



Business Plan 2011-2015

2012/13 Refresh

Council 29th February 2012

CONTENTS

Leader's Statement	3
Managing Directors' Review	5
Council's Vision, Values and Priorities	5
Financial Review	7
Delivery Structures:	
Cabinet Members and Portfolios	9
Senior Officer Management Structure	10
Core Functions	11
Key Activities	11
Budget Strategy	12
Resource Budgeting and Staffing	14
Consultation and Equalities	14
Monitoring of Activities	15
Contact for Further Information	15

Leader's Statement

This is an exciting but challenging time for West Lancashire. Over the next three years, the Council faces the task of continuing to provide the best possible services within the resources available to it, at a time of shrinking public finance, and with economic challenges facing the country. Our commitment remains to provide the most efficient and effective services possible for residents and businesses in the Borough.



Cllr Ian Grant
Leader
West Lancashire
Borough Council

However, we do not underestimate the task - to balance the Council's budget, at a time when Government grant has been reduced by around 40% over 4 years - it will mean change. Already, we have made significant inroads and identified £3.3 million of permanent savings towards the £5.9 million we anticipate is required.

Our track record is a good one and I am determined we won't be complacent, and will continue to seek to move forward. We have the best record in Lancashire for zero or low Council Tax increases. As a result of the work that has been undertaken as part of this Business Plan over the last 12 months to identify savings, we have identified policy options that will mean that we anticipate that we can continue to deliver our services in 2012/13 on budget, whilst minimising the impact for customers on the standard and range of service that they receive from their Borough Council. However, our task, looking to the future, continues to be tough. Our aspiration is to maintain performance in as many frontline services as possible, but reductions in some areas are going to be necessary.

Looking ahead, our focus will be upon working towards sustainable regeneration and growth. Our emphasis will be on improvement within available resources - caring for our Borough by doing the

small things that make the biggest difference to the quality of life of the people of West Lancashire. Continuing to maximise efficiency and, concentrating resources on the areas that matter most, will continue to be our focus over the next three years.

In 2010, the Council received feedback on its housing service from a number of quarters. While there were some positive messages, there were some significant challenges. Recent feedback demonstrates that impressive improvements have been made with the assistance of tenants and staff. But we will not rest on our laurels and further improvement remains a firm priority. We have worked in partnership with developers Fawley Construction Ltd and John McCall Architects to build the first Council Houses in West Lancashire for 20 years. The £1.7 million project was jointly funded by the Council and the HCA and has delivered 17 new homes in Elmstead. It is expected that the new Housing Self Financing system that the Government is implementing from April 2012 will provide the Council with significantly more resources to invest in its housing stock and greater certainty for the future. A Housing Business Plan will be drawn up to ensure the Council invests these extra funds wisely and obtains good value for money. The changes that the national Government is bringing about to reduce inspection regimes and bureaucracy, will enable us to further hone the efficiency of our services.

We will continue to look to partnership working as a means of delivering financial efficiencies, without compromising the standard of the services received by our customers. However, service reductions are likely in some areas and we will need to prioritise spending carefully in line with local needs. We can achieve this through innovative working, harnessing technology, listening and consulting with local people and working with partners. To deliver this aspiration, we have devised a programme around three principles:

- Lean - we will continue to look for ways of providing better services at reduced cost, working with partners where economy of scale can bring dividends, and re-engineering services so that they are customer focussed and as lean as possible.
- Local - where services are best delivered locally, we will work with our partners, including the County Council, OneConnect, West Lancs Community Leisure Trust, Serco and Parish Councils to make sure decisions are locally based and focussed on what local people want. Where we can, we will continue to place emphasis on supporting the development and enhancement of the voluntary and community sectors as often these sectors are best placed to deliver services and support to local communities. And we will be transparent - clear about what we spend public money on, and why.
- Fair to the Tax Payer and to Staff - we firmly believe that the best approach is a managed approach to change in this era of reduced finance. This means that our Business Plan sets out a measured approach that will take some time to deliver. We do not intend to adopt the sort of knee-jerk approach to cuts that we have seen elsewhere. We have studied each service in depth through major service reviews to look at what level each service is best delivered at and where there are areas of discretion which are less valued by our customers. We will continue to roll out this successful programme. It is likely that in the future we will be a smaller organisation. In making this change, we will unashamedly be seeking to minimise compulsory redundancy amongst staff where we can - as this is better for the tax payer, for staff and the local economy.

The 1st November 2011 saw the start of a new era for West Lancashire as we became the first Council in the country to implement a new and innovative Joint Managing Director structure. This is a streamlined structure designed to provide the strong corporate focus that is needed to rise to the challenges that lie ahead in the next few years and deliver our Business Plan.

Following the departure of the Chief Executive, and with our two new Managing Directors at the helm, our senior management team has been streamlined, reducing costs, so as to enable a more corporate focus and flexible style of management.

Both of our new Managing Directors were integral to the development of the Business Plan in their former roles with the authority and outlined overleaf is the fresh approach that they will take to continue to deliver the excellent results of the last year. I hope you will enjoy reading our Business Plan Year 2 Refresh. I, and everyone at West Lancashire Borough Council, look forward to working with you all, shaping this next period in West Lancashire life.

Managing Directors' Review

For those in local government, as everywhere, the last few years have marked a period of unprecedented change. Councils across the country have had to make tough, but necessary, decisions to balance their budgets and, as far as they can, protect services.



Kim Webber Gill Rowe
Joint Managing Directors

With over 50 years service in local government between us, we have both been fortunate to have experienced times of growth and contraction in the public sector. More recently, we have also both been part of the management team that has been successful in planning for the difficulties on the horizon, thereby enabling a proactive managed approach to change and the Council to prepare for the challenges ahead. That approach has culminated in the development of this Business Plan and we remain steadfast in our commitment to this strategy as the way to steer this Council through the change that must be delivered over the next 3 years.

In the last 12 months, part of that change has been the restructuring of the senior management team and staff. We are acutely conscious of the effect that such a period of dramatic transition has had upon the organisation, particularly its greatest asset - the staff. We are aware that to continue to deliver our Business Plan and the services that we provide on a daily basis, our staff need to feel secure, engaged and motivated. As Joint Managing Directors, we will strive to care about and involve staff as we move forward.

We are committed to continuing to deliver the Council's Business Plan and now is the time for a fresh approach. This will involve:

- A strong corporate focus;
- Caring about and involving staff;
- Giving committed professional leadership; and
- Providing the best possible services within the resources available - the wellbeing of West Lancashire is paramount.

The Council's Vision, Values and Priorities

The Council's Vision is:

To be a Council to be proud of - delivering services that are lean, local and fair.

The Council's Values are:

We will deliver our vision by continuing to be an innovative organisation which:

- Prioritises customers and the services that are most important to quality of life;
- Work as 'one council' to provide a joined up approach;
- Is open and accountable in the way that it makes decisions;
- Develops and values employees;
- Promotes equality and diversity; and
- Works in partnership to benefit the Borough.

Our values underpin the way in which we will deliver our priorities and achieve our vision.

Our Corporate Priorities for the next three years are:

Over the next three years, we will lead the Council to achieve its vision by:

- Balancing the budget and providing the best possible services within the resources available;
- Focussing upon sustainable regeneration and growth within the Borough;
- Caring for our Borough - delivering the small improvements that can make a big difference;
- Minimising uncertainty for staff and stakeholders by continuing to implement a managed approach to change; and
- Exploring innovation as a means to secure further value for money.

Our Service Priorities are:

Subject to affordability, our Service Priorities for the next three years (2012/13 - 2014/15) are:

- Protect and improve the environment and keep our streets clean and tidy;
- Combat crime and the fear of crime;
- Work to create opportunities for and retain good quality jobs in particular for local people;
- Improve housing and deliver housing that meets the needs of local people, including affordable housing; and
- Provide opportunities for leisure and culture that together with other council services contribute to healthier communities.

Workstreams

To achieve the Council's vision, this strategy has been developed encompassing four streams of work. The first is a Shared Services Programme which involves looking at those services that might be delivered better on a wider footprint than just West Lancashire boundaries, by working with partners to deliver services. The key strand of this strategy will be to continue to work with Lancashire County Council and OneConnect Ltd, to deliver key support and back-office services. In 2011, we successfully entered into a shared service contract for the delivery of our Revenues and Benefits and ICT Services. This arrangement means that these services will be delivered at significantly reduced cost, whilst protecting staff and service quality. We are able to achieve these savings through the economies of scale that such an arrangement enables. Looking ahead, we will continue to explore options for entering into similar agreements for the delivery of our HR & Payroll, Financial Management Services and Estates Function. In addition, we will continue to work with the County Council to look at how we can make better use of our assets, for example by sharing office

accommodation. We are already seeing success in this area, as the County Council's Registration Office in Ormskirk has now relocated to a refurbished suite at 52 Derby Street. This goes to the heart of this Council's efficiency ethos, and the County Council's Locality Programme, and we will be discussing with County Council how we might assist them in delivering their services more locally and more efficiently by devolving management and resources where appropriate.

The next work stream is our Value for Money Programme. The key to this is the continuation of our successful *Major Service Review Programme*. In 2011, we examined every aspect of the Council's business to develop options for alternative forms of service delivery, streamlining services to make them more efficient and prioritise the affordability and desirability of services that we can deliver. This exercise has enabled the Council to identify savings in the region of £1.8 million in 2012/13. It is acknowledged that increasingly the level of savings that we must make will impact upon service delivery, the success of this programme in Year 1 means that we will be rolling it forward for the remaining duration of this Business Plan as the key vehicle to deliver the necessary savings and balance the Council's budget. We will also be continuing to take a strategic and targeted approach to re-engineering the parts of our organisation where this programme can deliver the most significant savings, with Housing and Planning Services being the focus of this in 2012/13.

Effective Procurement of goods, supplies and services remains a key strand of our VfM Programme and a number of tender exercises to test the market will be concluded shortly, including tenders for CCTV and Council vehicles. The application of new technology through our ICT partnership with LCC and One Connect Ltd. will release efficiency savings year on year and this will remain an important area of work. We will also look to build on the positive relationship we have with the Community Leisure Trust/Serco to see how we might achieve further improvements and efficiencies across our leisure activities.

The third work stream over the next four years is Resource Management. We are currently undertaking a strategic review of our asset holding (the *Strategic Asset Management Plan*), with a view to prioritising these assets for retention, improvement or disposal and this will provide a useful income stream and resources for future capital projects. We have undertaken projects in a number of wards across the Borough. We have undertaken a thorough refurbishment at 52 Derby Street, including the erection of a new roof for the building and use of newer technologies to make the building more energy efficient, thereby reducing running costs and its environmental impact. Effective *Human Resource Management and Development* of our staff is vital to the delivery of services.

The Council has also been looking at new ways of *generating income* by introducing an appropriate fees and charges scheme, the principle being that basic universal services should be free at point of use with appropriate charges being introduced for additional services in order to maintain their sustainability into the longer-term. A report detailing findings from the project work and proposals for change has already been received by Cabinet and we anticipate introducing these changes from April 2012.

The final stream of our strategy is to retain, where we can in the context of the financial situation, our focus on the delivery of good, basic front-line services and enhancement of the well being of the Borough. To do this we identified a number of Priority Delivery Projects. Excellent progress has been made towards completing them over the last 12 months and we will continue to pursue them in 2012/13 by:

- Working with the County Council and other partners to deliver support for enterprise and the generation of funding and inward investment to the Borough.
- Implementating the MSR 2012/13 Policy Options and undertaking further MSRs in 2013/14 and 2014/15.

- Monitoring the implementation of the new JVC partnership arrangements with LCC and OneConnect Ltd in relation to HR, Revenues and Benefits and ICT Services to ensure their success.
- Progressing the Skelmersdale Vision Town Centre Action Plan in partnership with the Homes and Community Agency and St Modwen.
- Delivering a Self Financing Business Plan for Housing.
- Implementation of the Housing Service Improvement Plan.
- Delivering an adopted Local Plan to provide the basis of a sustainable Borough going forward

Financial Review

The Council has a good track record of effective financial management and currently has a healthy financial position. Our latest Annual Audit Letter from our External Auditors concludes that:

“The Council has the capacity to deliver the scale of the spending reductions required of it. It is reviewing its strategic priorities and the cost effectiveness of its activities. It is taking a rational view of its priorities and of the short, medium and longer-term opportunities for savings”.

This letter also identifies that:

“The Council has [...] built up a sound financial standing with appropriate levels of reserves and balances approved by Members and appropriate to the strategic, operational and financial risks it faces”.

This strong financial position can also be demonstrated by:

- Over the last 10 years we have had the lowest cumulative Council Tax increase of all the Lancashire district authorities
- The latest third quarter budget monitoring of current financial year performance forecasts that we are on course to achieve a favourable budget variance at the year end.

However, looking to the future, the financial prospects for the Council are very challenging. Government grant funding has already reduced significantly and will reduce further in future years. At the same time, income from other sources is also depressed as a result of the difficult economic climate.

This financial position represents a massive challenge for the Council and the business planning process sets out how we will deal with this situation in an effective and well managed manner.

Organisational Structure

In order to meet the challenges of the future, the Council has reviewed its senior management team. We have replaced the previous model, which had a Chief Executive at the top, with one that is more streamlined and corporate, whilst at the same time more flexible, in order to provide focus and deliver this Business Plan in the most cost effective way for taxpayers. We are the first council in the country to introduce this new style of management, the structure of which is illustrated on page 9.

The Leader has also restructured his Cabinet (below) to ensure that political management arrangements are also streamlined and complement the officer structure and deliver the Council's vision.

CABINET MEMBERS & PORTFOLIOS



Leader of the Council: Councillor Ian Grant

Responsible for:

Chairman of the Cabinet; community leadership; Customer Relations; Legal & Democratic Services; Press & Media Strategy; Consultation & Community Engagement Strategy; Local Strategic Partnership; Sustainable Community Strategy; management issues; town twinning; liaison with County Council, Parish Councils.



**Portfolio Holder Housing (Finance),
Regeneration & Estates**

Councillor Adrian Owens
(Deputy Leader)

Responsible for:

Regeneration; external funding & inward investment; marketing the authority & borough; grants & training advice to businesses; housing finance; corporate & commercial property portfolio management/maintenance; Asset Management Plan; Asset Register & Land Terrier; acquisition/sale of land; valuation advice; rating appeals; Lancashire Economic Partnership; Lancashire & Blackpool Tourist Board; Lancashire Rural Partnership; European Objective 2 Priority 2 funding; Investing in Business Regeneration Programme.



**Portfolio Holder
Planning & Technical Services**

Councillor Martin Forshaw

Responsible for:

Planning policy; Local Development Framework; development control; building control & enforcement; conservation of built & natural environment; arboricultural & landscape services; council-owned unadopted footways, highways & grit bins; liaison with utility companies/Highway Authority for highway works & transportation issues; off-street public car parking & enforcement; Ormskirk market & bus station; land drainage & coastal engineering; 'green' issues.



**Portfolio Holder
Health & Leisure**

Councillor Andrew Fowler

Responsible for:

Commercial safety: health promotion awareness, food safety, health & safety enforcement; public protection & licensing; environmental protection: pollution control, flytipping; emergency planning/business continuity; Leisure Trust & Serco contracts; sports development, swimming pools, sports centres; playgrounds & community centres; arts development, Chapel Gallery; countryside service including golf course, formal parks, open spaces, rights of way & environmental improvements; outdoor recreation; children's services; voluntary sector grants.



**Portfolio Holder
Resources & Transformation**

Councillor David Westley

Responsible for:

Accounting services; capital and revenue estimates and budgeting; annual statement of accounts; treasury management; internal audit; risk management & insurance; exchequer administration; information & communication technology; corporate procurement; freedom of information; value for money, including major service reviews and organisational re-engineering; performance management.



**Portfolio Holder Landlord Services &
Community Safety**

Councillor Val Hopley

Responsible for:

Public sector housing: repairs & maintenance, housing allocations, tenancy management, former tenant arrears, sheltered housing & tenant empowerment/participation; private sector housing: renovation grants, disabled facilities grants, home energy efficiency & unfit homes; housing strategy; housing advice service; Supporting People Initiative; community safety.



**Portfolio Holder
Public Realm & Human Resources**

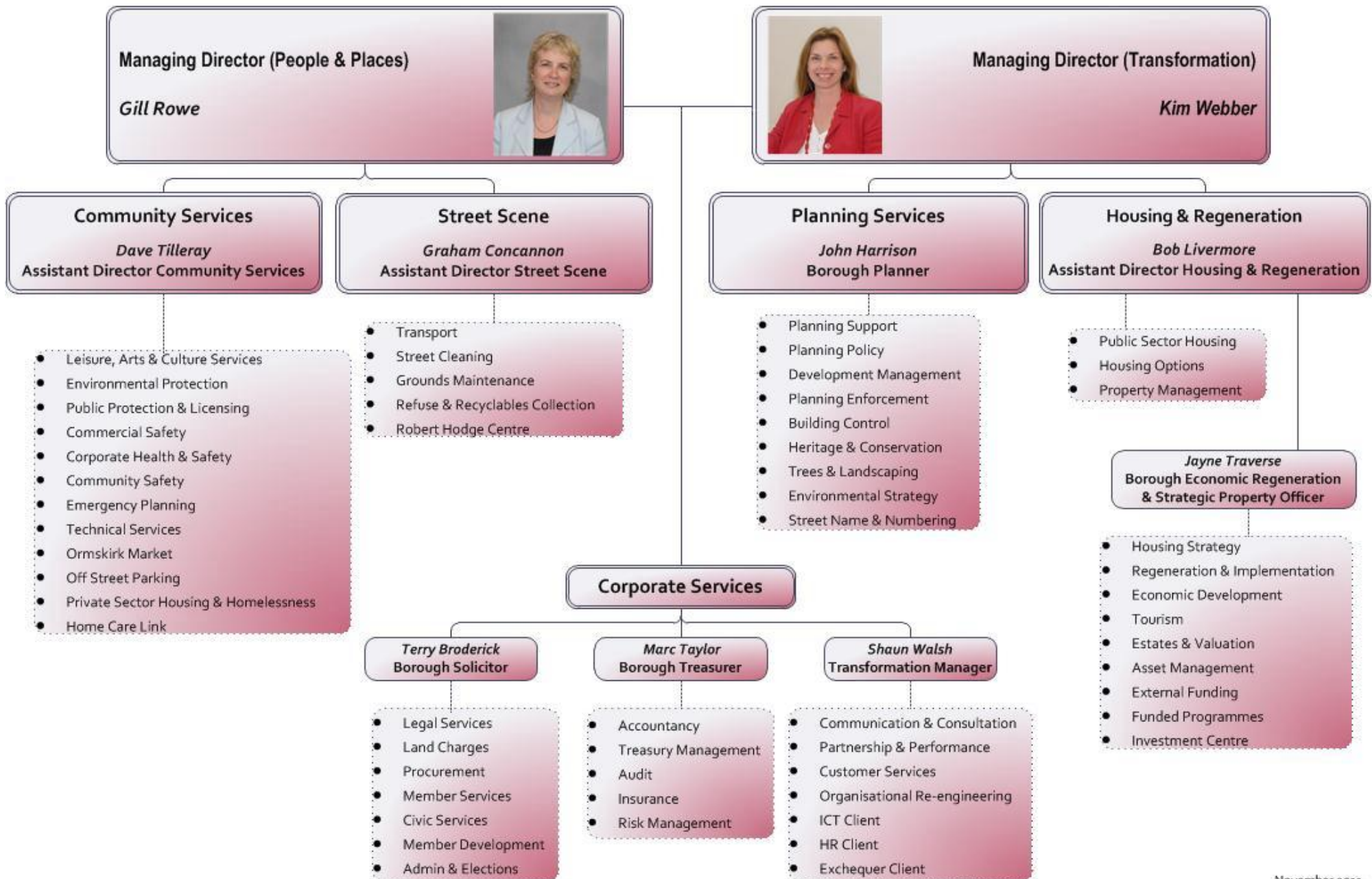
Councillor Iain Ashcroft

Responsible for:

Street scene: fleet/garage/depot facilities, street cleansing, grounds maintenance, stores; waste disposal & recycling: waste management including through partnership; green waste & recyclables collection, farm round, trade refuse services; corporate & strategic HR issues, strategy, policies & procedures; social inclusion, equality & diversity; cohesive & integrated local communities; council representative at NWLAEO meetings; council JCC; equality champion; employee development champion; health & safety champion.

November 2011

SENIOR OFFICER MANAGEMENT STRUCTURE



CORE FUNCTIONS

The Council has key roles to play as both a local strategic leader and a local delivery partner. As a public body, it is crucial that the Council is transparent and accountable in all of its operations.

The services provided by the Council are determined by statute, although often there is discretion as to the level, or nature, of the service provided. The aim of this Council is to focus upon providing those services in the most advantageous way possible for local people. In some instances this will require direct delivery by the Council's workforce, in other instances delivery under contract or agreement with a private sector company or third sector organisation, and sometimes via a shared service or partnership arrangement.

Both the Council and this Business Plan are structured to deliver the key roles of strategic leader and local delivery partner as effectively

Strategic Direction and Local Leadership	
Internal Focus: <ul style="list-style-type: none"> • Shared Services • Value for Money Programming • Resource Management 	External Focus: <ul style="list-style-type: none"> • Partnership Working • Community Leadership • Strategy Development & Prioritisation
Local Delivery	
Direct Delivery: <ul style="list-style-type: none"> • Customer Services • Financial Management (partnership under discussion) • Legal/Democracy • Estates (partnership under discussion) • Planning • Housing • (aspects of) Leisure, Arts & Culture • Economic Regeneration • Environmental Health/Licensing • Grounds Maintenance (including undertaking work on behalf of LCC) 	Delivery Partner or Partnership: <ul style="list-style-type: none"> • Leisure Centres • Community Safety • Human Resources • Transport • Recycling • Street Cleansing • Refuse Collection • Exchequer Services • Council Tax • Information and Communication Technology
Accountability	
Corporate: <ul style="list-style-type: none"> • Full Council • Cabinet • Overview & Scrutiny Committees • Audit and Governance 	External: <ul style="list-style-type: none"> • Local Democracy & Elections • Freedom of Information • Statutory Publication Requirements • Transparency Agenda • Local Strategic Partnership • Tenant Scrutiny

as possible. Mechanisms are in place enabling all operations and decisions to be open to scrutiny, as robust challenge is integral to effective and accountable decision-making.

KEY ACTIVITIES

Local authorities must continue to achieve significant savings over the next three years. In 2011, we undertook a significant examination exercise of all of our services, so that we can think not only about what we can do, what services we can provide, but also about how they are provided. The latter is particularly important with regard to the functions that we are required to provide under statutory duty.

To ensure that we are providing the most appropriate services, as effectively and efficiently as possible, the Council has agreed a programme of activities to be undertaken over the next few years that are focussed upon realising the maximum value for money for residents.

In order to achieve the necessary budget approach, without compromising front line services as far as is practicable, in addition to the day to day business of the the local authority, over the next three years the following programmes will continue to be a major focus of work for the council:

- Shared Services Programme;
- Value for Money Programme;
- Resource Management; and
- Priority Delivery Projects.

Taken as a whole, these projects will deliver the Council's Budget Strategy, which is outlined in the next section. Full details, including the milestones and targets against which the Council's progress and success in achieving these will be monitored and managed, is provided in the Delivery Plan.

BUDGET STRATEGY

The Council has already identified permanent ongoing savings of around £3.3 million over the first two years of the Business Plan process. These savings will have a minimal impact on service quality and have been achieved through partnership working, improved efficiency, reprioritisation of service delivery and targeted increases in fees and charges. This position reflects the Council's lean, local and fair principles and represents a significant step forward in dealing with a very challenging financial environment.

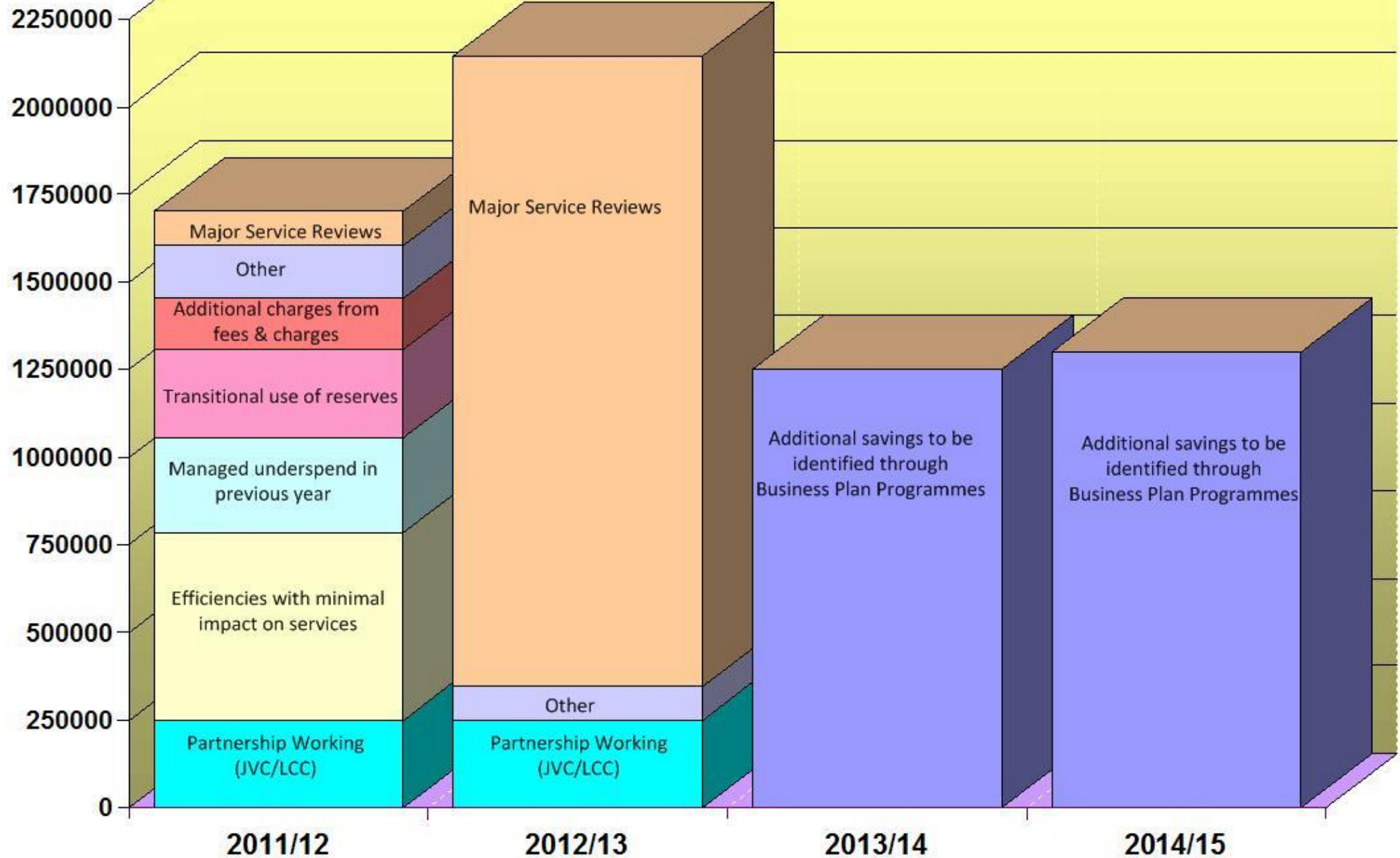
A medium term financial forecast covering the last 2 years of the Business Plan period has been prepared which compares the resources that are expected to be available to the Council and the level of spending that would be required to maintain agreed service levels. This forecast projects a budget gap between spending and available resources of £1.25 million in 2013-14 and a further £1.3 million in 2014-15. Consequently, in total there is an additional £2.55 million of savings that need to be identified in future years.

This medium term forecast is based on a number of assumptions and has been calculated on a prudent but not worst case scenario taking into account information that is currently available. However due to the inherent uncertainties involved with this type of financial projection there is scope for significant variance particularly in later years. Consequently the forecast will need to be periodically reviewed to ensure that it remains up to date. However it does provide a clear indication of the magnitude of savings that will be required.

A graphical representation of this budget strategy is shown below:

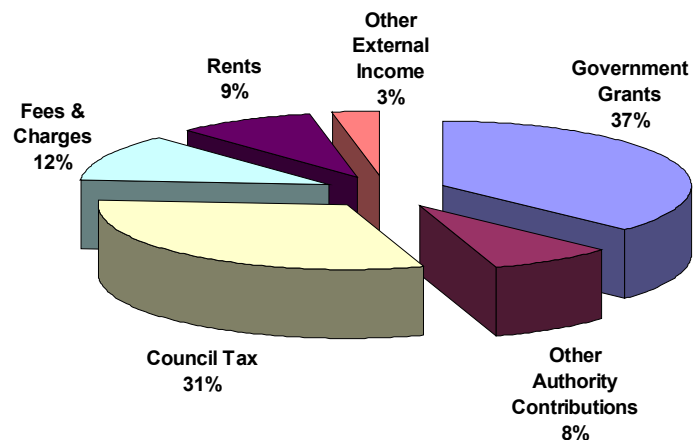
Representation of Budget Strategy

Budget gap
£2.145m (2012/13)

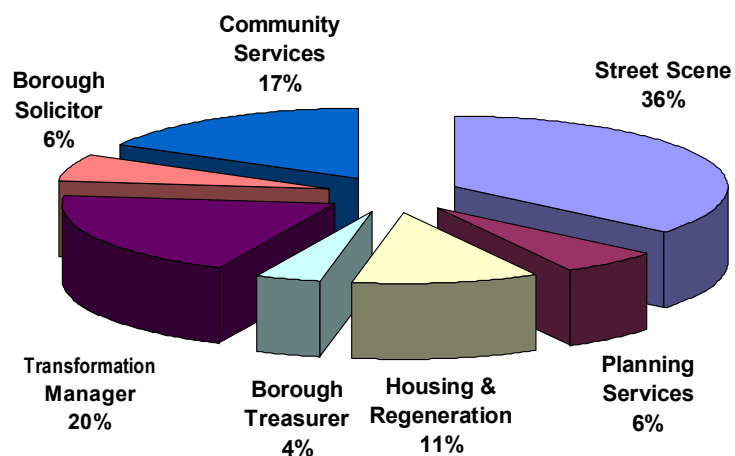


RESOURCE BUDGETING AND STAFFING

The Council's 2011/12 income was made up as follows:



In 2011/12, the budget was spent as follows:



The Council is committed to protect jobs wherever possible and is taking measured and timely actions, including limiting external recruitment; increased use of internal secondment arrangements where appropriate, systematic consideration of voluntary redundancy; reduction in the use of agency staff as appropriate; consideration of feasibility of short term temporary contracts and a reduction in the use of non-contractual overtime. It is anticipated that these actions will provide some potential redeployment opportunities for staff displaced as a result of the continued Major Service Review process, and limit compulsory redundancies as far as possible.

CONSULTATION AND EQUALITIES

The Council has a statutory duty to involve representatives of local people in exercising its functions when it considers it appropriate. The duty specifies three ways of involving that need to be covered in this consideration: providing information; consulting; or involving in another way. There is also a common law requirement for fair consultation which requires Councils to conscientiously take account of the representations of consultees.

In addition, the Council has statutory responsibilities in relation to taking account of Equality Impacts in considering new or amended policies, strategies or cessation of services. The Council will ensure it seeks to meet these important duties, informed by an Equality Impact Assessment process where appropriate.

In September 2011, the Government released a new Statutory Guidance on Best Value. The document lists a series of expectations of local authorities, should they decide to reduce or cease services that will impact upon service users or the Third Sector. The Council will have due regard to this guidance throughout the implementation of this Business Plan.

MONITORING OF ACTIVITIES.

Business Plan Monitoring

Performance and progress against the four year Business Plan is reported annually to the Council and the public in the form of an Annual Report.

Programme/Project Monitoring

In addition, the Council's Business Plan Working Group will receive regular reports regarding progress against the Delivery Plan, with Cabinet reviewing progress on a six monthly basis. This will enable any issues to be identified at the earliest opportunity.

A Head of Service is identified as the 'Lead Officer' against each of the projects contained within the Delivery Plan. Lead Officers will regularly monitor progress and performance against their projects, and report any issues to the Senior Management Team by exception.

Risk Management

The programmes contained within the Delivery Plan and the individual Priority Delivery Projects will be entered as high level risks on the Key Risk Register.

Cabinet receives reports against the Key Risk Register. These reports are available for call-in through the Overview and Scrutiny process, ensuring the opportunity for robust challenge regarding any issues of concern.

Contact for Further Information:

If you require any further information, or copies of this document in alternative formats, please contact:

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