

# Taunton Deane Borough Council

## Executive – 1 December 2010

### DLO Internal Transformation – Interim Improvement Proposals

#### Report of Strategic Director – Brendan Cleere

(This matter is the responsibility of Executive Councillors Ken Hayward, Catherine Herbert and Jean Court-Stenning)

#### 1. Executive Summary

Interim proposals for the internal transformation of DLO services have been brought forward now, with plans to begin procurement activities to explore an outsourcing option now scheduled to begin in summer 2011. The potential outsource solution will be presented to members for consideration, anticipated in spring 2012.

The interim internal transformation proposals include a variety of measures to achieve greater efficiency, increased commerciality, stronger performance management, better customer service and a committed and empowered workforce. The interim improvement plan will continue to evolve, as new initiatives and ideas are included.

Indicative efficiencies of £1m over the next 4 years have been identified through the proposed interim plan. Further potential savings deriving from DLO procurement activities have been identified by SWOne, subject to development and agreement of a detailed procurement 'category plan'.

Members will be presented with a comparison report in spring 2012, outlining the key features of outsource and final internal transformation proposals. This will assist members in making a decision on which option to pursue.

In the meantime, the Executive is recommended to support the interim improvement proposals described in this report and its appendices.

#### 2. Background

- 2.1 Full Council agreed (in February 2010) to a 'twin-track' approach to the transformation of services provided by the Council's Direct Labour

Organisation (Deane DLO). This approach involved embarking on a procurement process towards full outsourcing of DLO services, alongside development of an 'internal transformation' option. It was agreed that both of these options would be fully developed and brought to members for a final decision after the local elections in May 2011.

- 2.2 Following the General Election and subsequent publication of the Comprehensive Spending Review, Full Council approved (on 5 October 2010) to an alternative timetable for the DLO Project. This involved rescheduling work towards outsourcing of DLO services, pending completion of a four year budget strategy and a revised specification for DLO services. Procurement activity towards outsourcing is now scheduled to begin in summer 2011, with potential solutions presented to members anticipated in spring 2012.
- 2.3 As part of the alternative timetable, it was also agreed that the internal transformation option should be brought forward for members' consideration in November 2010 - earlier than envisaged under the original 'twin-track' approach. It was agreed that the interim plan would be based on the current levels of service and would therefore be subject to further review in line with any future changes to the DLO service specification.

### **3. Internal Transformation – Interim Proposals**

- 3.1 An interim improvement plan has now been published for consultation and is attached as Appendix A.
- 3.2 The improvement plan is a 'living' document that will evolve over time as new ideas and initiatives are introduced. The plan is built around a set of clear improvement priorities and outcomes and the introduction of new ways of working, as set out below:

#### **3.2.1 Improvement priorities**

- A lean, efficient and resilient service, able to respond flexibly to the changing demands of the Council and external clients
- A thriving business, focused on commercial success
- Excellence in performance management (financial and service)
- Excellent customer service and quality
- A committed and empowered workforce

The priorities should be viewed as a whole, and successful transformation will depend on action across every priority. A service improvement plan is attached, containing a wide range of activities to support the delivery of the five priorities.

### 3.2.2 Indicative outcomes

- Reduced running costs for the DLO (total and by service)
- Additional income from external sources (profit)
- Raised levels of customer satisfaction with DLO services
- Reduced CO2 emissions
- Greater levels of staff attendance
- Increased numbers of properties maintained per FTE.

Work to define outcomes more clearly and establish specific targets for them is under way and will be finalised by March 2011.

### 3.2.3 Operational changes and new ways of working

The list below captures the 'direction of travel' that is proposed to facilitate service transformation and improvement, and should be read in conjunction with the service improvement plan attached as Appendix A. Further work by DLO management to move along this path will be required, and some elements will need further consultation with staff and UNISON.

Changes proposed are as follows:

- Instead of the current six separate DLO functions, services will be brought together in order to streamline and simplify internal accountancy arrangements, improve transparency of DLO costs, reduce internal administration and bureaucracy and free up time to concentrate on delivering front-line services to customers.
- Under the above arrangement, two areas of Building Services and Open Spaces will be created. Building Services will comprise functions involved with housing repairs and maintenance and Open Spaces will comprise Parks, Nursery, Transport, Cleansing and Highways functions.
- Bring together support and administration staff who are currently located in different DLO functions into a single business support team. This would bring greater co-ordination and 'critical mass' to the delivery of services and transformation plans. A similar arrangement is now operating successfully in other themes. Details of staffing and functions within this intended new team will be developed and subject to further consultation.
- Work more closely with all client functions to ensure a smarter and more efficient work flow from initial service request through to completion of works and record holding.
- Increased emphasis on area based and multi- disciplinary working,

where staff will be equipped and empowered to deal with a wider variety of service requirements, improving the customers' experience as well as operational efficiency.

- Introduction of mobile phones and vehicle tracking technology to improve communications between management and workforce, enable better planning and scheduling of works and reduce the need for journeys to and from Priory Depot. Smarter and more efficient use of the vehicle fleet will result in lower overall mileage, reduced spend on fuel, lower CO2 emissions and potential for reductions in overall fleet size and associated spend. Alongside the introduction of this technology, opportunities for staff to work from home rather than starting from the depot will be explored, and all staff will be encouraged to question the need for work related travel.
- Introduction of more rigorous project management of all works, where co-ordination between different trades is improved to yield greater efficiency and better outcomes.
- To continue fostering a working environment where staff at all levels are encouraged to question and challenge existing working practices and suggest ways of generating efficiencies and taking advantage of potential commercial opportunities.
- Strengthen processes for customer engagement and feedback, ensuring that all views received inform further service development and improvement.
- Encourage a culture of learning and continuous improvement, informed by best practice from other organisations in the public and private sector.

### 3.3 DLO Management Structure

- 3.3.1 An interim management structure for Theme 3 (DLO) is currently in place and no permanent changes to this are proposed at present, pending the outcome of members' decision in respect of a favoured option for DLO services (i.e. outsource or internal transformation).
- 3.3.2 The Executive (10 November 2010) has recently approved a proposal to separate housing property services client and contract functions, following recommendations from the Audit Commission and the independent consultants commissioned to review options for the future of DLO services. Under the proposals, client responsibilities and staff will move to Theme 4 (Community Services) and contract functions and staff will remain in Theme 3 (DLO). The relationship between client and contract functions will continue to be built under the new working arrangement.

3.3.3 Further interim changes to the current management arrangements at the DLO will now be explored, following approval of the housing client proposal described above. It will be particularly important in any further interim changes to ensure that DLO services are fully represented at senior management level within the authority.

#### 4. The Consultation Process

4.1 The improvement plan and associated priorities, outcomes and new ways of working have been developed over recent months through extensive dialogue with a range of groups, including:

- Staff and UNISON, through suggestion schemes, briefings, the UNISON Change Forum and the DLO Staff Forum
- Elected members, primarily through the DLO Project Members' Steering Group
- The Tenant Services Management Board

4.2 Since the start of the formal consultation process (25 October 2010), members of staff at the DLO have asked a wide range of questions about the internal transformation proposals. These questions and answers are attached as Appendix B.

#### 5. Financial Benefits of the Proposal

5.1 A table showing the indicative financial benefits of the interim improvement plan is shown below.

Table 1: Indicative efficiencies arising from internal transformation

<b>Efficiency Measures</b>	<b>2010/11 (£ pt yr)</b>	<b>2011/12 (£)</b>	<b>2012/13 (£)</b>	<b>2013/14 (£)</b>	<b>2014/15 (£)</b>	<b>Total all years (£)</b>
Staff changes	56,285	114,359	114,359	114,359	114,359	513,721
Technology (incl. vehicle tracking & software support)	- 2,550	43,210	49,558	49,558	49,558	191,884
DLO Surplus (as projected in MTFP)	73,000	73,000	73,000	73,000	73,000	365,000
<b>Total</b>	<b>126,735</b>	<b>230,569</b>	<b>236,917</b>	<b>236,917</b>	<b>236,917</b>	<b>1,068,055</b>

- 5.2 The figures provided in the above table have been discussed with finance colleagues and represent best estimates based on current information. As further improvements are identified through the internal transformation process, the projected efficiencies are likely to increase.
- 5.3 Savings attributable to 'staff changes' in the above table include staff related savings proposed in the 'savings delivery plans', included within the papers of Corporate Scrutiny Committee on 18 November 2010.
- 5.4 Discussions have recently been held with SWOne procurement colleagues regarding internal transformation, to identify potential savings deriving from DLO procurement activity. Early indications show a potential procurement saving of £712,000 over a five year period, in addition to the efficiencies shown in Table 1. Further work will now be undertaken by SWOne to develop a procurement 'category plan', outlining in detail how such savings could be realised. The draft category plan would be subject to challenge and discussion with senior TDBC staff before any 'sign off'.

## **6. Monitoring of Internal Transformation**

- 6.1 Monitoring of the internal transformation plan, including tracking of the indicative financial benefits, will be carried out on a regular basis by the DLO Project Members' Steering Group. In addition, performance of the DLO will continue to feature as part of routine quarterly performance monitoring carried out by Executive and Scrutiny.

## **7. Comparison of Outsource and Internal Transformation**

- 7.1 As mentioned in section 2, procurement activity towards outsourcing is now scheduled to start in summer 2011. It is anticipated that a potential outsourcing solution arising from this process will be ready to put to elected members in spring 2012.
- 7.2 Members will be presented with a 'comparison report' in spring 2012, showing the key features, benefits and risks of the internal transformation and outsourcing proposals. The comparison report will provide evidence to assist members in making a decision on whether outsourcing or internal transformation should be followed as the preferred model for DLO services.
- 7.3 The internal transformation plan in spring 2012 is likely to differ significantly from the interim plan shown in Appendix A. This is mainly because the service specification will have been reviewed and new efficiency initiatives and staffing proposals will have been identified to take internal transformation beyond the current interim arrangement.

## **8. Finance Comments and Implications**

8.1 Financial benefits arising from the proposal are outlined in section 5.1 (Table 1). These are best estimates, based on current information.

8.2 Financial monitoring of the improvement plan will be carried out on a regular basis, with results reported to members.

## **9. Legal Comments**

9.1 There are no legal implications arising from this report.

## **10. Links to Corporate Aims**

10.1 The internal transformation of the DLO will make a significant contribution to the Council's 'Climate Change' priority. This arises primarily from the introduction of vehicle tracking and smarter working practices, resulting in reduced vehicle/fuel usage, better journey planning and lower CO2 emissions.

## **11. Environmental and Community Safety Implications**

11.1 The improvement plan will have a positive environmental impact, as described in 10.1.

## **12. Equalities Impact**

12.1 At this stage no adverse equality related impacts on any particular individual or community group have been identified from the overall proposals.

12.2 As individual improvement initiatives are planned in more detail, equality impact assessments will be undertaken as required before implementation, to ensure that any potential impacts identified are positively managed. This work will be incorporated as appropriate with the wider equalities impact assessment and planning scheduled for all DLO services, starting in early 2011.

## **13. Risk Management**

13.1 Internal transformation carries a range of risks and opportunities including financial, reputational, commercial and other project delivery related issues.

13.2 Risks will be identified and managed by the project team and overseen by senior management and the DLO Project Members' Steering Group.

## **14. Partnership Implications**

14.1 None.

## 15. Corporate Scrutiny Committee Comments

15.1 The Corporate Scrutiny Committee considered the interim proposals at its special meeting on 22 November 2010. Detailed minutes will be published in due course and the following is a summary of key issues raised during the discussion:-

- Questions were asked about the indicative financial benefits shown in table 1 and how these were derived. It was explained that these were based primarily on interim staffing changes which had already started delivering savings, the introduction of vehicle tracking to enable more efficient use and deployment of staff and vehicles, and surplus amounts already projected in the Council's medium term financial plan. Members would play a key role in the regular monitoring of the indicative financial benefits and improvement outcomes.
- Questions were raised about how the any financial benefits would be used, whether for re-investment in the service or to assist with wider budget setting challenges. It was explained that a mixed approach would be likely, given the tougher financial climate the Council is now facing. There was no single approach to this and benefits deriving from each improvement initiative will need to be looked at on their own merits.
- Indicative procurement savings of £712k, identified by SWOne, were challenged. It was explained that these savings were indicative at this stage, and would be subject to agreement of a detailed category plan.
- Consultants Turner and Townsend were asked to give their view on the commercial potential of the horticultural nursery. The view given was that there was potential to expand this business significantly, subject to identification of new markets for produce.
- The potential merits of recommending a cancellation of the planned procurement exercise towards outsourcing were discussed at some length. Some members felt that the internal transformation approach could achieve greater success if the outsourcing option was stopped now, while others felt it was appropriate to keep options open, mindful of the fact that indicative benefits of internal transformation had yet to be proven. It was explained that regular 'gateway reviews' would be held throughout this project, including during the procurement process, which would enable the Council to take stock of the current situation and decide whether the business case to proceed along the agreed course was still valid. On balance, the Committee felt that at this stage the Council should stick with the



agreed 'twin track' approach, keeping both internal transformation and outsourcing options open.

- Some frustration was expressed that the outsource option would take over a year to bring forward and that the benefits to be had from this option now appeared less attractive. The progress made on internal transformation was acknowledged by independent consultants Turner and Townsend. It was explained that market conditions and facts in hand at the time had informed the original recommendation to pursue outsourcing; that the benefits of internal transformation had yet to be delivered in significant measure and that there was still merit in comparison with the private sector.
- Some concern was raised over the timescales in the attached improvement plan (Appendix A), particularly the commercial aspects around production of sales and marketing plans. It was explained that the timescales within the plan were considered realistic in view of current capacity and the breadth of activities within the plan. The improvement plan was a 'living document', and new initiatives would bring further benefits over and above those already identified, with progress reported regularly to members.
- The Committee felt that the interim proposals showed that the DLO had 'grasped the nettle' but that there was still a lot more to do to prove internal transformation as a credible way forward.
- The Committee unanimously agreed to support the interim improvement proposals.

## **16. Recommendation**

16.1 The Executive is recommended to approve the interim improvement proposals.

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### Background papers:

*“Changes proposed to Themes 3 (DLO) and 5 (CMT & Legal and Democratic Services) of the Core Council Review as a result of the proposed Budget Strategy project” – Corporate Scrutiny Committee, 23 September 2010.*



Red	<i>Behind Schedule</i>
Amber	<i>Slippage</i>
Green	<i>On target</i>
Not Started	<i>Not due to start</i>

Priority	Item	Actions required	Dependency	Traffic Light	Progress %	Current Status	Commencement (wk comm)	Target Completion Date (wk end)
1	A Lean, efficient and resilient service, able to respond flexibly to the changing demands of the Council and external clients							
A	Staffing changes (initial)	i	Parks Manager retires - Structure alterations allow for the saving of a grade G post and lease car		G	100%	Completed 13th September 2010 interim structure changes complete	01/06/2010 12/09/2010
		ii	Nursery Manager retires - Structure alterations allow for the saving of a grade G post		G	100%	Completed - Post holder retired 12 September 2010	01/06/2010 12/09/2010
		iii	Post removed from reception - Amalgamation of reception staff responsibilities		G	100%	Completed Receptionist retired August 2010	01/06/2010 31/08/2010
B	Operational changes	i	Remove boundaries between 6 DLO's. Produce new service and people structure allowing for area, and multi disciplined working.	Southwest One finance	G	10%	Baseline data sourced from COSY on DLO activity by parish. Meetings have taken place with DLO Managers to establish current arrangements	01/09/2010 31/03/2011
C	Service operating location	i	Establish separate project for DLO accommodation and location	Asset management team			TDBC leading accommodation project, including DLO depot options	01/04/2011 01/04/2012
		ii	Identify appropriate staff for home start working, implement this process with telemetry.	DLO Managers				01/12/2010 30/06/2011
D	Technology	i	Vehicle telemetry - Have in place a preferred supplier and commence phased introduction of tracking system to all DLO commercial fleet vehicles	Southwest One Procurement				01/11/2010 30/06/2011



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		ii	Mobile phones - issue mobile phones to staff identified to compliment mobile working	Southwest One Procurement	G	10%	Initial discussions have taken place on issue of mobile 'phones	01/10/2010	31/03/2011
		iii	Carryout a cost benefit analysis of introducing a computerised workflow system. Automated job flow from initial service request to works completion	Southwest One Procurement				01/04/2011	31/03/2012
		iv	Review the use of Academy, Cosy, and Confirm software systems	Southwest One IT			Investigations into the use of Confirm have already begun	01/04/2011	31/03/2012
E	Stores (purchasing & supplies)	i	Review key stores process and propose potential alternative delivery models.	Southwest One purchasing and supplies (DLO)				01/01/2011	31/06/2011
		ii	Review benefit of external sales to schools	Southwest One purchasing and supplies (DLO)				01/12/2010	31/03/2011
F	Transport DLO	i	Review necessity for vehicle fleet numbers, consider use of pool vehicles	DLO Managers				01/01/2011	30/09/2011
		ii	Remove Transport DLO trading accounts and attached staff to alternative service for costing process	Southwest One finance				01/12/2010	31/03/2011
		iii	Review Transport service cost and overheads	Southwest One finance				01/01/2011	30/06/2011
G	Processes	i	Identify key processes that can be streamlined for increased efficiency	DLO Managers				01/01/2011	30/04/2012



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		ii	Research and introduce best practice processes using links with partner organisations, both private and public best practice	External Support	G	5%	Private sector best practice obtained. Other LAs being contacted on most efficient ways of working	01/10/2010 30/04/2012
H	Transparency	i	Activity Based Costing for Authority based work - Identify costs associated with internal DLO activities, as part of the wider agreed TDBC budget strategy.	Southwest One Finance			01/01/2011	31/03/2011
2	A thriving business, focused on commercial success							
A	Sales and Marketing	i	Review current external business and profitability	DLO Managers			01/11/2010	31/06/2011
		ii	Produce sales and marketing plan for buildings service, including income generation estimates	External Support			31/12/2010	30/06/2011
		iii	Produce sales and marketing plan for open space service, including income generation estimates	External Support			31/12/2010	30/06/2011
		iv	Produce sales and marketing plan for nursery service, including income generation estimates	External Support			31/12/2010	30/06/2011
		v	Set DLO annual profit target from external business	External Support			01/01/2011	30/06/2011



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3	Excellence in performance management (financial and service)							
A	Budgets	i	Separation of TDBC external trading accounts to replicate service structure	Southwest One finance	G	25%	Initial discussions have taken place with TDBC Finance	01/09/2010 31/03/2012
		ii	Establish mechanism for tracking and reporting financial benefits realised	Southwest One finance	G	50%	Broad framework already established with Financial Improvement Plan	01/09/2010 31/12/2010
		iii	TDBC Finance to highlight DLO year end outturn	Southwest One finance	G	25%	Initial discussions have taken place with TDBC Finance	01/04/2011 30/04/2011
		iv	TDBC Finance to calculate internal recharges each month	Southwest One finance	G	25%	Initial discussions have taken place with TDBC Finance	01/11/2010 31/03/2011
		v	TDBC Finance to recalculate hourly rates taking into account financial improvement plan items	Southwest One finance			Initial discussions have taken place with TDBC Finance	
		vi	Identify internal recharges allocated to the DLO that should sit directly with the general fund	DLO Managers / Southwest One finance				
B	Stakeholders	i	Review existing process of member involvement in delivery of improvement plan and business improvement	Project Director	G	50%	Members updated on DLO emerging priorities and actions	01/09/2010 30/06/2011
		ii	Engage with existing internal and external clients on possible areas for additional work	DLO Managers				01/03/2011 31/12/2011



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C	Communication	i	Revise communications overview and plan, encompassing staff, members, stakeholders etc.	Project Director				01/11/2010	30/11/2010
		ii	Staff consultation survey - to review staff satisfaction on evolving delivery model. Link to PREDS	Southwest One HR				01/12/2010	31/06/2011
		iii	Stakeholder survey - to gain views of significant partners and internal clients on evolving delivery model					01/04/2011	01/06/2011
		iv	Customer consultation survey - identify satisfaction from external clients on service they receive					01/04/2011	01/06/2011
		v	Develop standard information packs / promotional materials for each service to be available in reception/face to face to educate customers on services provided					01/03/2011	31/05/2011
E	Performance management	i	Develop the use of existing corporate performance management framework including Key Performance Indicators linked to organisation objectives, appraisals and personal objective setting for staff.		G	15%	Draft list of KPIs produced	01/12/2010	28/02/2011
		ii	Regular review and reporting of performance (team and individuals) across all areas, inc productivity.					01/01/2011	31/03/2012
4	Excellent customer service and quality								



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A	Quality	ii	Identify relevant accreditations that we wish to retain and strive to achieve (Investors in people, ISO ratings)					01/04/2011	31/12/2011
B	Standards	i	Review and revise customer service standards and expectations, including responses from surveys and commitments we make (service level agreements)					01/01/2011	31/03/2011
		ii	Publish performance against standards (revised Key Performance Indicators)	Performance and Client team				01/04/2011	31/03/2012
C	Customer contact	i	Review first point of customer contact arrangements	Southwest One contact centre				01/04/2011	31/07/2011
D	Complaints & customer feedback	i	Use complaints and feedback to inform future service delivery improvements					01/01/2011	31/12/2011
5	A committed and empowered workforce								
A	Vision & values	i	Develop vision statement with a clear purpose of the DLO, in consultation with staff					01/11/2010	31/12/2010
B	Training, development & team building	i	Conduct skills audit to identify existing ability to multi discipline						
		ii	Review and revise training and development plan					01/12/2010	03/06/2011



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		iii	Carry out events to engage teams to support internal transformation					01/11/2010	31/06/11
		iv	Establish approach for recognising high performance and excellent customer service at individual and team level					01/11/2010	31/03/2011
		v	Provide programme and project management training to relevant staff					01/11/2010	30/06/2011
C	Performance management	i	Establish a mechanism to communicate performance	DLO Managers				01/01/2011	31/03/2012
		ii	Review and update project management framework if appropriate	Project Director				01/01/2011	31/03/2012
		iii	Introduce a performance notice board to publish and celebrate individual staff performance, utilise core brief to highlight team performance	DLO Managers				01/01/2011	31/03/2011





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		iv	Reinforce performance management framework and key performance indicators	DLO Managers				01/01/2011	31/03/2012
D	Consultation	i	Continue staff consultation and engagement around new operating model	DLO Managers	G	25%	Initial staff communication of changes to structure	01/09/2010	14/12/2010

# DLO Transformation Project

## Special Edition Newsletter No: 8 October/November 2010

### Draft Interim Plan for Internal Transformation of DLO Services Consultation Period 25 October 2010 to 22 November 2010

This is a special edition of the DLO Newsletter to share with DLO staff the FAQs that have come out of the Consultation Period Briefing Sessions. The official consultation period has now closed, but we continue to welcome your comments and suggestions throughout the transformation.

### Frequently Asked Questions

The following questions have been raised during formal consultation on the draft interim plan for internal transformation of DLO services.

#### 1. A LEAN AND EFFICIENT SERVICE

##### Q1.1 Will vehicle tracking be fitted to managers' vehicles as well as fleet vehicles?

Vehicle tracking will be fitted to fleet vehicles only rather than those which are also used for personal reasons. Vehicle tracking is being installed primarily to enable the most efficient deployment of fleet vehicles and workforce.

##### Q1.2 Are we considering getting details of schemes/policies from other authorities that have done this?

We will be looking to other private and public sector organisations to identify the best policies and implementation processes for us.

##### Q1.3 The paper tickets have alerts on them to warn of risk – violent tenant etc. – will we still receive these alerts if using a tracker system?

The tracking system we are currently investigating is linked to the vehicles and will not alter the job creation and works order process, although this will be looked at later. Any alterations will continue to use a warning alert system.

**Q1.4 Having a double wheel base van would enable staff carrying heavy loads to reduce journeys to and from the depot.**

We are moving to a way of working where the vehicle fleet as a whole will be available to anyone who needs a particular vehicle type. Vehicle replacements need to be carefully considered so that they meet the needs of the service.

**Q1.5 Will we be employing better deployment of stock/goods direct to site?**

The management of our materials will be considered throughout the transformation. Where there is a need to have large quantities of materials at specific locations, delivery direct to site can be an option for supervisors.

**Q1.6 Since the DLO lost a member of reception staff, phone calls have been missed. That cannot be good for business.**

One of the actions within the plan is to review and improve the first point of contact that customers are faced with. It would not be good for our reputation or increasing our commercial business if we could not answer the phones.

**Q1.7 If we are moving towards a multi-skilled workforce, will the current job evaluation scheme be reviewed to reflect this?**

There are no plans to review the current job evaluation scheme as this is a Council wide scheme. There is some work to be done in conjunction with HR and UNISON when considering the roles that people will be asked to carry out in the future and as this is progressed decisions on whether posts need to be re-evaluated will need to be taken.

**Q1.8 External contractors who fit kitchens and bathrooms do not supply the same fixtures and fittings as us. This creates problems for the DLO when we come to maintain and repair.**

We will discuss this with our clients, including Housing Property Services. If altering the kitchen parts that we fit needs to change then this is a possibility.

**Q1.9 Very often, the description we receive for works to be carried out is not detailed enough, resulting in additional time and journeys to get the right materials to do the job.**

We will work with clients and staff to identify ways of improving descriptions of work that they require.

**Q1.10 Stores need more advance notice of the materials people need, to avoid wasting time at the beginning of the day waiting for goods to be supplied.**

A complete review of the way we hold and issue our materials will be carried out. It is not effective to have people waiting in store to get items over the counter, or for supervisors to expect the store to hold everything that is needed. The plan is dependent upon people pre-planning as much work as possible.

**Q1.11 Void properties need a better description of the works required.**

We will discuss this with Housing Property Services (HPS) as they are also looking into the voids process.

**Q1.12 Void properties should be checked for damp before works begin.**

We will discuss this with HPS as they are also looking into the voids process.

**Q1.13 Does the housing client want the DLO to carry out work, rather than external contractors?**

The housing client (HPS) wants the work that they commission to be delivered effectively and in a financially efficient manner. If the DLO is to make itself more attractive to all our clients, then there is the potential to win more work.

**Q1.14 Communication between different trading parts of the DLO is poor, resulting in inefficiency.**

Under the improvement plan, communication between individual trades within the DLO will improve, allowing works to be completed in a more efficient manner.

**Q1.15 The process of booking appointments and how these are confirmed does not work well. Many appointments are not kept by the customer because of poor communication.**

Currently the housing client is responsible for making the appointments for some of their contractors, including the DLO. We will be working more closely with them to identify the best appointment process going forward and will involve staff with these discussions.

**Q1.16 Is flexible working an option for DLO staff? We could spend a little time beyond normal working time completing a job, so that we wouldn't have to waste time travelling and gearing up to complete the job the following day?**

We will look into this further and discuss the potential to adopt some form of flexible working with clients.

**Q1.17 Supervisors should have pool vehicles.**

Using the vehicle fleet more effectively is a requirement upon all staff, including supervisors. By reviewing fleet utilisation we hope to reduce the size of the fleet and increase the savings that can be made.

**Q1.18 How will mobile phones be provided?**

We will firstly identify those staff who need mobile phones and how they are currently provided. It is not our intention to issue mobile phones to all staff members, only to those where a time saving, efficiency or safety reason can be identified.

**Q1.19 We need to be better at pre-planning and scheduling jobs, with a better description of the job requirements at the start.**

Supervisors will be challenged to better pre plan works where possible.

**Q1.20 Can I start my working day in Wellington, to avoid the time and money spent travelling to and from Taunton?**

The improvement plan includes home based working for appropriate staff, alongside introduction of vehicle telemetry and more flexible working practices.

**Q1.21 Is the depot site up for review?**

Yes, the improvement plan refers to the establishment of a separate project to look at DLO accommodation requirements and location.

**Q1.22 Doesn't it make sense for the workforce to have fuel cards, rather than having to use the depot's own station every time we fill up?**

There are still some fuel cards in use for people who work remotely from the depot. The general practice is to buy all fuel centrally and this has created a saving. If we are able to identify staff who are travelling unnecessary distances just to refuel then these need to be considered on a case by case basis.

**Q1.23 Will we revisit job evaluation as part of the transformation?**

Please see Q1.4 above.

**Q1.24 When will the internal transformation plan happen?**

The plan contains a timetable detailing when specific items will be started. Some elements of the plan have been completed already, such as the interim management restructure. We will be looking to carry out the items that provide efficiencies early on to demonstrate the credibility of the plan.

**Q1.25 There is a lot of redundant equipment around the depot site. What are we going to do with this?**

If there is equipment that is genuinely redundant then this will be removed and the space freed up.

**Q1.26 When will vehicle tracking start and which vehicles will the technology be fitted to?**

We have contacted Southwest One and asked for their assistance in buying the vehicle tracking equipment. We aim to get the equipment fitted to all fleet vehicles (not mowers at this stage) by June '11.

**Q1.27 Will the internal transformation reduce the winter flexi time that parks staff have to take?**

It is unclear at this stage how this will be affected. However the same works will need to be completed at the most appropriate time.

**Q1.28 We start work at 7am but stores open at 7.30. Can we change this?**

We will become less reliant upon the stores for materials at short notice. The short term approach will not involve opening stores earlier but will involve a greater emphasis on pre-planning to ensure that people have the equipment / materials they need before they start work. Pre-planning has the potential to save a lot of time.

**Q1.29 Stores do not have certain equipment (eg strimmer heads) in ready supply, resulting in long waits (sometimes weeks) and 'down time' for equipment.**

A review of the stock holding for stores will be carried out; we need to make sure we have the materials that we need available without having to carry unnecessary stock values.

**Q1.30 When will we start home-based working and will we set up mini depots/containers around the Borough to allow this to happen?**

We are looking to identify the correct service and staff where home based working will be most appropriate. The use of site containers and sub depots may represent an additional cost so we need to be sure that any efficiency would outweigh this cost.

**Q1.31 Have we learned from other councils and organisations and what they are doing well?**

By using external consultancy support, we have been able to call upon all of the experience they have in delivering similar transformation projects both with other local Authorities and private sector businesses. Learning from other organisations will be an ongoing feature of the internal transformation plan.

**Q1.32 Can we use other waste and recycling sites around the Borough, rather than bringing waste back to the Depot?**

We will investigate the cost of taking waste direct to tip sites and see if it is cheaper than bringing it back to Priory Depot.

**Q1.33 Who will pay for vehicle tracking and will it pay for itself?**

Vehicle tracking will be paid for by the DLO services and will provide a return within year 1.

**Q1.34 Multi-skilling sounds fine, but are we at risk of becoming 'jacks of all trades and masters of none'?**

We will make sure that we use the existing skills of our employees to deliver services more efficiently. In the early stages some of these changes will be minor, but we hope to develop the workforce to be more multi skilled in their approach. There are a number of risks associated with this and we need to control these with the help of staff.

**Q1.35 As a joiner I would be worried if I was asked to wire a house? Is that what you are expecting?**

We are not expecting staff to undertake dramatically different roles where their ability does not match with the tasks they are being asked to perform. What we are looking for is to be able to utilise the skills that are within our workforce, and expand on those through training, without the current limitations of defining employees by trade.

**Q1.36 I am worried about taking work from colleagues in other trades as a result of multi-skilling.**

The aim is to ensure we are able to deliver services to our customers in the most efficient and effective manner. There will be a knock on effect of performing additional tasks traditionally performed by another trade. This is likely to occur in all trades making the delivery more efficient but it will not reduce the jobs that need to be performed. Where reductions in the workforce are required we will be looking to address this through natural turnover in the first instance.

**Q1.37 Who is watching sub-contractors and the work they do?**

Any sub contractors that **the DLO** employs will be monitored by the DLO. Any sub contractors that are employed by other areas of the Council should be managed by that client.

**Q1.38 Why don't we open an account with Build Base in Wellington (for example), to stop un-necessary travel to and from our own stores?**

The procurement service is now setting up suppliers in Wellington and Wiveliscombe.

**Q1.39 Could we consider reviewing the flexi-system in place for parks staff, so that we can keep people on in the winter period and use less agency staff?**

This will be reviewed in 2011/12.

**Q1.40 With the internal transformation, are there any plans to make the management of the fleet more productive? Lots of man hours seem to get lost in finding vehicles/vehicle downtime.**

A complete review of the vehicle repairs and maintenance service will be carried out to identify any areas where this can become more efficient.

**2. A MORE COMMERCIAL SERVICE**

**Q2.1 Is the Council paid enough for all that the DLO does?**

An early action within the interim improvement plan will be a review of profitability of key external works. This review will enable a clearer judgement to be made on whether levels of return are acceptable.

**Q2.2 Can we separate high value waste (eg copper) to make an income for the Council?**

Waste is already separated at the Transfer Station, within the Depot site. We will look into the practicality and potential benefits of further separating any high value waste to generate income. We should however make sure we are adhering to the contracts that we have in place with 3<sup>rd</sup> parties regarding disposal.

**Q2.3 What is the old nursery site at Mount Street costing the DLO?**

The old nursery site is still in the possession of the Authority and maintainable until a final decision is made on how best to dispose of it. Costs have been communicated to the Council Members as part of a confidential report into the sale of the Mount Street site.

**Q2.4 Why don't we advertise the DLO's services in parish magazines, on our vehicles etc?**

We first need to make sure the services that we chose to advertise are services that provide a good rate of return for the Council. Advertising locations could include parish magazines and increased visibility on our vehicles.

**Q2.5 Many other council services don't know what the DLO does. We need to market ourselves better.**

Highlighting the services of the DLO both internally and externally is essential. We will be using the transformation documentation to raise our profile as well as other more widely read publications such as Core Brief

**Q2.6 Why don't we advertise for new work now?**

We should be careful of trying to go out and grab any work that is going. The interim improvement plan highlights the need to hold the review into profitability before we focus our attention on sales.

**Q2.7 Where will the capacity to take on additional work come from?**

By making ourselves more efficient we will be able to free up some additional time to perform other more profitable works. We also need to consider that there may be less internal works as a result of Council budgets being reduced so this would free up some time also. Dependent on the extent of the additional external works available we may need to grow our workforce to meet with demand in certain areas.

**Q2.8 We should place DLO advertising boards at every job we do.**

It is a good idea to advertise the good work that we are currently doing. This is certainly an option that is being used by the parks and highways teams for external works and we will extend this practice to other areas.

**Q2.9 Will we set a profit target for every external job we do?**

We will be looking at the profitability of our external works. While there are unlikely to be fixed targets for every job, we must ensure that all external works make commercial sense for the Authority.

**Q2.10 If we are making vast savings in the budget, are the savings we make going to be lost in what we can produce back? Will it be visible?**

It is essential that we highlight the efficiencies that we are producing; we are in discussion with our finance officers to agree the way that these savings are tracked and used by the Authority.

**Q2.11 Who will it fall to to get additional work?**

Everyone will be playing their part in bringing in additional work, managers and supervisors will need to go looking for contracts, approach potential clients directly, and produce tender submissions. Members of the workforce will need to ensure we provide a professional image of the organisation so that people see us as a good contractor and want to use us.



**Q2.12 Do you think it is worth training managers in how to deal with the private sector?**

Training of staff will be essential to ensure we are getting the best out of the people we employ.

**Q2.13 Are the Corporate Management Team and Directors committed to the internal transformation?**

Yes, the Directors are fully committed to delivering the members decision to provide a genuine twin track approach, they will support all work of the internal transformation. Strategic Director (Brendan Cleere) has been seconded to the DLO to ensure the delivery of internal transformation proposals. Gail Cresswell has also recently joined the transformation project, providing crucial support to the process.

**Q2.14 Is the Tenant Handbook updated yearly? If so this could be a good place to advertise the DLO's services.**

There are many places where we can increase the advertising of our external works, the first requirement of the plan is for us to work more efficiently and release the time that will be used elsewhere.

**Q2.15 There was talk of re-branding the DLO – is this something that is seriously being looked at?**

There are many pros and cons to re-branding the organisation, there will be a time to consider this but it is unlikely to be until after the final comparison with the outsource option.

**3. EXCELLENT PERFORMANCE MANAGEMENT**

**Q3.1 How does the DLO perform compared to other councils/organisations?**

This is very difficult to identify. We believe that we perform well and that the service we provide is cost effective, but at the moment we have very few performance indicators that could be used to compare our work with others. As part of the transformation project, we will be introducing some additional indicators and targets to demonstrate our performance and highlight the improvements we are making.

**Q3.2 I thought we were an “excellent Council”? Why do we need to prove ourselves?**

The Council was assessed as being excellent under Comprehensive Performance Assessment in 2004. There is a continuing need and duty to deliver good value for Council Tax payers' money. We cannot afford to be complacent and in the current climate of reducing public expenditure, the need to demonstrate good value for money will only increase.

#### **4. A COMMITTED AND EMPOWERED WORKFORCE**

##### **Q4.1 Are we going to invest in the training necessary to do multi-skilled working?**

Yes. The first stage of the process will be to carry out a 'skills audit' to identify what skills we have within our workforce and make sure we are getting the best from those staff members. We will use the findings of the skills audit to help determine the training requirements into the future. Training may take a number of forms, such as on the job training from others or formal training from an external provider.

##### **Q4.2 What are the incentives for staff to 'go the extra mile' to deliver the internal transformation?**

All staff have a key part to play in making a success of internal transformation. Development of a recognition and reward scheme for individuals and teams who go the 'extra mile' forms an important part of the transformation plan which will need to be developed to recognise that the DLO is part of the Council. We want to recognise where staff have performed well, identify what we can do as employers to help people feel part of the process and demonstrate that you have control of the direction in which we are headed. For many staff, internal transformation is a preferred option to outsourcing. There is now an excellent opportunity to show that internal transformation is a credible alternative to outsourcing.

##### **Q4.3 The potential re-development of part of the Halcon estate may result in loss of work for the DLO. What are we doing about that?**

This potential re-development forms part of the Council's commitment to affordable housing and tackling deprivation in the community. A Project is being set up to look at a range of options and no decisions have been taken on whether or not to go ahead with a re-development. Potential risks and opportunities for the DLO would be identified and managed as part of the Project.

##### **Q4.4 People are concerned that a performance notice board will be used negatively, to single out people.**

The intention of the performance notice board is just the opposite; we will not be looking to single out poor performance by person or team but to highlight where we have achieved good results and high standards. We will be looking to publish the results of our performance indicators for all to see so that we can be open in celebrating our successes.

##### **Q4.5 Multi-skilling will require investment in training. Where is the money coming from?**

Funding for any training would need to come from within existing Council resources. Investment in training would need to be linked to a clear business benefit. Training is likely to take a number of forms, such as learning from colleagues on the job.

**Q4.6 Applying a consistent “one DLO” approach will be difficult as staff are on different terms and conditions.**

Although all staff are employed under National Terms and Conditions of employment there are staff on a variety of different terms and conditions and part of the challenge of delivering internal transformation is to be understanding of the differences and working in the most effective way to deliver the plan. No changes to existing terms and conditions are proposed at present, although further consultation with staff and UNISON will take place in the event of any specific changes proposed.

The Consultation Period has now closed however this does not mean we no longer wish to receive your questions, comments or suggestions. If you have any questions, comments or suggestions in relation to the Transformation Project please contact one of the Key Contacts below. The Suggestion Box is also available to all staff in the Mess.

**Key Contacts**

If you have any questions about the DLO Transformation Project, these can be raised with any of the following people:-

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PA to Brendan Cleere, Strategic Director, Room 120 Deane House  
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Cyril Rowe, Assistant Parks Manager – DLO Project representative  
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Phil Webb, Housing Manager/Property Services  
Extension 2146 or 01823-356505 ([p.webb@tauntondeane.gov.uk](mailto:p.webb@tauntondeane.gov.uk))

Brendan Cleere - when he is based at the DLO –  
by ringing Ann on Extension 2302 or 01823 356406 for an appointment  
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**FOR INFORMATION, ADVICE AND SUPPORT ON EMPLOYMENT MATTERS:**

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