

Customer Services
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John Burgess
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Via e-mail

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Dear John

I would like to start by thanking you and Unison for your effort in the collation of your recent response to the Revenue & Benefits transformation proposal. I received your response on the 17 May and you will appreciate I was on leave for a week, hence taking a couple of weeks to formally respond.

This letter seeks to respond to the key concerns expressed in your response.

I would hope you would agree, that I have sought to provide a range of channels by which we have been engaging with Trade Unions and staff, and that this response sits within that wider portfolio of engagement.

Accordingly I would like to recap (below) on the formal channels that we have in place to ensure that consultation with both our staff team and the Trade Unions is collaborative and meaningful, and with a view to reaching informed decisions.

- Monthly Trade Union Meetings
- Weekly Revenue & Benefits Trade Union meetings
- Weekly Revenue & Benefits staff updates
- Monthly People & Culture TU meetings
- A dedicated intranet page
- Revenue & Benefits Question box
- One to One consultation with all staff
- OneBarnet inbox

In addition, as one of your key concerns is around consultation, it is worth just recapping on the journey we have taken together. This started back on the week commencing 5 December 2011 when we provided the Trade Unions with a copy of the “*work in progress*” Customer Service Transformation (CST) business case.

Accordingly we advised that we would dedicate the monthly TU meeting of 14 December to answering any questions on this whilst it was in 80% draft form. It was a shame that no-one from the TU side was able to attend at that time – as I have acknowledged many times, I appreciate that in a council with so much change going on – your resources are stretched.

In the ensuing period we have maintained our commitment to open dialogue, on separate occasions rescheduling monthly TU meetings specifically to allow early involvement and/or to coincide with the completion of future operating proposals. Recent examples of this include:

- March: involvement in slide pack design for the opening of Revenue & Benefits staff consultations
- April monthly meeting provided TU's with embargoed copies of the recently completed future operating proposals for Social Care Direct & Customer Service Optimisation.

In addition, TU' s were invited to the staff presentations we gave on the weeks commencing 2 & 14 April.

I can evidence that we have been listening - the approach that we have taken to staff Q&A's and 1-1's which has driven staff involvement in the decisions that affect them - has directly contributed to the revisiting of the resourcing of the front office structure.

I hope that our weekly meetings, which I personally find useful, have offered you suitable reassurance as to our ongoing commitment.

All in all this leaves me confident that whilst aware that we may not always agree on the details of change or the way forward, we are in a place where we have consistent, meaningful and open discussions with all parties on a regular basis – as evidenced by my willingness to make changes in response to your feedback.

With regard to the Unison response to our transformation proposals, I would like to firstly reemphasise that the decision to outsource Revenues & Benefits via the NSCSO has been made and will not be re-opened.

Also, I have no mechanism to re-open the discussion about the level of savings required. Both of these things mean that change is unavoidable. It is worth remembering – that if the service were not being outsourced – it would have a three year target for savings – like every other service – and this would simply be the first year of that (e.g. c.f. with Libraries - £1.4M saving over 3 years on a £5.6M budget).

As I have explained on many occasions, I have both a responsibility to deliver MTFS savings for 2012-13 as well as make sure that we deliver further longer term efficiencies in advance of the transfer of the service.

Your proposal to reduce costs through the cutting of spend on consultants would, as I am sure you are aware, fail to deliver MTFS savings in accordance with the financial rules. The decision to procure additional support was agreed by CDG and the Customer Services Transformation board – as outlined in the business case which we presented to you in December 2011. This expenditure will cease at the end of the year and in any event is one-off funding from the One-Barnet Programme. It does not impact on the day-to-day running costs of the service. Not spending this one-off funding would **not** result in a reduced MTFS saving for the service.

The other thrust of your arguments is that there are too few staff in the service at present. Our research does not support this. We are proposing process improvement and increased structural agility enabling staff to work more effectively – as well as improving the customer experience by reducing the time it takes to claim benefits.

The reality is that the service had additional support to see it through the system upgrade during 2011/12– and the funding for this has now been removed from the budget – creating an additional pressure in the service. We have to achieve savings through increased efficiency as this is a demand led service. Therefore changes in working practises are required to deliver the necessary savings.

It is my role to challenge managers and staff in the service to find ways of reducing costs without sacrificing service quality, for example by improving business processes, cutting out unnecessary work, and questioning the ways in which work has been done in the past. This should be normal practise in

any service. Some staff have said to me privately that they welcome this and feel in some areas the drive to do this is long overdue.

I am particularly keen to ensure that staff at all levels take ownership and responsibility for their own work– a 'right first time' mentality and culture, empowering the team to take informed and timely decisions.

In some situations this will of course require some further training and coaching, but I am convinced that in the long run this will result not only in better service performance but also in increased staff satisfaction.

We have sought to minimise the number of job losses, but this does require a significant reduction in use of agency staff and changes to business processes. I have sought to mitigate the risk of change by the creation of the transition team, which is currently in the funding model until the end of December 2012. As we introduce better and more visible performance management, we will be able to spot and respond to early warning signs of where things are going wrong.

I would also like to offer you some assurances with regard to your comments on risk to council tax and benefits subsidy. I am as aware as you are of the potential risks to income that are inherent in any change process. However, in my experience reducing costs and improving performance are not mutually exclusive, and by having experienced change professionals in place this further mitigates the risk going forward.

I understand the concerns of your members – as this process creates a period of uncertainty for them. As we have discussed – the best way through this is to get on and deliver the changes, while maintaining meaningful consultation and dialogue. I accept this is a difficult balancing act – but to-date believe, with your help – we are getting this about right.

It is right and proper that you express the concerns of your members, but overall your response does not provide me with viable alternatives to deliver the efficiencies needed. I have responded to your feedback on an on-going basis and made changes based on that. I have given commitments that staff will continue to be involved on the detailed design of the new structure – indeed it is part of my strategy that the new management team should take full ownership of the next stage of the process.

I would in conclusion like to thank you for the effort that you have made, and look forward to our continued working partnership going forward.

Yours sincerely

Bill Murphy
Assistant Director – Customer Services