

## **Appendix 2 – Savings strategies**

Earlier this year Members agreed a strategic approach to delivering savings, making the Council more efficient and customer focused and continuing to support regeneration across the city. This approach sees four separate, but linked programmes of work:

- Kickstart
- City centre first
- Workforce strategy
- Doing things differently

### **Kickstart**

In June 2013, Council approved plans to stimulate new jobs and the local economy through the development of the city centre's first business district at Friargate, next to Coventry Railway Station. This has the potential to generate 13,400 permanent jobs over the next 10 to 15 years. Following the announcement that Council will be the first occupier at Friargate other potential occupiers are now in negotiations with the developers. Overall 27 current council buildings in the city centre will be reduced to nine as part of the programme.

The Kickstart programme also sees:

- Investment in new technology and a new Customer Services Centre in Broadgate House to make it easier and more efficient for residents, businesses and partners to access Council services.
- Investment in the Council House to continue as the Council's civic and democratic centre.
  - a) Investment and rationalisation of a number of other suburban office buildings
  - b) The introduction of agile working arrangements for Council staff
  - c) Construction of the Friargate Bridge (junction six works) and public realm enhancements in the area around Friargate.

The business case indicates that the Kickstart programme will generate ongoing revenue savings of £0.5m a year.

The Council's Medium Term Financial Strategy recognises the transformational impact and savings that can be delivered directly through the Kickstart programme, and the impact the programme will have on other strands such as the workforce strategy programme.

The Council will need to develop a more detailed strategy to deliver £5m a year savings by 2017/18. Crucially, these savings should also improve services to residents, partners and businesses by making it easier to access Council services, stripping out red tape and bureaucracy and ensuring that scarce and reducing resources are focused on the frontline services Coventry people value.

### **Customer Journey and new technologies**

The first £0.5m saving will be achieved from an initial move of staff into the existing Contact Centre. Further savings may be achieved as the Council moves more of its transactional activity onto online/self-serve.

Over the coming year the Council aims to increase the number of transactions done online to achieve the average levels in other Councils. This means customers will be able to report, pay and apply for many more Council services online. The average cost of a face-to-face transaction is £7.90, a telephone transaction is £2.40 and self-service is 32p.

The better use of technology (the website and customer portal and automated payments) will encourage self-service and reduce demand for face to face or telephony provision and allow the Council to reduce reception points and introduce online only plans for some service areas.

Kickstart is enabling a set of wider changes that will lead to more agile working and efficiencies. Investment is also being made into:

- **Unified Communications** - this will replace the Council's ageing phone system. The new solution will combine the features of modern communications systems, incorporating instant messaging, voice and video conferencing as well as traditional telephony functions, and will support agile working.
- **Electronic Document Records Management System [EDRMS]** will provide a technology platform so paper documentation can be stored and accessed electronically.
- **Resource Booking System** so that rooms, facilities, parking spaces and hot desks can be booked by employees using one system.

The introduction of agile working and the co-location of teams and service also present the opportunity to change traditional routines, procedures and unnecessary bureaucracy, improve communication and speed up decision making.

## City Centre First

City Centre First is an ambitious and wide reaching programme to focus the Council's service delivery and access points in the city centre and reduce suburban offices to a small number of clusters based in key areas of deprivation within the city. This programme will entail a re-design of key Council services including childrens' centres, youth services and libraries, community centres, play centres and public conveniences.

This work aims to both deliver savings and encourage more residents into the city centre. As a relatively compact city, with good transport networks, rationalisation of the current high numbers of council buildings makes sense and will deliver savings through reductions property costs and service delivery costs, including staffing.

The services, and numbers of locations included in this programme are:

- Libraries (17)
- Youth Centres (9)
- Children Centres (18)
- Play Centres (2)
- Community Centres (21)
- Public Conveniences (9)
- Suburban Offices (4)
- Adult Education Delivery Points (26)

Clearly this major programme will require a high level of engagement with communities across the city over the next year. No decisions have yet been made on exact locations of new hubs, or how new services could be configured. Members have agreed next steps will include work to understand in more detail:

- What the proposed scale of the savings means in respect of a reduction in services
- The viability and impact of focusing services in areas of greatest deprivation
- The impact and benefits of focusing service delivery within suburban clusters and the city centre

- The viability of community groups, schools or other organisations taking responsibility for providing services at no cost to the Council should it withdraw

## **Workforce Strategy**

The workforce strategy focuses on new ways of working, the future shape of the workforce, people and performance, with savings contributing to the workforce strategy savings targets in the pre-budget report. Specific elements include:

### **Early Retirement/Voluntary Redundancy (ER/VR) programme**

The Council has recently closed the window for ER/VR applications for the fourth time in recent years. This has resulted in a total of 431 applications, with more than 300 applications to be approved either in this financial year or within 2015/16. The Council's "bumped" redundancy list was also recently closed resulting in a further 33 posts being released. This will deliver more than £7million of savings a year.

### **Vacancy management**

Work to identify already vacant posts across the Council and delete them if possible has so far resulted in savings of in excess of £700,000 a year.

### **Management delayering**

The Council currently has 794 managerial posts – around half the number the Council had in 2010 (723 in 2014, 1,517 in 2010). Over the last three years, 16 of the most senior management roles have been deleted (including four fewer Assistant Directors and two fewer directors). This figure is expected to reduce further in the current VR/ER programme, and work is now underway to reduce further the number of managers across the organisation.

It will also be important for the Council to attract high calibre staff into Coventry while retaining and continuing to develop the skills and abilities of the current workforce, particularly in hard to recruit areas. Some of this work will provide further savings options but will require employee engagement and trade union consultation, negotiation and involvement.