

# Case Study

Redcar and Cleveland Council



## Redcar and Cleveland Council uses SSentif to support £7.3m savings drive

### About:

Redcar and Cleveland is an area combining modern multi-national heavy industries, a rich and diverse heritage, as well as outstanding natural beauty. As a unitary council it delivers a full range of public services to 59,000 households.

As well as the principal towns of Redcar, Guisborough and Saltburn, the borough also includes a number of small towns and villages including Grangetown, Marske, Brotton, Loftus, Skinningrove and Skelton.

The council employs approximately 5,000 staff working across three directorates: People Services, Regeneration Services and Chief Executive and Corporate Resources.

### Challenge:

Against a challenging background of budget cuts, Redcar and Cleveland embarked on a new project called 'Delivering Our Budget', one of eight projects initiated by the council in 2012, in response to improvement opportunities it had identified, and as a way of creating future financial sustainability.

The purpose of 'Delivering our Budget' was to address:

- The direct ownership and delivery of all council budgets via a system of improved directorate budgetary control
- The governance of savings schemes and their timely delivery
- Future funding of revenue and capital spending plans via the council's Medium Term Financial Plan
- To address the risk of the council not delivering on its agreed financial plans in 2012/13 and 2013/14, and to instil a set of financial disciplines that would serve the council well in subsequent years.

The council wanted to improve and rationalise the process and governance around its budget setting, and budget monitoring processes. In particular, it wanted to take a more proactive approach to overseeing the range of savings schemes and business reviews, conducted at corporate and directorate levels, considered to be key to balancing the council's Medium Term Financial Plan.

There were a number of key issues to be tackled as a priority, including looking at overspending in specific directorates, analysing service performance and ensuring the council was securing value for money in the face of further budget cuts.

David Jennings, Financial Services Manager, joined Redcar and Cleveland council in January 2012, accepting an interim role to lead the finance team and support the council in achieving its objectives.

For him, benchmarking had to form a key part of that strategy: *"We needed access to information that would enable us to establish relative income levels, identify savings opportunities, perform regular stock takes on savings progress, evaluate return on expenditure and address historic overspends in areas such as Adults & Children's services. To achieve those objectives we required access to comprehensive benchmarking data."*

David and colleagues from the Policy and Performance Team spent three months evaluating various benchmarking tools, before seeking the advice of a peer at Durham Council, who had experience of using SSentif Intelligence. He said: *"LG Inform is a free tool, so obviously that was initially attractive. However, looking at SSentif, it quickly became evident that within 5 minutes it was possible to get something intelligent from the system."*



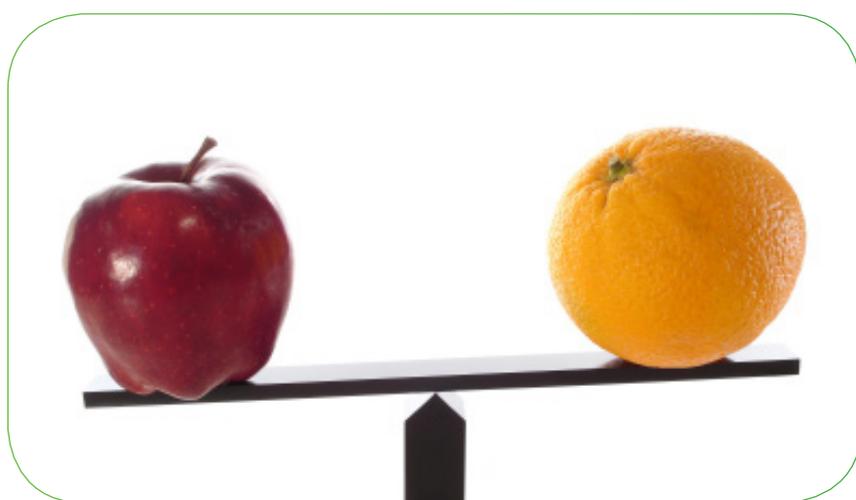
## Solution:

In July 2012, Redcar approached online data management and analysis solutions specialist, SSentif for a demonstration of its benchmarking solution. Founded in 2004 SSentif has already developed the widest range of fully analysable public sector data in the UK. Its unique system contains approximately 25,000 different indicators and over 10 years' worth of historical data.

SSentif came in and demonstrated the system to a group of key people including Amanda Turner, Performance and Business Improvement Specialist, whose role was to assess SSentif's suitability as a solution for the growing internal demand for benchmarking data, driven by the disappearance of the National Indicator Sets.

The team were immediately impressed. David explained: *"One of our key aims as part of the Delivering Our Budget project was to achieve greater clarity. We needed to gain a much broader picture of our expenditure and to avoid 'surprises'. The SSentif system contained an unrivalled breadth of information, allowing us to look at both Local Government and NHS datasets. We found the graphical representations particularly useful and the whole system very easy to use."*

SSentif's solution uses a simple '3 step' system, which allows the user to log in and build reports following a series of prompts. The user simply needs to select which organisations they want to benchmark against, which indicator(s) they are interested in comparing and then choose how they would like to visualise the data. The system can create 'latest results' reports which allow in-depth relationship analysis through time.



## Implementation:

SSentif trained Amanda as an 'Expert User' of the system. Amanda was responsible for the internal roll out of the system, beginning with the Corporate Performance Team. Amanda presented the system to the performance leads within the council's directorates and to the Directorates Management Teams, who immediately recognised the potential of the system and requested that Amanda spend time training specific service teams within directorates. Within the council the Assistant Directors have collective responsibility for delivering the directorate's priorities, establishing collaborative working models and - crucially - ensuring the council achieves value for money across all services, making the SSentif system of real interest to them.

Said Amanda: *"Everyone was impressed by how usable the SSentif system is. I tailored each presentation; pulling out reports I thought would be of interest to different directorates and their service areas and news of the system spread by word of mouth. Although there was no formal roll-out programme designed, the potential of the system has led to me training a diverse number of people across the council, delivering tailored training presentations to individual service teams such as Safeguarding Children and Finance. We now have over 50 active SSentif users."*

One such user is Phil Winstanley, Senior Accountant for People Services.

To support cost reduction in Adult Services, Phil has used SSentif to analyse three specific elements of Redcar and Cleveland's service offering:

- Residential & Nursing Care
- Home care
- Direct payments

By comparing Redcar to like organisations from the same region and with similar demographics, such as Darlington, Hartlepool, Middlesbrough and Stockton, Phil has found himself able to look at both the cost and volume of service provision, allowing comparison of unit costs and the breakdown of cost variances into their component parts of volume and price. This level of analysis has been extremely useful in informing medium term financial planning and future commissioning intentions.

He said of the system: *"It has been invaluable. It's exceptionally user friendly. One quick walk through and you're able to extract something meaningful. It's a one-stop-shop for benchmarking information and much less labour intensive than anything I've seen before."*

# Outcome:

Redcar rolled out the use of the SSentif system across its directorates, beginning first with the Performance Leads, then moving to the Directorate Management Teams and the Senior Accountants within each directorate.

Use of SSentif datasets has played a significant role in helping the council analyse how it uses its resources, and this was valuable as it constructed future years budgets and medium term financial plans. Speaking about the results of implementing SSentif, David Jennings points out: *“Benchmarking isn’t the whole answer, but it has allowed us to ask more intelligent questions, to truly interrogate our services and spending”*.

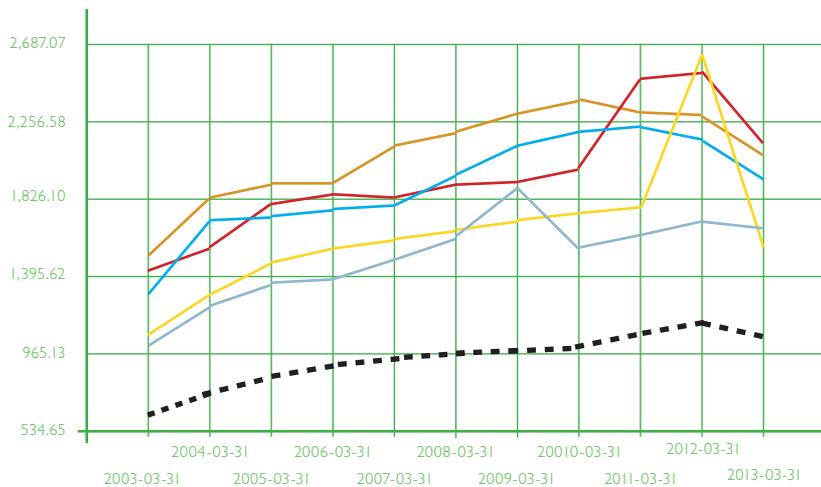
*“SSentif’s system has already enabled our council to produce a number of reports and evaluations which are being used to appraise services and to raise the whole budget profile and communicate this to key stakeholders by establishing what savings can be delivered, and where they can be made”*.

The system has been particularly useful to social care services, where the People Services Directorate has improved how it benchmarks itself against other councils, testing how well its services perform in terms of what they deliver (performance measures) and how much they cost. This new approach has allowed Redcar to examine where it might perhaps deliver more for the same resource.

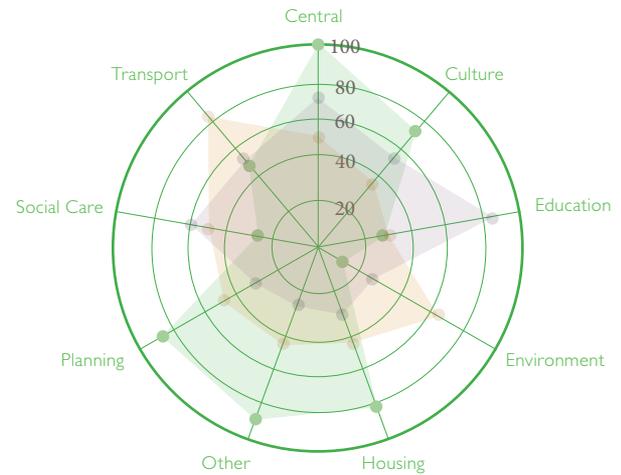
Key to the successful use of the SSentif system within Redcar and Cleveland council is how widely used the system has become. Amanda Turner believes this is due to the system’s simplicity: *“SSentif gets 10/10 for usability. I got everything I needed and more from the training and found it easy to talk others through the system. SSentif have built something fast, easy and clear.”*

To date, as part of Delivering Our Budget, the council has identified £7.3m worth of savings and Dave Jennings believes the system has played a key part in identifying savings opportunities and allowing the council to focus on the medium term to ensuring that national funding changes are fully reflected in the council’s future financial planning.

Monitoring unit cost spend across all services for different organisations



Analysing at unit cost level for different service areas and councils



## Data Range

- Financial
- Outcomes
- Activity
- Performance



## Analysis Tool

- Benchmarking
- Performance Tracking
- KPI Dashboards
- Efficiency Savings



## Support

- Online Training and Tutorials
- Onsite Training
- Bespoke Report Services
- Helpdesk Services

## How did SSentif Benchmarking help you with your project?

**David Jennings:** *“Crucially, benchmarking with SSentif gives you the confidence that your future delivery model is achievable.”*