

Councils a Social Enterprise

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Oxford

- Population 151,000, growing fast
- Progressive political tradition
- 22% BME 15% EU
- Two Universities - 30,000+ students
- Large Teaching Hospital
- Car production - BMW Mini Plant
- Knowledge/research economy
- High levels of economic and social inequality
- History of trade union activism from manufacturing past

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Oxford City Council 2007-2015 Approach to Transformation

- Employee relationships key to coping with changing context for public services
- Taking the opposite approach from sector
 - Cutting jobs/protecting jobs
 - Cutting services/redesigning services
 - Externalisation/in sourcing work
 - Commoditisation/customer and community focus
 - Command and control/value led
 - Pay and Rewards



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Fundamental Service Review – 20:20

- Service by Service:
 - Starting with poor value for money
 - Poor performance
 - Strategically important
- 20% quality/performance improvement
- 20% cost reduction
- Involving workforce
- Based on a clear deal
 - High productivity
 - Good job security/rewards compared to market
 - First class productivity and engagement
 - Sharing rewards



Council's Values



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Sharing Rewards: Partnership Payment

- Pay freeze two years, then 1.5% a year
- Performance conditional contractual increments in pay grades
- £500 partnership payments - subject to:
 - Efficiency improvement
 - Appraisal targets
 - Attendance
- Result: 25% cost reduction - 90% performance targets met
- Halved sickness - 14 days to 7 days
- Workforce reduction through natural turnover – no compulsory redundancies



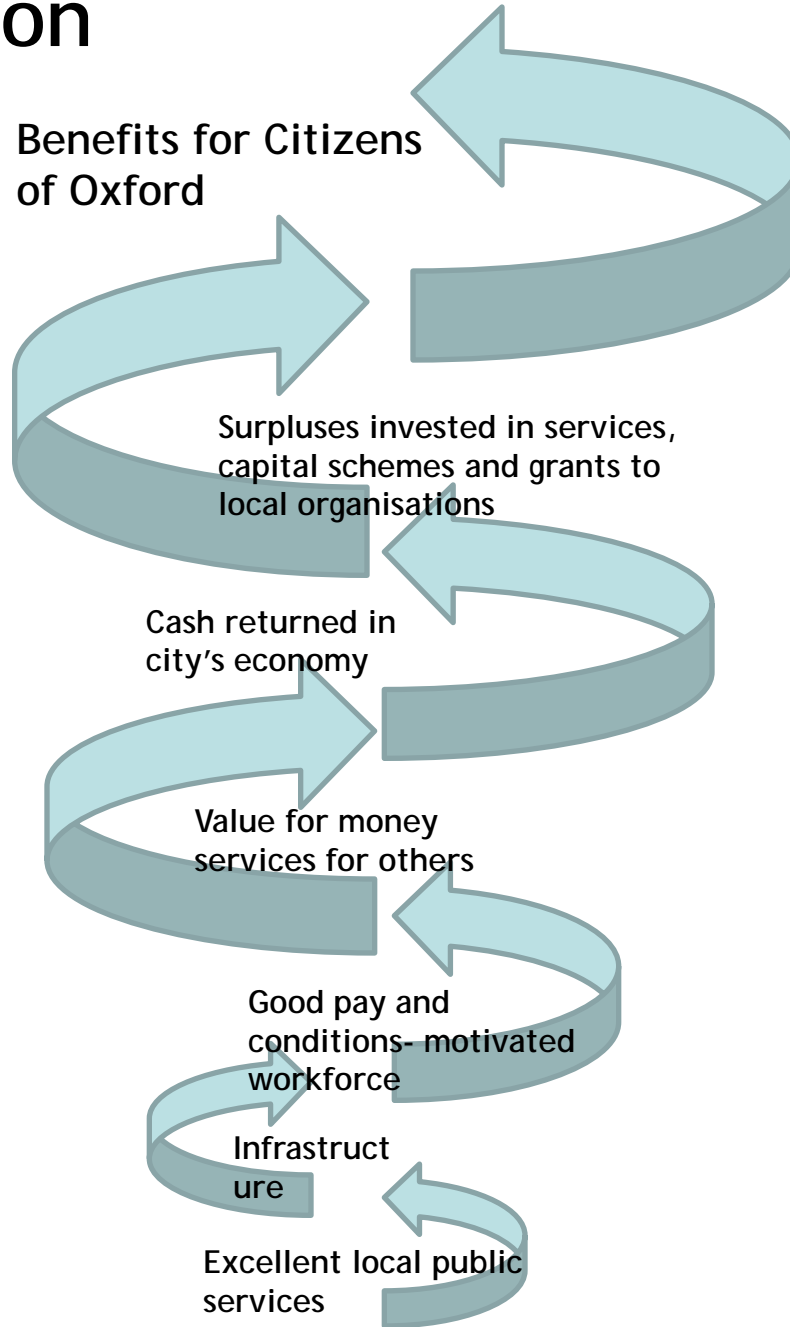
Raising Revenue by Trading

- Capacity and competence
 - Repairs maintenance
 - Waste Management
 - Engineering
 - Ground maintenance
 - Investigations
 - HR
- In-house/ public sector /private sector
- Strong understanding and control of cost
- Culture change/ new skills – business for a social purpose



Value Proposition

Benefits for Citizens
of Oxford



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Outcomes

- 40% cost reduction
- Service improvements
- Higher productivity
- High public satisfaction
- Strong staff satisfaction and buy in
- External recognition



Conclusion

- Productivity improvement is key to prospering with shrinking resources
- Employee partnership in service transformation
- Privatisation does not have to be the answer
- In-sourcing and trading
- Becoming more entrepreneurial for a social purpose

