have included employees in the redesign of processes.

East Renfrewshire/Renfrewshire: Redesigned/rebranded corporate support roles to 'business support partner' which has helped drive a change in behaviour/culture of support services, closer working relationships with services, and greater role and function flexibility through wider span of control

West Lothian: Redesign of support roles has led to IT support working more closely with schools, and the building of stronger relationships

Dumfries & Galloway have developed a refreshed workforce strategy resulting in centralised customer support services.

Many councils are increasingly moving to flatter management structures (**Inverclyde, Dundee**)

Asset Management

Many councils are reviewing their approach to management of assets in order to deliver savings and generate income.

North Lanarkshire: Review of property management to generate income. This has included; renting out office spaces, retail spaces, industrial spaces; and the use of pop-up offices (desks can be hired at Airdrie Business Centre or Dalziel Building) where anyone can bring their laptop and get access to a professional work environment with highspeed internet and Wi-Fi access, phone, printing, faxing and scanning and professional reception staff

Falkirk: Are looking to rent out property to generate income and would like to learn from other councils on what works well.

Renfrewshire: Workforce reductions and increasing agile working has released capacity to generate income from their existing estate via sharing premises with the Care Commission and Scotland Excel

Angus: Increased agile working has freed up existing premises and allowed the council to pursue commercial aspects of properties, for example selling on to developers

South Lanarkshire: Agile working, redesigning spaces to fit more people, e.g. smaller desks, and increasing self-service (expanding role of service managers and reducing corporate support function) has all freed-up capacity within existing estate with leases now pro-actively evaluated when they end to identify potential for savings.

Argyll & Bute have delivered one of the largest savings in support Services. Their investment in the main headquarter building has enabled them to move staff and realise savings from local office premises.



Useful Links

- Presentation: [Edinburgh Commercial Excellence](#)
- Presentation: [Falkirk Support Services](#)
- Presentation: [Inverclyde Support Services Overview](#)
- Presentation: [West Dunbartonshire CAS project](#)
- [Edinburgh Commercial Excellence case study](#)
- [Inverclyde Low Cost Service Structure case study](#)
- [Falkirk Customer Focused Change Programme case study](#)

Explore the LGBF data by service, across councils and over time using the [My Local Council Tool](#)

For further information about the Local Government Benchmarking Framework, please visit www.improvementservice.org.uk/benchmarking or email jacqueline.greenlees@improvementservice.org.uk.
