

Legal & Procurement Budget Options

Reference:	L&P1 & 2
Budget theme(s):	Driving organisational efficiency
Service(s):	Legal
Lead Member(s):	Michael Pavey

Proposals:	Proposal is to enter a shared service for Legal either with a large number through London Borough Legal Alliance (LBLA) or with other boroughs in a smaller arrangement see options paper attached
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2014/15	
Total budget for the service(s):	£3.395m
Total post numbers in the services(s) (FTE):	40

	2015/16	2016/17 Additional	Future years Additional
	£'000	£'000	£'000
Proposed saving:	458	900	0
Proposed staffing reduction (FTE)	TBC - Dependent on business case	TBC - Dependent on business case	

Proposed savings

The savings will come from the reduction in management through a shared service and the ability to undertake more work across a larger number of staff reducing the need to send out work to external lawyers. This could include all external legal spend including regeneration projects and insurance liability claims. There will also be a reduction in any non legal work undertaken. The current business case will need to be brought forward and increased savings achieved through reengineering of the profile of lawyers undertaking the work and optimising the benefits from a shared service.

How would this affect users of this service?

The service will be provided from a shared source, there will be a slight change in the immediacy of the response times. It is likely as additional savings are produced that there will be a reduction in the legal service able to be provided and officers within the authority will have reduced support when preparing for litigation such as preparation of statements. Officers within the Council will need to undertake more initial work on litigation matters.

Key milestones

Preparation of detailed business cases and Key consultations with staff including any TUPE implications. There continues to be considerable work undertaken on the shared services work with staff currently including workshops on how teams will work together and areas of work that have similar processes which can be further streamlined there will inevitably need to be a reconsideration of the level and seniority of work that is undertaken, there will also be work done with Departmental management teams about levels of support and involvement in the early stages of legal cases. There will need to be consultations with unions.

Key risks and mitigations

The major key risk is if the requirement for legal service remains high and the agreed level of shared service is superseded an increase in costs could mean savings are not achieved

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes/
Disabled people	possibly
Particular ethnic groups	possibly
Men or Women (include impacts due to pregnancy/maternity)	no
People of particular sexual orientation/s	possibly
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	no
People in particular age groups	possibly
Groups with particular faiths/beliefs	possibly
Marriage / civil partnership	possibly

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment. This assessment form and the guidance for its completion can be found at:

EIA required?	As part of the shared service proposals yes
EIA to be completed by:	Fiona Ledden
Deadline:	<i>Dependent on business case</i>

Lead officer for this proposal:	Fiona Ledden
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Budget options Information

Reference:	L&P 3 incorporating L&P4
Budget theme(s):	Driving organisational efficiency
Service(s):	Executive and Member services
Lead Member(s):	Councillor Pavey

Proposals:	<p>This service includes Democratic Services, Electoral Services, Political Office support, Leader and Executive Support, the Mayor's Office and Member Learning and Development.</p> <p>The budget allocation is for member learning and development. Members' allowances are not included in the totals when valuing 40% of the budget.</p> <p>There has been recent small restructure following the local elections to take account of the changes to the democratic profile of the organisation. This represents full year savings amounting to £97,887.61.</p> <p>The elections team is very small and it is unfeasible to reduce the team any further; the proposed savings falls on the democratic services team and support will not be available to all for as previously.</p>
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2014/15	
Total budget for the service(s):	£836,000
Total post numbers in the services(s) (FTE):	22

	2015/16	2016/17 Additional	Future years Additional
	£'000	£'000	£'000
Proposed saving:	140	427	
Proposed staffing reduction (FTE)	4	6.5	

Proposed savings

The savings proposed will be a considerable reduction in staff supporting the Executive and Member services function, this will be part of a fundamental reorganisation of the service. There has already been a reorganisation that will provide a £97,000 saving to the service through changes to the support provided for Members following the 2014 election, and by taking out a vacant Democratic Support Officer role.

There will be further reductions to the department by reducing the number of posts supporting our elected members. This will require a change in the way that the service works and how support to members and to committees function is provided.

In the following year it is proposed to delete further posts in the Executive and Member services unit. This still falls short of the 40% savings and further reductions in staff would mean the delivery of the Democratic function would need to be provided differently with a complete restructure and consideration of how the support to members and committees are provided.

Total savings are £567k

Further savings to achieve the figure of £340,000 will require a reduction in staff and a reorganisation of Democratic Services and Member Support teams. It is proposed that there would be a reduction of one Member Support Officer with a reduction from full to part time of the support post to the Opposition Party.

How would this affect users of this service?

The service would mean a considerable reduction in support to members and the democratic process. It would also mean a reduction in the function for providing support to committees and may mean a reduction in the speed of service and quality of the minutes.

The proposals for the second year will affect the delivery of the way meetings are minuted and supported and will reduce support to members and the Mayor. This will make the delivery of the service increasingly difficult.

Key milestones

Staff consultation would be needed as further reductions would be made to staffing.

Key consultations

Consultations with members would be required

Key risks and mitigations

The risks are that the lack of senior support would affect the running of elections after 2015 going forward

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes/No
Disabled people	n
Particular ethnic groups	n
Men or Women (include impacts due to pregnancy/maternity)	n
People of particular sexual orientation/s	n
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	n
People in particular age groups	n
Groups with particular faiths/beliefs	n
Marriage / civil partnership	n

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment. This assessment form and the guidance for its completion can be found at:

EIA required?	Yes
EIA to be completed by:	Fiona Ledden/Thomas Cattermole
Deadline:	

Lead officer for this proposal:	Thomas Cattermole
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Budget Options Information

Reference:	PRO1
Budget theme(s):	Driving organisational efficiency
Service(s):	Procurement
Lead Member(s):	Michael Pavey

Proposals:	<ul style="list-style-type: none"> Reduction in the work Procurement undertake to become a compliance and enablement function with devolvement to service areas the running and strategic influence being with departments.
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2014/15	
Total budget for the service(s):	£636,000
Total post numbers in the services(s) (FTE):	10

	2015/16	2016/17 Additional	Future years Additional
	£'000	£'000	£'000
Proposed saving:	0	270	0
Proposed staffing reduction (FTE)	0	6	0

Proposed savings

Within the procurement function the only element to the budget is staffing and so the only savings can come from staffing reductions. This would lead to a very reduced service, it would take account of the changes from one Oracle and the use of e-procurement. The risks to the effective procurement of the organisation would be that in the devolved areas there would not be a strategic approach to procurement across the organisation. The procurement savings identified as part of the budget process would not have a central control and could be at risk of not being achieved.

It is recommended that an appraisal of the best ways to progress with procurement for the organisation should take place with consideration given to outsourcing, merging commissioning functions with procurement, and shared services, in particular looking at WLA. This achieves potential savings but requires analysis of potential options. The current proposition does mean that service departments would be responsible for all of the procurement activity tasks and strategic advice alone would be available from the central unit.

Key milestones

Consultation with staff and full implication of Oracle would be needed to ensure that reliance on the oracle processes could be achieved

Key risks and mitigations

The risks are twofold, with the requirement to make significant savings out of procurement this reduction to resources would significantly affect any strategic involvement or consideration of how to achieve those savings. It may be necessary for large pieces of project work on shared procurement to bring in costly project procurement specialists

Secondly that there is a lack of compliance with financial regulations and standing orders with the activity devolved to departments.

A more radical approach may be to consider whether this is a service that could more properly be outsourced to gain efficiencies of scale.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes/No
Disabled people	No
Particular ethnic groups	Possibly
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment. This assessment form and the guidance for its completion can be found at:

EIA required?	Probably not but as part of staff consultation
EIA to be completed by:	Fiona Ledden
Deadline:	<i>When clarity going forward</i>

Lead officer for this proposal:	Fiona Ledden/ Gary Salterpicco
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