

## Corporate Support Services

# Low Cost Service Structure and Design

## Inverclyde Council

### Contact for Enquiries

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Inverclyde Council have a low total gross revenue spend for Support Services compared to other local authorities across Scotland. Inverclyde Support Services operates as a small and centralised team which successfully delivers a range of services. In 2015/16 the total spend was less than 3% compared to the Scotland average of 5.4%. This meant that, for the third consecutive year, Inverclyde had the second lowest central support costs as a percentage of total gross expenditure.

### Background

Corporate Support Services within councils cover a wide range of functions including finance, human resources, corporate management, payroll, legal services and a number of other corporate functions. With increased budgetary constraints, it is becoming increasingly important for councils to reduce costs related to these Support Services. Inverclyde Support Services recognised that given the geography of their local authority they could operate with a centralised structure without investing the same resources in their team compared to similar authorities.

### Key Activities

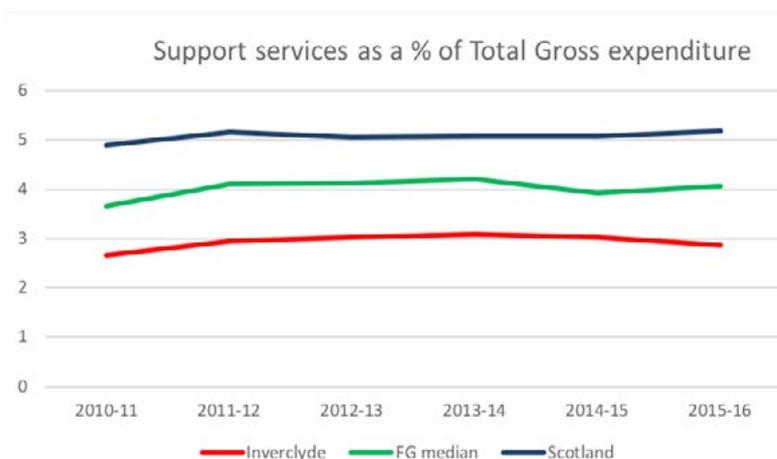
The key activities that contribute to lower costs for Support Services in Inverclyde Council include:

- Inverclyde created a small and centralised team which is considerably smaller in costs and staff numbers than other Local Authorities.
- The team is made up of only 5.9% of the total Inverclyde Council workforce with 230 members of staff.
- Staff members have multiple responsibilities across the seven areas covered by Support Services and there are very few staff who specialise in one service.
- The structure is very flat and overall creates a very low cost service as pay grades are low.
- Lastly, they have also created a hub and spoke style model for Finance, ICT, HR and Legal where all employees are within Corporate Service.

The Support Service is also looking to increase focus on departmental self-service for customers.

## Benefits and Impact

The benefits and impact of a flatter management structure include wider spans of control due to the use of basic systems which are highly centralised as well as low costs.



In 2015/16, Inverclyde Support Services have the second lowest expenditure as a percentage of the total gross expenditure across Scotland's Support Services. The department can operate a service at a very low cost and provide a very efficient service to customers across the seven areas under its remit. Inverclyde's Support Services still broadly provide similar levels of service compared to other councils although perhaps now have longer waiting times as demand increases.

## Learning

Inverclyde looked at Shared Services with other authorities for ICT Services as we were among the cheapest, but didn't choose to go forward with it as it would end up costing more. The Council do from time to time struggle with capacity since there is little room for flexibility with a flat management structure.

## Additional Information

If further reductions in the capacity of the Support Services team do take place it may mean that some support services will reduce, e.g. IT and Legal.