

Report of the Corporate Management Team

More for York – Blueprints

Summary

1. The More for York Programme has been established to transform City of York Council into a more effective organisation that delivers

More for our customers

- More efficient, joined-up and straightforward services
- One stop customer service
- Quicker response times and faster delivery of work
- More convenience - extended hours and more ways to access, enquire and pay for services
- Decisions made with customers at first point of contact
- Organise ourselves to be able to respond to what customers want, when they want it
- Listening more to customers communities and businesses so we deliver what they want and need

More for our employees

- Simpler processes, less administration and better access to the right information
- More training and skills development
- More flexible working arrangements
- Staff encouraged to innovate and improve services
- Front line staff given the authority to resolve customer requests
- Clear leadership and decision making by managers
- Clear guidance and advice for staff

More for our money

- More efficient and cost effective services demonstrating excellent value for money
 - All services fast, direct and efficient – less duplication and less administration
 - Getting more for tax payers money through improved procurement and purchasing – buying as one organisation and collaborating with others to get the best deals
 - More exposure to competition - services to be provided by those best placed to deliver them
 - Invest in frontline services by streamlining and bringing together support functions
2. The scope of the Programme was agreed by Executive in July 09 and further work was requested to set out more comprehensive business cases and options in 10 workstreams. This report sets out the outcomes of the recent blueprinting exercise undertaken by the More for York Programme (including our efficiency partners Northgate Kendric Ash (NKA)) to identify a range of service improvements and efficiencies.
 3. The report sets out a series of decisions to be made in order to initiate work on delivering the benefits of the programme. These are proposed by the Corporate Management Team and represent a broad-based programme of work to ensure the Council continues to provide efficient and effective services which are focused upon Customer needs, ensuring the Council is modern and forward looking. The proposals are key in ensuring the achievement of the Effective Organisation theme within the Corporate Strategy and will deliver savings which will enable the Council to set a balanced budget, in line with the medium term Financial Strategy.

Background

Corporate Objective

4. The eighth theme of the Corporate Strategy commits us to working to become an ever more effective organisation: modern, professional in all that we do, living up to our values and a great place to work.
5. This theme commits us to continue a programme of transformation for the authority, ensuring we are a modern, agile organization. It also focuses on ensuring consistent, high standards of professionalism throughout the council by implementing the Single Improvement Plan and Business Model. In addition there is a further commitment to support staff by offering personal development opportunities, implementing fairness at work policies and a wide range of benefits, and most importantly to proactively communicate with the local community to increase people's understanding of, and access to, our services and those provided with our partners.

Efficiency

6. In 2008/09 York had the second lowest Band D equivalent Council Tax of all 46 Unitary Councils, it had the lowest spend per head and received the 7th lowest Government Grant per head. Therefore York can be considered to be one of the lowest funded authorities in the country.

7. Though the budget process has regularly delivered 3-5% savings per annum to balance the Council's financial position it is now untenable to assume that this approach can continue without significant impact upon services. The In year budget position underlines this as we feel the impact of a range of external spending pressures (economic downturn, ageing population).
8. It has been agreed that there is a need for a "one Council" approach to achieving the required efficiency gains. It is important to stress that the More for York Programme has the fundamental principle that savings have to be true efficiencies – this means **no deterioration/reduction in the level or quality of service delivered to Customers**. In addition, throughout the process we would be looking to both reduce costs, but at the same time improve service delivery. Taking a corporate approach to efficiency will ensure that the Council maximises its use of resources, and focuses these upon the delivery of high quality customer facing services.

Economic Position

9. The current Medium Term Financial Strategy (MTFS) sets out the need for a minimum £15m of savings to be generated in the next three years, starting with an estimated £3.2m in 2010/11. This projection was based upon prudent estimates of inflation, known growth pressures and Government settlements.
10. Since the MTFS was written, the global economic crisis has almost certainly made the position worse. Lower interest rates and low inflation combined with increasing unemployment levels have already had wide reaching impacts upon our own finances and will change the pattern of customer demand as the credit crunch pushes more people into a vulnerable financial position and increases their need for some council services. This impact has already been seen in the first quarter of this year with a potential overspend of more than £2m due to a large extent to reduced income budgets due to the impact of the recession and increased demand on services.
11. The Budget revealed **local government's 3% CSR07 efficiency target has been increased from £4.9bn to £5.5bn, with councils expected to find 4% efficiency savings in 2010-11**. The Government has said that the additional £600m will be retained by councils to reinvest in services. Beyond CSR07, the government has already announced that it will seek an additional £9bn per annum efficiency savings across the public sector by 2013-14. It is not clear what local authorities' share of these savings will be
12. Ahead of the General Election all three main parties have identified the need to make further reductions in public spending and although this is unlikely to impact upon the settlement for 2010/11 it will almost certainly give rise to a lower settlement in subsequent years.
13. It is reasonable to assume that we will need to significantly increase the level of efficiencies in the coming years. Therefore, whilst the Efficiency programme target at present is to deliver £15m savings in a three year period, the likelihood is that we will need to achieve more, and therefore the programme will need to be even more extensive, and consider significant changes in how services are delivered. If the More for York Programme does not deliver the required savings then the Council will need to find other ways to achieve the savings. The need for very considerable savings is an undeniable fact, it is merely the method by which the Council goes about achieving it

that is for debate. It should also be noted that there may be a need for additional savings over and above the More for York Programme when considering the 2010/11 budget position. This will be considered as part of separate reports on the Council's Financial Strategy.

Ambition

14. City of York Council (CYC) has some excellent, high performing services. It also has some services which require improvement. Customer expectations continue to increase and Government targets also prompt us to continue our improvement journey. The current financial situation makes this a real challenge.
15. Such challenges are causing councils nationwide to consider their future plans. Some councils are already drawing heavily on reserves to address the gap. The best, most efficient, effective and forward-looking councils are planning now how they intend to meet the financial challenges ahead, how they can identify opportunities for long term efficiency, which both deliver improved customer outcomes, and financial savings.
16. It is in this context that CYC sets out its' **intention to be an excellent, forward thinking Council**. The proposals set out in this report represent best practice in private and public sectors. The Council is looking at step changes in process, cost and collaboration, not because we are a poor performer, or are not effective, but because we **recognise the need to constantly improve customer services**, remove waste, utilise technology, harness the skills of staff, develop sustainable business practices and ensure we are operating as effectively as possible. All successful organisations have this ambition, ensuring they stay ahead of the game, and respond in a planned manner to changes in the environment they operate within.

Efficiency reviews and Blueprints

17. Delivering the More for York Programme will require substantial resource, which will be almost impossible to find solely from within our existing staffing resources. As a result, in December 2008 CYC appointed Northgate Kendric Ash (NKA) as our Efficiency Partner, and commissioned a 12-week review the operation of the entire Council. The partnership is based on a 100% risk model, whereby NKA will place all their fees at risk if genuine efficiencies are not made. The basis of the partnership is that NKA bring with them experience and additional capacity to support CYC in delivering the programme.
18. The review report was the result of just 12 weeks intensive review work. At the Executive meeting In July, Executive approved further work to complete detailed business cases or "Blueprints" for 10 work streams. These represent the first year of the efficiency partnership and include work that will deliver savings and improvements from late 2009/10 onwards.
19. Since July there has been extensive work by the business and the More for York team on 9 of the 10 work streams to baseline costs and performance, explore options and develop firm proposals to deliver efficiencies. The results of this work are set out below.
20. The Adult Social Care work stream has been partially completed and the recommendations in two of the strands are incorporated into this report but there is still further work to be done on the reviews of Home Care and Elderly Peoples Homes to

finalise the detailed business case and identify options. This work is ongoing and will be brought back to Executive In November and January respectively.

21. The Organisational review work stream is being led by Kersten England, the new Chief Executive, and will incorporate the outcomes of the other 9 work streams. It is therefore following slightly later than the other reviews but is still an early priority and will be brought back to Executive in the next few months.

Corporate Management Team Proposal

22. Corporate Management Team are championing proposals to transform each of the following services. Set out below is a summary of each blueprint

- | | |
|--------------------------------------|---|
| 1. Neighbourhood Services | 6. HR |
| 2. Customer Services | 7. Property Services |
| 3. Income Collection/Debt Management | 8. Housing Landlord Services |
| 4. Procurement | 9. Adult Social Care (work in progress) |
| 5. ICT | |

1. Neighbourhood Services

Benefits

More for our customers

- More efficient, joined-up and straightforward services with transparent information, a single access channel and streamlined operations
- More focus on what customers and communities want by focussing strategic and operational work on Communities and Neighbourhoods
- More responsive customer focused operations working closer with community groups and partners and developing a single brand

More for our employees

- More productive working time due to mobile technology and scheduling of work
- More transparent services so the employees can see their role in the organisation and how it fits in with the rest of the organisation
- More opportunities for staff to develop

More for our money

- More value by reducing spend on staffing through controlling overtime and temporary staff, removing duplication, consolidating administration and optimising schedules and processes
- More efficient processes and use of time through effective use of technology
- More integrated and centralised operations to reduce duplication and provide better support to operations
- More collaboration with partners to develop knowledge of communities to best deliver and develop services

Activity will include: -

Highways and Civil engineering

- Remove client contractor split
- Review highway maintenance contracts
- Mobile technology to allow work to go direct to operations
- Generic Inspectors
- Review energy issues related to reducing carbon emissions

Regulation and Enforcement

- Mobile technology to support operational staff (mobile FLARE)
- Self service option development (i.e. e-licensing)
- Combined service inspectors (e.g. licensing, food standards, waste provision)

Fleet and Workshops

- Review management of the workshops
- Reduction in vehicle costs hire/lease
- Improved utilisation of vehicles
- Establishing vehicle pool to eliminate hires
- Review the corporate fleet requirements

Area management

- Focus on area management and area based service provision in Neighbourhoods
- Review of how Neighbourhood budgets are allocated and used
- Improved co-ordination of activities at a local level reducing duplication and increased focus on local outcomes

General

- Control on staffing costs
- Review of the Neighbourhood Services organisation
- Streamlining of processes
- Implementation of technology to improve services

Business Support

- Review of the relationship with the YCC and Management Information
- Deployment of technology to support productivity improvements
- Reduction of paper work and duplication of effort

Waste and Neighbourhood Pride

- Optimisation of rounds and schedules
- Review of structure, terms and conditions
- Generic operatives
- Deployment of technology to increase levels of service for the customer
- Increase income collection in Commercial Waste
- Move to customers sorting their recycling prior to collection

| | Decisions Needed | Who | When |
|-----|---|------------|-------------|
| 1.1 | Centralisation of administration within Neighbourhood Services | Exec | July 09 |
| 1.2 | The YCC will be developed to be the first point of contact for the customer of Neighbourhood Services | Exec | July 09 |

| | | | |
|-----|--|------|----------|
| 1.3 | Staff will be developed in order to fulfil the required outcomes of the new business | Exec | July 09 |
| 1.4 | Implement changes to staff terms and conditions to enable flexible deployment of staff and maximise productivity | Exec | July 09 |
| 1.5 | Opportunities for generic working will be implemented where it will provide a service improvement | Exec | July 09 |
| 1.6 | Implement mobile working to maximise the potential of operational staff | Exec | Oct 09 |
| 1.7 | Provide additional recycling containers to enable prior to collection customers to sort recycling | Exec | Oct 09 |
| 1.8 | CMT to review the scope and delivery of Fleet | CMT | Sept 09 |
| 1.9 | Develop proposals for extending area based working | Exec | April 10 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
|-------------------|---------|-----------|---------|---------|-----------|
| Savings | 401,000 | 1,308,200 | 345,000 | 267,000 | 2,321,200 |
| Investment | 488,000 | 271,000 | 25,000 | 13,000 | 0 |

2. Customer Services

Benefits

More for our customers

- Customers will have a choice about how and when they contact us.
- Services designed and delivered around their needs.
- Joined up delivery across the council to enable customers to 'tell us once'
- Wider range of web based self-serve and telephone services.
- Feedback on the status of service requests, confirmation about when work will be completed.

More for our employees

- Well-equipped and empowered staff to meet a wider range of customer requests.
- Removal of routine administration to allow them to focus on the needs of customers
- More open and collaborative culture which encourages innovation and staff engagement.

More for our money

- Consolidation of services to remove duplication and hand-offs.
- A move towards utilising the most cost effective channels such as web self-service.
- More collaboration with partners to reduce the costs of service delivery
- Move away from non value added tasks such as cashiering.
- Introduction of generic job roles and more flexible terms and conditions to maximise the value of staff resources

Activity will include: -

Single Customer Services Organisation

- Consolidation of all city centre face-to-face reception points at St Leonard's.
- Joined up delivery of customer service across the Council to enable customers to 'tell us once'.
- Consistent application of customer service best practice across the whole service.
- Extended YCC hours on weekday evenings and Saturday mornings.

Working with Customers

- Consulting and involving customers on the development and improvement of services.
- Creating opportunities for joint working with groups such as CAB
- Extending service availability to meet customer needs.
- Improving the Customer Feedback Process
- Increased understanding of customers – customer insight

More efficient YCC

- Improved scheduling and forecasting of staff to meet customer needs.
- Increased range of telephone and web based services.
- Introduction of outbound telephone calls to recover debt.

- Introduction of a service to support Councillor service requests to ensure that both they and residents get feedback.

| | Decisions Needed | Who | When |
|-----|---|------------|-------------|
| 2.1 | Establish a single Customer Service organisation for all face to face telephony and internet customer contact | Exec | Oct 09 |
| 2.2 | Consolidate all city centre face to face contact points under one manager and base at St Leonard's – close customer receptions at, 10-12 GHS and 20 GHS and Mill House (retaining business reception) | Exec | Oct 09 |
| 2.3 | Extend YCC opening hours to weekday evenings and Saturday am | Exec | Oct 09 |
| 2.4 | Undertake small scale re-branding of single customer service organisation | CMT | Sept 09 |
| 2.5 | Develop a programme to bring in new services into the YCC prior to the move to the new HQ | Exec | Oct 09 |
| 2.6 | Review internal telephone handling teams (HR ICT Property) to identify where use of call centre telephony could deliver efficiencies | CMT | April |
| 2.7 | Increase the range of services delivered over the internet and encourage take up of this channel | Exec | Oct 09 |
| 2.8 | Develop a profile of our customer to give us insight into the needs of customer in specific localities and in different communities of interest to help shape ongoing delivery of services | CMT | Sept 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| Savings | 267,000 | 530,000 | 385,000 | 60,000 | 1,242,000 |
| Investment | 15,000 | 100,000 | | | |

3. Income Collection/Debt Management

Benefits

More for our customers

- Customers will have more choices about how they pay us to enable debts to be settled more quickly.
- Account Managers will work with the Council's significant debtors to ensure that the process around the raising and payment of charges can be as efficient as possible.
- Increased opportunity for pre-payment.
- Joined up activity to ensure that those with a range of debts e.g. rent, Council Tax can manage their repayments through one point of contact

More for our employees

- Introduction of better-designed jobs to ensure that staff undertake a wider variety of jobs.
- More flexibility in terms of working hours and location.
- Opportunity to work with better systems and processes.

More for our money

- Reduction in the costs associated with invoicing through the provision of pre-pay.
- Increased recovery of Council Tax arrears.
- Better value for money for our expenditure on Bailiffs.
- Reduction in the amount of bad debt provision through the more effective recovery of debt
- Improved cash flow through the speedier recovery of costs.

Activity will include: -

Setting fees & charges

- Thorough review of CYC fees and charges to ensure that all reasonable opportunities to charge have been identified, and that all reasonable opportunities to charge have been identified and existing charges benchmarked and challenged.
- Process and governance to ensure that Directorates annually review fees and charges.

Collection

- Full implementation of the Income Policy.
- Unified structure
- Increased pre-pay for discretionary services.
- Move away from cash collection towards a mix of web, telephone and community based methods.
- Introduction of account management for significant debtors.

Debt Management

- Implementation of Debt Policy
- Unified Structure
- Single view of customer debt to ensure action is joined-up and proportionate.
- Active management of debt from 14 days after invoice issue.

- Introduction of effective recovery methods including outbound calling on weekday evenings and Saturdays.
- More efficient use of bailiffs and the Court Service.
- Provision of co-ordinated consistent advice, support and access to customers with individual or multiple debts and supporting vulnerable customers

| | Decisions Needed | Who | When |
|-----|--|------------|-------------|
| 3.1 | Develop a proposal to procure an alternative external payment service and close cashiers. | Exec | Nov 09 |
| 3.2 | Centralise all income and recovery in order to maximise income collection (see 3.5 below) | CMT | Sept 09 |
| 3.3 | To undertake a full review of fees and charges and to recommend new fees/rates from 2010/11 for consideration by Executive/Council | CMT | Sept 09 |
| 3.4 | Directorates to review how they will comply with the Income Policy | CMT | Sept 09 |
| 3.5 | Develop a further business case to assess the inclusion of Housing rents in the centralised service | CMT | Sept 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| Savings | 435,000 | 1,303,000 | 370,000 | 50,000 | 2,158,000 |
| Investment | | | | | |

4. Procurement

Benefits

More for our customers

- More focus on what customers, communities and businesses want and need – by understanding what we buy we can make more informed decision match this to what customers want/need
- More efficient, joined-up and straightforward services requiring fewer contacts with suppliers
- More convenience for suppliers – electronic tendering and simpler payment processes

More for our employees

- More productive working time due to simpler faster more transparent procurement and purchasing processes
- More opportunities for staff to professionalise their procurement skills
- More open and collaborative culture which encourages innovation and staff engagement and will identify ongoing improvements

More for our money

- More value for our purchasing power
- More efficient and cost effective procurement processes save money
- More integrated and centralised operations and more effective procedures prevents waste and reduces administration
- More collaboration with partners will increase our corporate buying power, gaining economies of scope, quality and scale
- More exposure to competition - services to be provided by those best placed to deliver them
- More use of existing skills and expertise within the council.

Activity will include: -

Improved Processes

- Increase visibility quality and range of corporate contracts
- Reducing number of suppliers and goods
- Reducing the number of invoices processed
- Reduce the number of procurement/purchasing events
- Simplify purchasing by increasing options – payment cards and e-ordering
- Reduce the amount of time we spend on Procuring and ordering goods and services
- Faster payment of invoices
- Reduced cost to suppliers of dealing with us
- Increasing the level of E trading

Controlling Spend

- Analyse spend by categories and procure as one organisation
- Clarify commissioning roles and professionalise procurement – train staff
- Centralise procurement activity to ensure governance and effectiveness
- Distributed requisitioning but controlled ordering through informed buyers
- Improve contract management

- Develop visibility of what we are buying and plan procurement
- Reduce “off contract” spend
- Increase compliance of suppliers to H&S Equalities and sustainability agenda

Collaboration

- Combine our internal requirements to approach the market with imaginative portfolios to get best value and innovation
- Share procurement expertise with other agencies to broaden our expertise
- More value for our corporate buying power by collaborating with partners to procure goods and services together
- Wider use of Procurement Organisations.

| | Decisions Needed | Who | When |
|-----|--|-----|---------|
| 4.1 | The Corporate Procurement function will be responsible for the control and oversight of all tendering activity and controlling and engagement of new suppliers. | CMT | Sept 09 |
| 4.2 | The Corporate Procurement function will be responsible for the control and oversight of all tendering activity and controlling and engagement of new suppliers. | CMT | Sept 09 |
| 4.3 | Implementing a portfolio of appropriate methods including self billing, procurement cards, consolidated billing, use of period /call off ordering, revised expenses process, direct debit etc | CMT | Sept 09 |
| 4.4 | Review and revise the Procure to Pay processes to increase control reduce complexity and effort. | CMT | Sept 09 |
| 4.5 | Assert control over ordering by establishing Informed Buyers and a requisition clearing house and amending the current requisition process within FMS. | CMT | Sept 09 |
| 4.6 | Develop action plans and a performance framework to increase the level of Contracted spend in the next 3 years. This will including carry out reviews on key strategic contracts | CMT | Sept 09 |
| 4.7 | Review the current use of purchasing organisations. The reviews output will focus on recommendations to the short to medium term use of purchasing organisations and existing consortia arrangements | CMT | Sept 09 |
| 4.8 | Make framework contracts mandatory where they meet the identified need. They should be used in preference to the council conducting a full tender process or 3 quotes process. | CMT | Sept 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | Ongoing |
|-------------------|---------|---------|---------|-----------|-----------|
| Savings | 20,000 | 410,000 | 925,000 | 2,125,000 | 3,480,000 |
| Investment | 20,000 | 70,000 | 70,000 | 70,000 | |

5. ICT

Benefits

More for our customers

- More flexible and consistent use of technology to focus on what customers want
- More efficient, joined-up and straightforward services requiring fewer contacts with internal customers
- More convenient service with support for extended hours
- More capacity to focus on the changing demands of the customer.

More for our employees

- More productive working time due to simpler easier to access ICT support processes
- More opportunities for staff to develop and professionalise their ICT skills
- More structured governance and clearer responsibilities across the directorates.
- More consistent approach to delivering to a consolidated ICT Strategy

More for our money

- More value for our ICT purchasing power
- More efficient and cost effective delivery of ICT services
- More efficient use of ICT assets, including the use of energy
- More integrated and centralised operations working together to deliver against the same corporate plan.
- More effective procedures preventing duplication, waste and reducing administration
- More exposure to competition - services to be provided by those best placed to deliver them

Activity will include: -

Consolidated ICT Services

- Establish a single ICT service for operational, development and integration services. Including a central service desk for all ICT support and change requests
- One consolidated ICT Strategy and ICT development plan
- Clearly defined service delivery portfolio
- Performance framework delivering to operational targets
- Reduce cost of ICT service provision

Improved processes

- Improved delivery of ICT projects
- Improved & consistent delivery of ICT services
- Reduced Network/Telecoms costs
- Extended hours of support
- Reduce duplication of functions and double handling
- Improved data management
- Simpler more accessible internal processes

Rationalisation of Assets

- Reduce the number of desktops, thus reducing support overhead
- Move the majority of desktops from PCs to thin client devices
- Increase the use of flexible desktop/mobile technologies

- Consolidate software licensing
- Reduce the number of servers
- Reduce support and maintenance overheads
- Replace desktop printers with multifunctional devices which will provide printing, photocopying and scanning facilities, at a ratio of approx. 1 per 50 employees
- Reduce printing by 40% in the next 3 years
- A rationalisation of printer services and bulk printing
- Reduce energy usage on printing and desktops by 25% over 3 years
- Market test the provision of a Data Centre

| | Decisions Needed | Who | When |
|-----|---|------------|-------------|
| 5.1 | Market test the provision of a Data Centre | CMT | Sept 09 |
| 5.2 | Tender of a corporate managed print contract to include desktop printers, photocopiers and all internal print units, reducing the number of printers to approximately 1 per 50 employees. | CMT | Sept 09 |
| 5.3 | Explore other media option with members for committee papers and other printed output | Exec | Dec 09 |
| 5.4 | Review the usage of all PCs to develop a plan for the reduction of PCs and software | CMT | Sept 09 |
| 5.5 | Centralise the ICT Service | CMT | Sept 09 |
| 5.6 | Review the ICT support for Schools | CMT | Sept 09 |
| 5.7 | Agree a review of the current IT development plan mechanism. | Exec | Dec 09 |
| 5.8 | Review the support arrangements for the Libraries learning and peoples network | CMT | Sept 09 |
| 5.9 | Review the possible inclusion of the provision of schools network (excluding curriculum) via the current Network contract. | CMT | Sept 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | Ongoing |
|-------------------|----------------|----------------|----------------|----------------|------------------|
| Savings | 0 | 390,000 | 996,000 | 202,000 | 1,588,000 |
| Investment | | | 200,000 | | |

6. HR

Benefits

More for our customers

- More convenience for candidates through streamlined recruitment processes
- More access to information about working for the council, through E-recruitment
- More reportable information on our workforce
- More information on the future resourcing needs of the council, through more strategic planning

More for our employees

- More productive working time due to streamlined processes and accessible systems
- More transparency of HR processes
- More opportunity for development of HR expertise
- More access to information about the status of HR processes, and who is dealing with them.

More for our money

- More efficient processing of transactions through a single business support team.
- More consistency of pay frequency, reducing payroll processing overheads.
- More efficient sourcing of temporary, casual and fixed term staff.

Activity will include: -

Consistent Service

- A single HR service for the council
- Provide a consistently high-level of service in all business areas
- Provide administrative and transactional support through a single business support team
- Answer queries quickly and efficiently, resolving most at the first point of contact
- Use case management to deploy our HR resources where they are most needed
- Provide easy-to-use help and support information through web channels
- Greater clarity of roles for managers in addressing employment issues

Efficient Processes

- Create economies of scale through the use of consistent, streamlined processes
- Reduce the administrative burden for staff and managers
- Provide greater information to staff and managers on all HR matters
- Monitor the performance and compliance of both HR processes and directorate resource issues
- Provide effective HR systems for staff to initiate their own processes through self-service

Strategic Planning

- Through workforce planning and development, provide a strategy to ensure our employment processes allow the workforce to flex to meet the changing needs of the business

- Position HR business partners within the directorate planning process
- Address future resource requirements at a corporate level
- Ensure the size of the permanent workforce does not increase unnecessarily during times of change

| | Decisions Needed | Who | When |
|-----|---|------------|-------------|
| 6.1 | Agreement to a new delivery model for HR, as a centralised service. This includes case management for HR advice. | CMT | Sept 09 |
| 6.2 | Agreement to the transfer of specific non-HR staff (or equivalent resource) undertaking HR transactional work into the HR business support team. | CMT | Nov 09 |
| 6.3 | Agreement that functional advice related to HR disciplines (including payroll, H&S and training and development) should be provided through the HR service. | CMT | Sept 09 |
| 6.4 | Commence negotiations with staff and unions to move staff from weekly to monthly pay with support for the transition. | CMT | Sept 09 |
| 6.5 | Review Management of change policies, redeployment, redundancy and flexible working policies | CMT | Sept 09 |
| 6.6 | Develop a package of improvements to staff and management development, training and staff benefits | CMT | Sept 09 |
| 6.7 | Develop a resourcing strategy including a review of direct workforce and sourcing via the sole provider contract and internal recruitment pool. | CMT | Nov 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
|-------------------|----------------|----------------|----------------|----------------|----------------|
| Savings | | 230,000 | 716,000 | 778,000 | 1,724,000 |
| Investment | | 20,000 | | | |

7. Property Services

Benefits

More for our customers

- More focus on providing strategic, high quality and community based assets that respond to the needs of business and customer users
- Collaborative and timely decision making
- Improved delivery of change projects to meet effective and strategic use of assets
- More efficient, cost effective and centrally controlled outsourced Facilities Management
- Sustainable investment in our commercial assets to deliver optimum income

More for our employees

- A more collaborative style of working toward common objects for our property assets.
- More efficient and focussed approach to planned maintenance of assets and the management of land and property information
- More opportunities for staff to integrate, grow and deliver professional and technical skills without corporate boundaries

More for our money

- More value by collaborative central management and maintenance of our assets
- Collaborative and timely decision making
- More efficient and cost effective delivery of Property related services
- More collaboration with partners will increase our corporate buying power, gaining economies of scope, quality and scale
- More exposure to competition - services to be provided by those best placed to deliver them

Activity will include: -

Improved Processes

- Asset management given a higher profile through the establishment of an Asset Board
- A more collaborative approach to a centralised and coordinated property information base
- All our land and property registered with Land Registry to alleviate property and land information requests
- A collaborative and coordinated approach to the enabling and commissioning function
- Reducing the number of internal and external FM providers
- Contract manage rather than deliver FM services
- Review Project Management practices

Controlling Spend

- Less assets – greater quality – lower unit costs
- Centralise FM delivery activity to ensure single point governance, effectiveness and value for money
- Centralise and coordinate our approach to the collection, collation, storage and

management of property information.

- Centralise and coordinate our approach to allocation of resource/investment in the maintenance of land and property assets
- Review the Commercial Portfolio

Collaboration

- A more collaborative style of working toward common objectives for our property assets.
- Collaborative and timely decision making
- More value for our FM service delivery by collaborating with partners to procure services together
- Centralise and coordinate our approach to the collection, collation, storage and management of property information.
- A collaborative and coordinated approach to the enabling and commissioning function

| | Decisions Needed | Who | When |
|-----|---|------|---------|
| 7.1 | Aggregate all Facilities Management services (both those currently outsourced and internally provided) and market test them | Exec | Oct 09 |
| 7.2 | To establish a coordinated Enabler-Commissioner function (operational and technical) for delivery of projects through Professional, Technical and Contractor services, incorporating a review of Project management | CMT | Sept 09 |
| 7.3 | Market test provision of professional & technical services in order to ensure efficiency and service improvements are realised. | Exec | Oct 09 |
| 7.4 | To approve the establishment of an Executive Champion and Asset Board (to include the Corporate Landlord, Chief Finance Officer, City Strategy and Housing Landlord). | Exec | Oct 09 |
| 7.5 | Review the Commercial Portfolio | Exec | Nov 09 |
| 7.6 | Develop the business case for a single asset register for all land and property information in place of current disparate systems. | CMT | Sept 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
|-------------------|---------|---------|---------|---------|---------|
| Savings | | | 572,000 | | 572,000 |
| Investment | | 100,000 | | | |

8. Housing Landlord Services

Benefits

More for our customers

- More focus on providing strategic, high quality and value for money housing services to tenants and leaseholders.
- Improved access to the service and choices in service delivery
- Increased appointments, reduced repair times, increased number of jobs completed in one visit. Improved tenant satisfaction
- A high performing, value for money housing service that matches or exceeds the best authorities and private organisations in the UK

More for our employees

- Improved productivity through mobile working and scheduling, extended use of multi skilling and a fit for purpose van fleet.
- More opportunities for staff to grow and develop personal and technical skills at all levels
- Empowerment for staff to take ownership of the improvement plan
- Improved quality and speed of information through mobile working and diagnostics to support front line decision making.

More for our money

- Reduced repair costs through higher productivity levels.
- Reduced repair costs through reduced materials costs
- Reduced repair costs through reduced fleet costs
- Reduced repair costs through reduced sub contractor costs
- Reduced repair costs through reduced demand
- Improved quality at lower unit cost - VFM

Activity will include: -

Improved processes

- Improved order processing system incorporating diagnostics and mobile working
- On line van stock replenishment
- Direct process for 'no access' gas servicing leading to top quartile levels of Gas Safety Certification
- Focused void repair service that delivers reduced relet time.

Controlling Spend

- Removing the client contractor split will remove the conflicting objectives of balancing the trading account in NS with controlling the HRA budget within HASS.
- Improved productivity leading to reduced unit costs – more for less
- Targeted cost reduction exercise in major areas of spend e.g. materials, fleet, sub contractors and overtime.
- Devolving budget responsibility to accountable managers.

Collaboration

- A cohesive service
- Collaborating with partners to procure materials and services that positively impact

on cost and quality.

- Internal collaboration to share data and information to improve the overall asset management function.
- Collaboration with other service areas to define and develop wider service improvements.

| | Decisions Needed | Who | When |
|-----|---|------------|-------------|
| 8.1 | To Integrate the Client & Contractor elements of the repairs service | Exec | Oct 09 |
| 8.2 | To develop and implement dynamic scheduling to improve repairs appointments, productivity and repairs performance; supported by mobile working across the service to improve productivity, job processing, reduced back office costs and reduced overall customer contact time. | CMT | Sept 09 |
| 8.3 | Retain the M&E function within Neighbourhood Services and as part of the property services review consider the long-term viability of the service and its future location. | CMT | Sept 09 |

Financial Summary

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
|--------------------|----------------|----------------|----------------|----------------|----------------|
| Savings HRA | 50,000 | 867,000 | 437,000 | 249,000 | 1,603,000 |
| Savings GF | | 73,000 | 47,000 | 20,000 | 140,000 |
| Investment | 144,000 | 223,000 | | | |

9. Adult Social Services

Benefits

More for our customers

- Services that help people to retain their independence and remain in their own homes through warden and support services and use of technology
- Safer home care service with improved H&S safeguards and more accurate bills
- Simpler process to access services focussed on the customer
- Quicker delivery of the services customers need
- Increased customer choice and control

More for our employees

- Simpler streamlined processes
- Maximisation of time with customers
- More time-saving automated processes
- Better tools to do the job

More for our money

- Increased staff capacity and improved performance
- More time with customers, less time spent on administration
- Improved quality of service to customers
- Improved contract management
- Financial efficiency savings

Activity will include: -

Improved Customer End to End Process

- Consolidate customer contact arrangements
- Redesign care management assessment process to assist customers to remain in their own homes
- Redesign social worker teams
- Implement mobile working

Electronic Home care Monitoring

- Implement system to track actual time spent with customers
- Automate the production of more accurate, easy to understand bills
- Reduce administration and increase contact time with customers
- Improve quality of care delivered through improved contract monitoring

Review Back Office processes

- Maximise financial and other benefits from Framework i and FMS implementation
- Enhance efficiency of financial processes
- Ensure customer end-to-end process and back office processes are fully integrated

Review Assistive Technology, Warden Control and Support Services

- Identify efficiencies and opportunities resulting from overlapping delivery of Home Care, assistive technology, warden call and support services

- Integrate assistive technology and support services fully into the revised customer end-to end process

Home Care

- Review work still underway

Residential care

- Review work still underway

| | Decisions Needed | Who | When | | |
|-------------------|---|--------------|---------------|---------|---------|
| 9.1 | Proceed with implementation of an electronic home care monitoring system (already funded through IT development Plan) | CMT | Sept 09 | | |
| 9.2 | Redesign Adult Social Care end to end customer process and organisational design | CMT | Sept 09 | | |
| 9.3 | Agree the scope of Home Care tender exercise in April 2010 | CMT/ Exec | Oct/Nov 09 | | |
| 9.4 | Agree rationale for change, approach and timescales for decisions in relation to EPH review. | CMT | Oct 09 | | |
| 9.5 | Agree interim changes to EPH provision arising from first phase of EPH review | Exec | Jan 10 | | |
| 9.6 | Agree long-term EPH strategy and transformation plan | Exec | July 10 | | |
| Financial Summary | | | | | |
| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | ongoing |
| Savings | | 20,000 | 190,000 | 90,000 | 300,000 |
| Investment | | | | | |

Market Testing

23. It will always be CYC's intention to select the best models of delivery for all the services it provides. It will embrace and be tested against the core values of the More for York programme. This may include continuing to deliver a service 'in house', it may mean contracting with the private sector to deliver all or part of a service and it might also mean working collaboratively with other public, private or voluntary sector organisations. The key principles will be to ensure that the organisation provides quality services for its customers, in the most appropriate manner, and one which provides true value for money. When considering all options it is the duty of the authority to ensure that it consults regularly with external providers to understand all the available models of delivery in the market, to understand the relative costs of those models and to see where best practice can be established and adopted. This approach can be termed as soft market testing. In every instance, all opportunities to drive out inefficiencies before a service is tested against and potentially outsourced to the open

market, must be taken. Finally where service improvements and efficiency gains have been made, it is the good practice to demonstrate value for money by testing those services against external providers via a competitive process - i.e. full market testing.

Principles

24. A set of principles will be applied to all these projects to ensure they deliver consistent outcomes: -
1. Customers will see service improvements
 2. There will be a single view of the customer
 3. Customer facing business processes will be simple – minimal intervention
 4. Flexible Working
 5. Services will be delivered by those best placed to deliver them
 6. CYC will collaborate effectively with partners
 7. No internal client contractor relationships
 8. Internal processes will be fast and efficient
 9. Services will be shaped by customer need not by the structure of the Council
 10. Workforce will be skilled and flexible to address needs in the future
 11. Technology will be used to drive out efficiency and facilitate effective processes
 12. One Council - one set of support services, one set of policies

How will this programme improve services to customers?

25. Some of the projects are about changes to customer facing services and some of the projects will change internal support services. All of the projects will have a positive impact upon the experiences of our customers. We will: -
- Give a single view of the customer across a range of services and enable us to satisfy customer requirements through simplified contact and understand the specific needs of individual customers
 - Make services to customers faster by reducing the steps in the process, mobilising the workforce and proactively managing the delivery of every transaction
 - Customers will be able to access services using a variety of contact methods over extended hours
 - Face to face contact will be in one place and customers will be able to raise multiple service requests in one visit.

- Local service delivery will give customers more say over the services that are delivered in their area - how they are delivered and what priority they are given.
- Improve the feedback to customers on the progress of their service request
- Removal of the remnants of the client contractor split in some services will reduce multiple handling, duplicated inspections and internal delay.
- Housing repairs will be delivered faster and right first time. Savings will be ploughed back into the housing service to improve Council housing
- Customers will see staff out on the street using mobile technology to enable them to deal with a range of problems and jobs without needing to return to the depot and more generic working will enable them to deal with jobs and problems as they encounter them
- The collection of income will be more professional and proactive with prepayments and direct debit being used wherever possible to avoid invoicing and the creation of debts in the first place
- To the customers the authority will feel modern and responsive and meet their expectations

Delivering a Programme of change

26. The programme will be delivered in partnership - we will be committing a lot of internal resource to drive forward change and NKA will provide capability and capacity in both change management and in service management whilst the changes are being made. They will provide necessary challenge and impetus to accelerate progress, ensure robust change processes are in place to achieve all the benefits of the programme.
27. The proposed programme of change is extensive and there needs to be a major commitment from across the organisation to co-ordinate and prioritise activity to deliver the benefits of the programme.
28. Decision making in the programme will be delivered in line with the Council's constitution. Quarterly progress reports will be made to the Executive to track delivery of benefits and to seek approval for decision, the levels of which are set out in the constitution. If these decisions require significant changes to the Council's policy or budgetary framework they will be put to full Council.

Financial Implications

29. The Medium Term Financial Strategy (MTFS) presented as part of the Budget Report to Council on 26th February identified a cumulative 3-year target of £15m net real efficiency gains (2010/11 £3.25m, 2011/12 £5.15m, 2012/13 £7.15m). These targets were considered necessary in order to ensure the Council could meet forecast future financial pressures without the need for cuts or reductions in services.
30. The proposals set out in this report contribute significantly to the achievement of £15m of ongoing Net efficiency savings (after deduction of all fees and investment costs), specifically identifying £4.264m gross savings in 2020/11 rising to £14.925m by 2012/13. This is set out in the table below. Over the 4 years of the programme it is

predicted that the Council will make over £32m of savings. Further proposals will be brought forward in due course to ensure we meet the target of £15m pa of net savings and to address any potential increase in the savings target.

31. The table below summarises the gross savings predicted from each stream. The sums in columns Year 0-3 represent additional savings found in each year which go into the base budget. The eventual ongoing annual saving is featured in the Annual Savings column.

| General Fund | Original NKA Est. | Year 0 2009/2010 | Year 1 2010/11 | Year 2 2011/12 | Year 3 2012/13 | Annual Savings |
|------------------------------------|----------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | 000's | 000's | 000's | 000's | 000's | 000's |
| Efficiency Savings | | | | | | |
| Customer Services | 1,000 | 267 | 530 | 385 | 60 | 1,242 |
| Adult Social Services | 3,000 | 0 | 20 | 190 | 90 | 300 |
| Housing (None HRA) | 0 | 0 | 73 | 47 | 20 | 140 |
| HR | 1,600 | 0 | 230 | 716 | 778 | 1,724 |
| ICT | 1,350 | 0 | 390 | 996 | 202 | 1,588 |
| Neighbourhood Services | 1,240 | 401 | 1,308 | 345 | 267 | 2,321 |
| Property | 700 | 0 | 0 | 572 | 0 | 572 |
| Procurement | 3,200 | 20 | 410 | 925 | 2,125 | 3,480 |
| Organisational Structure Est. | 1,400 | 0 | 0 | 700 | 700 | 1,400 |
| Income Collection | 1,800 | 435 | 1,303 | 370 | 50 | 2,158 |
| Gross GF Efficiency Savings | 15,290 | 1,123 | 4,264 | 5,246 | 4,292 | 14,925 |
| | | | | | | |
| HRA | Original | Year 0 | Year 1 | Year 2 | Year 3 | Annual |
| Housing Savings | 1,600 | 51 | 867 | 437 | 249 | 1,604 |

32. Specific financial implications arise from the need for capital investment, and revenue investment, plus the need for provision for redundancies. All of these costs will be a charged against the More for York Programme. Appendix 2 sets out capital investments needed and appendix 3 sets out revenue investments needed. There is Capital investment of £700k, one off revenue costs of £215k and ongoing Revenue investment of £410 pa.
33. Annex 4 sets out savings and investments made in the Housing revenue Account (HRA). The ongoing savings to the HRA will be ploughed back into the HRA and will enable improvements to the housing landlord service and the housing stock.
34. At this stage it is not possible to estimate the required provision for pensions/redundancy costs. All efforts will be made to avoid compulsory redundancy through vacancy management, natural turnover and redeployment so it is not possible to accurately identify overall numbers of redundancies and each case could vary significantly depending upon age and length of service. Members are asked to delegate authority to the Director of Resources to agree eventual costs and report these through the quarterly budget monitoring process.
35. The Financial Strategy 2009-2012 is predicated on the achievement of the savings that will be delivered by this programme. Off the back of making these efficiencies we would no longer have specific Directorate targets for savings, however there is still likely to be a need for Directorates to manage growth/budget pressures wherever possible from within their existing allocated budgets. Without the More for York programme we will need to revert to the Directorate targets. It may still be necessary to bring forward additional savings for 2010/11 but this will be evaluated as part of forthcoming budget reports.

36. **The achievement of these savings, which are predominantly from back office functions, will enable the Council to meet funding pressures from front line services such as Looked after Children and adult social care where we are currently experiencing increased demand.**

Fees

37. CYC are delivering this programme in partnership with Northgate Kendric Ash (NKA) and at the heart of this partnership is the principle of risk transfer. In simple terms all of NKA's fees are subject to the achievement of savings being identified. If the required savings are not delivered there will be a rebate of fees to reflect the unachieved savings
38. There will be a need for payments in advance of full efficiency savings coming through. This in essence is about cashflow, with us being required to cover NKA fees as the programme is in operation, with those fees subsequently being met from savings generated. These initial fees will be met from the approved efficiency fund (£1m set aside in 2008, supplemented by a further £125k of one off budget as a result of the NKA review replacing planned and funded reviews of Commercial Property Portfolio, Property Services and services that the Council should strategically procure or 'share').
39. NKA fees will pay for a range of specialist skills and resources that NKA will deploy within CYC over the next 4 years in order to create the efficiencies and assist with the transformation of the Council. This will include business process reengineering, direct service management, procurement support and organisational change. Without this support it is unlikely that CYC would be able to realise such a large programme of change. The level of fees to be paid to NKA is commercially sensitive and is therefore set out in the Financial Summary in confidential 6 but it is important to note that :-
- The fees will be paid from efficiencies made over the next 4 years
 - If the contracted level of savings are not made this will be deducted from NKAs fees
 - That NKA are contracted to deliver agreed outcomes, not by the day and that they will need to resource the programme with the calibre and number of staff required to deliver those benefits.
 - In doing this NKA are accepting significant commercial risk which will ensure that they are focussed clearly on delivery of the defined benefits, both on service improvements and on making the required savings
 - That after 4 years we will no longer pay fees but will benefit from the full level of savings which at the moment will reduce net revenue budgets by £14.3m every year thereafter.
40. The Executive delegated approval of NKA fees, and any other costs associated with the Programme, to the Director of Resources, these being financed from the Efficiency Reserve. At all times, the Director of Resources will be responsible for the determination of savings achieved, the required budget adjustments, and the allocation of such savings. He will be responsible for ensuring that there is a robust financial control in place that ensures all fees are met from savings, and that the Efficiency Reserve remains in an overall healthy position with payments out of the reserve (fees/other costs) being subsequently reimbursed through savings credited to the

reserve. It may also be necessary at times to allocate to the reserve a greater amount of “saving” than that which simply covers the fees related to the achievement of that saving, for example where it is known that further costs may be incurred in the future. The fundamental principle however is that all costs associated with the programme are fully met from savings, and that the net savings over a three year period will be a minimum of £15m.

HR Implications

41. This programme has huge implications for the HR service and for staff. For the HR service, there is a need to: -
 - Amend HR procedures to enable change to happen faster.
 - Run an efficiency project to deliver better quality faster and more consistent HR transactional services.
 - Undertake comprehensive workforce development to plan the future needs of the Council and develop its workforce to meet these needs. This will involve workforce planning, staff development, improved management of staff and provide staff with a better package of welfare benefits and greater development opportunities
 - Support the organisation through a period of significant cultural change where working lives will look very different to how they look now.

42. For staff there will also be implications
 - Some staff will be asked to change working practices, manage information in different ways, work across service boundaries, utilise technology, work flexibly
 - Staff will be able to establish better work life balance with family friendly working practices and flexibility as part of their terms and conditions.
 - There will be a reduction in the number of employee posts. Changes to business processes, removing unnecessary steps will reduce the need for so many people. At this point it is not possible to state exactly how many posts this might mean. We do not have detailed organisational structures, nor do we know how many people can be redeployed or will retire during the next three years. However our best estimates suggest that over the next 3 years we will reduce the number of full time posts by around 200. Every attempt will be made to reduce the impact upon staff by active vacancy management, retraining and redeployment. Though this is a significant number it is extremely unlikely that this will result in anything like this level of redundancies. The Council employs approx 6000 people and has been deliberately managing vacancies to avoid increasing staff numbers in advance of this programme. In addition last year over 400 people left the authority to take up other posts or retire. The natural pattern of staff turnover over the next four years will help to minimise the impact upon current staff. The Council is committed to avoiding redundancies wherever possible.
 - It is better that this is done through improving services and rationalising processes because this means that services will not be cut and the working life of remaining staff will be sustainable. They will be working smarter, not just harder.

- Even for staff who are not directly affected by a project within the programme, they will experience the Council behaving in a different way. There will be a focus on customer outcomes and performance management, consolidated delivery of support services, a collaborative approach to working with others and a positive can do attitude to ongoing improvement for the whole organisation. **Staff want to work for an excellent, modern and forward-looking organisation and will benefit from working for an excellent Council.**

Risk Management

43. This report addresses two major corporate risks - the failure to achieve £15m of savings in the next three years and the failure to co-ordinate related change activity. This report seeks to mitigate both these risks by implementing a robust plan of action to achieve savings whilst aligning the delivery programme with other change activity.
44. The proposed programme will inevitably bring new risks which will be closely monitored within the Programme and managed by the Executive Board (CMT). The key risks are
 - a. Staff morale may be impacted by the prospect of significant change and potential large-scale service transformation, particularly where service redesign and potential post reductions may occur. *Mitigation* - reduce the impact upon staff numbers through vacancy management, redeployment, training and turnover. Extensive communication and engagement with staff to explain the positive aspects of the programme. Commitment to staff development and training to help staff to manage the change process and develop for the future.
 - b. Some Customer Groups may object to individual proposals. *Mitigation* – Equalities Impact assessments on each project accompanied by customer engagement to shape the design of services in the future.
 - c. Unions may object to individual proposals and industrial action may ensue. *Mitigation* – Ongoing Union engagement
 - d. The programme is wide ranging and it may be difficult to co-ordinate activity across different streams and directorates. *Mitigation* – Robust Programme Management & Governance arrangements will ensure joined up issue and risk management and will provide visibility of any failure to deliver proposed outcomes.
 - e. Individual savings proposals may be unpalatable to Members – The contract with NKA includes a veto clause to give the Council reasonable rights to reject proposals which are unacceptable to the Council but this will still mean that further options need to be identified to reach the targeted level of savings. Regular Quarterly progress reports to Exec/Full Council will set out progress against targets and any further decisions to be made. Decisions will be made according to the constitution.

Implications

45. The implications this report are: -
 - **Financial** - covered in the report

- **Human Resources (HR)** - covered in the report
- **Equalities** - Desktop Equalities Impact Assessments have been undertaken on each to ensure that all equalities considerations have been taken into account. Full consultation with internal and external Equalities groups has commenced for priority EIAs and will continue through the autumn. The outputs from this consultation will be incorporated into the ongoing running of the work streams and further reports to Executive. If there are any significant implications which impact upon the recommendations set out in this report then a further report will be brought back to Executive.
- **Legal** – There will be an upsurge in procurement activity with potential new areas of engagement for the Council. Legal support will be essential.
- **Crime and Disorder** – no implications
- **Information Technology (IT)** – The delivery of the Corporate IT Strategy will support this programme. Management of the delivery of IT development will fall under the programme. The ICT work stream also have impact upon the organisational structure of the IT department and on some existing IT projects.
- **Risk Management** – High-level risk are covered in the report. A detailed risk register will be kept at programme level and by each project.

Consultation

46. The More for York programme has at its heart a focus on customers. Developing better understanding of our customers is vital to this. The development of comprehensive customer insight data to tell us who our customers are and what, where and how customers want services will run through each strand of the programme and will be used as a touchstone for implementation and for further streams of work.
47. The programme also seeks to create a better two-way relationship with customers, to engage them in how services are delivered. Future customer involvement will be essential in shaping services to deliver what customers want and ensure that the efficiencies and improvements do in fact deliver a better customer experience. A comprehensive engagement plan needs to be developed alongside a detailed programme plan.
48. It is critical to the success of any transformation programme that all key stakeholders are not just informed about the change but are actively engaged to understand, accept and become committed to the changes taking place. To that end, a communications strategy has been developed to identify all stakeholders, identify their current state of awareness and to provide the right kind of communication and engagement to gain their positive cooperation. In preparation for the release of this report, communications have been undertaken with staff to explain what the programme is about, why we need to do this and what changes it will bring. Staff in some areas have been actively engaged in developing proposals though it is accepted that this has not been possible in all areas and if these blueprints are agreed, a significant amount of work needs to be undertaken to actively engage staff further, to develop their understanding of and involvement in the programme as it progresses.
49. Partner briefings have started and it is expected that these relationships will provide opportunities for further cross organisational efficiencies. The potential for shared delivery of back office services will also be explored.

50. Unions have been briefed throughout the NKA review and the subsequent development of the blueprints and are party to the content of this report and the blueprints. Close liaison with all Unions will be essential for the successful delivery of the programme. To facilitate this, Unions have been invited to join the Strategic Board and More for York is a standing item on both Corporate and Directorate Joint Consultative Committees which will be chaired by the Chief Executive and Directors respectively.

Recommendations

51. The executive is recommended to :-
52. Agree the decisions set out in Decision Log at Annex 5.
53. Recommend to Council the agreement of a capital investment budget of £700,000 (£475,000 2009/10, £225,000 2010/11) to deliver these efficiencies, to be financed through prudential borrowing, with associated revenue implications being funded from savings arising from the programme. These are set out in Annex 2.
54. Recommend to Council agreement of one off revenue spend of £215,000 (£15,000 2009/10, £200,000 2010/11) and ongoing revenue investments of £410,000 (£128,000 in 2009/10, £82,000 2010/11, £200,000 2011/12) as set out in Annex 3, to be funded from savings arising from the programme.
55. Delegate authority to the Director of Resources to agree any eventual redundancy and pension costs and report these through the quarterly budget monitoring process. These costs will be funded from savings arising from the programme.

Reasons

56. To enable the Council to commence work on delivery of the strategic objective to be an Effective Organisation, to deliver service improvements and create efficiency savings of £15m over the next three years.

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AD Resources – Transformation
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Report Approved

Date 27th May 2009

Dept Name Resources

Tel No. 553419

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Annexes

Blueprints (available on Council net)Annex 1

Capital Investment ScheduleAnnex2

Revenue Investment scheduleAnnex 3

HRA Savings and Investment summaryAnnex 4

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