

Service Reorganisation



A guide to service re-organisation – lessons from case studies



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Service Reorganisation



Outcomes First

- Link to Corporate Priorities
- Link to Community Strategies and demand
- Deliver statutory and legislative requirements
- Identify service priorities
- Identify resources required to deliver
- Ensure Value for money
- Efficient processes and lean systems

Service that is 'Fit for purpose'

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Outcomes – Service Specific

- Clear objectives
- Business Plan
- Resources i.e. staff, financial, IT systems, assets
- Lean systems
- Community impact
- Service delivery options



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Reviews

- Reorganisation of whole Local Authority
- Review of specific services
- Reviews of specific sites
- Reviews of specific areas within a service
- Diagnostic Workshops



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Good

- Get the right people involved from the start
 - Corporate Management Team
 - Members
 - Relevant Senior management
 - Relevant staff
 - Influential Partners
 - Unions
 - Funding Partners
- Manage Expectations
- Effective Project Planning
- Communication and consultation



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Bad

- Imposing change without involvement
- Unclear project and business plan
- Poor project management/leadership
- Lack of buy in from managers and supervisors
- Inefficient resources to deliver
- Don't make promises you can't keep
- Avoid bad press, where possible, manage internal and external communications



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Ugly

- Opposition to change
- Poor leadership
- Poor planning
- Long period of uncertainty – poor morale, poor service
- Potential for reductions in staff or changes to working practices
- Communication by the press



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Example 1

**Reorganisation of a local authority
staff structure – 300 staff**

Project Drivers

A need to reduce the Council's revenue budget by
£2.5m



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Process

- Set Corporate Priorities based on Community Consultation, Statutory duties and resources available.
- Develop Corporate Business Plan and set priorities
- Involve members throughout the process
- Set up project team and develop implementation plan

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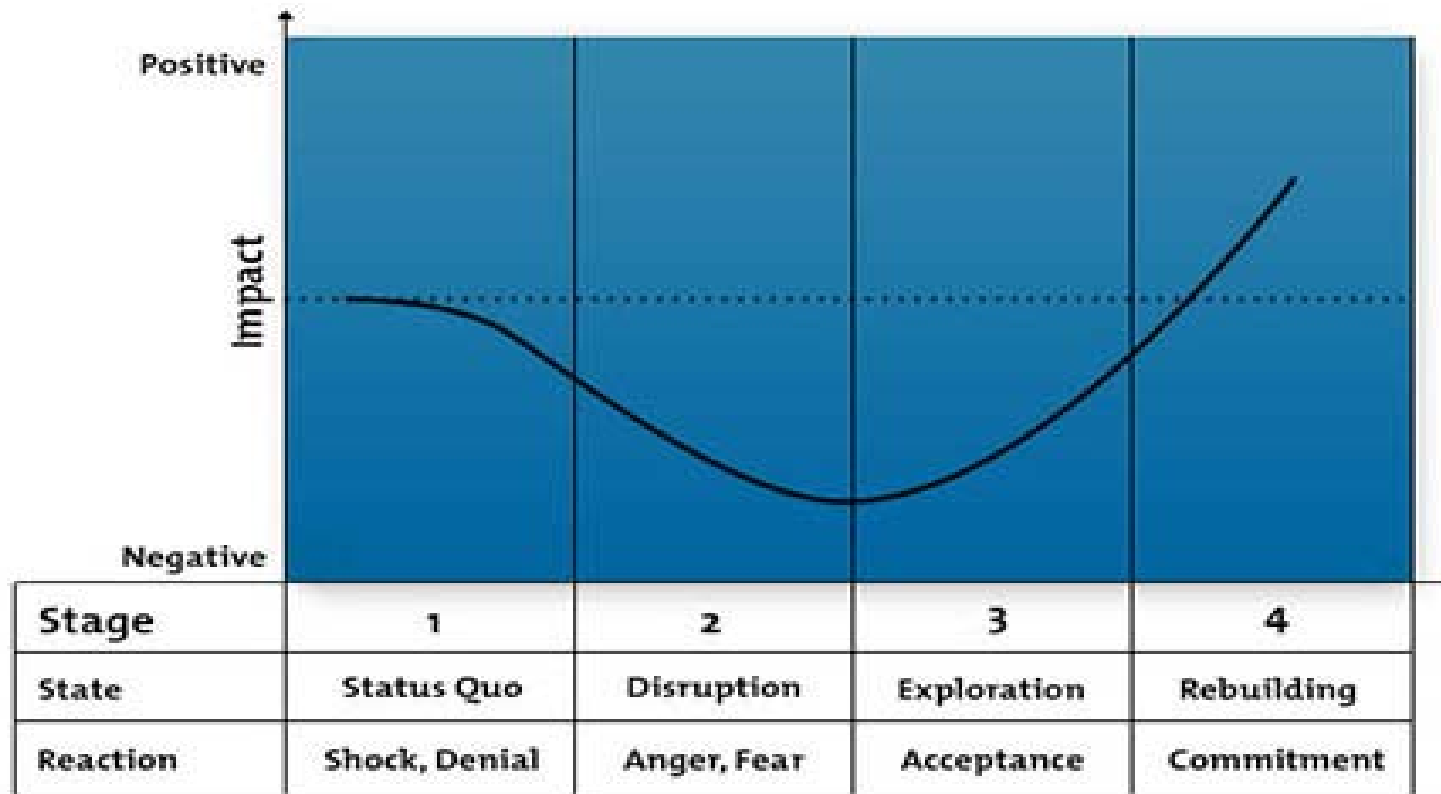
Implementation

- New structure devised
- EOI for Voluntary redundancies
- All staff put 'at risk'
- New JD's and PS's
- Application process for new posts
- Staff interviewed - Appointments/redundancies
- Skills Development Plan implemented
- New structure in place 6 months
- www.apse.org.uk Change curve - impact

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Change Curve



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Results:-

Reduced revenue budget achieved, more efficient processes, increased income generation, increased motivation in the longer term.



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Example 2

Review of Leisure Services

Project Drivers

Potential end of current contract

Revenue budget reduction required of £150,000.



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Review included:-

- Stakeholder and user consultation
- Detailed financial assessment
- Performance Networks Benchmarking
- Detailed options appraisal



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Findings

- Lack of strategic direction
- No lead responsible officer for leisure
- No Corporate links to outcomes of Corporate Strategies e.g. Health and Wellbeing
- No evidence of community need
- Little partnership working or links to neighbourhood planning
- Current contract was expensive



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Results

- Renegotiated an extension to the contract reducing the fee by £300,000 per annum i.e. resulting in saving of £1.5million over the 5 year term.
- Negotiated joint capital investment of over £300,000 into facilities and physical activity development
- Agreed additional outcomes related to the contract



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Additional Work

- Developed a Leisure Strategy with partners
- Developed external funding bids for additional staff
- Developed a new 'Active Partnership' as a delivery arm to the Health and Wellbeing Board.



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Example 3

Site Specific Diagnostic Workshop

Project Drivers

Revenue savings/income generation, improving value for money, improving processes.

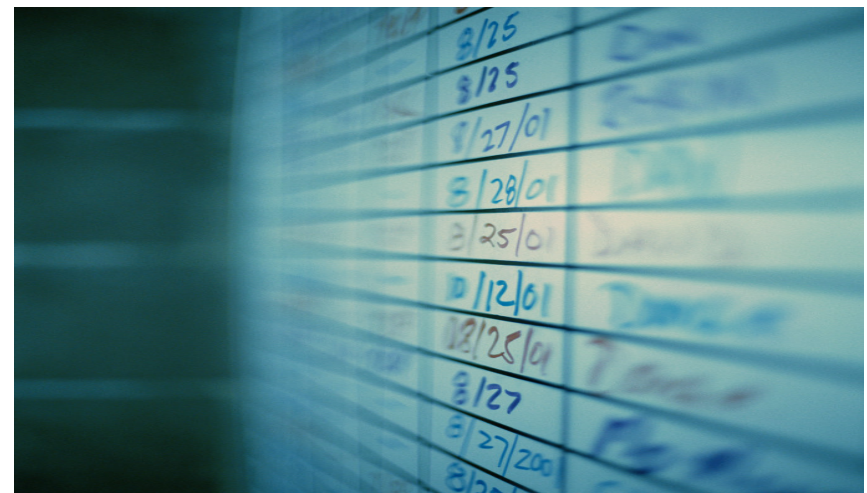
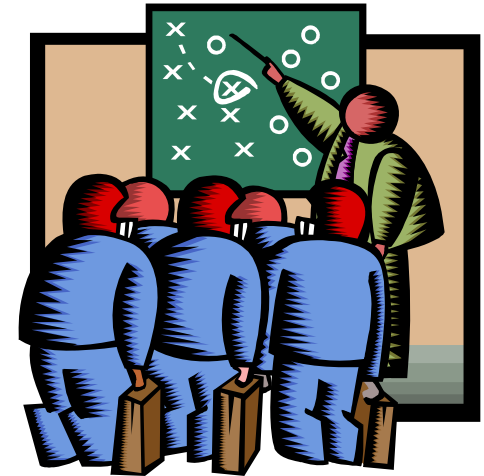
£90,000 revenue budget reduction.



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Methodology

- Staff workshop
- Strategic and financial analysis
- Performance Networks benchmarking information
- Improvement Plan



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Results

- Identified new ways of working
- Key training needs for staff
- Key areas of focus for improvement
- Additional income streams identified
- Developed an improvement plan



£90,000 reduction in base budget achieved

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Example 4

Review of the in house operation of a new Leisure Facility

Project Drivers

Reduce the impact of the facility on the Council's overall revenue budget

Increase the outcomes relating to Health and Wellbeing

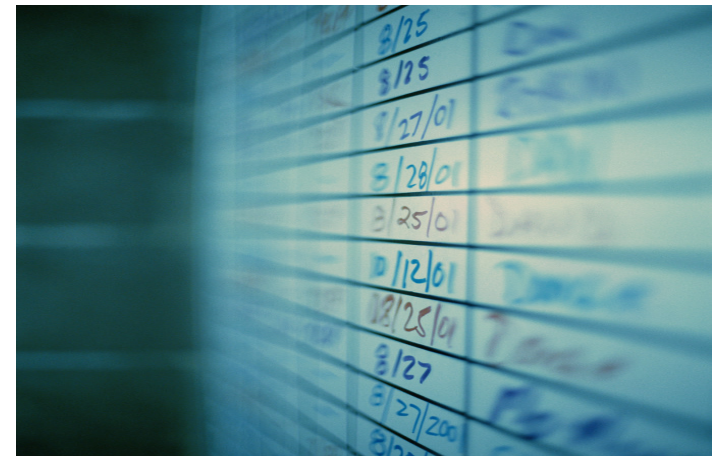
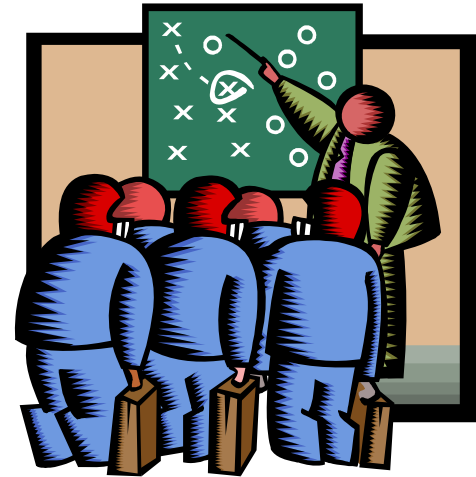


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Methodology

- Diagnostic workshop
- Review of processes
- Review of staffing and skills
- Financial Assessment and benchmarking
- Contracts Review
- Partnerships and SLA review

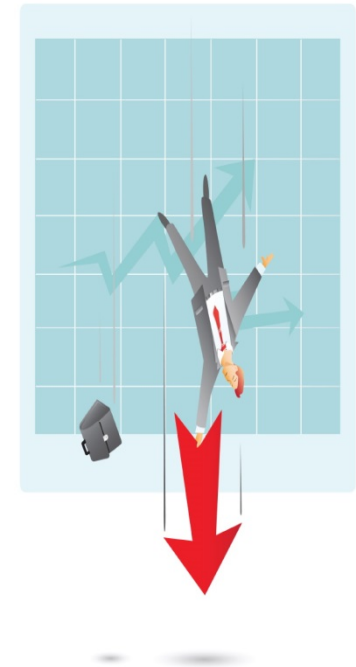


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Findings

- No clear shared strategic vision
- Clash of Community v Commercial
- Poor processes
- Staff training
- Poor Financial Management and systems
- Contracts and SLA's were outdated
- No demands/needs analysis



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Results

Action Plan produced for implementation of improvements. Potential reductions to revenue budget identified.

Action plan being implemented.



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Summary

Over £4million reduction in revenue budgets achieved on these 4 projects alone.

Services improved in all cases



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