



Notice of meeting of

Executive

To:	Councillors Waller (Chair), Ayre, Steve Galloway, Moore, Morley, Reid and Runciman
Date:	Tuesday, 7 July 2009
Time:	2.00 pm
Venue:	The Guildhall

AGENDA

Notice to Members - Calling In:

Members are reminded that, should they wish to call in any item on this agenda, notice must be given to Democracy Support Group by:

10:00 am on Monday 6 July 2009, if an item is called in *before* a decision is taken, *or*

4:00 pm on Thursday 9 July 2009, if an item is called in *after* a decision has been taken.

Items called in will be considered by the Scrutiny Management Committee.

1. **Declarations of Interest**

At this point, Members are asked to declare any personal or prejudicial interest they may have in the business on this agenda.

2. Exclusion of Press and Public

To consider the exclusion of the press and public from the meeting during consideration of Annex 4 to Agenda Item 6 (Effective Organisation Programme – Efficiency Review), on the grounds that it contains information relating to the financial or business affairs of any particular person. This information is classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

3. Minutes (Pages 3 - 14)

To approve and sign the minutes of the Executive meeting held on 23 June 2009.

4. Public Participation

At this point in the meeting, members of the public who registered their wish to speak regarding an item on the agenda or an issue within the Executive's remit can do so. The deadline for registering is **5:00 pm on Monday 6 July 2009**.

5. Executive Forward Plan (Pages 15 - 20)

To receive details of those items that are listed on the Forward Plan for the next two Executive meetings.

6. Effective Organisation Programme – Efficiency Review (Pages 21 - 72)

This report sets out the initial findings of the recent review of the Council undertaken by the Council's efficiency partners, Northgate Kendric Ash, together with proposals from the Corporate Management Team for a broad-based programme of work to ensure the Council continues to provide efficient and effective services and to build upon its successful transformation programmes.

7. Customer Strategy (Pages 73 - 126)

This report presents a draft Customer Strategy and Delivery Plan, setting out a vision for the delivery of customer focused, efficient council services, and asks Members to comment upon the Strategy and recommend it to Full Council for approval.

8. The Annual Risk Management Report 2009 (Pages 127 - 156)

This report provides information on the successful outcomes achieved through the deployment of effective risk management arrangements across the Council over the past year and seeks approval for a revised and refreshed risk management policy and strategy.

9. Street Level Services and Area Based Working (Pages 157 - 166)

This report sets out a refreshed vision for street level services and proposals for Area based working, in line with the 'More for York' transformation proposals.

10. Castle Piccadilly Regeneration Project (Pages 167 - 172)

This report provides an update on the progress of this project since the last report to Executive in November 2008, including the outcome of the procurement process to identify a development partner, and seeks approval for a recommended course of action to continue the project.

11. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name: Fiona Young

Contact details:

- Telephone – (01904) 551027
- E-mail – fiona.young@york.gov.uk

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

About City of York Council Meetings

Would you like to speak at this meeting?

If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088

Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

Access Arrangements

We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape).

If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

Every effort will also be made to make information available in another language, either by providing translated information or an interpreter providing sufficient advance notice is given. Telephone York (01904) 551550 for this service.

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Holding the Executive to Account

The majority of councillors are not appointed to the Executive (38 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Advisory Panel (EMAP)) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

Scrutiny Committees

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

Who Gets Agenda and Reports for our Meetings?

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
- Public libraries get copies of **all** public agenda/reports.

City of York Council

Committee Minutes

MEETING	EXECUTIVE
DATE	23 JUNE 2009
PRESENT	COUNCILLORS WALLER (CHAIR), AYRE, STEVE GALLOWAY, MOORE, MORLEY, REID AND RUNCIMAN

PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS

16. DECLARATIONS OF INTEREST

Members were invited to declare at this point in the meeting any personal or prejudicial interests they might have in the business on the agenda.

The Chair declared a personal, non prejudicial interest in agenda item 8 (Year End Performance and Financial Report for 2008/09), insofar as it related to York High School, as a governor of that school.

17. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of the following, on the grounds that they contain information classed as exempt under paragraphs 3 and 5 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006:

- Annex 10 to agenda item 6 (Community Stadium – Outline Business Case) – exempt under paragraph 3 (information relating to the financial or business affairs of any particular person)
- Annex 1 to agenda item 7 (Improved Direct Communication with Residents) - exempt under paragraph 3 (information relating to the financial or business affairs of any particular person)
- Agenda item 10 (Equal Pay Update) – exempt under paragraph 5 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).

18. MINUTES

RESOLVED: That the minutes of the Executive meeting held on 9 June 2009 be approved and signed by the Chair as a correct record, subject to the inclusion in the minutes of the additional annex (Annex 3) referred to in Resolution (v) of Minute 14.

19. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

20. EXECUTIVE FORWARD PLAN

Members received and noted details of those items that were currently listed on the Forward Plan for the next two Executive meetings.

21. COMMUNITY STADIUM - OUTLINE BUSINESS CASE

[See also under Part B minutes]

Members considered a report which presented an outline business case for a community stadium in York, drawing on feasibility work undertaken by Five Lines Consulting, case studies for other stadiums across the UK and specialist advice provided to the Council.

The report included a demand assessment and an assessment of options, the latter providing an initial indication of the potential benefits, costs and viability of the four main options, as follows:

Option 1 – shared football and rugby core stadium, with a £1m contribution towards re-provision of an athletics facility elsewhere in the City.

Option 2 – shared football and rugby stadium, plus community sports village including a county standard athletics facility and sports pitches.

Option 3 – as per Option 2, plus an extensive range of community facilities.

Option 4 – as per Option 3, plus a hotel / conference centre.

The analysis at this early stage indicated that there was a significant capital shortfall for three of these options (Options 2-4). However Option 4, being supported by a key commercial anchor, could demonstrate both potential commercial robustness and wide community benefits.

A prudent approach was recommended, to ensure that any option developed did not expose the Council and its partners to future financial liability. The next steps, as outlined in paragraphs 13.3 to 13.5 of the report, would include development of a full business case, involving detailed feasibility work that would require in-depth analysis and the use of specialist resources. Following a project costing exercise, it was estimated that the total costs required to take the project to the next key and final feasibility stage would be £175k, representing an additional £100k on top of the budget already identified.

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: (i) That the findings of the report be noted and approval given to pursue the project to the next key stage; that is, to

undertake a detailed feasibility study that will develop a full business case for a robust and deliverable community stadium in York and to report back to the Executive in two key stages:

- a) findings from site selection and initial feasibility (November 2009, to align with the LDF process);
 - b) final findings (between April and July 2010).¹
- (ii) That the following strands of work be undertaken as part of the feasibility study, to enable the development of a business case for a preferred option:
- a) Confirm the specific requirements of York City, York City Knights, the Athletics Club and other sporting and community interests in the City. This could be formalised in some form of Memorandum of Understanding in relation to potential capital contributions, governance, operating arrangements and facility usage.²
 - b) Undertake an audit of the current activities taking place at the Huntington Stadium, together with a recommendation as to how those activities could be sustained in the future.³
 - c) Pursue detailed discussions / negotiations with relevant education and health sector partners to exhaust options for a well being / education hub. Exhaust the opportunities for other public sector stakeholders and partners and develop a business plan for how the uses could effectively co-habit a community stadium.⁴
 - d) Undertake a detailed financial and economic assessment. Initiate discussions with potential funding agencies. Undertake a detailed examination of development and procurement options as part of the wider financial appraisal.⁵
 - e) Initiate the site selection process for a preferred site or sites and begin the preparation of a high level planning case. Examine the scope for enabling development linked to the funding / financial appraisal.⁶
 - f) Undertake master planning / design work to assist the site selection process, identify land take requirements. Provide schematics to enable the feasibility work and specific stadium / partner requirements.⁷
 - g) Develop a high level business case for developing an eco-stadium that maximises the potential of environmental sustainability and green energy sources / technologies. This will cover a range of options, benefits, capital / revenue costs / savings, CO₂ savings and funding potential.⁸

- h) Identify Officer time from key corporate disciplines (in particular finance, legal, property, leisure and planning) to work as part of an internal team to support the feasibility work and ensure that the interests of the Council are secured at all stages as the project proceeds.⁹

REASON: In order to provide the best opportunity to deliver a shared use stadium for the City of York which will be economically viable in the long term.

Action Required

- | | |
|---|----|
| 1. Schedule reports on Forward Plan for appropriate Executive meetings | SS |
| 2. Arrange to confirm clubs' requirements, as agreed | SS |
| 4. Commence discussions with partners, as agreed | SS |
| 5. Commence financial and economic assessment etc., as agreed | SS |
| 6. Initiate site selection process etc., as agreed | SS |
| 7. Commence master planning / design work, as agreed | SS |
| 8. Begin work on high level business case for an eco stadium, as agreed | SS |
| 9. Identify Officers to support feasibility work, as agreed | SS |
| 3. Commence audit of activities at Huntington Stadium, as agreed | SS |

22. IMPROVED DIRECT COMMUNICATIONS WITH RESIDENTS

Members considered a report which sought approval to proceed with the production of a new bi-monthly Council publication designed to improve direct communications with residents of the City of York.

Previous reports to Executive had noted the link between overall satisfaction with the Council and the amount of information received by residents about council services, with both indicators falling in parallel for some years. It had been proposed to address this by way of a new council publication, produced in partnership with an external provider and financed through advertising. In view of the current economic climate, the proposal now was to fund a bi-monthly, A3 sized publication using existing directorate communications spending.

Members were asked to consider the following options, the respective costs of which were detailed in (exempt) Annex 1 to the report, together with distribution options:

Option 1 – A3, 4-page full colour, 170gsm gloss art paper, delivered four times per year with Your Ward and twice through a separate distribution.

Option 2 – A3, 4-page full colour, recycled newsprint, delivered four times per year with Your Ward and twice through a separate distribution.

Option 3 - A3, 4-page full colour, recycled newsprint, delivered by separate distribution six times per year. This was the recommended option, providing a shorter lead-in time and a truly bi-monthly publication.

In debating the distribution options, Members agreed that it was important to ensure a reliable, timely and regular delivery. Officers confirmed that Firm 2 could provide a solo distribution within budget, although this would be more expensive than a combined distribution with another publication.

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: That Option 3, the production of an A3, 4-page full colour publication printed on recycled newsprint and delivered six times per year as a solo distribution (by Firm 2, as detailed in the exempt annex), be approved.¹

REASON: To ensure the most effective and timely method of improving direct communication.

Action Required

1. Begin production of the new publication and enter into contract for distribution, as agreed GR

23. YEAR-END PERFORMANCE AND FINANCIAL REPORT FOR 2008/09

Members considered a report which provided details of the Council's performance during the period April 2008 to March 2009 and presented requests to carry forward funds into 2009/10, together with a reserves position statement.

This was the first year in which the Council was reporting its performance under the new, outcome-based national indicators. Priority based improvement had been encouraging, with over three quarters of Local Area Agreement indicators improving and nearly two thirds reaching or exceeding their targets. The Council's first Place Survey results were also good, with 55% in the top quartile. In some areas, such as educational achievement and waste management, York's performance was amongst the best in the country. Due to effective financial management, these improvements had been achieved within the Council's overall budget for 2008/09. Detailed information on the Council's performance generally and within each directorate was provided in paragraphs 18 to 68 of the report and in annexes 2 to 3.

With regard to financial performance, a net underspend of £1,478k was projected in 2008/09, of which directorates had requested £472k to be carried forward into 2009/10. Due to external pressures there had been overspends in City Strategy and Children's Services that could not be brought back into budget through corrective action and work was currently under way to address these. Details of the carry forward requests were provided in the body of the report and summarised in paragraph 74 to 78 for Members' consideration. Approval was also sought for the following transfers to the general reserves, as detailed in paragraphs 8 and 10 of the report:

- a backdated VAT rebate of £1,817k received in respect of museum admissions
- £120k from the insurance reserve, to meet the remaining uninsured costs of the York High School fire.

Members welcomed the positive indications in the report and noted the need to monitor the reserves position to ensure there was no deficit in the next three years, in view of the current financial climate.

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: (i) That the performance issues identified in the report be noted.

REASON: So that corrective action on these issues can be taken by Corporate Management team and directorates and key areas for improvement fed into future corporate planning.

(ii) That the out-turn position be noted.

REASON: So that consideration can be given to areas that are over or under spending.

(iii) That the transfer of the net receipt of £1,817k to the general revenue reserve, following the Fleming VAT case, as set out in paragraph 8 of the report, be approved.

REASON: To ensure that, over the lifetime of the Council's Financial Plan, reserves are maintained at an acceptable level.

(iv) That the transfer of £120k from the Council's insurance reserve to the general fund reserve in 2008/09 and a further £400k in 2009/10, as set out in paragraph 10, be approved.¹

REASON: To ensure that, over the lifetime of the Council's Financial Plan, reserves are maintained at an acceptable level.

(v) That the transfer of the balance on the trading activity reserve to the general fund reserve with effect from 1 April 2009, as set out in paragraph 10, be approved.²

REASON: To reflect the fact that this reserve is no longer required as the service is now part of the general fund.

(vi) That the requests to carry forward into 2009/10 funds totalling £472k for general fund services, as detailed in paragraphs 44, 54, 59, 65 and 67 and summarised in paragraphs 74 to 78 be approved, subject to the table below:³

Portfolio	Out-turn variance (£'000)	Bids to Carry Budgets into 2009/10	Executive comments	Net (£'000)
Children's Services	+759	-		+759
York High School Fire	+120	-	Approve Executive Member to receive update from officers detailing items which could not be recovered from insurance claim	+120
Leisure and Culture	-28	100	Approve There is an exceptional claim for £100k as this is related to a partnership project to convert York Central Library to an Explore Centre, and the "Learn and Thrive" campaign which will help to respond to the economic downturn.	+72
Economic Development	-2	-		-2
City Strategy	+277	31	Approve	+308
Neighbourhood Services	-210	205	Approve For Community Engagement, completion of	-5

			target hardening proposals, ward committee budget for schemes that are already committed, noise patrol budget, and waste minimisation. (awaiting information on uncommitted Ward Committee Schemes for £4k)	
Chief Executive's Department	-27	22	Approve For Scrutiny Board traffic consultation survey	-5
Property	+77	14	Approve For river banks survey	-5
Resources	-634	100	Approve Relates to specific 'invest to save' items.	-534
Housing General Fund	-19	-		-19
Adult Social Services	+33	-		+33
	+346	+472		+718

REASON: So that resources can be directed into those areas that meet corporate priorities.

(vii) That the request to carry forward unspent budget of £35k within the housing revenue account, as detailed in paragraph 50 and summarised in paragraph 74, be approved.⁴

REASON: So that resources can be directed into those areas that meet corporate priorities.

Action Required

- | | |
|---|----------|
| 1. Implement and record the agreed transfer | SA |
| 2. Implement and record the agreed transfer | SA |
| 3. Implement and record the agreed carry forwards within departmental budgets | SA
SA |
| 4. Implement and record the agreed carry forward within the HRA | |

24. BUDGET PROCESS AND RESOURCE ALIGNMENT ARRANGEMENTS FOR 2010/11

Members considered a report which outlined the proposed arrangements to support the preparation of the Council's 2010/11 budget and the alignment of resources based upon strategic and corporate priorities.

On the basis of the Medium Term Financial Strategy (MTFS) approved by Council on 26 February 2009, a target had been set to deliver £15m efficiency savings over a three year period. However, due to the economic downturn it was likely that this target would need to be increased. It was intended to produce an updated MTFS in July, to provide a firmer indication of the financial issues facing the Council over the next few years.

The arrangements set out in the report were intended to ensure a systematic and robust approach to the setting of the 2010/11 budget, so that budgetary decisions were taken in the context of updated priorities, identified financial pressures and value for money (VFM) considerations. Key elements of the proposed process included:

- Pre-agreed cash increases to base budgets for each service area
- A focused Base Budget Review within each department
- The establishment of de minimis levels for all growth bids
- Robust and effective validation of efficiency proposals
- A fundamental corporate overview of the Council's reserves
- Improvements to the Council's capital planning process

A timeline for preparation of the 2010/11 budget was attached as Annex A to the report. Members were invited to support the proposed arrangements, as recommended (Option 1) or to suggest alternative arrangements (Option 2).

Having noted the comments of the Shadow Executive on this item, it was

RESOLVED: (i) That the proposed budget planning process, as outlined in the body of the report, be approved.¹

REASON: To ensure that robust financial management arrangements are in place to support the preparation of the 2009/10 budget and the Medium Term Financial Strategy.

Action Required

1. Begin implementation of the agreed budget planning process SA

25. EQUAL PAY UPDATE

[See also under Part B minutes]

Members considered a report which provided a summary of the current position on the Council's equal pay litigation and sought a mandate to extend the scope of the type of equal pay claims to be settled and a decision on tactics around other types of equal pay claims.

A decision was also sought in respect of legal representation for the Council at the GMF hearing in November.

RESOLVED: That recommendations (i) to (iv), as set out in paragraph 14 of the report, be approved.¹

REASON: In order to agree an appropriate approach to the handling of Equal Pay claims.

Action Required

1. Take action to implement the agreed proposals, including scheduling a further report on the Forward Plan SA

PART B - MATTERS REFERRED TO COUNCIL

26. COMMUNITY STADIUM - OUTLINE BUSINESS CASE

[See also under Part A minutes]

Members considered a report which presented an outline business case for a community stadium in York, drawing on feasibility work undertaken by Five Lines Consulting, case studies for other stadiums across the UK and specialist advice provided to the Council.

The report included a demand assessment and an assessment of options, the latter providing an initial indication of the potential benefits, costs and viability of the four main options, as follows:

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Option 2 – shared football and rugby stadium, plus community sports village including a county standard athletics facility and sports pitches.

Option 3 – as per Option 2, plus an extensive range of community facilities.

Option 4 – as per Option 3, plus a hotel / conference centre.

The analysis at this early stage indicated that there was a significant capital shortfall for three of these options (Options 2-4). However Option 4, being supported by a key commercial anchor, could demonstrate both potential commercial robustness and wide community benefits.

A prudent approach was recommended, to ensure that any option developed did not expose the Council and its partners to future financial liability. The next steps, as outlined in paragraphs 13.3 to 13.5 of the report, would include development of a full business case, involving detailed feasibility work that would require in-depth analysis and the use of specialist resources. Following a project costing exercise, it was estimated that the total costs required to take the project to the next key and final feasibility stage would be £175k, representing an additional £100k on top of the budget already identified.

Having noted the comments of the Shadow Executive on this item, it was

RECOMMENDED: That Council endorse the approach set out in the report and allocate £100k from general reserves in 2009/10 to provide funds for the delivery of this work, which will include specialist external advice to ensure delivery within the next 12 months.¹

REASON: To enable the project to be progressed.

Action Required

1. Refer this recommendation to Full Council

GR

27. EQUAL PAY UPDATE

[See also under Part A minutes]

Members considered a report which provided a summary of the current position on the Council's equal pay litigation and sought a mandate to extend the scope of the type of equal pay claims to be settled and a decision on tactics around other types of equal pay claims.

A decision was also sought in respect of legal representation for the Council at the GMF hearing in November.

RECOMMENDED: That Council approve recommendation (v), as set out in paragraph 41 of the report.

REASON: In order to ensure appropriate legal representation at the hearing.

Action Required

1. Refer this recommendation to Full Council

GR

A Waller, Chair

[The meeting started at 2.00 pm and finished at 3.00 pm].

EXECUTIVE FORWARD PLAN

Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 21 July 2009		
Title & Description	Author	Portfolio Holder
<p>Libraries RFID Procurement</p> <p><i>Purpose of report: The library service is out to tender out for an RFID (self-issue) system. Tenders are due to be evaluated during the first two weeks of June. As we will be taking both quality and cost into account in the evaluation, there is the possibility that a supplier will be chosen which is not the lowest cost option. In these circumstances an Executive decision would be required. Should the chosen supplier be the lowest cost option, then this report will not be required. The outcome will be a contract which offers the best solution to our requirements for technology which will provide high quality customer services at the new York Library Explore Centre due to open in December.</i></p> <p><i>Members are asked to: Agree to contract with the chosen RFID supplier, if this is not the lowest cost option.</i></p>	Helen Whitehead	Executive Member for Learning, Culture & Children's Services
<p>Treasury Management Annual Report</p> <p><i>Purpose of report: To report the final performance of the treasury management function for the financial year ending 2008/09.</i></p> <p><i>Members are asked to: Note the performance of the Treasury Management function and make recommendations as appropriate.</i></p>	Louise Branford-White	Executive Member for Corporate Services
<p>Accommodation Project – Update</p> <p><i>Purpose of report: To provide Members with a project update with a particular emphasis on the evaluation process for the submission of each of the developers detailed solutions due to be submitted in mid July. The feedback from the recent consultation process. The office of the future project and timetable for the completion of the procurement process and the overall project.</i></p>	Maria Wood	Executive Leader

<p><i>Members are asked to: Note the contents of the report.</i></p>		
<p>Year-End Capital Report</p> <p><i>Purpose of report: To report the final financial position on the council's capital programme for the financial year ending the 2008/09</i></p> <p><i>Members are asked to: Note overall performance and authorise relevant financial adjustments.</i></p>	<p>Louise Branford-White</p>	<p>Executive Member for Corporate Services</p>
<p>Revised Financial Regulations</p> <p><i>Purpose of report: Following a review of the Council's Financial & Procurement Regulations.</i></p> <p><i>Members are asked to: Approve the Revised Financial Regulations.</i></p>	<p>David Walker</p>	<p>Executive Member for Corporate Services</p>
<p>Improvement Plan Key Actions and Milestones</p> <p><i>Purpose of report: To update Members on the key actions contained within the 2009/10 Improvement Plan (agreed at Executive 26 May 2009).</i></p> <p><i>Members are asked to: Note progress made against the key actions.</i></p>	<p>Helena Nowell</p>	<p>Executive Member for Corporate Services</p>
<p>Regional Funding Allocation Proposal</p> <p><i>Purpose of report: To request a decision from the Executive to confirm the schemes to be progressed using the additional funds from the Regional Funding Allocation in accordance with the 7 April Executive (Calling In) meeting.</i></p> <p><i>Members are asked to: Decide which schemes to progress using the additional funding fro the Regional Funding Allocation.</i></p>	<p>Tony Clarke</p>	<p>Executive Member for City Strategy</p>
<p>Carbon and Energy Management Programme – Update</p> <p><i>Purpose of report: A progress report on how the authority is to achieve 25% carbon emission reductions by 2013.</i></p>	<p>Neil Hindhaugh</p>	<p>Executive Leader</p>

<p><i>Members are asked to: Acknowledge the progress and achievements made and approve a future workplan.</i></p>		
<p>Sustainable Communities Act Final Update and Proposals</p> <p><i>Purpose of report: This report updates Executive on the consultation with Citizens Panel and the Without Walls Executive Board on proposals under the Sustainable Communities Act.</i></p> <p><i>Members are asked to: Indicate which proposals should be submitted to the Local Government Association for consideration.</i></p>	<p>Ian Floyd</p>	<p>Executive Member for Corporate Services</p>
<p>Budget Process and Resource Alignment Arrangements</p> <p><i>Purpose of report: To set out the proposed arrangements to support the preparation of the 2010/11 budget and the alignment of resources based on the Council's strategic and corporate priorities.</i></p> <p><i>Members are asked to: Agree the proposed budget planning process.</i></p>	<p>Keith Best</p>	<p>Executive Member for Corporate Services</p>
<p>Final Report of the Hungate Ad Hoc Scrutiny Committee</p> <p>Purpose of the Report: The paper presents the final findings & recommendations of the Committee's Review.</p> <p>Members are asked to: Note & approve the recommendations arising from the Review.</p>	<p>Melanie Carr</p>	<p>Executive Member for Corporate Services</p>
<p>Final Report of the Education Scrutiny Committee</p> <p><i>Purpose of the Report: The paper presents the final findings & recommendations of the Committee's Review on the Extended Schools Agenda.</i></p> <p><i>Members are asked to: Note & approve the recommendations arising from the Review.</i></p>	<p>Melanie Carr</p>	<p>Executive Member for Corporate Services</p>

<p>Urban Eco Settlement</p> <p><i>Purpose of report: The report outlines proposals for a demonstration exemplar eco settlement on part of the former British Sugar site in York. Subject to Members agreement the proposals will be submitted to Leeds City Region Partnership for submission for funding to CLG by the end of July this year. A decision is expected from CLG in Sept/October.</i></p> <p><i>Members are asked to: The report seeks Members agreement to submit a proposal for funding a demonstration exemplar eco settlement on part of the former British Sugar site to Leeds City Region Partnership for consideration by CLG.</i></p>	Sue Houghton	Executive Member for City Strategy
<p>Land at Rear of Acomb Explore, Front Street, Acomb</p> <p><i>Purpose of report: This report outlines proposals to acquire two parcels of land at the rear of Acomb Explore, Front Street, Acomb</i></p> <p><i>Members are asked to: Give approval to acquiring the land and bringing forward capital expenditure to fund the acquisition this financial year.</i></p>	Tim Bradley	Executive Leader

Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 8 September 2009		
Title & Description	Author	Portfolio Holder
<p>Barbican Update</p> <p><i>Purpose of report: To update and recommend next steps for procurement.</i></p> <p><i>Members are asked to: Agree proposals for procurement for the Barbican.</i></p>	Pete Dwyer	Executive Member for Learning, Culture & Children's Services
<p>Final Report of the Planning Enforcement Ad Hoc Scrutiny Committee</p> <p><i>Purpose of report: To present the final findings and recommendations of the Committee's review into planning enforcement.</i></p> <p><i>Members are asked to: Note and approve the recommendations arising from the review.</i></p>	Tracy Wallis	Executive Member for Corporate Services

Table 3: Items slipped on the Forward Plan with the agreement of the Group Leaders					
Title & Description	Author	Portfolio Holder	Original Date	Revised Date	Reason for Slippage
<p>Libraries RFID Procurement</p> <p><i>Purpose of report: The library service is out to tender out for an RFID (self-issue) system. Tenders are due to be evaluated during the first two weeks of June. If a supplier is chosen which is not the lowest cost option, an Executive decision will be required. Members are asked to: Agree to contract with the chosen RFID supplier, if this is not the lowest cost option.</i></p>	Helen Whitehead	Executive Member for Learning, Culture and Children's Services	23 June 2009	21 July 2009	To allow sufficient time to evaluate the tenders and determine whether a Member decision is required.

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Executive

9th June 2009

Report of the Corporate Management Team

Effective Organisation Programme – Efficiency Review

Summary

1. This report sets out the initial findings of the recent review of the Council undertaken by the Council's efficiency partners, Northgate Kendric Ash (NKA), following previous reports to the Executive on this issue. Further to that, it sets out proposals from the Corporate Management Team for a broad-based programme of work to ensure the Council continues to provide efficient and effective services which are focused upon Customer needs, and ensure that York continues to build upon its successful transformation programmes, ensuring the Council is modern and forward looking. The proposals are key in ensuring the achievement of the Effective Organisation theme within the recently approved new Corporate Strategy.

Background

Corporate Objective

2. 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.
3. This theme commits us to continue a programme of transformation for the authority, ensuring we are a modern, agile organisation, through our easy@york programme and the new efficiency partnership. 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.
4. The Efficiency agenda is crucial to this objective and needs to be co-ordinated with many of the activities that are already happening to ensure that we maximise the benefits and make best use of our investment of time and money.

Efficiency

5. 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.

6. The Audit Commission have given us three stars for Value for Money in the Use of Resources score. CYC have made efficiencies in recent years and have always managed to remain within budget. CYC has already initiated a wide range of service based improvement initiatives and some corporate programmes such as easy@york. These have already been successful in delivering improvements to services.
7. The budget process has regularly delivered 3-5% savings per annum to balance the Council's financial position. However this process has tended to focus upon individual Directorates, and there has generally not been a significant Corporate look across the organisation, to identify areas where, through a Corporate approach or a Council wide initiative, efficiency across all areas would increase. Whilst the target setting approach for individual Directorates has worked well in the past, and delivered the required budgetary savings, it is generally accepted that further across the board savings will become ever more hard to achieve, and there is a need for a "one Council" approach to achieving some of the required efficiency gains. There will also be focused reviews in individual service areas, but these will be targeted towards areas where there appears greatest opportunity for real efficiency, as opposed to a blanket approach to all areas. Continuation of the Directorate targets approach as applied recently is almost certain to result in reductions in services.
8. It is important to stress that the Efficiency Programme has the fundamental principle that savings have to be true efficiency – 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 £3m 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 will have 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.
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 will seek 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 but it is reasonable to assume that we will need to 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 extensive, and consider significant changes in how services are delivered.

Ambition

12. 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.
13. 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.
14. 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 review

15. The scale of the challenge facing local authorities in coming years should not be understated. These challenges include increased expectations for service delivery, the economic position and reduced public spending, and demographic and social changes. As described above, tackling these effectively requires a robust, and substantial Efficiency Programme. Delivering this 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 to look at the potential to deliver £15m of savings (net of fees) from the operation of the entire Council. The partnership was based on a 100% risk reward model, whereby NKA will place all their fees at risk if genuine efficiencies are not made. The basis of the partnership was that NKA would bring with them experience and additional capacity to support CYC in delivering the programme. This is not something that has been done to the Council, nor is it a comprehensive performance review. **It concentrates on areas where improvement is possible.**
16. The Summary of this review is attached as Annex 1. This is supported by 21 detailed reports which set out the initial business case for each stream of work.
17. The principal finding of the review was that **NKA are extremely confident that the £15m target (net of fees or investment) can be achieved** within the three-year target. It is also their view that further savings are possible in the future if CYC is willing to embrace a truly transformational approach to service delivery (the "horizontal efficiencies" set out in the summary report).

18. The report is the result of just 12 weeks intensive review work and as such all detailed figures within the reports are still being refined, and the reports are very much work in progress. Since the beginning of April NKA have been working with Directorate management teams to validate each business case and to blueprint the future service, envisioning what the service will look like in the future and identifying what actions need to take place to realise the benefits. The full business case is **a work in progress** however NKA are extremely confident that the overall savings position is a robust one.
19. NKA believe that the Council has already started well with the work done on easy@york and any future efficiency programme should be built around the Programme office already established (indeed many NKA proposals are already being developed as part of easy@york phase 2). However NKA also believe that the easy programme has not been able to achieve its full potential nor has it had a broad enough scope to deliver the wide reaching efficiency gains that are needed.
20. NKA state the need for high-level commitment from Members and from CMT to enable any future work to succeed. This involves developing capacity and capability to move quickly and purposefully forward.
21. Because of the risk/reward model that has been developed, NKA need to entirely confident that the programme that is agreed can definitely be delivered. **It is not in their interests to inflate potential savings.**

Corporate Management Team Proposal

22. Corporate Management Team are championing the development of a broad programme of change to deliver the Effective Organisation theme set out in the Corporate Strategy theme.
23. The change programme will incorporate
 - A series of efficiency projects set out below
 - The easy@york programme
 - The Improvement Plan
 - Workforce Development Plan
 - Delivery of the Customer Strategy and Engagement Strategy
24. This programme includes the commissioning of a series of efficiency projects which will be undertaken with support from NKA. Ten of these offer early deliverables and quick wins and represent the first year of the efficiency partnership and include work that will deliver savings and improvements in 2010/11. Other projects and the strands of cross cutting efficiency identified in the NKA review will be worked up and proposed for years 2 and 3 of the programme. The ten Year 1 projects are: -
 1. Neighbourhood Services
 2. Housing
 3. Adult Social Care
 4. Customer Services
 5. Procurement

- 6. ICT
- 7. Income Collection/Debt Management
- 8. HR Transactional processes
- 9. Property Services
- 10. Review of Senior Management structures

25. Set out below is a summary of each project. At this stage the areas of activity give an outline of the broad scope of reviews, which clearly will need to be subject to more detailed work and option analysis.

1. Neighbourhood Services	Potential Budget Saving:- £1,240,000
Activity will include: -	
<ul style="list-style-type: none"> 1. Consider move to area based delivery to improve accountability and allow residents to shape services 2. Remove service based structure and allow staff to work flexibly on any type of work that needs doing 3. Adoption of mobile working to make street based services more responsive 4. Review potential changes in the waste collection staff's work patterns. 5. Optimise work schedules to create capacity to deal with areas/times of greater need 6. Review of kerbside recycling – encourage improved levels of recycling 7. Integration / rationalisation of highways inspection to enable us to repair roads more quickly 8. Improve levels of equipment to improve utilisation and reduce the need for replacement 9. Market testing to prove best value 10. Review of commercial activity to ensure it is cost effective 	

2. Housing	Potential HRA Saving: - £1,600,000
Activity will include: -	
<ul style="list-style-type: none"> 1. Remove the client/contractor split and, in so doing, ensure that service delivery sits in the one area – the service deliverer. 2. Simplification of new business process, reducing duplication of effort and unnecessary checking and monitoring 3. Adopt one system for the operations and arrange for that one system to pass data to other systems 4. Accelerate implementation of mobile working technology to speed up the repair process 5. Consider the future options for Landlord Services in light of the pending HRA Review. 6. Market test the service 	

3. Adult Social Care	Potential Budget Saving: - £3,000,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Accelerate implementation of Personal Care Plans 2. Increase customer independence within their own homes through greater use of warden call / telecare services. 3. Review of the use of Elderly Person's Homes to increase utilisation and look at shared provision with PCT 4. Review the provision of domiciliary care to improve client contact time to a target of 70% by 2009/10, create greater overall capacity to meet the challenge of the older persons demographic profile within York up to 2015 5. More effective contract management of domiciliary care to improve safeguarding 6. Review of procurement of out of area placements and bring back in to local services individuals who have been place out of area to deliver better value and improve quality and develop vibrant market of care delivery 	

4. Customer Services	Potential Budget Saving: - £1,000,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Rationalisation of the number of reception points in to a single service centre in 2012 with the early formation of a single Customer Service Unit prior to 2012 to provide one view of the customer – a One stop approach for all customer enquiries/requests. 2. Adoption of standard working processes across all services enabling the removal of non added value activities leading to a reduction in avoidable contact and consistent quality customer experience 3. Performance improvement within the contact centre targeting upper quartile performance with significant improvement in the customer experience, faster service delivery, improved feedback to customers about the progress of their request, all leading to increased customer satisfaction. 	

5. Procurement	Potential Budget Saving: - £3,200,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Establish a broad range of corporate contracts to cover the majority of Council spend ensuring better value for money & aggregate spend across the Authority e.g. bulk paper, food and catering, facilities management etc. 2. All high value contracts re-tendered within the next three years to deliver cost savings 3. Creation of a single corporate procurement function to maximise aggregation of spend and ensure compliance with standard terms and conditions. 4. The financial system will be reconfigured early in the transformation 	

<p>programme to support E trading</p> <ol style="list-style-type: none"> 5. Adoption of a variety of different purchasing methods including Procurement cards, market place, etc to reduce transactional costs 6. Creation of a up to date contract register to ensure timely re- procurement 7. Adoption of standard terms and conditions across all directorates to minimise risk associated with Health and Safety, sustainability and ethical frameworks by adoption of more robust T + C's
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6. I.C.T.	Potential Budget Saving: - £1,350,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Managed Print - source all printing via competitive tender, rationalise the number of photocopiers, specialist and standard printers. With new high spec printers through out the Authority 2. Computer operations room, the tendering for a managed service which will host all servers to provide an ongoing technical refresh of the server estate negating the need to purchase new assets on a ad-hoc basis, and Increase the level of robustness of Disaster Recovery Plans 3. Centralise IT resource in to one management structure & rationalise support activity to ensure consistent application of policy and remove duplication 4. Desktop review, acceleration of the move to thin client and the reduction in the overall number of units through better utilisation of laptops and the adoption of flexible working. This will reduce the space requirement in the new HQ 	

7. Income Collection	Potential Budget Saving: - £1,800,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Development of a single performance framework and adoption of common working practices, re-engineering of core processes, implementation of the new Income Collection Strategy leading to increased collection rates and reduced bad debt provision. 2. Introduction of a managed service for collecting housing benefits over payments 3. Implementation of E benefits for processing new Benefits claims giving faster claims resolution. 4. Standardise working practises and greater adherence to Authority policies 	

8. Human Resource	Potential Budget Saving: - £1,600,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Establishment of an HR business support centre which will reduce administration and duplication of effort and lead to faster appointment of staff 2. Business process re-engineering of key transactional processes 	

<p>focussed on improving effectiveness and efficiencies</p> <ol style="list-style-type: none"> 3. Development of a flexible resource strategy which will deliver financial benefits by adopting different methods of employing fixed contracts and temporary workers 4. Adoption of standard working practices throughout the Authority to ensure consistent applications of processes and policies across HR 5. Improve control of the establishment to tie together employment status, network access and financial controls 6. Develop the capacity within the HR service to deliver the transformational change programme

9. Property	Potential Budget Saving: - £700,000
Activity will include: -	
<ol style="list-style-type: none"> 1. Develop strategic capability across the whole organisation to refocus resources on becoming a commissioning function rather than a provider of the full range of services (Facilities Management, Corporate Estate Management, Management of the investment property portfolio, Valuations, Repairs & Maintenance, Design and Energy Specialists) 2. Creation of enlarged Facilities Management service incorporating building repair and maintenance, security/caretaking, cleaning, Couriers, window cleaning etc.. 3. Market test the service incorporating a flexible contractual approach with an awareness of the future requirements (especially with regard to FM and Corporate Estate Management) as a result of the pending move to the new civic building 	

10. Review of Senior Management Structures	Potential Budget Saving: - £1.2m - £1.6m
Activity will include: -	
<ol style="list-style-type: none"> 1. Review the senior management structures of the Council to ensure that the Directorate structures are fit for purpose to deliver services in the future 2. Review potential centralisation of support services such as Finance prior to the move to the new HQ. 3. Rationalise the levels of management to give clearer focus to each service area and reduce the cost of management across the council. 	

26. The Potential Budget savings identified above represent an estimate of the full year savings which can potentially achieved in these areas by the end of the programme., totalling over £17.1m. They are not therefore the totals that can be achieved in year one and do not align to the annual figures for the whole programme set out in the table in para 38.
27. Annex 2 contains a draft plan of the year 1 efficiency projects indicating which projects will run when. Each of these projects have been through an initial validation of the business case during April and May. They are however still based on some working

assumptions which will be more closely reviewed before commencement and it is extremely likely that some activities will change as we go through further detailed definition.

28. 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 moreforyork 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

29. 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

How will this programme improve services to customers?

30. 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 through 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
- 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.
- To the customers the authority will feel modern and responsive and meet their expectations

Delivering a Programme of change

31. 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.
32. 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.
33. 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.
34. There are a range of early actions that need to be undertaken to provide a firm launch pad for the change. These include: -
 - Consider centralisation of some support services ahead of the move to the new HQ – specifically HR, Finance, IT, and Procurement.
 - Development of our internal capability and capacity in HR, Procurement and Performance Management
 - Development of staff who will be instrumental in the Programme

- Establishment of Governance arrangements and rationalisation of a multitude of existing project boards and groups. – The draft Governance structure is attached as Annex 3
- Adoption of a common project management approach as set out in the Single Improvement Plan
- Development of a comprehensive Communications Strategy to engage and communicate with Customers, staff, unions, members and partners

Financial Implications

35. 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.
36. In order to provide assurance on the delivery of the MTFS, proposals for significant changes to the Council's annual budget planning process are currently being developed. These changes will include recognition of the need for robust and effective validation of efficiency proposals in order to ensure that savings targets are realistic and achievable.
37. The Council approved an allocation of £1m towards efficiency in 2008, and this was subsequently 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'.
38. At the heart of this programme is the principle of risk and reward. In simple terms all of NKA's fees are subject to the achievement of savings being identified. If the required savings are not identified there is 100% rebate of fees.
39. However, clearly 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. This is similar in many ways to how the easy@york programme is financed. At times the fees and savings may well be in the same financial year, but in many cases this may not be the case. The table below projects the broad anticipated flows of fees to savings.

COMMERCIAL MODEL					
	Year 0 2009/10 (£'000)	Year 1 2010/11 (£'000)	Year 2 2011/12 (£'000)	Year 3 2012/13 (£'000)	Total (£'000)
SAVINGS FROM REVENUE (GENERAL FUND)					
Savings (Incremental)	1,200	4,900	8,200	9,000	23,300
Savings (Cumulative)	1,200	6,100	14,300	23,300	44,900

SAVINGS FROM NON GENERAL FUND & ONE OFFS					
Savings (Incremental)	70	300	600	1,800	2,770
Savings (Cumulative)	70	370	970	2,770	4,180
Total Cumulative Savings	1,270	6,470	15,270	26,070	49,080
CONTRACTED SAVINGS TARGET (as per York MTFS)					
Incremental	0	3,250	5,150	7,150	15,550
Cumulative	0	3,250	8,400	15,550	27,200

40. The top section of the table (“Savings from General Fund” and “Savings from non General Fund”) sets out the maximum potential gross savings that can be generated. The “Contracted Savings target” sets out the minimum guaranteed General fund savings underwritten by the NKA risk model. These figures are net of all transformation costs and fees and are ongoing.
41. 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 fee structure is set out in confidential Annex 4.
42. Other costs may also need to be incurred as a result of the Efficiency Programme, including potential redundancy, IT, and investment in training.
43. It is recommended that the Executive delegate approval to meet 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 would be responsible for the determination of savings achieved, the required budget adjustments, and the allocation of such savings. He would 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.
44. 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 Efficiency programme we will need to revert to the Directorate targets for savings which will almost inevitably mean service cuts. For the year 2010/11, we will need to review the success of the efficiency projects in October 09 to establish confidence that they will yield the £3.2m required for next year.

45. The level of savings to be incorporated into the budget each year will be based upon validated and accurate assumptions of savings and not on the headline figures contained in this report. Further work is needed to work up proposals and validate information before accurate projections can be agreed.

HR Implications

46. 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.
 - Develop staff, improve the management of staff and provide staff with a better package of welfare benefits
 - Plan the future needs of the Council and develop its workforce to meet these needs
 - Support the organisation through a period of cultural change where working lives will look very different to how they look now.
47. 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.
 - It is extremely likely that there will be a reduction in the number of employee posts. Changes to business processes, removing unnecessary steps will inevitably reduce the need for so many people. Given that the majority of the Council's budget is spent on salaries, if savings of £15m are to be made then this inevitably means a reduction in post numbers. 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. The Council is committed to avoiding redundancies wherever possible through natural wastage.
 - The Council will need to market test some of its services to ensure that the Council is delivering efficiently. Any outsourcing would involve TUPE transfer of staff.
 - 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, a corporate approach to organisation wide issues, 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

48. 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.
49. 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* - 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.
 - 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 – if they are agreed and then subsequently we fail to implement them this create a breach of our contractual relationship with NKA. *Mitigation* – Regular Quarterly progress reports to Exec/Full Council setting out the context for each proposal and the full impact of each decision on the programme and budget . Decisions to be made according to the constitution.

Implications

50. The implications this report are: -
 - **Financial** - Covered in the report
 - **Human Resources (HR)** - Covered in the report
 - **Equalities** - Equalities Impact Assessments will need to be undertaken on each project before contract signature with NKA to ensure that all equalities considerations have been taken into account. If there are any significant equalities issues that Members need to understand, a further report will be drafted before contracts are signed and work commences.
 - **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. Specific efficiency project will also have impact upon the organisational structure of the IT department and on some IT infrastructure 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

51. 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.
52. If this Programme is agreed, the full communication Strategy needs to be implemented to further engage staff, develop their understanding of and involvement in the programme as it progresses.
53. Unions have been briefed before during and after the NKA review and are party to the contents of this report. Close liaison with all Unions will be essential for the successful delivery of the programme.
54. Partner briefings have been commenced and it is expected that these relationships will provide opportunities for further cross organisation efficiencies.
55. One aspect of the overall programme is to create a better two-way relationship with customers and 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. Again a comprehensive engagement plan needs to be developed alongside a detailed programme plan.

Recommendations

56. Members are asked to agree to the commencement of the year 1 Efficiency projects set out in para 25.
57. Members are asked to note the proposed Programme governance arrangements set out in Annex 3.
58. Members are asked to delegate authority to the Director of Resources to agree financial commitments to NKA (on basis of the risk reward model), and agree allocations from and to the Efficiency Reserve, to enable the delivery of the Efficiency programme
59. Members are asked to delegate authority to the Executive Board for the management of the programme of efficiency projects and to develop further detailed proposals for years 2 and 3.

60. Members are asked to agree that progress on the Efficiency Programme will be reported at least quarterly to the Executive.

Reasons

61. 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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Annexes

Northgate Kendric Ash Efficiency review – Executive Summary.....Annex 1

Draft Plan for Year 1 efficiency projects.....Annex2

Governance arrangements.....Annex 3

Confidential Annex

Commercial arrangements with NKA.....Annex 4

Corporate Efficiency Review for City of York Council

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Executive Summary

Introduction

This report, prepared by Corporate Management Team and Northgate Kendric Ash (NKA), sets out the findings from the Stage 1 review for City Of York Council ('the Council'). The purpose of the review was to identify and assess a broad range of opportunities for efficiency savings that would deliver £15m net saving within annual 3 year period.



Main Findings

NKA working with CMT has reviewed the opportunities across the Council, and concluded that the target efficiency savings are achievable.

The efficiency opportunities are described in outline detail in the report. Each one has been assessed for risk and achievability in outline but there is more to be done.

A more detailed assessment is ongoing between the Council and NKA in order to agree savings totals by project, to set priorities and to agree actions to manage risks.

Similarly, the joint working of the second stage will focus on the actions necessary to ensure the Council's readiness for the programme implementation.

In addition to managing risk considerations, NKA will work jointly with the Council to prepare a 'business case' for each of the savings options to confirm the forecast levels of gain and the expected levels of investment.

One very important outcome of the work in the second stage would be for the Council and NKA to arrive at clear joint ownerships of the tasks and targets in the Programme.

A clear requirement of this programme is to ensure the efficiency savings opportunities will not result in any dilution in service delivery and in the majority of cases service improvements will be achieved.

Other benefits are also likely to be achieved as a consequence of the efficiency changes even though they do not form any part of the Programme objectives. The main additional output from the Programme is likely to be a closer match between the Council's organisation structure and service delivery model and the citizens' needs.

The confidence about the achievability of the target savings within the required timescales is high but will require:

- There being clear leadership and commitment to the Programme across the Council coupled with a high priority for resource allocation.
- The Council ensuring it prepares its internal capacity to implement the Programme successfully.
- The Business case review of the savings options by the Council and NKA commences at the beginning of the second stage in order to arrive at a defined list of projects as soon as possible and to identify the levels of investment and other costs that would be necessary.
- Council agendas for change are reviewed as part of the Programme preparation. For example the Easy@York agenda and that of the Efficiency Programme are converged with arrangements for joint working and shared objectives. The corporate performance team will need to be closely align with the programme.

Next Steps

The Council needs to move to the second stage with NKA without delay. This is to maintain momentum and to ensure that the groundwork to deliver quick wins in year 1 and to prepare for the larger gains in years 2 and 3 to secure an efficiency saving of £15 million thereafter. Targeted savings for 2010/11 are a minimum of £3m net.

The Stage 1 review having been completed, it is in this next stage where joint working of the Council and NKA would lead them to develop precise targets and plans and to assume full shared ownership of the Programme goals.

The key steps for this to happen prior to full programme implementation are described in more detail later in the report. In summary, Stage 2 should:

- Establish the Programme Board and all related forms of governance and review all relevant change processes.
- Describe a clear and unambiguous vision for the Programme to be a constant theme for communication with staff and agree a rolling process for updates to all stakeholders.
- Commence the business plan assessments of all savings opportunities to define the savings levels and investments and to arrive at agreed priorities and levels of risk.
- Ensure that the Programme's impact is understood and agreed in relation to the Council's Single Improvement Plan (SIP).
- Review the Council's level of readiness for the Programme implementation and the monitoring of progress.
- Linked to the above, review the Council's overall change agenda. Some overlaps or duplications can be removed and change management resources combined to minimise risk and costs for the Council.

Introduction

The purpose of this report is to set out the findings from NKA's stage 1 Efficiency Review across the Council.

The work carried out jointly by the Council and NKA between January and March 2009 has focused on corporate-wide and service-specific opportunities (horizontal and vertical). It is part of the first stage of a three stage process to support the Council in identifying and delivering efficiency opportunities over the next three to four years.

The purpose of the service reviews is to identify more efficient and cost effective delivery models. In all instances, these will be obtained without any negative impact on service delivery. In many instances, it is expected that removing part of a process or changing an activity (how it is done, where it is done, or who does it) will not only reduce costs but provide an opportunity for a service to be improved.

These are not intended as stand-alone service reviews or audits and are not a comprehensive statement about the services. They are very much work in progress. Our reviews have focused on opportunities for efficiency within the service, by-passing other activities where opportunities for cost gain appear to be minimal or non-existent.

This Stage 1 Review is intended to:

- Assess the current financial costs and structures.
- Develop a portfolio of possible target areas;
- Quantify the scale of possible efficiencies.
- Prepare the next steps in terms of 'readiness' by supporting the setting up of a programme office that can take forward a range of business transformation projects, exploiting the opportunities identified within the portfolio; and
- Set out our proposed next steps for phases 2 and 3.
- Structure of this report

The remainder of this Introduction sets out the background to and criteria for this Review. It also describes the method used in this first stage and summarises the proposed approach for the entire transformation process.

The next section describes the Key Findings. It summarises the savings opportunities and explains how they have been categorised and assessed for risk and scale. The section also describes other benefits to the Council from the Programme which could be considerable.

Thereafter, the section on 'Models for Future Service Delivery' looks ahead to the options open to the Council, given that actions to reduce total costs will probably move the organisation to a mixed economy.

The later sections of the report deal with Programme Management and also propose the Next Steps - there is a lot of work to be done before the change process itself gets underway.

Background

The Council's Financial Strategy sets out a need for a minimum of £15m savings in the next 3 years. In reality there is a likelihood of higher savings being required. The Council and NKA will be looking to achieve all required savings through achievement of real efficiency - with potentially the partnership seeking to achieve more than £15m.

The net General Fund expenditure of York City Council is £113.5 million. The target savings in this Programme have been set at £15 million over three years - 13.3% of the total budget.

Large parts of the Council's total spend are not open to this efficiency review but the target size, whilst demanding, is well within the grasp of the Council and NKA to achieve. The target net savings of £15 million within the next three years are required to avoid a forecast budget shortfall, part of which is prompted by the government requirement for 4% efficiency savings per annum which have to be cashable

Against this requirement of cost reductions is a general backcloth of declining tax revenues and increased costs for central government due to the economic downturn. Further reductions in government expenditure are expected as a result but no details are available yet or even whether expected expenditure cutbacks will have an impact on local authorities.

Additionally there are probably other pressures looming which are not too far 'down the track'. These could include:

Demographic changes - already known about in terms of an ageing population but, as other councils are finding, the additional cost burdens are exceeding the forecasts. HASS is no doubt confronted by an upward trend in costs for the elderly for many years to come.

In addition, as property prices and household incomes continue downward, the ability of some of the working population to support its elderly parents will reduce. This will add to existing budget pressures.

Reduced Council Income - other councils are experiencing reductions in income as a result of the recession. Is York going to be any different?

In the time York has been a unitary, the complexity and breadth of some of the services that the Council has to deliver and the supporting activities for those services have changed dramatically. So too have the needs of the most vulnerable citizens.

It is probable that the members of the public who are the main users of the Council's services have also changed because needs are changing.

One example of this challenge (albeit an extreme case), is a London borough which has calculated that some 20% of its customers are using close to 95% of its critical service delivery resources.

Improved efficiency for York will reduce costs but the changes, with a clear vision in mind, could also align its services more closely to citizen needs

Criteria for savings

- The Council needs to identify efficiencies savings of a minimum £15 million over the next 3 years.
- Year 1 savings must be self financing - that is any costs and fees must be paid for by early efficiency gains.
- The £15 million savings must be net of implementation costs and exclude the net savings of £4.9 million planned by the Council in 2009/10.
- There must no service deterioration and where possible changes should look to improve service quality and the customer experience.
- The savings need to be cashable i.e. they must result in the removal of some resource from the Council's budget.
- To assist with the prioritisation of opportunities at Stage 2, the Council needs to understand the risks of each - in particular, the financial, political, operational and people-related risks. This assessment of risk should be arrived at jointly between the Council and NKA to ensure shared ownership.

- The speed of moving to implementation is also important. The Council needs to understand which opportunities are potentially quick / easy wins, subject to the suitable programme management arrangements being in place.
- At all times the programme needs to have clear financial model, ensuring the programme supports the Financial Strategy and the risk reward model is mentioned.

Review Method

The Stage 1 review was designed to explore opportunities for efficiency gains from two standpoints - horizontal across the whole organisation and vertical - looking down through the Council structure in specific service areas.



Corporate Reviews (horizontal)

This part of the review has examined the potential for wider actions and efficiencies across the whole organisation and some of these opportunities would certainly have strategic significance.

The main areas considered have been:

- The organisation structure itself, its relevance to the more recent service needs of York citizens and its management size.
- The front office/back office arrangements for service delivery and customer interaction.
- The sourcing of service delivery capacity where, at present, almost all service is provided by Council-employed staff.
- The main internal corporate services of the Council - particularly Procurement, ICT, Legal and HR.
- The scale of benefits to be achieved in these areas is very significant but their achievement would require extensive corporate working and major involvement of CMT and the HR team as well as other stakeholders.

Service Reviews (vertical)

Reviews were conducted in several target services where the scale and type of expenditure was expected to yield savings. A total of 21 services was reviewed and 16 reports produced. There are some other opportunities which have not been pursued. These include some areas of Customer Services and an idea for a wider facilities management service to support the new office and schools (if they opt in) .

Whilst some reviews largely required joint working between NKA and with the Head of Service and the management team, there were other activities where information was gathered from members of staff involved in the process under review. All members of the core project team have been involved in all aspects of the project method, from service reviews through to analysis and peer challenge.

Peer challenge was used regularly by the Team to check the quality and validity of conclusions being formed. In addition to internal meetings and informal discussions, off-site workshops were also used and these were attended by other NKA colleagues to provide an external perspective. Throughout these reviews, NKA have referred back to the Public Service Excellence Model (PSEM) as a benchmark for the scope of the reviews

and the analysis drawn from observations. NKA's key focus here was to ensure that it did not overlook cross-boundary or corporate issues when developing proposals specific to a service area.

In this Stage 1 Review, NKA's main activity has been to meet with managers and staff in front line and back office teams to listen to the people it met and to form conclusions about savings opportunities. The main purpose of consultation at this early stage has been to explain why and where information is being gathered and to listen to peoples' views as NKA met with the different teams.

Keeping people informed in this first three months has been based on:

- A first briefing of the Union in which the review approach was summarised and emphasis was placed on an intention to not dilute services by efficiency actions.
- Weekly update meetings with the project sponsor.
- Fortnightly attendance at CMT with progress updates.
- A briefing and discussion session with the Corporate Leadership Group.
- Meetings by NKA with over 50 managers in the Review areas in which the approach to efficiency gains was discussed.

Where, as has happened in some instances, some people have pressed NKA for early conclusions, it has not always been possible to be specific or as helpful as we would wish. The scale of the Review within three months has been demanding and our thoughts have been crystallising along with those of the key stakeholders over last few weeks into some tangible and emerging proposals.

Consultation - Next Steps

With effect from the commencement of the Second Phase, wider and more extensive consultation arrangements would need to be put in place because specific areas of work will be identified and become known. Within this report, there are proposed some 'themes' within which efficiency projects would be grouped and it is felt that this will facilitate providing progress updates to all stakeholders.

Agreement on Governance will define most of the issues regarding progress on the various projects.

This arrangement together with a Communications Plan, should be specific on:

- CMT reporting and involvement. In this context, 'involvement' would include agreement on how CMT members would provide leadership to the Programme.
- DMTs reporting and involvement.
- Members overview, their leadership of the Programme and frequency of reporting.
- Trade Union progress reports and consultation when specific proposals emerge and a change process is triggered.
- Staff updates and consulting.

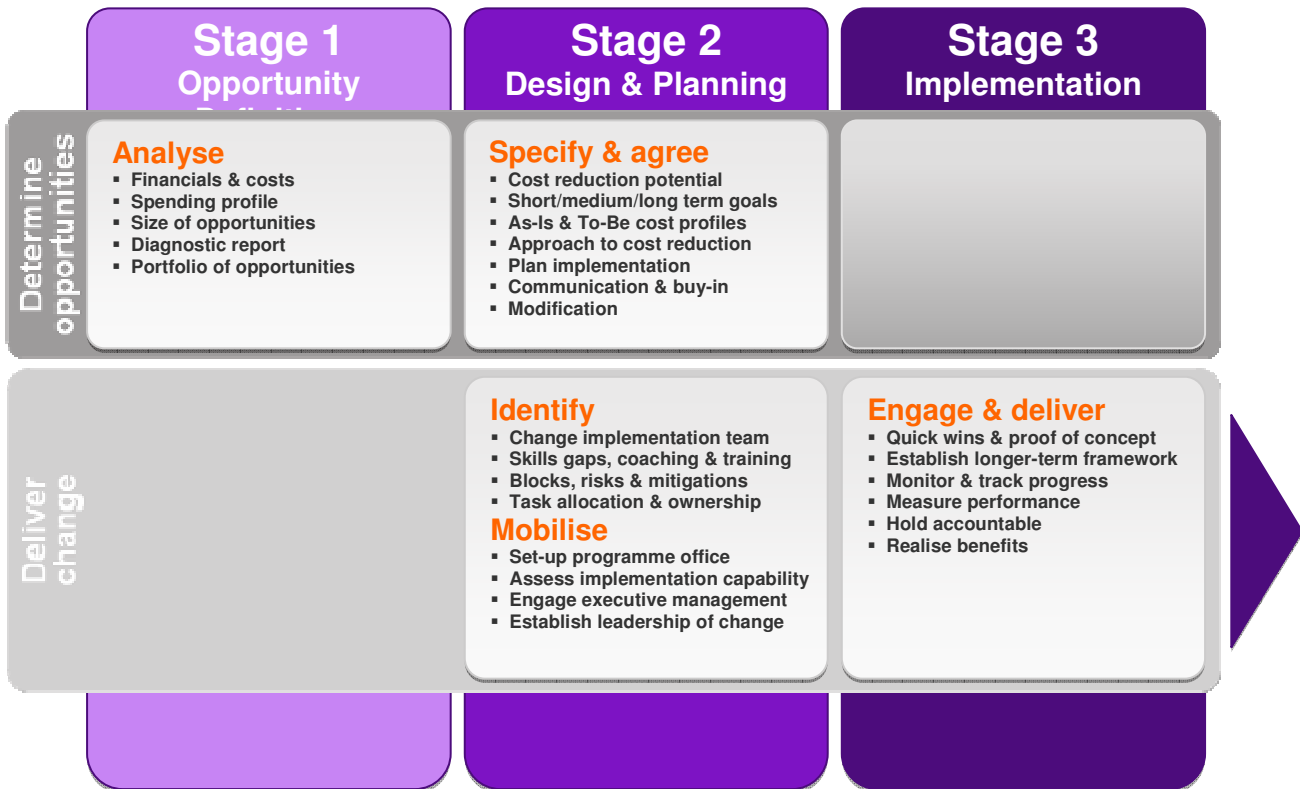
Overview of the Transformation Process

Structured transformation

Stage 1, now completed, is the information-gathering stage where the potential savings opportunities have been identified.

Stage 2 consists of assessing the savings opportunities, being aware of the risk management and resource needs and completing all preparation, including governance and organisational readiness. For each of the opportunities this will include developing business cases, SIPs and being sure of the benefits realisation.

Stage 3 is the programme implementation.

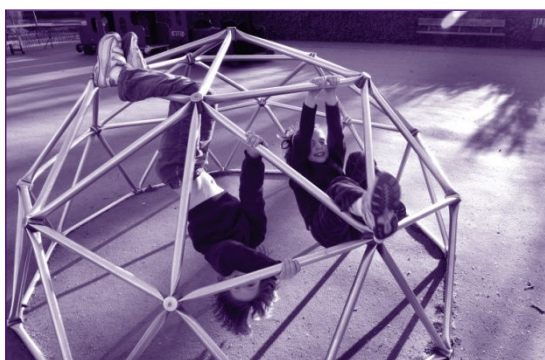


Key Findings

Overview

Modernising the Council

The Key Findings commence with a view of the Modernising agenda of the Council, how it relates to the Efficiency Programme and delivery of performance improvement.



Achievements and the effort to date are recognised but ‘modernising’ in this context places considerable emphasis on how far the Council must move to match its structure and service delivery to the changing needs of its customers (the vulnerable in particular) and to the changing world around it.

Savings Opportunities

The savings opportunities and qualitative improvements in service delivery are described and either arise from observations about efficiencies within the services reviewed or from wider conclusions about the Council’s structure and corporate activities.

The savings totals are also grouped into ‘themes’ to give some indication of the types of activity that would be involved in their delivery. If agreed in the joint preparations in stage two, these themes would form the main work streams of the programme and both participants and on-lookers would become familiar with this terminology

Flexible working

The Council has committed to a partner for the system and preparation is underway but this report emphasises the critical importance to the Programme of mobile / flexible working being introduced across several front line services as soon as possible. It is a major source of efficiency and service improvements and merits a higher priority within the Council. It is important to note that this is not just aimed at benefits for blue collar staff but it could and should be extended to white collar and professional services

Flexible working has been on the Easy@York agenda for some time. It is proven technology and there are many examples of its successful application.

Other benefits

The Programme is likely to deliver benefits beyond the target savings reductions. These would include service enhancements, improvements in management performance, customer satisfaction and overall performance. In the latter case, the Programme will steer managers into wider corporate actions and stretch them to give energetic leadership to the change process.

Costs

The costs, primarily those relating to in-house investment NKA’s fees, are summarised here.

Risks

An initial attempt has been made to describe the risk for each of the savings opportunities and these are summarised in this section and supported by a more detailed Risk Assessment.

Modernising Agenda

It is important, in the lead up to the next phase of the Council's development, that its achievements and hard work to date are recognised. Progress thus far and the length of the journey travelled have required significant effort.

It should also be noted that a Transformation programme as set out in this report is very much what the most progressive and forward looking authorities are considering. It is only by continuing to, improve, and deliver efficiency that that the Council will continue to be able to provide effective services, building on it's successes to date.

It is also right to recognise that the environment within which the Council operates is changing constantly and that a modern Council needs to be flexible and agile enough to meet the changing needs and expectations of its citizens.

To add to the challenge of this changing environment and constantly rising expectations, is an economic climate which will require a different method of operating and interaction with the customer if only because costs must reduce.

In broad terms, this requires further transformation and strategic change - transforming the organisation into one which is even better coordinated and presents itself to the customer as 'one single organisation'. The scale of the transformation ahead should not be underestimated.

A more 'modern and professional' organisation, which is both quick and responsive, will deliver considerable benefits for staff and citizens. It would, however, necessitate considerable investment in people skills and cultural change and a fresh impetus of capability across the organisation.

There is a growing expectation and demand in the UK for locally determined and delivered services which accurately match the needs of customers (most particularly the vulnerable) and which have a single view of that customer base. That 'single view' makes logistical sense and would also demonstrate far greater empathy with customers who need multiple services.

It will require an increased collaborative approach with closer partnership working, both internally within the Council, and with external agencies.

What is certain, is that services will not all be delivered in an identical manner to the present operating model.

There certainly needs to be a robust challenge to the existence of conventional, provider-driven boundaries to service delivery.

The Council recognises this need to act 'in the round' but the Efficiency Programme can be the vehicle by which real service transformation can be brought about whilst 'chasing' important reductions in operating costs. Utilisation of Partnership working offers the opportunity to bolster capacity and expertise. Costs can be offset by adoption of a risk and reward basis focused on outcomes.

Savings Opportunities

This section describes the key areas of savings and how they have been assessed and categorised. They are presented here as two main areas and are listed in the following pages:

Firstly, savings that can be obtained within a specific service area and which have been identified as a result of an efficiency review within the services.

These are referred to in this report as 'vertical' opportunities because they all sit within and not across the directorates structure of the Council.

Most of these savings arise from either the presence of duplicated roles in service delivery, from the use of an over-complex process to deliver service to the customer, which limits the speed of delivery and the decision making processes.

Some of these service arrangements have their routes a long way back in the history of the organisation and stretch back to or beyond the introduction of CCT in the late 1980s. In some instances, the complexity and duplication are a direct result of the client/contractor split being retained well beyond the requirement to operate within this formal requirement of the CCT regime.

Removing the unnecessary activities in these processes will not only lower the costs but also reduce the time taken for service delivery and, in some instances, improve the customers' service experience. This is explained elsewhere within this report.

The second area of saving would be obtained from actions to reduce costs in corporate or cross-boundary activities.

Since these are to be found across the Council structure , they are referred to in this report as 'horizontal' opportunities.

Examples of these activities are the provision of corporate services such as Procurement, Finance, ICT, HR and Legal as well as Customer Services and the Call Centre.

In a number of cases such services are fragmented across the Council. A move towards a centralised approach to these services as envisaged under the Admin Accom project is considered fundamental to not only exploring efficiency, but ensuring the programme is supported effectively at the outset. A Key principal of one Council should be adapted - meaning that key support activity should be centralised as one activity.

One further horizontal cost saving opportunity appears to be very significant. The Council's method of delivering virtually all services from within and using its own workforce is largely unchanged since the Council became a unitary.

There are clear examples that some external challenge mail bring major cost benefits. In the case of Neighbourhoods services for example in comparison to other authorities, the costs here in York are in excess of most with similar activity levels.

When the opportunities have been assessed and projects agreed in Stage 2, the plan is that they be grouped into project themes. The suggested groupings are shown in following pages.

The advantage of this approach is that they would be logical work-streams for the programme on the one hand and would be consistent 'labels' for the Council to explain and report progress to all stakeholders.

Flexible Working

In support of the Efficiency Programme, there is a compelling need for York to commit urgently to mobile working across the organisation and there are some key reasons for this:

- It is a prime enabler of efficiency across many services and productivity gains are often between 10 and 15%.
- On almost all occasions, it creates major service gains because delivery is quicker and, in some instances, the availability of data on the move, enables staff to complete their task(s) without multiple visits.
- Some staff can go straight to their first place of work without visiting the office. Apart from improved productivity, this can be a consistent reducer of workplace stress as a result of avoiding unnecessary journeys and parking.
- Once established across the organisation, the City would gain from the avoidance of several thousand journeys a year that are no longer necessary. The

environmental gains, expressed in terms of improved CRC (Carbon Reduction Commitment) performance would be extensive.

- Performance and control data collection is automated within the process and happens in real time. Costs of support staff to perform these roles is reduced or even avoided all together.
- Resident expectations include seeing the Council utilising technology and adopting working practices which are common in the private sector, with service delivery and timescales to match.

Easy@York have selected a partner for mobile technology. The challenge now is for the Council to support generic implementation across a wide range of services where the business case confirms large gains. This is a Key aspect of the change agenda and enabler in terms of how services will be delivered into the future.

The successful introduction of this system and the changes to working methods that would result should be given high priority. Of equal importance is the need to improve the speed of the change process. This is repeated in this report in terms of the Organisation's readiness to accelerate implementations - critically important for achieving the Programme goals.

NKA offers additional capacity in terms of supporting and working with the Council to deliver an increasing pace of performance improvement.

No claims of additional savings are made separately for mobile working in this Programme. This new way of working is fundamental for efficiency and quality boosts to service and would be an important foundation for the Programme.

Finally, this is a major cultural change and requires adjustments from staff. CMT leadership will be important and staff could receive no better reassurance than to hear about the places (local government and elsewhere) where new mobile working is making a difference including more enjoyment of the working day.

Savings by Theme - all figures are initial estimates and subject to amendment as definition work progresses

Themes	Year 2010/1	Year 2	Year 3	Total
Verticals				
Transactional/Back Office BPR/Productivity	1,000	3,000	4,800	9,000
Property Services	0	150	150	300
Care Provision	400	1,300	3,100	4,800
Customer Services	50	100	150	300
ICT	150	500	1,250	1,900
Procurement	500	2,000	4,800	7,300
Income Collection & Fees	650	1,500	1,800	3,950
Sub Total	2,750	8,550	16,050	27,350
Horizontal				
• Market Testing/Shared Services	0	1,700	2,200	3,900
• Front/Back Office integration	0	1,250	2,750	4,000
Accommodation Project / Asset Utilisation	0	250	250	500
Wider Review of the Mgt Structure	0	700	1,400	2,100
Total	2,750	12,450	22,650	37850

Key Findings - Savings by Service (Sample)

Vertical (service-specific) illustrative savings opportunities

The table here sets out the service-specific savings identified as a result of reviews in 21 services which led to 16 reports. The totals are full year effects.

Service Area	£ full year	Description
Housing	£600,000	<p>Process simplifications and removal of role duplications in Housing and in the repairs activity of Neighbourhoods (clerical). Assumptions about efficiency gains that would affect service-delivery staff are referred to in the next section on 'horizontal' savings.</p> <p>Annual charges to the HRA should reduce by about £500,000 with about £100,000 reduction in the General Fund.</p> <p>The Repairs process (and Highways repairs) was examined jointly with the Easy@York team and based on their findings and NKA's previous experience of similar repairs process improvements, the predicted reduction in tasks is known to be achievable. This review of the two processes reinforces confidence that</p>
Adult Social Care	£400,000 In year 1 & up to £3.1 million in the third year	The main savings in Adults are to be found in the Home Care and Elderly Persons Homes services, albeit further savings were also identified in other areas. The basis of the savings is that the internally delivered services (Home Care in particular) are considerably more expensive than external providers for the same service specification (based on relevant benchmarking data).
Leisure and Culture	£60-£80,000 in year 1	No proposals are made for wholesale changes. The savings estimate is a combination of rationalising and prioritising locations for service delivery and a review of current structures.
Childrens Services	£236,000 in year 1	Proposals affecting costs levels in Childrens Services are limited to suggestions for process changes in some areas to improve efficiency.

Vertical (service-specific) illustrative savings opportunities (continued)

Service Area	£ full year	Description
Neighbourhood Services	£966,000	<p>Based on a review of the main services, reductions in process complexity and support capacity are predicted in clerical and support activities. Assumptions about efficiency gains that would affect service-delivery staff are referred to in market testing in the next section on ‘horizontal’ savings.</p> <p>The Highways process (as with Housing Repairs) was examined jointly with the Easy@York team and based on their findings and NKA’s previous experience of very similar repairs process improvements, the predicted reduction in tasks is known to be achievable. This review of the two processes reinforces confidence that there will be a wider range of activities where process simplification will deliver cost reductions.</p>
Property Services	£150,000	<p>The proposal is that the Team becomes a strategic manager of property assets and a commissioning unit. It does not have (nor can it obtain) the internal capacity it requires and would reduce in size considerably with all delivery functions being covered by framework agreements (some of which are already in place). The savings are a conservative estimate of the reduction in delivery capacity required.</p> <p>Accommodation cost improvement opportunities are described separately in the next section on ‘horizontal’ opportunities.</p> <p>It is proposed that the FM service be the subject of separate market testing (as the new office requirements become known) based on a wider service arrangement that would cover all the needs for buildings occupancy as well as maintenance and repairs. The leap towards external delivery of this larger service would give the Council early access to modern service delivery methods incorporating mobile working and virtually zero administration. The service design could be accessible (via web access) if required. No prediction of savings opportunities is made at this stage but total costs would go down.</p>

Vertical (service-specific) illustrative savings opportunities

Service Area	£ full year	Description
Council Tax and Business Rates	£860,000 in yr 1 & £460,000 in yr 2	Improved collection of arrears, SPD review, reduced bad debt provision and the implementation of a performance management culture.
Sundry Debtors	£780,000 in year 1 & £1.2 million in year 2	Improved collection at 5% per annum through BPR of all primary processes. This will include the introduction of new performance management and control framework, introduction of a revised income policy and changing collection routines and timescales.
Benefits	£280,000 in year 2.	Implementation of performance management framework, roll-out E-Benefits and implementation of a managed service.
Procurement	£500,000 rising to £4.8 million in year 3	Leavaging the Councils purchasing position through aggregation of spend eg Civills approx £1million per annum, achieving greater compliance through implementation and operation of revised control frameworks, Improve the level of contracts which are retendered on time and therefore avoid costly contract extensions, increases routes to market and reduce large /high volume /high value invoice order transaction by the introduction of revised working techniques.
ICT	£150,000 rising to £1.25 million in year 3	Outsourcing of the data centre, moving to managed print, rationalisation of the ICT estate through greater use of existing assets and review of current desktop footprint.

Horizontal (corporate) illustrative savings opportunities- these are not exhaustive lists.

Area/Activity	£ Full Year	Description (base drivers for change)
Market testing	£1.7 m in year 2, rising to £2 m	<p>The main focus is Neighbourhood Services where the delivery teams have not been exposed to market testing on any significant scale. An NKA review of some of the services highlights opportunities for process simplification and removal of duplicated roles but this did not examine the delivery teams themselves.</p> <p>Housing repairs delivery costs (ie operatives and related costs) were compared with the same service of another authority with similar housing stock numbers and activity levels and this suggests that the service is very expensive. Other such opportunities are expected to be identified with a comprehensive market-testing exercise across the directorate’s services.</p> <p>A later stage of the review of these services could extend into arrangements for shared services with local/partner organisations.</p>
Shared Services	Up to £2m	<p>A review has already been conducted by NKA to examine opportunities for a joint call handling facility a shared ICT platform and the shared use of community and non emergency transport capacity across three potential partners (Yorkshire Ambulance Service, East Riding of Yorkshire Council and City of York Council).</p> <p>The aim would be for the ‘partners’ to share common facilities for receiving calls requesting transport and to use one shared system to optimise the use of the vehicles that they and community transport groups would make available. Reductions in operating costs and longer term reductions in infrastructure (telephony, systems and vehicles) were identified and a useful by-product was to boost community transport capacity.</p>

Horizontal (corporate) savings opportunities- these are not exhaustive lists.

Area/Activity	£ Full Year	Description
Accommodation	£100,000	<p>The New Office project assumes that St Anthonys, Acomb and the Guildhall will continue in use and this is intentional flexibility and caution for the project’s planning. The reduction in the numbers of staff (by internal change and/or externalisation) is very likely to undercut the working assumption of the New Office project and this could lead to the Council having excess space. Subject to the size of the new building and the level of space released by this programme, it is believed that the Council would have opportunities to invite partner organisations to share the space. In addition, one extra building would probably not be required. A conservative saving of £100,000 is assumed for this. To reinforce the idea that surplus space will be available, there is reasonable certainty that the depot main office will have significant space available once proposed changes are underway. Overall, there are greater savings available by reducing total office space needs but these cannot be quantified now.</p>
Front and Back office integration	£1.25m in year 2 rising to £2.75m in year 3	<p>Establish a single point of access for most customer contact - bringing together the back and front offices, moving from a call centre to a full contact centre for customer interactions. This will serve to rationalise any requirement for ‘face to face’ interactions and provide for a ‘One Stop Shop’ approach</p>
Management Structure	rising to £1.4 million in year 3	<p>which could be rationalised. Amongst peer group authorities we are familiar with, the proportion of supervisory/management personnel to other staff ranges from 8% down to 3.5%. York is at the top end of that range which indicates that there is considerable opportunity to reduce total numbers here. A structure of 6 directorates for an organisation of this size is too large and a reduction of at least one directorate is assumed in the proposal. Another area related to structure revisions, is to challenge the use of decentralised finance, HR IT and performance teams across the directorates.</p>

Other Benefits

The primary benefit of the Efficiency Programme is the achievement of minimum net efficiencies of £15 million over the next three years leading to a minimum run-rate of £15 million per annum thereafter.

This report has described in broad terms where these savings are to be found and implemented but it is suggested that there are additional benefits to be secured:

- *Improved Corporate Management:* Involvement in the Programme implementation would almost certainly lead senior management to increase its focus on a more corporate view of customer service.
- *Service improvements:* The most obvious of these is an improvement in delivery time of many of the Council's services. From the efficiency actions in the targeted areas, a by-product of the search for savings would be reductions in the total effort and elapsed time for service delivery.

Heads of Service would need to ensure that the time gains are imbedded into the new processes so that they are secured for the benefit of customers.

In addition, if market testing of some services points to external provision to achieve lower costs, the use (if appropriate) of some larger providers could obtain a rapid improvement in the service delivery process. Some larger contractors have already invested in proven technology and quicker processes for their clients and the Council could make 'overnight' gains from adopting these new working methods without the normal risks associated with change implementation.

More cross boundary working and increased management of customer contact through one channel rather than several, would embed different ways of working to the benefit of customers. In particular, leaders of services would have far more data about activity and performance levels relating to their interaction with customers.

At present there are too many direct channels of communication for the Council to have a clear overview of what their customers need.

The Easy@York programme came into being to promote such change and there has been progress but the Council needs to continue this as a priority.

Key Findings - Costs and Investments

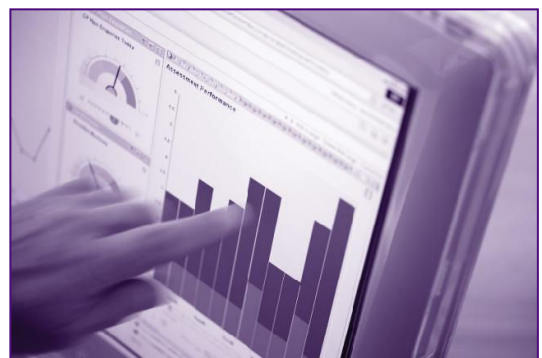
It is in stage 2 where the detailed work necessary would identify the levels of one-off cost and investment that would be required for the whole programme. The totals are summarised overleaf.

This work would be based on the following key activities in Stage 2:

Firstly, the Council and NKA conducting a joint assessment of each of the savings opportunities identified in this report. This assessment to be based around the levels of perceived risk including any reputational and political impact.

Thereafter, the projects selected to proceed would be the subject of a business case review in each instance. The output from the reviews would include estimates of:

- One-off costs - the key areas being costs arising from redundancy, additional staffing costs, and IT investment.
- Capital investment - most likely technology.



Not all projects would require significant costs for implementation and not all reductions in the number of employed staff would be redundancies - externalisations, if agreed, would include staff transfers.

A clear advantage of a well planned programme will be the ability to manage change and minimise the impact on staff, utilising natural wastage and retirement to achieve any staff reductions.

In addition, there is the investment necessary in new technology to speed up and improve service delivery. There are two particular views to express about what this might be and how it should be viewed: Firstly, most of the technology investment would happen anyway - it is overdue and, in some instances, inconsistent, but the technology change is not a result of this Programme. The effect of the Programme would be to bring the investment forward and, probably, to ensure that there is a more robust business case for each purchase. In fact, a large part of the investment is anticipated in the work planned by Easy@York.

Secondly, a key part of the process will be the re-evaluation/update of projected benefits for the change projects already in place, as can be seen in the Project Register. This will require a re articulation of benefits and ensure all potential benefits are measured and captured in a consistent way moving forward. Some investment involves local (i.e. non-corporate) style solutions for particular problems. If agreed, there might be more generic systems that would work across the organisation, saving investment and support costs.

Risks

Allocation of risk

As proposed in the interim report, we have set out to consider the potential risks associated with each savings opportunity. That assessment, albeit in outline at this stage is to be in terms of:

- Financial Risk
- Political Risk
- People Risk
- Operational Risk

In each case we will assign an overall risk to each opportunity. Each dimension has been assessed as 3 high, 2 medium and 1 low. The cumulative score represents the overall risk implementation rating.

A key task for the Council and ourselves during Stage 2 will be to examine each opportunity in detail and establish the net risk (i.e. establish the impact of the risk and barriers to selection and implementation). For example, this could mean examining an opportunity in respect of the political risk and deciding whether it is feasible for prioritisation and subsequent implementation.

Efficiency Opportunity Priority

We are clear that the selection of priorities for transformation will need to be ultimately decided by the Council. At this stage therefore NKA make no judgements about either:

- The number of opportunities selected; and
- The priority in which they should be delivered.



However, as part of the this report we have identified and made assumptions about each project, in terms of when we believe the savings will emerge over the three to four year cycle. This will indicate where the quick wins are and what needs to be delivered in the medium and longer term.

Overleaf there is a summary of the savings opportunities and the NKA first view of the risks they might pose. Overall, the risks are thought to be relatively low in terms of implementation if the Council acts to ensure full preparation before Programme commencement. The most difficult risk to assess is the political one because the scale of the programme will attract considerable attention.

Model for Future Service delivery - Impact of the Programme

How could the Programme affect Service Delivery?

The Programme, whilst identifying and implementing a range of efficiency improvements, would also change /support :

- How the Corporate and Political leadership operates
- The new values for the organisation
- How work is performed in many teams
- How the Council interacts with its customers;
- The Council's structure ;
- Several processes;
- The place of work, because of mobile working;
- The Council's information about its customers - it will know more about those who most use its services;
- In some instances, who delivers the service.
- Much of this will not be highly visible until later in the Programme but since the Council's form of service delivery would be changing markedly, it would be advisable to give thought to what its vision for future service delivery should be. We recommend that during Stage 2 of the programme that the visioning for future service delivery is carried out together with NKA along with the other key actions already mentioned.



Thinking about this now is not a distraction from the immediate goals of major cost reduction. Developing a clear direction would help all participants in the Programme whilst they deliver the savings along the way.

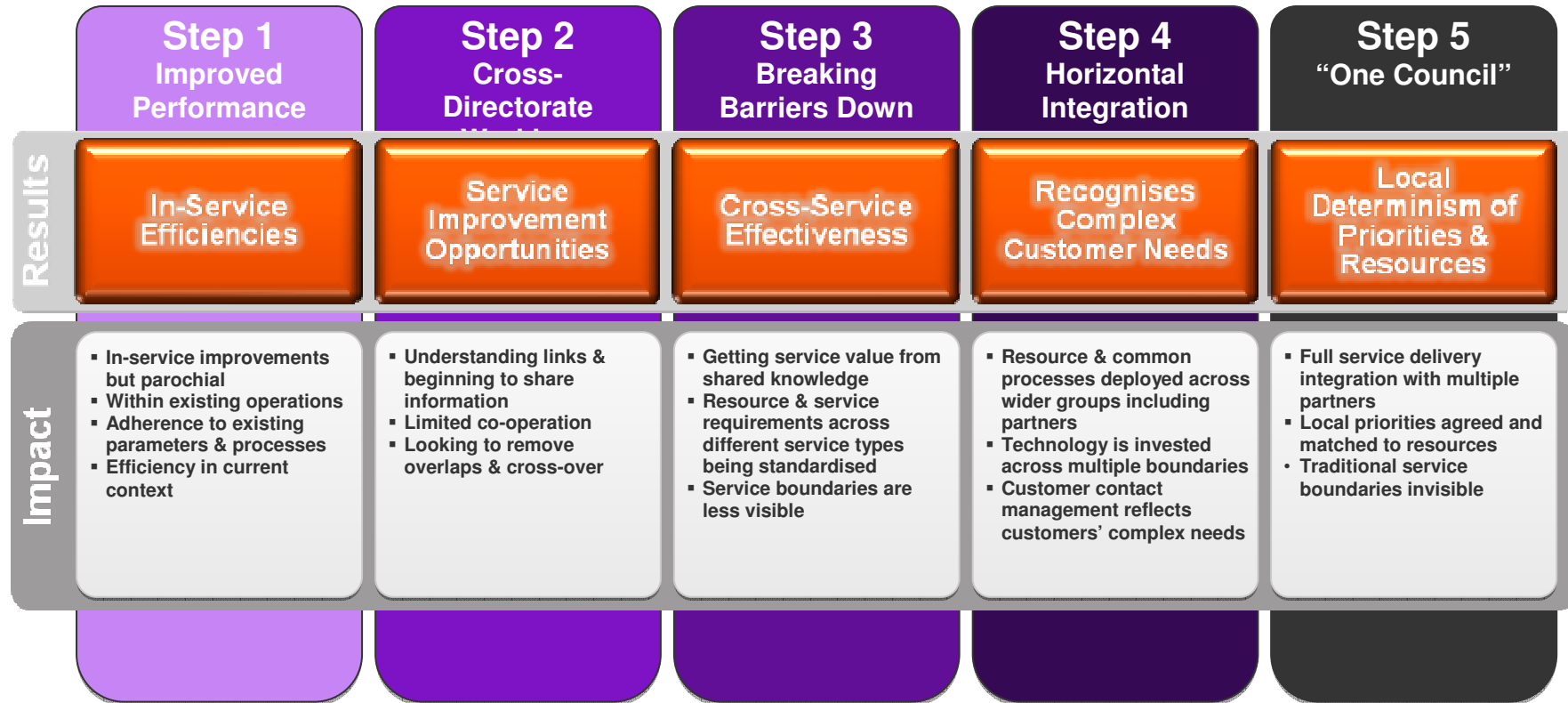
There are some statements and questions that the Council will need to work through soon:

- By the end of the Programme, York Council will probably become a mixed economy where some services are delivered externally.
- There will be a clear distinction between the need to commission or provide services.
- In addition, there will be more cross-boundary working and services will be less subject to provider or profession demarcations.
- The Council will know more about who its core customers are and what needs they have. It might also begin to understand how much of its resources are used for those customers and where priorities should be set.

With this in mind, NKA have given some thought to what the journey to a revised service delivery model might look like.

The diagram on the next page shows the steps that might be involved, starting from where the Council is at the moment.

Service Delivery Model - Evolution



Programme Management and Governance

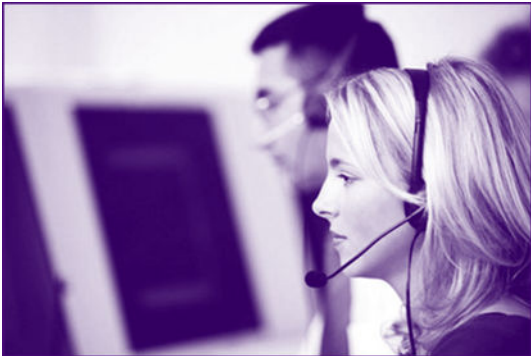
Actions for Readiness

The Programme is a substantial challenge and will need proportionate contributions from leaders across the Council. During Phase 2 a readiness plan for all the required actions should be prepared jointly with NKA. The main areas to be covered would be:

- Capacity of Directors and managers: Everyone is busy with their existing workloads and without changes, would not be able to make a significant contribution to the Programme. CMT and NKA will need to examine how management roles can be redesigned to (for example) increase delegated responsibility, reduce meetings participation and set aside priority time for programme work.
- Change agenda: The size and scope of the changes within the Programme are demanding but well within the gift of the Council and NKA to deliver. However, there are other change agendas which will be competing for time and skill and some of these would, if unchecked, conflict with the Programme.

NKA believe this would be overcome if the overall change agenda is examined within a newly created Programme Office.

Membership would include, Council Lead (to be appointed), NKA Transformation Project Team and Easy@York. The Programme Office will work closely with the Corporate Performance Team and named representatives from wider functions - Finance, HR and Procurement in particular. We recommend that a full TNA is conducted for all those



directly involved in the programme during Phase 2 and delivered more widely as momentum is gathered.

HR capacity to support the Programme will need to be increased. The Programme is likely to require extensive involvement in consultations about change (in several teams of all the Directorates), The risks associated with insufficient HR capacity would be people stress and delays.

Next Steps

Stage 2 Proposal - “Establishing Momentum”

It is imperative that the Council now moves as quickly as is possible to working up the detail to establish:

- The priorities and projects it will adopt within the Transformation Programme;
- The overall shape of the Transformation Programme i.e. the ‘themes’ it will adopt to logically group together the priority projects;
- The precise inputs, outcomes and validity of a ‘final business case’
- The ‘readiness’ of the organization for the change programme.

The Council has set an ambitious target of achieving at least £15 million of efficiency savings.

How will the Council achieve this?

We have identified in excess of 70 opportunities during this scoping work. The adoption of a Business Transformation Programme, that groups the chosen projects into logical themes as we have described them - driven by the 'leadership' of the Council and supported by ourselves (as part of a well 'stocked' and re-energized Programme Office) - will succeed in achieving the scale of change required.

Key Considerations

There are a number of key areas that the Council will need to address. These are:

- **Leadership** - Whilst there is strong evidence of officer commitment to 'modernisation' and real, business transformation it is not yet fully galvanized throughout the organisation. Having robust governance arrangements in place, sponsorship at the highest levels, and maintaining consistency of leadership throughout will be obvious pre-requisites for success;
- **Change Communication** - Communicating the change message to staff and maintaining a dialogue throughout the transformation process will be essential to gain the necessary buy-in, and then to maintain it. The resources to oversee this activity (identifying specific roles and responsibilities) need to be established quickly and plans formulated - as one of the key early priorities.
- **Organisational Development** - Identifying and developing those key staff that will contribute directly to the transformation programme, should be another early priority. We believe that it will be essential to carry out a Training Needs Analysis of those key individuals in order to fully understand the skills, knowledge and competencies that we already have, and any gaps that will need to be addressed. The likely areas for development, based upon our preparatory work during Stage 1, are likely to cover:
 - Performance Management
 - Programme Initiation & Management
 - Project and Risk Management
 - Business Case, Cost Benefits Analysis & Benefits Realisation
- **Delivering Quick Wins** - There is a high expectation that the process can deliver 'quick wins' in terms of tangible efficiency savings. This is particularly important for the Council as it will ensure that:
 - It demonstrates final proof of concept and also confirms that the transformation programme can secure the scale of savings needed
 - It delivers early efficiencies that can be taken, or used to help fund further transformational activity
 - It will generate the much-needed confidence across the council to embrace the wider change programme
- **Managing Risk** - The Council will need to carefully manage risk at both programme and project level. Whilst we have identified this at a summary level (by theme and specific service area) in our final report, it is essential that a more detailed assessment is carried out and that the results built into the business case and into programme and project monitoring processes at an early part of Stage 2.

Proposed Key Actions and Rationale:

April 2009-June 2009

Establishing the Programme Office

A robust and professionally functioning Programme Office will be central to the successful delivery of this programme. The office will have 'day to day' responsibility for 'driving' the change project, and handling all the processes and procedures that will underpin the successful implementation of the programme.

It is envisaged that the core of the Office will comprise, full time NKA management and project personnel, alongside the current Easy team. Others, such as representatives from Finance, HR, Procurement and other specialized areas would be co-opted into the unit, as and when required.

Key tasks will include:

- Managing all Programme deliverables;
- Monitoring and reporting progress and achievements;
- Coordinating the flow of Information management;
- Financial monitoring & tracking;
- Risk and quality control;
- Overseeing any Change Control Procedures.
- Providing additional expertise when required to ensure:
- Linkages or overlaps with other projects are fully controlled;
- Any emergent risks are properly addressed and mitigated;
- Full and active support for project delivery teams throughout the lifecycle of the programme;
- A common approach is maintained and the sharing of good practice is properly adopted.

Pre-Programme Implementation

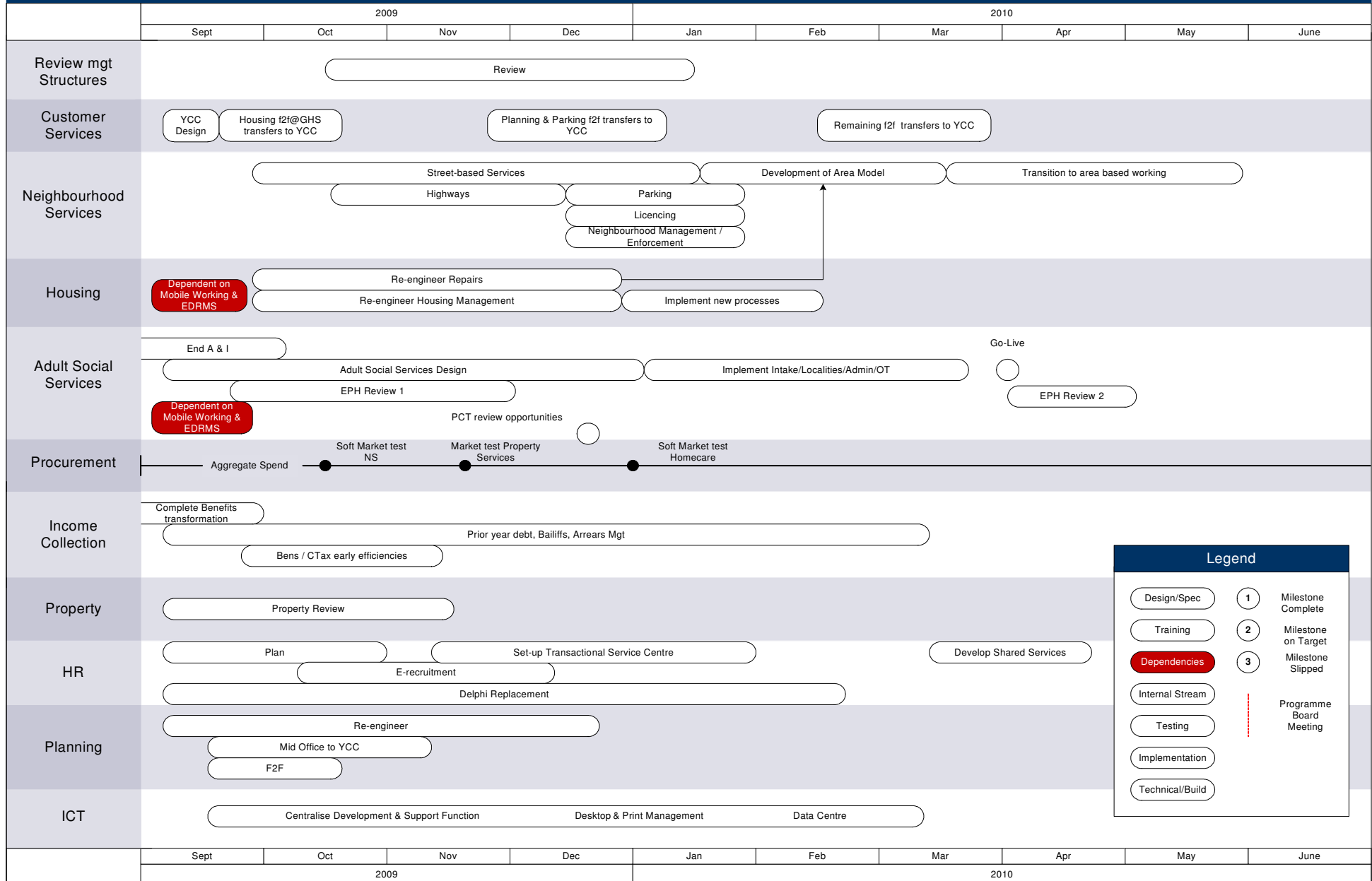
The success of the programme will be dependent on ensuring that all outcomes, objectives and scoping are carefully considered, clearly defined, and properly planned for. This will require the following actions to be applied, at an early point of Stage 2:

- Visioning - Working together to establish a clear and unambiguous vision, including specific outputs, outcomes and objectives for the transformation programme, that will need to be communicated across the Council.
- Blueprinting - The vision must be developed jointly and evolved into a set of detailed objectives and requirements which in turn define the criteria to identify projects that will deliver the priorities. This will allow a clear project inventory to be developed and the associated Implementation plan to be constructed. The key components that will need to be fully addressed as part of the blueprinting stage are:
 - Developing a Programme Initiation Document (PID), which sets out how the transformation programme will be governed, resourced, and delivered and the precise nature of the roles of the partnership;
 - Developing business cases (and individual PIDs) for each of the priority projects, including full, and more detailed risk assessments, and benefits realisation;
 - Reviewing and establishing the financial management arrangements to be adopted as there is a need for greater clarity around measuring the savings achieved;
 - Mobilising the Programme Office - establishing the main Programme sponsor (from within the Council), the membership of the core Change Team and it's support needs;
 - Developing a Council wide Communication Plan, in 'readiness' for the implementation phase.
 - Governance - all necessary arrangements are agreed and seen to be in place. These will shape the overall programme and provide the structure for any conflict resolution, and authorization for any necessary Change Control.

Business Case and Benefits Realisation Process

This is, without question, the main reason why large scale transformational programmes fail. Although we are proposing that during Stage 2, that some projects should commence immediately, i.e. DSG, SPDs, the remedial work on Arrears Management, and accelerating the planned improvements in relation to Revenues and Benefits, a detailed business case and benefits realisation plan must be developed between us.







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Executive

7th July 2009

Report of the Assistant Director of Resources- (Customer Service and Governance)

Customer Strategy

Summary

1. This report presents the Customer Strategy at *Annex 1* for approval by Members. It sets out a Vision for how we will deliver customer focussed, efficient services to customers, improving and building on work we have already started, to transform our services to customers, to design services with customers to meet their needs and to embed customer focus throughout the council within the regular mechanisms of service design, resource planning, workforce development and performance management.
2. Since the draft strategy was presented to Members in October 2008 it has been widely consulted on and the results of these consultations have been reflected in the final strategy and delivery plan.
3. The strategy is also in harmony with the Efficiency Partner's recommendations for Customer Services.
4. The council's corporate strategic priority to become an Effective Organisation includes as a Customer Value 'to deliver what our customers want', and is one of the identified strands in the *More For York* efficiency programme. The Customer Strategy is an articulation of what we mean and what we will do to deliver this element of the Corporate Strategy.

Background

5. In 2002, the council undertook a best value review of Access to Services which resulted in the establishment of the *easy@york* Programme. This programme developed a Customer Access Strategy in 2005 which set out our vision for improved customer services through joining up services and offering improved channels and hours of access. Since then the Customer Service agenda within local Government has matured and our strategy now needs to embrace the inclusion and engagement agendas, the development of customer insight, the delivery of joined up services with our local partners and the need to reduce 'avoidable contact' for our customers. The Strategy reflects our ambitions for Customer Service Excellence in York and seeks to capture the ways we will deliver the vision.

Effective Organisation

6. The council has worked with Efficiency Partners to identify opportunities to further improve the council's position as an effective organisation. The programme of work proposed by the Efficiency Review is in complete harmony with the strategic direction proposed in the Customer Strategy.

Consultation

7. The development of the Customer Strategy has been shaped by the findings of a number of customer consultations in recent years. These have included a Talkabout Survey in December 2005, Focus Groups conducted in June 2007, a customer 'Ideas Wall' in council receptions during October 2007 and a further Talkabout Survey in February 2008.
8. We have also conducted a comprehensive consultation exercise on the draft strategy. (See *Annex 3* for details).

What we have already achieved and the challenges we face

9. City of York Council has a long track record of good customer service, delivering a wide range of top quality services to the people of York. For many years we have applied and monitored our Customer First Standards. However, these standards are now out of date and no longer actively used to improve services.
10. In 2003 The council launched an extremely successful programme of Customer Service transformation (easy@york) which has established the York Customer Centre (YCC), providing a single first point of telephone contact for all council services.
11. In 2008 the YCC Service was accredited under the national 'Putting the Customer First' initiative and the Programme achieved an Excellence award for Service Transformation.
12. Other service areas outside the YCC are also providing excellent customer services as demonstrated by the Cabinet Office Charter Mark for customer service awarded to Environmental Health, Trading Standards and Licensing. Initiatives such as the Neighbourhood Pride Unit's citizen involvement in the allocation of ward budgets; the empowerment of individuals through self-assessment and personalised budgets in Adults Social Care; the Yor-OK website dedicated to children's and young people's services; the Castlegate integrated advice centre for young people; and the routine collection of customer feedback in Planning all demonstrate that we are seeking to involve citizens and partners in the design and delivery of services and tailoring services to ensure that the needs of vulnerable and disadvantaged groups are being met.
13. The easy@york Programme developed a Customer Access Strategy, which set out how the council would seek to offer more choice of access, and join services up in the customers' eyes. This was an effective driver for change but many aspects of this strategy have now been delivered and its focus primarily on access no longer sums up the larger objectives that the organisation has for delivering excellent customer services.
14. Though standards in York are generally high we still have the following challenges and there are still major improvements that can be made:

- i. We need to understand more about the specific profile and needs of our localities and communities.
- ii. *All* our services need to be designed with the customer as the primary focus.
- iii. The way we deliver services is still mostly shaped by our organisational structure rather than customer need.
- iv. Though customers are satisfied with individual services, satisfaction with the council as a whole needs to improve. We need to do more to present ourselves effectively as 'One Council' to our customers.
- v. Some services can be made more efficient. Getting it right first time and making services more direct for the customer to access will reduce cost and improve customer satisfaction.
- vi. We have a primary point of phone contact (YCC) but only certain services are handled in depth.
- vii. We have some web transactions but the potential of our website to provide 'self-service' needs to be exploited by more services in the future.
- viii. We have improved our website but some information wanted by customers is still not available or easy to find.
- ix. We have multiple points of face-to-face contact around the City centre. Customers still have to be signposted between sites and this is inconvenient for customers.
- x. Email contact with YCC is part of a structured and efficient process. But elsewhere email contact is less structured and more difficult to manage, track and report efficiently leading to an inconsistent experience for customers who use this channel to contact us.
- xi. We need to consolidate our fragmented approach to the handling of traditional mail by implementing a central mail-handling function and a corporate Electronic Document Management System (EDMS). This will reduce delays in getting information to the right place quickly and enable staff to see all of a customer's contact with the council quickly and easily.
- xii. A full choice of access channels is only available for services that have been redesigned by *easy@york*.
- xiii. We have made good efficiencies where we have transformed services but this is partial - many services still need to be reviewed in the light of changing customer requirements and patterns of behaviour and the technology solutions that can help us work more efficiently.
- xiv. We need to bring together the customer information that we hold in many places across the council and create a single view of the customer.
- xv. Our working hours have been extended for phone contact in the YCC but are still limited for face to face contact and phone contact with the rest of the council.

- xvi. We will be relocating into a single new quarters where face-to-face contact will have to be joined up in a single Customer Centre. We cannot continue to run individual receptions for each service. It would be inefficient and entirely inadequate for our customers.

Customer Strategy Vision

15. The council's corporate strategic priority to become an Effective Organisation includes as a Customer Value 'to deliver what our customers want'. The Customer Strategy that has been developed, in response to the challenges above and the result of our consultation with customers, is an articulation of what we mean and what we will do to deliver this element of the Corporate Strategy. Our promise to customers is that our services will be:
- i. Easy to access
 - ii. High quality and efficient
 - iii. Effectively managed
 - iv. Designed with you and for you
16. These four themes are the building blocks on which the Customer Strategy Delivery Plan is based. There is a full articulation in *Annex 1*.

How we will deliver the Customer Strategy

17. The main components of the Customer Strategy are the **Delivery Plan** (*Annex 2 attached*), embedding a customer service culture into service-planning and service delivery using the **Customer Strategy Toolkit** (*Annex 4*), implementing new **Customer First Standards** (*Annex 5*) and **Customer Care Behaviours** (*Annexe 6*), and communicating our Customer Strategy in a simple **Customer Leaflet** (*Annex 7*).
18. The extent of the work identified in the Delivery Plan is significant and crosscutting and requires a sustained corporate effort in order to achieve it. Therefore strong leadership and governance arrangements are essential for us to succeed.
19. The Resources AD for Customer Service and Governance in her role as Customer Champion will be the lead officer for the Customer Strategy Delivery Plan. The delivery plan will form part of, and be governed by the Transformation and Efficiency programme placing it amongst the suite of top priority improvement activities for the council.

Options

20. Members can choose to:
- accept the draft Customer Strategy as presented;
 - suggest amendments to the draft Strategy.

Analysis

21. Analysis of customer consultation and feedback is contained in Annex 3 and the body of the report

Corporate Priorities

22. The Strategy directly supports the corporate strategy objective of delivering an Effective Organisation. Provision of a corporate customer service culture will help contribute to the effective delivery of all corporate priorities and is a fundamental component of the council's Business Model.

Financial Implications

23. There are no additional financial implications of the strategy identified at this stage. The actions included in the delivery plan are intended to be achieved using the resources already allocated to existing projects and programmes of work (eg the easy@york programme budget for easy phase 2 projects) or by re-purposing existing budgets to make alternative provision (eg re-use of the corporate training budget that supports the existing customer training).
24. The delivery of some aspects of the plan such as the implementation of a new single Customer Services Organisation and the consolidation of face-to-face customer receptions will require initial investment but will also release significant financial savings. Any costs or savings resulting from the implementation of the Customer Strategy Delivery Plan will be managed within the overall financial framework established for the Transformation and Efficiency programme. As highlighted in the Efficiency programme report the implementation timescales for these major aspects of the strategy could be accelerated to start releasing these savings early.

Other Implications

25. The implications of the Strategy are:
 - i. **Human Resources** (HR) - the Customer Strategy Toolkit that has been developed as a management tool to embed customer focus in the organisation. The Corporate HR Advisory Group has endorsed the approach it recommends.
 - ii. The unions have been consulted on the draft strategy proposals through the JCC.
 - iii. Any changes to established posts and organisational structures arising from service redesign and the move to a single Customer Services Organisation would be managed under the new HR strategy being developed to support the delivery of the Transformation and Efficiency programme.
 - iv. **Equalities** – the Equalities team has been involved in the development of this strategy and a full Equalities Impact Assessment has been completed. Any actions highlighted by conducting the EIA are included in the Customer Strategy Delivery plan.
 - v. **Legal** – The strategy has been developed in full consideration of the council's duties under the Disability Discrimination Act, Health and Safety and Equalities legislation.

- vi. **Crime and Disorder** – no implications known.
- vii. **Information Technology (IT)** – All IT implications are incorporated into the Easy@york programme, the new headquarters project, the corporate EDRMS and Mobile Working Projects, the WIRed (Web and Intranet Redevelopment) project or other individual IT development projects already agreed. The new structure of the easy programme which brings together the management of IT development projects alongside the easy projects under individual directorate board structures will ensure that the available IT and business resources are managed in a more effective and co-ordinated way in line with the priorities set out in the Delivery Plan.
- viii. **Risk Management**
 - a. If the Customer Strategy is not approved, both the council's Organisational Assessment rating and the City's Area Assessment (CAA) rating could be negatively impacted.
 - b. Failure to design and implement a single Customer Services organisation to manage all customer contact within the proposed timescale presents a risk to the success of the new HQ project.
 - c. If the Customer Strategy is not approved this could negatively affect the council's performance against the Equalities Framework and the Use of Resources assessment.

Recommendations

- 26. Members are asked to comment upon and approve the Customer Strategy and the Delivery Plan for recommendation to full Council on July 9th 2009.

Reason: to ensure that customer service excellence is delivered in York in line with the council's strategy and vision.

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Report Approved **Date** 26.05.2009

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Report Approved **Date** 23.06.09

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

All

For further information please contact the author of the report

Background Papers:

Engagement Strategy and Toolkit

Equalities Strategy

Annexes

Customer Strategy 2009 to 2012.....Annex 1

Customer Strategy Delivery Plan.....Annex 2

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Customer Strategy

2009 to 2012

Introduction

City of York Council is committed to 'deliver what our customers want'.

The objective of this Customer Strategy is to:

1. explain what we are committed to delivering for our customers
2. communicate a clear vision to guide the development of improved Customer Service across all Council services
3. set a high level delivery plan for the implementation of the Customer Strategy

The council's customers may be internal or external, but ultimately all our services are delivered for the benefit of the people of York. Our customers are those people for whom we work to commission, contract, deliver, and enable services. They may be local citizens, or people coming in to the area to work or visit. They may be direct service users, employees of the council, employees of other organisations, elected members or partners.

This document is for:

1. Customers
2. Staff
3. Council Members
4. Partner organisations

The Strategy is a living document and during its lifetime it will be refreshed annually to reflect progress towards the objectives and respond to new requirements.

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Customer Strategy Vision

1. Our vision is to provide services that are:
 - i Easy to access
 - ii High quality and efficient
 - iii Effectively managed
 - iv Designed with you and for you
2. Under each of these headings we have given examples of what we are committed to deliver.

Our services will be easy to access

3. We will give you as many options as possible for when, where and how you can contact the council to request or receive a service.
4. All customers will be able to access the services they need including vulnerable and disadvantaged groups in the community.
5. Council services will be widely publicised with clear information about what our services are, what you are entitled to and how you can access services.
6. More services will be delivered at the first point of contact.

Our services will be high quality and efficient

7. We will get it right first time to save your time and ours.
8. We will join services up from a customer point of view so that you don't have to talk to lots of different people.
9. We will keep you informed - you will get clear information about what you can expect from a service and we will keep you up to date with what is happening with your request.

Our services will be effectively managed

10. We will have a clear set of Customer Service Standards that reflect what is important to our customers.
11. We will do things when we say we will do them.
12. We will share information on how well we are doing.
13. We will ensure that our services deliver value for money.

Our services will be designed with you and for you

14. We will build services to recognise the needs of the whole community.
15. We will aim to personalise services to ensure that you get a service which is suitable for you, but all customers can expect the same high standards.
16. We will actively seek your views and show how your feedback has been used to influence our decisions.
17. We will actively seek to involve our customers when we are designing or improving services.

Our Delivery Strategy

Our strategy to deliver the commitments in the Vision is to:

18. Set clear customer service standards which include the requirement for all services to set standards, actively manage our performance in relation to these standards and seek continuous improvement. The Customer First Standards (Annex 5) have been developed to provide this performance management framework.
19. Transform service delivery by redesigning organisational structures and processes to make them modern, more efficient and supported with the right technology tools . The easy@york business transformation design principles have been developed to guide this work.
20. Develop a single Customer Services Organisation for the Council so that our customers will experience us as 'One Council'. This organisation will:
 - i. be focussed on what customers need from us
 - ii. be designed to simplify the customer journey
 - iii. improve the customer experience
 - iv. be able to respond appropriately to customers at the first point of contact
 - v. proactively join up Council and partner services to ensure that our customers needs are fulfilled.
21. Use the Engagement Strategy Toolkit to develop clear communication with our customers about what services we offer, how to access them, what standards they can expect and how they can be involved in changing them to better meet their needs. We will communicate our customer strategy and our plans to deliver it clearly and directly in a simple leaflet (Annex 7).
22. Embed a Customer Service culture throughout the Council and

demonstrate that we have a leadership that is fully signed up to the values of the customer strategy, a workforce that has the competencies necessary to deliver services that meet our customers' expectations and systems that ensure new recruits are signed-up to the organisation's values. The Customer Strategy Toolkit (Annex 4) has been developed as a resource for Managers to communicate and embed customer service principles consistently across the organisation. Likewise, the Customer Care Behaviours (Annex 6) have been developed to set clear expectations for staff and customers of what we will do to deliver professional customer service.

23. The individual projects and actions that have been planned to deliver the strategy have been set out at a high level in a Customer Strategy Delivery Plan (Annex 2) and are described in more detail below.

What We Will Deliver

24. The customer strategy delivery plan has been developed through consultation with residents, Council staff and other stakeholders. It describes what we are planning to deliver under each of the headings of the Vision.

Our services will be easy to access

25. We will design more services so that they can be delivered at the first point of contact, Due to the specialist nature of some Council services it is not always possible to do this and we will ensure instead that enquiries are handled by the relevant specialist team.
26. We will provide customers with increased choice in the ways they can contact the Council by continuing the development of the use of new access channels such as SMS and increasing the range of services that are available through all channels. Access channels will include face-to-face, telephone, the Council website, email, traditional mail and SMS (text). We will also ensure that we communicate effectively with customers to give them relevant information about the services that are available.
27. *Face-to Face*: easy@york are working alongside the New HQ project to provide a single centrally located Customer Centre to replace the existing multiple reception points. The design will ensure that the facilities in the new customer centre takes account of the needs of all customers. Features in the new centre will include:
 - i. Full physical accessibility
 - ii. Translation/interpretation services
 - iii. Hearing Induction Loop
 - iv. A help zone, where there will be someone to meet and greet customers

- v. A self-service zone with touch-screen information points, telephones and Internet access
 - vi. An advisory zone where enquiries will be handled by staff
 - vii. A variety of private interview rooms to suit different customer groups
 - viii. External features, which will comply with our accessibility, inclusion and customer flow management principles
28. Prior to the physical move, the consistency and quality of the customer experience in the existing receptions will be improved by the adoption of the Customer Care Behaviours and Customer First Standards. A transition plan will be developed prior to the move to bring together groups of services in existing face-to-face locations, provide self-service facilities and the opportunity for partner organisations to work with us to deliver services to our customers.
29. Alongside the development of the single Customer Centre, our strategy also includes continued delivery of services to customers in their local community, so we can effectively engage with and deliver services to all members of the community. All contacts will be aligned with the Customer Strategy principles.
30. *Telephone:* The York Customer Centre (YCC) currently deals with phone enquiries for a range of services which it can respond to in depth at the first point of contact. These services include council tax, benefits, environmental services, planning, general enquiries and signposting to other departments where required. The centre is open from 8.30am to 5.30pm, Monday to Friday. During the second phase of the easy@york programme the following services will be added and where appropriate we will aim to deal with enquiries at the first point of contact: housing management, repairs and advice and information, parking, highways and licensing. For other services of a more specialist nature such as adult and children's social services and homelessness the YCC will use a better knowledge base to ensure that the customer is put through directly to the right person in the specialist back office teams. The opening hours of the YCC will also be increased to enable customers to contact the Council outside standard office hours. From March 2009 the new hours are 8.30am to 7.00pm and this will continue to be reviewed to respond to demand.
31. *Website:* The Council website provides good information on Council services and is available 24/7. Customers can submit e-forms for some services and make payments online. However the website is in urgent need of updating. Although it meets some accessibility standards, customers do not easily find information on the site. There is a project underway to update the website. easy phase 2 projects will increase the number of transactions that can be carried out on the website, including customers being able to view secure personal account information.
32. *Email:* Customers with access to email can contact the Council 24/7.

Transactions by email are quick and convenient for customers and can save the Council other costs. An email handling management solution for customer emails will be developed for easy Phase 2 services.

33. *SMS (Text)*: This technology is already used in service areas such as education and parking. Easy phase 2 projects will further develop this technology, for example allowing partners, teachers, taxi drivers etc access to our network.
34. *Traditional mail* will continue to be used as an access channel for customers. However with the introduction of EDRMS (see below), this channel will be managed more efficiently and we will seek to communicate electronically or by phone wherever this is an effective alternative.
35. **Communications**: We need to tell customers about how they can access our services, ensuring that we identify vulnerable and disadvantaged groups and communicate appropriately.
36. Customers and staff need to be aware of the full range of our services. Targeted and effective external and internal communication is vital to achieving the aims of the customer strategy. Staff need to be kept up to date with our services and facilities so they can provide the best possible customer service. By having a good understanding of our customers, and working across the council and with partner organisations, we can target our communications to be appropriately focused and efficient. A customer strategy communications plan will be developed as part of the Delivery Plan.
37. The *Engagement Strategy Toolkit* provides guidance for communicating with our customers.

Our services will be high quality and efficient

38. **Embedding a customer service culture**: Key to achieving our customer service aims is to ensure the organisation has a leadership that is fully signed up to the values of the customer strategy, a workforce that has the competencies necessary to deliver services that meet our customers' expectations and systems that ensure new recruits are signed-up to the organisation's values. It is important to recognise that staff are a valuable asset and the most important enabler for the delivery of the customer strategy. We must therefore have a continuous programme of training, developing and supporting staff.
39. The Council needs to demonstrate its commitment to developing and delivering customer focused services through its recruitment, training and development policies for both frontline and back office staff. It is therefore essential to build the skills, capacity and attitudes to put customers first throughout the organisation.
40. To ensure common standards and consistency in the way we deliver our

services to customers, all parts of the Council must, where appropriate use standard tools and engage in standardised development activities. This will ensure consistency in customer service delivery across the whole organisation.

41. The Leadership and Management Standards (LAMS) highlight key corporate aims and behaviours expected of all employees. To further support managers, the **Customer Strategy Toolkit** (Annex 4) has been developed with agreed principles that will help achieve consistent standards in customer service delivery. It focuses on:
 - i. Customer Service Principles
 - ii. Customer Service Roles and Responsibilities
 - iii. Customer Service Operations
 - iv. Recruitment, Competencies and Training
42. **Training:** A number of relevant courses are available at the York Training Centre, including, a 'Customer Service NVQ' and 'Communicating with your customers'. This and other internal courses will be updated to align with the themes in the customer strategy.
43. Training videos can dramatically reduce costs and make training information immediately available to all members of staff. Once they have been filmed, training videos can either be delivered on CD-ROM for computer based presentations or DVD for television presentations. We will explore the commissioning of a customer service training video as part of a refreshed training package.
44. **Service Transformation:** We need a co-ordinated and joined up approach across the council and with partner organisations if we are to benefit from efficient resource utilisation, and deliver real benefits to our customers in the form of improved service delivery. This requires that we continue to move to a model where services are built around customer needs and not organisational structures. We need to work within the council and with partner organisations to establish the most appropriate and cost effective means of service delivery. We will work to extend face-to-face access to services by engaging with other customer contact points outside the city centre, such as children's centres and libraries.
45. Phase 2 of the easy@york programme will be responsible for

transformational initiatives and conduct a fundamental review of:

- i. organisation structures, roles and skill sets
 - ii. processes and procedures
 - iii. supporting technology, applications and the data that underpins the applications.
46. The easy@york programme has developed a set of transformational design principles which are used to guide the approach to service and process redesign and which should be referred to for all service transformation activities.
47. The projects in Phase 2 will deliver end-to-end redesign and integrated customer service delivery for:
- i. Adult and Children's Social Services advice and Information function
 - ii. Neighbourhood Services
 - iii. Parking
 - iv. Housing Management and repairs
 - v. Licensing
 - vi. E-recruitment and internal HR transactions
 - vii. Transition planning of redesigned services to move them into the new HQ
 - viii. Customer centre organisational and customer service delivery model
 - ix. Creating a virtual YCC network
48. The above projects are already planned for however a further phase of transformation will be required to cover all council services to deliver the full Vision.
49. The **New HQ programme** has responsibility for designing and delivering the new civic building for the Council. easy@york will work alongside the New HQ project and the Customer Services team to achieve the transformation of face-to-face access for customers. This will be realised by understanding our customer access requirements to inform the design and layout and successful inclusion of a single Customer Centre for all council services and all customer access channels in the design of the new HQ building.
50. An **Electronic Document & Records Management System (EDRMS)**

manages the documentation received and handled by the organisation. Documents are scanned, indexed and stored electronically. The system incorporates a workflow function so that transactions and the relevant documents are directed to the appropriate member of staff and dealt with quickly and consistently. The EDRMS project will allow all mail to be received and scanned centrally and stored and managed electronically thus enabling greater automation and integration of processes.

51. As well as efficiency savings for the organisation, EDRMS will improve the customer experience by enabling traditional mail to be immediately visible to staff when dealing with enquiries on the phone, or in the customer centre so they have a full and up to date view of the customer's contact with us. It will ensure that we can easily prioritise by date, share work out more effectively, measure accurately how much post we get and how long it takes for us to handle it so that we can manage our performance better. A full rollout of the programme is currently underway.
52. **Mobile working** is a technology platform that enables secure mobile access to IT systems and data. It will provide an opportunity to deliver services to customers in their own homes and to deploy work to staff based in the field. Mobile working will reduce admin overheads and process delays by forwarding service requests directly to staff in the field using hand held devices. Easy@york is developing a framework, which will be applied to relevant service transformation projects. The technology solution is currently being designed for implementation in Neighbourhood Services in December 2009 and will result in service requests being deployed direct to up to 90 staff in the field so that jobs can be completed quickly and the status of the work updated straight away.

Our services will be effectively managed

53. **Organisational Model:** To enable us to deliver services in a joined up way with the focus on the customer we need to radically change the shape of our organisation so that our existing service silos are no longer relevant for customers and do not constrain the effectiveness of our service delivery. By the establishment of the YCC the organisational direction of travel has already been set towards an organisational structure with a single customer services team with responsibility for:
 - i. customer service standards performance framework
 - ii. running the York Customer Centre, which will manage customer contact across all channels, including face-to-face, telephone, web, email, traditional mail and SMS.
 - iii. customer complaints & feedback
 - iv. the development of business intelligence regarding our customers, their demographics and usage of our services.
 - v. the Council website

- vi. delivery of whole services where appropriate (e.g. Revenues and Benefits Service).
- 54. Proposals for a new organisational model will be developed at the latest by September 2011 so that we have the new model in place ready for the move to the new HQ in 2012. Prior to the move we will need to bring together the management of existing face-to-face reception points to create a 'virtual YCC'.
- 55. **Performance Management and Continuous Improvement:** An effective organisation has clear targets that enable it to recognise and build on success, as well as addressing opportunities for improvements. It is vital that there are clear targets and indicators against which we can measure our performance. The **Customer First Standards** (Annex 5) will tell our customers and our staff what we are aiming to achieve and how well we are performing. They will also ensure that we meet our responsibility for achieving national standards and targets.
- 56. Proposals for the implementation approach for the revised Customer First standards are to baseline against them in the first year prior to setting any targets. We will do the baselining from September 2009 to March 2010 and set targets for the 2010/2011 reporting period. We will continue with the existing Customer First measures and reporting cycles during the baselining period.
- 57. **Customer Insight** defines how we have a deep embedded knowledge of our customers, ensuring that their needs are considered when we design or improve services. A customer insight function (part of the Engagement Strategy) will provide a strategic overview of the various sources of customer information available to the organisation. The recording of Customer First data will adhere to prescribed Customer Insight protocols, so that information from different sources such as other surveys can be brought together and analysed alongside. Customer First standards will therefore help develop our customer insight and contribute towards building up a clear picture of our customers preferences, views and experience of our services.
- 58. The council proposes to be judged on how well it is progressing by assessing progress against the Governments **Customer Service Excellence standard** and setting this as a target for the existing YCC in 2010 and for the new Customer Services Organisation in 2012. In addition we will be working towards satisfying the Contact Council's Performance Management Framework (PMF) which supports the Efficiency Partner's recommendations for York Customer Centre and Customer Services.
- 59. The **Customer Care Behaviours** (Annex 6) highlight the behaviours and

attitudes of staff when delivering services to customers. They will ensure that all customers receive a high quality service, with equal outcomes for all. These standards will feed into service areas through management teams. They will be cascaded to teams and individuals through service planning and individual personal development reviews (PDRs). The new Customer First standards and the Customer Care Behaviours will be implemented in July 2009.

60. **NI14** is a new Government indicator which measures the percentage of customer contacts with the Council that is of low or no value. It is one of the 198 indicators against which the Council will be assessed within the new performance management framework. A reporting tool has been procured and installed by Lagan. The tool seamlessly integrates with our CRM, enabling staff to capture avoidable contact either on CRM or on a standalone form if their service area is not yet on CRM.
61. NI14 will help identify customer contacts that are avoidable, and enable the Council to target areas for improvement. An improvement methodology has been developed that will ensure that the analysis of NI14 data is used as a business improvement tool. NI14 measurement will be rolled out in 3 planned phases between March 2009 and March 2012.
62. The new **corporate complaints and feedback policy** will provide an easy-to-use complaints procedure, which includes a commitment to deal with problems fully and solve them wherever possible within a set time limit. It will demonstrate that the Council listens to its customers' views and is responsive to comments made by members of the public.
63. The policy will ensure that the new feedback and complaints system:
 - i. is easily accessible and understandable
 - ii. is acknowledged and published as a model for developing good practice
 - iii. ensures a thorough and fair investigation within set time-scales
 - iv. provides an effective response and appropriate redress
 - v. is confidential
 - vi. provides feedback to management so that areas of dissatisfaction can be improved
 - vii. keeps complainants informed of progress
 - viii. is fully understood by all staff.
64. The policy and new processes supported by the CRM will be implemented

in September 2009.

Our services will be designed with you and for you

65. **Consultation and Engagement:** To provide excellent customer services, we need to understand who our customers are and what services they need and want. We need to know how and when they want to access these services. One of the goals of the customer strategy is to ensure that customers are consulted and involved in designing and improving services and the ways they are delivered so that services can be accessed by everyone resulting in equal outcomes for all.
66. The **Engagement Strategy Toolkit** which has been developed to support the embedding of the Engagement Strategy provides the methodology for engaging with customers. It will be used by all service areas to ensure engagement activities are co-ordinated and conducted to a prescribed standard.
67. A number of steps are required to ensure we reach the most vulnerable sections of the community. There are examples of good and best practice in some service areas. However, monitoring the uptake of services by different groups in the community and the six equality strands continues to present a challenge, making it difficult to see how well we are responding to the needs of our diverse communities. We need to develop a consistent approach to equalities monitoring that is embedded in our contact with customers. Recording of equalities data for YCC customers will be part of the new CRM complaints and feedback process that will be implemented in September 2009.
68. The Council's **Equalities Strategy** requires service areas to carry out Equalities Impact Assessments (EIA) when making changes to, or introducing new, services, policies, procedures etc. EIAs, together with tools such as the "Cultural Awareness Guide" will provide valuable insight in understanding the diverse groups within the community, enabling managers to shape services to meet their needs.

Year One - 2009/10					
Vision		Activity	Why Are We Doing It?	What Difference Will it Make?	Progress
Easy to Access	1	Develop a customer strategy communications plan.	The council needs to communicate its services to customers more effectively and staff need to be aware of the services available to customers.	Customers and staff are aware of and are kept up to date with the full range of council services	From Jul 2009
	2	Increase the range of services available through all channels, including Face-to-face, the council Website, Email, Telephone, SMS and Whitemail.	We have some web transactions but the potential of our website to provide 'self-service' needs to be exploited by more services in the future	Improved choice in the ways customers access council services and increased range of services that are available through all channels.	Ongoing to 2012
	3	Increase the number of services provided by YCC. (Advice & Information with some Housing services, Neighbourhood Services and HR)	We have a primary point of phone contact (the York Customer Centre or YCC) but only certain services are handled in depth	More enquiries resolved at the first point of contact.	Ongoing to 2012
High Quality and Efficient	4	Introduce the Customer Strategy Toolkit as a tool for managers when developing service plans and incorporate it in the service planning cycle.	We need a consistent set of standards and guidance to ensure staff and services are customer focused.	Embedding a customer service culture in the organisation	From 2009
	5	easy phase 2 projects: Neighbourhood Services Refresh (Street Cleansing, Waste, Environmental Crime, Drainage), Social Care Advice & Information, Benefits	<i>All</i> our services need to be designed with the customer as the primary focus	The council will be more joined-up and efficient. Customers will have more enquiries dealt with at the first point of contact.	Underway

Effectively Managed	6	Introduce Customer Care Behaviours.	We need a formal set of Customer Care Behaviours that apply to the whole organisation.	Staff and customers will know what we are trying to achieve and will also ensure that we meet our responsibility for achieving national standards and targets.	Sep 2009
	7	Baselining for Customer First Standards	We need to collect current data so we can set indicators for a new set of Customer First Standards	We will have a set of indicators for the new Customer First Standards.	Sep 2009 to Mar 2010
	8	Development of a joint approach to equality in access to services with partners/LSP	We need to extend access to our services by working with our local partners.	Information and access to some council services will be available through our partners.	From Aug 2009
	9	Implement NI14 to measure and report avoidable contact (introduced in 3 phases).	Some services can be made more efficient. Getting it right first time and making services more direct for the customer to access will reduce cost	We can identify customer contacts that are avoidable. NI14 will support the business improvement process.	Underway
Designed With You and For You	10	Implement new feedback and complaints policy.	Recent Talkabout survey shows that only 38% find it easy to provide feedback or make a complaint.	Greater efficiency and consistency in the way complaints and feedback are handled. Customers will find it easier to provide feedback or make a complaint, Corporate learning from feedback and complaints.	Sep 2009
	11	Use Talkabout Survey, Place survey and Customer First engagement group and other methods (highlighted in the Engagement Strategy) to understand the views of local people.	We need to understand more about the specific profile and needs of our localities and communities	Increased knowledge of our customers, which will enable us to target resources to meet their needs.	Ongoing

Year Two - 2010/11					
Vision		Activity	Why Are We Doing It?	What Difference Will it Make?	Progress
Easy to Access	12	Improve the council website.	Improved web site but some Information wanted by customers is still not available	Improved web accessibility standards. Customers find it easier to find information and to access services on the website.	Project underway
	13	Standardise customer-facing receptions before 2012.	We need to introduce common standards and consistency in the way we deliver our services at all face-to-face locations.	Customers will receive the same standard of service across all face-to-face locations.	Underway
	14	Investigate and make recommendations for a solution, which will manage the flow of customers and their experiences from their initial contact through to service delivery at the new Customer Centre.	We need a consistent customer flow solution across face-to-face locations.	Reduced waiting times for customers at the new Customer Centre.	
High Quality and Efficient	15	Customer service training for all staff embedded into Service Plans and PDRs, with mandatory training tied to posts.	Though customers are satisfied with individual services, satisfaction with the council as a whole needs to improve. We need to do more to present ourselves effectively as 'One council' to our customers.	All customer service staff will receive the same standard of training and will be empowered to pursue excellence.	From 2009

Effectively Managed	16	Introduce New Customer First Standards.	Existing Customer First Standards are not captured consistently across the organisation.	We will be able to identify how well we are doing. Staff and customers will know what we are trying to achieve and will also ensure that we meet our responsibility for achieving national standards and targets.	Apr 2010
	17	The YCC will aim for external accreditation against the Cabinet Office Customer Service Excellence Standard	YCC holds the 'Putting the Customer First' accreditation, which is valid for two years from 2008, before it is the subject of a review.	Will ensure that we are achieving excellent and nationally recognised standards in customer service.	
	18	Design new customer service organisation, including a new complaints team.	We are still mostly shaped by our organisational structure rather than customer need.	A single customer service team will ensure that the services we provide to customers are consistent across all customer access channels.	

Year Three - 20011/12					
Vision		Activity	Why Are We Doing It?	What Difference Will it Make?	Progress
Easy to Access	19	Improve accessibility for council services, including physical accessibility and translation services in new HQ.	Accessibility standards are not consistent across the multiple face-to-face points.	Improved physical accessibility and translation services in single customer-facing location by 2012.	
High Quality and Efficient	20	easy phase 2 projects planned for the future: Housing, Parking, Licensing	We have made good efficiencies where we have transformed services but this is partial - many services still need to be reviewed in the light of changing customer requirements and patterns of behaviour	The council will be more joined-up and efficient. Customers will have more enquiries dealt with at the first point of contact.	
Effectively Managed	21	Assess progress against the Cabinet Office Customer Service Excellence Standard.	We need to Identify and address any gaps in customer service prior to moving into the new single customer centre.	Will ensure that we are achieving excellent and nationally recognised standards in customer service.	
	22	Implement New Customer Centre	We have multiple points of face-to-face contact around the City centre. Customers still have to be signposted between sites and this is inconvenient for customers	A single customer centre in the city centre.	
	23	Full implementation of the new customer service organisation	We need to bring together the customer information that we hold in many places across the council and create a single view of the customer	A single customer services team for the council.	

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Consultations

1. The key findings from earlier consultations which have influenced the overall direction and detailed content of the Customer Strategy are:
 - i. The phone is the preferred way of contacting the council and customers want to carry out more of their business with the council by phone in future
 - ii. A significant and growing proportion of customers want to be able to get council information and services from the website
 - iii. A third of customers want to be able to access council services between 5pm and 7pm on weekdays
 - iv. 92% of customers think it is important to measure how many times they have to contact the council to resolve an issue
 - v. 68% of customers think the council should publish its performance against our targets.

2. We have also conducted a comprehensive consultation exercise on the draft strategy with the following stakeholders.

SIWG Equalities fair	November 2008
Question in Place Survey on customers preferred method of contacting the council by type of request	Results early 2009
2 rounds of Directorate consultation	Nov/Dec 2008 March/April 2009
Talkabout survey	Jan/Feb 2009
Public consultation event	Jan 2009
Staff consultation event	Jan 2009
Union consultation	Ongoing

3. The main findings from the 2009 Talkabout survey on our **current performance** against the main strategy objectives were:
 - i. *Accessible*: Most people (60-65%) are satisfied with the choice and convenience of ways and times to contact the council, with fewer (55%) satisfied with location. Around half (55%) find it easy to ask for the services they need and that information is easy to understand (52%) with fewer (45%) thinking that information about council services is widely publicised.

- ii. *High Quality and Efficient:* Over two-thirds (69%) agree that staff are friendly and helpful and speak in Plain English. More than half (56%) also feel that they are listened to and know how to make a complaint. However, less than a third (31%) are confident that complaints will be dealt with. Other weaknesses that were highlighted in our service delivery through high levels of disagreement were: first point of contact being able to handle the query (28% disagreeing); getting it right first time (22% disagreeing); and being given clear information as to what has happened (23% disagreeing).
- iii. *Effectively managed:* Less than a half (48%) feel we have a clear set of Customer Service standards, and fewer that they reflect their own priorities (37%) or that they're informed how well we deliver against them (33%). Few agreed that the council does things when we say we will (30%) and many actively disagreed (24%).
- iv. *Designed with you and for you:* Most people (60%) think that council services meet their needs but only 41% of the Talkabout panel feel that the council involves them in the design of services. This is likely to be an underestimate as responses about involvement are likely to be skewed compared to the general population due to the nature of the panel itself.

4. **Our customers' priorities:** Customers were asked to prioritise the proposed customer strategy objectives in order of importance to them, by choosing up to five from the complete list provided. We examined the priorities identified by customers together with their dissatisfaction levels with existing service delivery (% who disagreed with the statement) to create a clear set of priorities for improvement.

Customer strategy objective	Importance rating	Dissatisfaction rating	Improvement priority
The council does things when they say they will do them	29%	24%	1
The council involves me in the design and improvement of services	22%	26%	2
The services of the council meet my needs	36%	15%	3
My request is handled by the first person I speak to	14%	26%	4
When dealing with my enquiry staff get it right first time	14%	22%	5

5. The next 5 priorities in order of importance were:
- i. Giving clear information about what to expect following a contact with the council
 - ii. Welcoming feedback and resolving complaints fairly
 - iii. Giving customers confidence that complaints will be dealt with properly
 - iv. council services recognising the diverse needs of the community
 - v. Telling people the results of consultation and showing how views have been used.

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Customer Strategy Toolkit

Background

1. The aim of the Customer Strategy is to improve the way we deliver services to our customers. We need to apply common standards and consistency throughout the organisation. We need to embed a culture of customer service excellence across the whole council through:
 - i. strong management and leadership
 - ii. agreed standards and behaviours
 - iii. well-trained and motivated staff
 - iv. empowering staff to pursue excellence
2. The Leadership and Management Standards (LAMS) set out consistent principles of behaviour required of staff to clarify roles and expectations. 'Delivering what our customers want' is one of the key objectives in LAMS. The aim of the customer strategy toolkit is to provide guidance in applying appropriate principles and methods to achieve this goal.

Introduction

3. Providing customers with what they want, preferably at the first point of contact, means that the council must be in a position to deliver more joined-up and more efficient services designed around customers' needs. The customer strategy promises customers that our services will be easy to access, high quality and efficient, effectively managed and designed with you and for you. The Customer Strategy Toolkit will help the organisation move towards achieving these goals.
4. The toolkit is recommended as a resource for managers when developing service plans. It will provide a means to challenge existing approaches to the ways in which services are delivered and customers treated.
5. The toolkit will:
 - i. Set out guidelines for embedding a customer service culture within the organisation.
 - ii. Be aligned with nationally recognised standards.
 - iii. Support both frontline and back office staff in valuing customers as individuals through healthy attitudes and positive behaviours.
 - iv. Offer a valuable resource that can contribute towards motivating staff and enhancing the council's reputation.

6. Who is our Customer?

- i. Anyone who has any sort of contact with the council
- ii. Everyone who lives or works in York
- iii. Visitors to York
- iv. All people who receive or have contact with our services
- v. Contacts from service areas within the council
- vi. Contacts from partner organisations

Customer Service Principles

7. **Commitment** - A commitment to provide effective customer service by employees at all levels within the organisation, starting at the most senior level.
8. **Credibility** - Promises should be kept, services should be delivered at times that best suit customers and robust and reliable systems should be in place for all transactions with customers.
9. **Customer Service Culture** - A customer service culture should be developed to become embedded in all aspects of the organisation's operations.
10. **Competences** - People with appropriate attributes (skills, knowledge and attitudes) required of customer service professionals should be employed and assessed on an ongoing basis.
11. **Responsibility** - Customer service responsibilities should be assessed and assigned to employees possessing the necessary responsibility, authority and resources to enable them to perform effectively.
12. **Resources** - Adequate resources should be allocated to allow a customer service culture to thrive.
13. **Identification of Customer Service Issues** - There should be systematic identification and management of customer service issues relevant to the organisation's operations.
14. **Customer Service Quality** - The organisation should be involved in the development and ongoing review of customer service quality, developed from a customer perspective, relevant to their area of operation.
15. **Feedback Systems** - Effective feedback systems for customers and employees should be developed and maintained.

16. **Continual Improvement** - Systems should be developed to ensure that the level of customer service is relevant to, or exceeds current customer expectations.
17. **Internal Communication** - The concept of internal communication (within service areas and across council departments) should be fostered as it is an important element in developing a customer service culture.

Customer Services Roles and Responsibilities

Obligations of Senior Managers

18. Senior managers should be visibly committed to customer service through establishing and communicating commitment to service excellence and facilitating inter-departmental support and cooperation.
19. Senior managers should ensure that the Customer First standards and Customer Care Behaviours, which express our customer service values are systematically and effectively communicated to every member of staff.
20. Senior managers should be responsible for:
 - i. Ensuring that a customer focused culture is embedded within the organisation and that all managers demonstrate an understanding of the customer service values.
 - ii. Ensuring there are sufficient resources to deliver effective and efficient customer service outcomes.

Obligations of Customer Service Management

21. A designated corporate level senior manager should be given sufficient authority to achieve the desired customer service outcomes. They will be responsible for:
 - i. Establishing a process for performance monitoring, evaluation and reporting of customer service.
 - ii. Establishing a network of customer service professionals to ensure consistency and excellence in the delivery of customer services across the council.
 - iii. Identifying and allocating resources to deliver effective and efficient customer service.
 - iv. Reporting to top management on the customer service outcomes, with recommendations for improvement.
 - v. Maintaining the effective and efficient operation of the customer service process, including the recruitment, training of appropriate employees, technology requirements, documentation, setting and meeting target timelines.
 - vi. Ensuring employees are aware of any relevant legal obligations concerning customer service employees.

Obligations of Employees

22. All employees within the organisation, irrespective of their specific function, should be aware of:
- i. the CYC customer strategy vision
 - ii. their role and responsibilities and the implications for them of the organisation's customer service culture.
 - iii. the benefits for them of working within and supporting that culture.
 - iv. adopting appropriate behaviours.
 - v. implications of inappropriate behaviours.
23. This should be evidenced as part of an employee's PDR, e.g. by attending training events.

Obligation of Customer Service Employees

24. All those employed specifically in a customer service role should:
- i. Understand the CYC customer strategy vision.
 - ii. Have had the necessary training and have developed the appropriate competences for customer service.
 - iii. Be aware of and carry out their roles, responsibilities and authorities in respect of customer services.
 - iv. Be subject to ongoing assessment and professional development.
25. This should be evidenced as part of an employee's PDR, e.g. by attending training events.

Equalities Obligations

26. All employees need be aware of the council's equalities aims:
- i. All customers should be able to access the services they need including disadvantaged groups in the community and those who are hard to reach.
 - ii. Customers should receive a personalised service, to ensure that they are able to request or receive a service and receive an equal outcome.
27. Training offered to staff should include equalities and diversity dimensions.

28. Services will need to demonstrate evidence that the needs of customers from all equalities strands are met, e.g. Equalities Impact Assessments, and that this is designed into policy, processes and procedures and does not rely on the individual efforts of staff.

Customer Service Operations

Timeliness/Responsiveness

29. Timeliness in line with customers' reasonable expectations should be established for:
- i. Dealing with customer enquiries.
 - ii. Being punctual for appointments.
 - iii. Responding to complaints and feedback (as per guidelines in complaints and feedback policy).
30. Telephone calls should be answered promptly. Managers should ensure arrangements are in place to answer all telephone calls (including back office phones), even when staff are not at their workstations. Voicemail should only be used as a last resort and messages left should be responded to promptly.

Provision of information to customers

31. Customers should be given information on the customer service quality they can expect.
32. There should be effective channels for customers to request and obtain information when they require it, i.e. when they choose to need it rather than necessarily when 'the system' thinks they need it.
33. Services should move towards providing information on demand rather than mass printing of leaflets.
34. Information should be in line with the "[Making Connections](http://intranet.york.gov.uk/docsinf/nav_menu.asp?intdocid=9091)" document (http://intranet.york.gov.uk/docsinf/nav_menu.asp?intdocid=9091), which covers the needs of people from the equalities strands.
35. The Engagement Strategy Toolkit provides further guidance on communicating with our customers.

Recruitment, Competencies & Training

36. The organisation should employ or equip staff with appropriate skills, knowledge and attitudes required of customer service professionals.
37. Job descriptions should reflect skills, knowledge and attitudes of customer service.
38. A variety of recruitment techniques should be used that will reveal candidates who will fit the customer service oriented employee profile, and communicate job expectations as they relate to the organisation's service aims.
39. Recruitment techniques should actively explore candidates' skills, knowledge and attitudes to ensure customer service competencies are identified.

Competencies

40. The organisation should develop a profile of the ideal customer service oriented employee depending on the nature of their work and the level of interface with customers. Competencies should be identified in terms of knowledge, understanding and ability needed to complete customer service tasks to an excellent standard. Competencies should include:
 - i. Excellent inter-personal skills, including the ability to empathise with the customer.
 - ii. Effective communication skills.
 - iii. Managing/diffusing challenging customer behaviours.
 - iv. Listening actively.
 - v. Working as part of a team.
 - vi. Problem solving and complaints handling.
 - vii. A thorough knowledge of the organisation, its delivery structures or the capacity to quickly acquire and maintain this knowledge.
 - viii. Commitment to the organisation's values and objectives.
 - ix. A good understanding of equalities issues.
41. Competency requirements should be considered in recruiting, developing and motivating the skills and abilities of employees.

Training

42. The following course facilitators are recommended for all customer service development activities in the council:
- i. The York Training Centre is part of CYC and offers a range of courses including a Customer Service NVQ at levels 2 and 3. As part of the “Train to Gain” initiative, the courses are offered free of charge (£300 admin charge for level 3). NVQs are commonly used as a vehicle to develop a customer culture in organisations across the UK. Customer Service NVQs are generic and can be used across all organisations and job roles. The York Training Centre also offers apprenticeships for people with no qualifications. Some Directorates, such as City Strategy already make use of this resource. The York Training Centre will also offer courses tailored to specific standards in the customer strategy.
 - ii. A number of other relevant courses are available at the York Training Centre, including, ‘*Communicating with your customers*’.

Employee Motivation

43. The organisation should actively promote the development and embedding of a customer service culture by motivating staff:
- ii. Provide customer-facing staff with a clear understanding of their core purpose.
 - iii. Recognition of employees who demonstrate commitment to the organisation’s customer service ideals.
 - iv. Empower staff to take the initiative to deliver excellent customer service.

Conduct

44. Employees should be familiar with and apply the Customer First Standards and Customer Care Behaviours.
45. Employees should be fully trained and fully knowledgeable about the business and services.
46. Employees should be competent to deal with customers in a responsive manner and capable of conveying information clearly to the customer.
47. Employees should conduct their dealings with customers in a friendly and helpful manner.
48. The organisation should communicate its intention to protect staff from abusive customers.

Customer First Customer Service Standards

Introduction

1. Customer Service Standards help to define what our customers can expect and to reinforce the challenges and obligations that management and employees face.
2. Customer service needs to be owned and driven at a corporate level to ensure that the customers' experience is consistent and high quality across all services.
3. We also need to communicate performance against our published standards to our customers and employees on a timely basis.

Objectives

4. The key objectives of establishing revised Customer First Standards across the council are to: -
 - i. Make performance measurement more consistent and comparable across the council
 - ii. Identify areas of excellence and opportunities to share good practice
 - iii. Focus performance improvement in the areas most in need
 - iv. Improve visibility of customer service performance and to improve decision making
 - v. Align Customer First to the Contact Council PMF requirements and to help achieve accreditation to a customer service excellence award
 - vi. To measure customer satisfaction effectively across the council
 - vii. Measure what is important to our customers – moving towards measures of quality and effectiveness rather than volume and speed.

Access Channels

5. Customer First Standards will be applied to the following customer access channels: Face-to-face, Telephone, Website (self-service transactions), Email and Post.

Proposed Standards

6. Recent customer surveys have highlighted the top five priority areas, which our customers feel are important to them. The section below sets out the five areas and some of the key draft indicators that will measure how we are performing against them:

7. The council does things when they say they will do them.
 - i. 90 percent of calls answered within 20 seconds
 - ii. 100 percent of letters responded to within 5 days
 - iii. 100 percent of emails responded to within 5 days
 - iv. Percentage of calls abandoned
 - v. Percentage of service requests delivered within service specific SLA
 - vi. Customer feedback and complaints process
8. The council involves me in the design and improvement of services.
 - i. Customer Consultation and Engagement - considered at the earliest time possible in all cases of service delivery change, policy generation and one-off significant decisions as a matter of course.
 - ii. Customer feedback and complaints process
9. The services of the council meet my needs.
 - i. Satisfaction rating with the customer service contact
 - ii. Satisfaction rating with service delivery
 - iii. Customer feedback and complaints policy
10. My request is handled by the first person I speak to.
 - i. Percentage of contacts resolved at first point of contact
 - ii. Customer feedback and complaints policy
11. When dealing with my enquiry staff get it right first time.
 - i. Number of contacts assessed as avoidable
 - ii. Satisfaction rating with customer service contact
 - iii. Satisfaction rating with service delivery
 - iv. Commitment to reduce avoidable contact over the next 3 years.
 - v. Customer feedback and complaints policy

Implementation Approach

12. The new Customer First standards will be baselined prior to actual targets being set. Baselining will occur from Sep 2009 to March 2010. Targets will then be set for the 2010/11 reporting period.

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Our Customer Care Behaviours

1. City of York council provides a wide range of services and we aim to provide the best possible service to customers that we can. We want the way we deliver our services to reflect what is important to our customers. We have used the views of customers and staff to develop the following customer care behaviours, which set out how we should treat customers whenever we have contact with them.

Whenever we have contact with customers

2. We will be friendly and helpful treating them with respect at all times.
3. We will listen to customers and deal with the enquiry efficiently, quickly and correctly.
4. We will communicate in plain English using terms that are clear and easy to understand.
5. If they need to discuss a sensitive or confidential issue, we will respect their privacy. For example arrange a private room.
6. All council leaflets and information can be made available or presented in a format that the customer can understand. For example e.g. other languages, large print, audiotape, Braille.
7. We will arrange an interpreter if the customer uses British Sign Language or if English is not their first language.
8. We will welcome and encourage customer feedback and will try to resolve any complaints on the spot.
9. If we have to pass the enquiry on to another colleague, we will let the customer know their name and extension number.

When we are contacted by telephone

10. We will greet the customer and give our name and department.
11. We will provide telephone cover at all times during office hours.
12. If a customer leaves a message we will return the call within one working day.
13. We will aim to resolve the query at the first point of contact with us.

14. If we can't resolve the query at the first point of contact: -

- i. We will transfer the call as quickly as possible to the person who can, tell the customer who we are transferring them to and pass on their details to them.
- ii. We will aim to provide all customers with a reference number for all calls handled within the YCC.
- iii. Or we will get the information they require and ring them back.

Written correspondence

15. We will provide a contact name and telephone number on all correspondence.

16. We will either acknowledge or respond fully to your request within *5 working days*.

17. We will give customers the opportunity to come into our office to discuss personal or complex issues privately.

18. If information requested is not readily available we will keep the customer informed of progress.

19. We will write in plain English using terms that are clear and easy to understand.

Email correspondence

20. We will let the customer know we have received their email by sending a delivery notification.

21. We will either acknowledge or respond fully to the request within 5 working days.

22. We will respond to emails with a full reply in 5 working days.

23. We will aim to resolve the query at the first point of contact with us .

24. If we can't resolve the query at the first point of contact: -

- i. We will transfer the query as quickly as possible to the person who can, tell the customer who we are transferring them to and pass on their details to them.
- ii. We will aim to provide all customers with a reference number for all emails handled within the YCC.
- iii. Or we will get the information the customers require and contact them back.

When we visit customer(s) at their home

- 25. We will introduce ourselves, show identification and explain the reason for the visit.
- 26. We will respect the customer's home environment.
- 27. We will leave a card if they not at home.
- 28. We will tell the customer as soon as possible if we need to cancel an appointment, explaining why and arrange another time that suits them.

When we conduct an office appointment

- 29. We will give the customer directions to the office.
- 30. We will ask the customer if they have any access requirements before the appointment.
- 31. We will inform appropriate staff of the expected arrival.
- 32. We will keep to appointment times as far as possible. However we will tell the customer as soon as possible if we need to cancel, explaining why and arrange another time that suits them.

Performance monitoring

- 33. We will carry out checks to ensure these standards are being met.
- 34. We will conduct surveys to help us evaluate our service.
- 35. We will review our standards on a regular basis.
- 36. We will regularly publish information about our performance against these standards.

Service Transformation and Improvement Targets

- 37. Sometimes customers have to contact us more than once to get the service they need. We have started to measure when this happens so that we can redesign our services and reduce unnecessary contact for customers in future.
- 38. We aim to extend our telephone opening hours and increase the number of services available to customers outside standard office hours.
- 39. We aim to increase the number of on-line services that are available on the council website or through automated phone services.

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Customer Strategy – Draft Customer Leaflet

The City of York council deals with a wide range of services and we aim to provide the best possible service to you that we can. We want the way we deliver our services to reflect what is important to you. Meeting the needs and aspirations of all our customers is central to everything we do. We are committed to deliver services which are:

- easy to access
- high quality and efficient
- effectively managed
- designed with you and for you

This document sets out:

Our promises: What we will aim to do to continue to improve services for our customers

Our customer care behaviours: The standards of behaviour and treatment you can expect from all council staff.

Our Customer Service standards: *when these have been agreed.*

What we will do: the actions we plan to take deliver our promises

We have used the views of customers and staff to develop this document.

Our promises

Our services will be easy to access

We will give you as many options as possible for when, where and how you can contact the council to request or receive a service

All customers will be able to access the services they need including vulnerable and disadvantaged groups in the community.

Council services will be widely publicised with clear information about what our services are, what you are entitled to and how you can access services

Customers with a housing enquiry who visit the Advice and Information service at 10-12 George Hudson street may be referred to the City Finance centre at museum street to complete their enquiry. The Advice and Information service is currently being redesigned to allow more enquiries to be dealt with at the same location.

Our services will be high quality and efficient

We will get it right first time to save your time and ours

We will join services up from a customer point of view so that you don't have to talk to lots of different people

We will keep you informed - you will get clear information about what you can expect from a service and we will keep you up to date with what is happening with your request

Our operational crews dealing with services such as highways faults or missed bins will be equipped with mobile devices, which will enable them to respond more quickly to fault reports and also pass back information to the customer centre, keeping the customer service team up to date.

Our services will be effectively managed

We will have a clear set of Customer Service Standards that reflect what is important to our customers

We will do things *when* we say we will do them

We will share information on how well we are doing

We will ensure that our services deliver value for money

Information available to staff showed the working hours for our street cleansing services as 7.30am to 4.30pm, while information on the council website showed the working hours as 7.30am to 5.00pm. As part of our service improvement work, this confusion has been removed, ensuring that both customers and staff receive the same information about services.

Our services will be designed with you and for you

We will build services to recognise the needs of the whole community

We will aim to personalise services to ensure that you get a service which is suitable for you, but all customers can expect the same high standards

We will actively seek your views and show how your feedback has been used to influence our decisions

We will actively seek to involve our customers when we are designing or improving services

On 5 November 2008, we held an event for vulnerable and disadvantaged groups in York, where our new customer service plans were discussed and feedback received. After the event, a newsletter was sent to all who attended, showing how their feedback will be used to design and improve services.

Our customer care promises to you

Whenever we have contact with you:

We will be friendly and helpful, treating you with respect at all times

We will listen to you and deal with your enquiry efficiently, quickly and correctly

We will communicate with you in plain English using terms that are clear and easy to understand

If you need to discuss a sensitive or confidential issue, we will respect your privacy. For example, we can arrange a private room for you

All council leaflets and information can be made available or presented in a format that you can understand, for example other languages, large print, audiotape and Braille.

We will arrange an interpreter for you if you use British Sign Language or if English is not your first language

We welcome and encourage your feedback and will try to resolve any complaints on the spot

We will aim to resolve your query at your first point of contact with us

We will tell you as soon as possible if we need to cancel an appointment, explain why and arrange another time that suits you

If we visit you at home:

We will introduce ourselves, show identification and explain the reason for the visit

We will respect your home environment

We will leave a calling card when contact has not been possible

When you visit the office for an appointment

We will give you directions to the office and ask if you have any access requirements before your visit.

Customer Service Standards

Details of new Customer Service standards will be included when they have been agreed

What We Will Deliver

From 2012 all council services will be available in a single modern customer centre in the middle of York. The new centre will have :

a help zone where staff will meet and greet visitors

a self-service zone that will support customers in using alternative ways to access council services (e.g. telephone, Internet, touch screen information points, automated payment machines)

an advisory zone - a comfortable and secure environment where customers will receive services, with a design and layout that provides choice and privacy for confidential interviews.

Our services will be easy to access

Activity	What difference will this make?	When will this happen?
We will improve and increase the range of services available through all channels, including Face-to-face, the council website, Email, Telephone, SMS (text message) and Whitemail.	Improved choice in how customers access services. More services will be available through all channels.	2009 to 2012
We will improve physical access and provide timely translation and interpretation services.	Our services will be fully accessible by all, including vulnerable and disadvantaged groups.	2009 to 2012
We have increased the opening hours in the York Customer centre for environmental services and council Tax.	Customers will be able to contact the council and speak to someone outside standard office hours.	Completed

We will Improve the council website.	Customers will find it easier to find information and use services on the website.	2009 to 2010
We will deliver common standards and consistency in the way we deliver our services.	Customers will have the same experience at all customer-facing receptions.	2009 to 2012

Our Services will be high quality and efficient

Activity	What difference will this make?	When will this happen?
A number of projects are underway to improve services. They include Street Cleansing, Waste Collection, Social Care Advice and Information and Benefits.	More services will be dealt with by the first person you speak to.	2009 to 2010
Other service improvement projects for the future include Housing, Parking and Licensing.	More services will be dealt with by the first person you speak to.	2009 to 2012
We have started a Mobile Working Project.	It will enable us to deliver services to customers in their own homes and to quickly inform staff based in the field to solve problems.	2009 to 2012
We are introducing an Electronic Document and Records Management System.	If you have sent documents to us, whoever you speak to will be able to quickly access your information.	2009 to 2012
We are building a new single customer service centre.	Customers will be able to contact the council at a single city centre location.	2012

Our services will be effectively managed

Activity	What difference will this make?	When will this happen?
We will introduce a new set of customer service standards.	We will have clear targets against which we can measure our performance and improve the service we provide to customers.	Sept 2009
We will develop a single customer service team for the whole council.	There will be a consistent and improved customer experience for all services.	2009 to 2012
We will publish our performance.	You will know how well we are doing.	From April 2010

Our services will be designed with you and for you

Activity	What difference will this make?	When will this happen?
We will engage and consult with customers on a regular basis.	We will understand your needs better, allowing us to improve our services.	From 2009
We will introduce a new feedback and complaints policy.	We will listen to your needs and be responsive to your comments.	From Sep 2009
We will use a variety of ways to understand the views of local people.	Your views will help us when we design and improve services.	From 2009
We will make sure we reach a wider audience, including vulnerable and disadvantaged groups.	A wider range of customers will be consulted.	From 2009

Equalities, Fairness and Inclusion

City of York council...

- values diversity
- challenges all forms of unfairness
- aims to promote self-confident and harmonious communities
- places fairness and inclusion at the heart of its strategies and services



EXECUTIVE

7 July 2009

Report of the Assistant Director of Resources (Customer Service & Governance)

Annual Risk Management Report 2009

Summary

- 1 This report provides information on the successful outcomes achieved through the consideration and deployment of effective risk management arrangements across the council over the past year. The report also includes:
 - a summary of the impacts and risks of the current economic downturn;
 - a revised risk management policy and strategy.

Background

- 2 Risk management is a business discipline that public and private sector organisations use to better manage potential opportunities and threats to the achievement of corporate objectives. Risk management forms a key part of the council's corporate governance arrangements, strategic management and performance management process.
- 3 Effective risk management should act as an enabler – supporting well-informed decision making and facilitating sustainable improvements in service delivery. It is fundamental to good management practice and should not be viewed as a separate discipline or token paper exercise to be carried out in isolation.

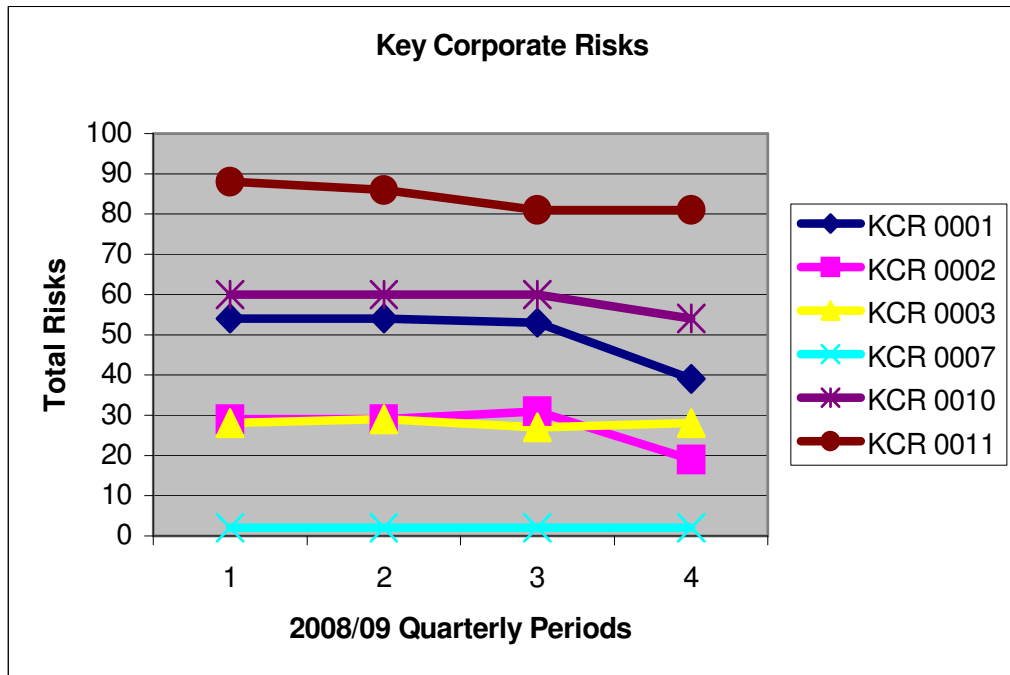
Outcomes of effective risk management

- 4 There is evidence in key documents and plans that the organisation as a whole is considering risk in a much more positive way across its major projects and within service delivery. This approach is in part driven from prior failures and in part through better understanding of risk as an enabler to more successful delivery coupled with a willingness by the council to seek opportunity and improve efficiency.
- 5 The ownership of risk has now moved from the Risk Management Officer in Resources and is owned, managed and delivered as part of good business practice by officers across the organisation. Key

projects such as the Administrative Accommodation Project and Access York Phase 1 actively use risk to help guide the project, decision making and in order to deliver successful outcomes. The inclusion of risk in the council's Improvement Plan and Business Model helps support and underpin the new Corporate Strategy and in turn the Sustainable Community Strategy. Business Continuity is now better embedded across the organisation and is reviewed in light of the developing risks to service delivery, the most recent being the threat of a Swine Flu pandemic

- 6 It is not only officers across the council who have better engaged in managing risk but the Audit & Governance Committee (A&G) now play a much greater role. A&G actively review key corporate risk on a quarterly basis and this process has been particularly effective in raising Members awareness of both the risk and opportunities associated with major projects and programmes of work. In addition A&G regularly request officers to present reports on key areas of concern to satisfy themselves that risk is been properly and proportionally managed.
- 7 A similar quarterly monitor is presented to Corporate Management Team (CMT) on a regular basis. This report has helped to create a focus on some of the council's key areas of risk and provides the opportunity for directors to consider current as well as new and emerging issues.
- 8 It will always be difficult to prove that risk management helps to deliver a project more successfully or that performance has improved as a result of better understanding the challenges involved in service delivery. There have been demonstrable changes in risk assessments; risks have either decreased, hopefully as a result of being managed and mitigated, or increased as risks have become more likely or have increased in potential impact – these changes can be seen through the quarterly monitoring reports reviewed by both CMT and A&G. A summary of changes in the Key Corporate Risks (KCR's) profile is reflected at Table 1 below. The table shows the movement in the number of individual risks associated with each focus area (KCR) across the four quarters of 2009/10. In most but not all cases the number of risks has been reduced over the course of the year.

Table 1

**Key**

KCR ref	KCR Title
KCR 0001	Implementation of new pay & grading structure
KCR 0002	Delivery of the Accommodation review project
KCR 0003	Waste management strategy partnership
KCR 0007	Delivery of the Local Area Agreement
KCR 0010	Business Continuity Planning
KCR 0011	Managing and governing partnerships

- 9 It is however more noticeable that risk is being used as a natural part of the council's business processes and is no longer an add-on or separate bureaucratic process. There will always be an element of process in terms of risk registers, framework and policy but there would now seem to be a fundamental change in the way risks are more routinely identified and managed. This cultural change has been delivered with very little resource (one member of staff) and it is hoped that this improvement will be reflected in the council's next Use of Resources score for risk management.

Risk Management Policy & Strategy

- 10 The purpose of the policy (Annex B) is to set out the aspirations and objectives of the council with regard to risk management. The policy forms part of a practical and effective framework comprising the overarching risk management policy itself, underpinned by the risk management strategy and supported by supplementary risk management guidance documents and a comprehensive training and communication plan. The key changes in the documents are that they have been completely rewritten to provide clear, up to date and practical best practice advice to officers. They also reflect the more risk mature organisation that we have become as set out at paragraphs 4 – 9 above.
- 11 The policy reinforces the principles of risk management in the context of York and will support officers and Members in understanding the purpose and role of risk management. The application of the policy principles will help the organisation in making better informed decisions while at the same time encouraging innovation and opportunity. The progress of embedding the policy effectively through the organisation will be monitored through the Use of Resources element of the CAA inspection process.
- 12 The Strategy (Annex C) provides the corporate framework which is designed to provide practical advice and guidance for implementing risk management practices within all activities of the organisation. It sets out the relevant roles and responsibilities and provides a comprehensive risk reporting process allowing risks to be escalated up and devolved down the organisation

Economic Downturn

- 13 When the annual risk management report was presented to Executive in October 2008 members requested a further report on the impact to the council of the current economic downturn. Officers across the council were very supportive of this piece of work and the feedback received from delegates at a workshop undertaken in January 2009 was also very positive.
- 14 The output of this work is shown in detail at Annex A of this report. The Annex describes the risk along with its potential consequences, actions been taken to manage it and the National Indicators (NI) that may be affected. The risks have also been aligned to the appropriate corporate strategy theme.
- 15 From the evidence gathered through this work it is clear that the council is not immune to the affects of the recession and that its impact will not only be in financial terms but could also affect service provision and NI performance levels.

- 16 This report can only present the output from the workshop and some assurance that many of the risks resulting from the current economic recession have been identified and that work is being undertaken to a greater or lesser degree to manage and mitigate these risks across the council. It also endeavours to pass on the enthusiasm and commitment of officers to provide and protect services that we deliver to the community and especially the vulnerable in the face of the current economic pressures.

Consultation

- 17 Officers from a range of services took part in the Economic Downturn risk workshop and have contributed to the content of Annex A. Audit & Governance Committee have commented upon and agreed the content of the Risk Management Policy & Strategy at Annex B and C.

Options

- 18 No further options are provided in this report.

Analysis

- 19 Not applicable.

Corporate Priorities

- 20 Risk management directly supports the corporate strategy objective of delivering an Effective Organisation. As risk management should be integrated into all the council's processes and routines it should help contribute to the effective delivery of all corporate priorities and is a fundamental component of the council's Business Model. The key development issues reported in this paper support the actions required to improve the Council's CAA (Use of Resources) score.

Implications

- (a) **Financial** - There are no implications
- (b) **Human Resources (HR)** - There are no implications
- (c) **Equalities** - There are no implications
- (d) **Legal** - There are no implications
- (e) **Crime and Disorder** - There are no implications
- (f) **Information Technology (IT)** - There are no implications
- (g) **Property** - There are no implications

Risk Management

- 21 This report has been produced in compliance with the council's Risk Management strategy. The risk associated with the recommendation of this report is "Failure to provide adequate documentation to achieve a level 3 for risk management in CAA UOR" and was originally assessed at a net level of 18 (High).

Recommendations

- 22 Executive are asked to:

- a) note the contents of this report and progress to date;

Reason

To raise awareness of the progress made to date in respect of risk management arrangements at the Council.

- b) note the economic downturn risks set out at Annex A and the intended action to manage them;

Reason

to raise awareness of the risks facing the council as a result of the current economic downturn.

- c) approve the revised and refreshed risk management policy and strategy set out at Annex B & Annex C respectively.

Reason

to raise awareness of the framework used to deliver effective risk management at the council.

Contact Details

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Report Approved

Date 28.5.09

Specialist Implications Officer(s) Not applicable

Wards Affected Not applicable

All

For further information please contact the author of the report

Background Papers

Corporate risk management report 2008/09

Annexes

- Annex A Economic downturn risks
- Annex B Risk management policy
- Annex C Risk management strategy

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The effects of the Economic Downturn – risks, issues and responses

Directorate/ Department	Risk or Issue	Response (Current or Planned)	National Indicator	Corporate Strategy Theme
Corporate wide				
Corporate Procurement	<ul style="list-style-type: none"> Reduced number of suppliers may reduce competition increasing costs of contracts. 	<ul style="list-style-type: none"> Small and Medium Enterprise event. 		A Thriving City An Effective Organisation
Local Government Pension Scheme	<ul style="list-style-type: none"> Increase in the value of the employer's contributions to the LGPS due to falling returns and future recession. At a rough estimate, a 1% increase is upwards of £700k pa so there may be some substantial costs to meet at a time when government funding and council tax income are both under pressure. 	<ul style="list-style-type: none"> The next valuation is as at 31 March 2010 and will set the Council's contribution rate for 3 years from 1 April 2011. The Scheme's actuary has recently issued an interim valuation which suggests that contributions may need to increase by 1 - 2% per annum for each of those 3 years. 		
Resources				
Corporate Finance	<ul style="list-style-type: none"> Reduction in interest on cash balances due to fall in level of interest rates 	<ul style="list-style-type: none"> Partially offset as interest rates paid on borrowing should also fall Sensitivity analysis carried out to determine the effect on treasury management budget Longer term investments in 08/09 when interest rates were higher will partially offset increase in budget. 		An Effective Organisation

York Customer Centre	<ul style="list-style-type: none"> • Increase in number of benefits claims which impacts on processing times and resource level. • Increased work leading to decrease in level of benefits overpayments recovered which causes a deterioration in collection targets and impacts on budgets and could affect level of subsidy from DWP having significant impact on the budget • Increase in volume of incoming customer calls which impacts on response times with a knock-on effect to processing. • Increase in overall incoming work and potential for degradation of service levels. • More fraud entering the benefits and revenues systems as customers behaviour may change. • Salary budget pressure through additional spend on staff or agency work. 	<ul style="list-style-type: none"> • Monitoring performance. • Expansion of Mittel system to allow better monitoring of call levels. • Review staffing levels, subject to funding and budgets. • Review of overpayments processing and reporting. • Review benefits take-up work. • Review use of existing resources e.g. use CSR 'down-time' to do proactive debt recovery work 	181, 180, 14 & Customer First	An Inclusive City An Effective Organisation
National Non-Domestic Rates	<ul style="list-style-type: none"> • Reduction in collection of Council Tax and National Non-Domestic Rates will affect overall budget. • Potential reputational risk to York as a visitor destination associated with the appearance of empty shops and business properties. • A significant decrease in collection of council tax will reduce any surplus available on the 	<ul style="list-style-type: none"> • Change in legislation means that NNDR are no longer payable on empty business properties below a certain size (which doesn't stop them being empty, but at least assists the owner of the premises). 		A Thriving City

	collection fund. This has a direct impact on the council's budget and the determination of the tax level for the following year.			
Insurance	<ul style="list-style-type: none"> • Increase in the number of compensation claims pursued against the Authority by both members of the public and employees. 	<ul style="list-style-type: none"> • Check claims database to identify repeat claimants. • Rigorous investigation of circumstances of the claim and prompt collation of relevant documentation. • Raise awareness of fraud indicators. • Continuation of various inspection regimes throughout the directorates. 		An Effective Organisation
City Strategy				
Waste PFI Project	<ul style="list-style-type: none"> • PFI funding may become unavailable. Bidders are finding it difficult to secure the loans required to fund the investment, due to the current economic climate. 	<ul style="list-style-type: none"> • Look into alternative ways of funding the project. 		A Sustainable City
Economic Development	<ul style="list-style-type: none"> • Effects to city's tourist and leisure industry and a loss of income to the council. 	<ul style="list-style-type: none"> • Improve marketing of York as a visitor destination especially in view of the declining £ (as suggested by the York Business Forum). • Ideas suggested to help support the evening economy include incentive packages for residents (residents festival) and subsidised bus fares. • Implement the City Centre Area Action Plan. 		A Thriving City

Car Parking	<ul style="list-style-type: none"> • Fewer journeys made by car resulting in a shortfall in car parking income 	<ul style="list-style-type: none"> • Dispose of parking spaces. • Reduce charges to increase use. 		
York training Centre	<ul style="list-style-type: none"> • Learners cannot complete their apprenticeships, because local businesses are unable to offer them, and this could lead to a lower skills base within the city. 	<ul style="list-style-type: none"> • Encourage businesses to take advantage of 'thin' qualifications approved by LSC if can't complete full apprenticeship. • Expand CYC apprenticeship scheme. • Increase support for local businesses (enterprise fund). 		A Learning City
Transport Planning	<ul style="list-style-type: none"> • Delayed or cancelled development in the city due to developers being unable to secure capital and a decline in the sale of completed developments. • Reduced ability for the private sector to contribute to projects as partners • Lower S106 contribution for implementing mitigation measures. • Government funding decreases through Statutory Spending Assessment or other grants as it targets funding to other areas. • Reduced bus patronage due to fewer people travelling to work, this could mean that bus operators increase their fares or cut services. 	<ul style="list-style-type: none"> • Keep bus services under review to adapt to changing circumstances. • Increase support for bus services. • Assist operators to remain in business to ensure sufficient competition. • Redefine projects • Make more of 'in-kind' contributions. • Re-launch campaign to change behaviour and promote more bus travel as a cost-saving option 		A Thriving City
Property Services	<ul style="list-style-type: none"> • Reduction in capital receipts potentially causing a delay to the capital programme 	<ul style="list-style-type: none"> • Delay the sale of properties/sites until more favourable markets exist 		An Effective Organisation

	<p>and increasing costs of looking after vacant properties.</p> <ul style="list-style-type: none"> The large commercial portfolio is under pressure as businesses struggle. They either go out of business or seek to negotiate lower rental figures/defer rent payments. 	<ul style="list-style-type: none"> Alternative funding source is required to fund the capital programme - could be prudential borrowing which will lead to increase in treasury management budget or it could be an increased demand on revenue. Reduce the capital programme. Reduce revenue funding. Raise awareness of external funding and working in partnership for funding. 		
Building Control & Land Charges	<ul style="list-style-type: none"> Decline in income from land charges and building control due to a slump in the housing market, slow down in construction industry and a reduced number of home extensions etc. 	<ul style="list-style-type: none"> Review staffing levels to reflect reduction in activity/workload. Review working practices. Introduce new mobile working technology within BC Create revised charging structure within LC 		An Effective Organisation
Neighbourhood Services				
Trading Standards	<ul style="list-style-type: none"> Retailers suffering reduced profit margins possibly precipitating reduced quality in food hygiene and increased risk of failure to meet compliance regulations. 	<ul style="list-style-type: none"> Council to support and educate businesses. Provide help with practical solutions and coaching especially for small and medium sized enterprises – ensuring that they can remain in business and contributing to the local economy. 		A Thriving City
Licensing & Regulatory	<ul style="list-style-type: none"> Discretionary fees may be set too high, however, lowering them will result in reduced income to the council. 	<ul style="list-style-type: none"> Reduce rents/manage bad debts for businesses. 		A Thriving City

		<ul style="list-style-type: none"> • Look for deals for businesses. • Relook at our impact on business. 		
Environmental Enforcement	<ul style="list-style-type: none"> • Increase in illegal disposal of domestic and commercial waste by individuals and businesses avoiding payment for legitimate disposal. 	<ul style="list-style-type: none"> • Monitor use of household waste recycling centres. • Identify fly tipping hotspots. • Liaise with Commercial Waste on cancelled contracts. • Increase monitoring of duty of care requirements within high risk businesses. 	196	A Safer City
Safer York	<ul style="list-style-type: none"> • Increase in rate of acquisitive crime, distraction burglary, rogue trading, black economy and associated criminality. • There is an associated risk of increased chance of eviction for council tenants – increased demand on services to re-house, loss of rent revenue and higher demand for benefits. 	<ul style="list-style-type: none"> • Links to the Police's National Intelligence Model • Intelligence led approach - targeting of CYC time and resources according to where risk has been identified and according to profiling of problem areas/people. • New laws allowing Trading Standards to ask the courts to seize assets if rogue traders cannot prove they've been obtained legitimately ploughs money back into the work of the team and acts as a deterrent. 		A Safer City
Environmental Protection Unit	<ul style="list-style-type: none"> • Displacement of anti social behaviour, such as noise nuisance, typically associated with drinking in the city centre is occurring increasingly in estates as a result of more people choosing to socialise at home. Latest crime and ASB statistics for noise show Westfield is now closely followed by Clifton 	<ul style="list-style-type: none"> • Enhanced use of out of hours enforcement service and intelligence led deployment of resources to those areas of need 		

	and Heworth wards and that Guildhall and Micklegate wards have decreased.			
Commercial Waste	<ul style="list-style-type: none"> Reduced projected income for commercial waste due to a decline in the commercial sector. 	<ul style="list-style-type: none"> Increase marketing and offer competitive prices for multiple lifts Improve the web site to allow for on-line ordering. Work being done as part of the easy@york programme. If the customer base continues to fall then reduce capacity and operational costs. 		An Effective Organisation
Recycling	<ul style="list-style-type: none"> Shortfall in income some of which is attributed to adverse trading conditions. No information on recycled waste income levels as yet, although it is certain there will be an impact. 	<ul style="list-style-type: none"> The contract with Yorwaste protects the authority against the risk of movement in material prices for the next three years. 		An Effective Organisation
Chief Executives				
Equality & Inclusion	<ul style="list-style-type: none"> There is a danger to the socioeconomic integration, and well-being of vulnerable groups in the city, because of un/under-employment. This is due to the nature of employment that people from vulnerable groups are likely to be in, namely – unskilled, low-paid, part-time, and weekend, evening jobs – all of which are likely to be the first to be cut during a recession. 	<ul style="list-style-type: none"> We require research and statistics to determine the position and therefore be able to manage future trends. This task can only be undertaken at LSP level with the Inclusive City Forum, Safer York and Healthy York partnerships in particular. Contribution to contingency plans of other services. Assist the putting in place of a Community Cohesion strategy at a city level. 		An Inclusive City
Legal Services	<ul style="list-style-type: none"> Fewer property transactions overall therefore 	<ul style="list-style-type: none"> We have created two additional posts in the 		An Effective

	<p>Legal Service might not achieve income targets.</p> <ul style="list-style-type: none"> An increase in demand for social services teams, housing & litigation, and a downturn in work on planning. This will increase the workload for an already stretched social services team, and reduce the income obtained from planning transactions. 	<p>social services team to cope with the increased workload</p> <ul style="list-style-type: none"> The planning team will focus less on development work and more on enforcement issues and other areas of work. 		Organisation
Learning, Culture & Children's Services				
Learning City Partnership	<ul style="list-style-type: none"> Increase in 16-18 not in education, employment and training (NEET) particularly amongst apprenticeships and in construction where is a number of redundancies. Negative impact on work experience placements for 14-19 year olds particularly amongst sole traders who may not have enough work to support a short two week placement. 	<ul style="list-style-type: none"> Work with providers and agencies to collect intelligence Look at ways to continue support and training. The regional has substantial public funding to support those facing or made redundant via Job Centre Plus and Learning & Skills Council. Engage employers (sector by sector) to continue to upskill in the city. 	81, 117, 163, 165	A Learning City
Early Years	<ul style="list-style-type: none"> Bad debts impacting on sustainability of childcare provision as there is less demand and therefore less provision for childcare. Inability to offer sufficient and sustainable childcare Increase in number of enquiries to 2 year old pathfinder as people lose their jobs. 	<ul style="list-style-type: none"> Proactive monitoring Promote take up of child tax credits Salary payback schemes Debt management Marketing & Communications Asking all early education providers how this is effecting them. This info will be available mid Feb and form part of the sufficiency 		A Learning City

		<p>assessment refresh.</p> <ul style="list-style-type: none"> • Info already provided to Department of Children Schools and Families (DCSF) who are urgently looking at ways of addressing sustainability due to the economic downturn 		
Housing and Adult Social Services				
Social Services	<ul style="list-style-type: none"> • Increase domestic violence and effects on health . • Increased demand for debt counselling and insolvency services, placing pressure on organisations such as CAB and York Credit Union and third sector organisations who are ill equipped to meet rising demand (and are at least partially grant funded by CYC – increased demand for council support therefore) associated increased risk of CYC having to write of bad debts 	<ul style="list-style-type: none"> • Family intervention services • Develop a corporate debt strategy. • Introduce a single point of contact for debt and benefits advice (or ensuring that all customer reception points that deal with debt are equally well informed across the range of council services). • Provision of debt advice sessions in communities (Kingsway West project). • Provide new council tenants with a financial health check and ensure they are claiming all they are entitled to. 		<p>A Healthy City A Thriving City</p>
Housing	<ul style="list-style-type: none"> • Private housing development almost at a standstill – delays in delivering more affordable homes and unlikely to meet year one and two LAA NI . • New housing developments do not complete because Government funding for housing frequently requires match funding from private sector or capital receipts which may not be available. 	<ul style="list-style-type: none"> • Work with housing associations and developers to bring forward building of the affordable homes schemes. • Looking to increase numbers of affordable homes where possible (including looking at intermediate housing market). • Golden Triangle Partnership mortgage rescue scheme. 	155, 156	<p>A Sustainable City A Thriving City</p>

	<ul style="list-style-type: none"> • Increase demand on social housing, increase waiting lists due to less development due to stagnation in the building industry • Reduced turnover of existing affordable housing which means longer waiting lists, this impacts on the ability to reduce households in temporary accommodation. • Significant rise in number of mortgage repossessions, leading to homeless presentations and statutory duty to house. • Rent arrears will increase due to tenants losing their jobs and becoming more reliant on benefits. 	<ul style="list-style-type: none"> • Initiatives to make better use of existing council housing stock. (e.g. supporting a downsizing scheme to release six family houses). • Review strategy on income management. • Develop joint approach on debt management. • Earlier intervention – Future Prospects to inform when tenants are made redundant so that we can be more proactive. • Use of mobile technology. • Mortgage rescue. • Housing options approach to housing advice. • Develop availability of private rented sector. • Work with partner agencies to provide debt and benefit advice, legal advice and support to vulnerable customers. • Support mortgage rescue (local). • Potential for housing associations/council to purchase land for land banks. • Council building Programme/ partners with private building. 		
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RISK MANAGEMENT POLICY STATEMENT

CITY OF YORK COUNCIL

RISK MANAGEMENT POLICY STATEMENT

OVERVIEW

This document describes the council's approach to Risk Management. It describes the philosophy and principles upon which the council will enable a culture of proactive Risk Management.



RISK MANAGEMENT POLICY STATEMENT

INTRODUCTION

1. The City of York Council aspires to be a well-managed and successful organisation and a vital aspect to achieving this is the use and integration of Risk Management into its systems and processes. Having an established and effective Risk Management framework, embedded into the culture of the organisation, will contribute to the achievement of the Corporate Strategy and in particular organisational effectiveness.

BACKGROUND

2. The council's approach to risk management has evolved on a piecemeal basis over a number of years with no consistent framework in place setting out how the council wishes deliver an enterprise-wide approach to risk management.
3. The development of a risk management policy statement as a fundamental element of the organisation's risk management strategic framework will ensure that key principles of good practice are embedded universally across the Council.

RISK MANAGEMENT DEFINITION

4. City of York Council's definition of risk is:
'Risk management is a planned and systematic approach to the identification, evaluation and control of risk used to manage potential threats to the achievement of objectives'.

POLICY CONTEXT & SCOPE

5. The purpose and provisions of this policy statement are consistent with the ambitions set out in the Council's Corporate Strategy and should be viewed in that context.
6. The principles and requirements set out in this policy statement and associated framework documents are applicable to all City of York Council processes and in particular evidence of compliance must be provided in the following areas: -
 - I. Financial planning & control
 - II. Strategic planning & objective setting
 - III. Service planning & delivery
 - IV. Reports & decision making



RISK MANAGEMENT POLICY STATEMENT

- V. Policy making, audit & review
- VI. Performance management
- VII. Project management

POLICY STATEMENT

- 7. The risk management policy of City of York Council is to apply best practice in the identification, evaluation, and cost-effective control of risk to ensure that risks are managed, eliminated or reduced to an acceptable level. The policy and strategy support opportunity risk and do not look to inhibit innovation but to deliver change in a well managed and controlled way.
- 8. The Council recognises that it has a responsibility to manage hazards and risks and this policy and accompany strategy supports a structured and focused approach to managing them. In this way the Council will better achieve its corporate objectives and enhance the value of services it provides to the community.
- 9. It is acknowledged that some risks will always exist and will never be eliminated. All employees must consider risk and accept responsibility for risks associated with their area of authority.

OBJECTIVES

- 10. This policy statement along with the strategic framework documents aim to help facilitate the following objectives: -
 - I. Achieve the corporate strategy.
 - II. Successful delivery of major and innovative projects.
 - III. Establish and maintain effective ways of working in partnership.
 - IV. Maximise the potential for taking advantage of opportunities.
 - V. Encourage the authority to anticipate and respond to changing social, environmental and legislative conditions.
 - VI. Minimise the risk of damage, loss, injury, and inconvenience to citizens, staff and service users.
 - VII. Maintain a robust framework of procedures for the identification and management of risk.
 - VIII. Establish clear and accountable, roles and reporting lines.
 - IX. Promote an open and proactive Risk Management culture.



RISK MANAGEMENT POLICY STATEMENT

PRINCIPLES

11. The basic principles underpinning this policy statement are as follows: -
 - I. It is every employee's responsibility to identify and ensure the management of risks within their remit and to flag risks outside their remit to the Risk Management section.
 - II. All significant risks¹ and their associated controls are documented in the council's risk register.
 - III. It is the responsibility of risk owners to ensure their entries within the council's risk register are maintained.
 - IV. High and critical risks should be reduced to an acceptable level, within an appropriate timeframe when it is germane to do so.
 - V. High and critical risks are reported to the appropriate senior management team, board or committee.

EVALUATION AND REVIEW

12. This policy will be reviewed annually to ensure its continued relevance and to assess its performance against its objectives as set out above.

¹ Significant risks are those with the greatest inherent or current potential to harm the organisation



RISK MANAGEMENT STRATEGIC FRAMEWORK

CITY OF YORK COUNCIL

RISK MANAGEMENT STRATEGIC FRAMEWORK

OVERVIEW

This document describes the council's approach to risk management. It describes the philosophy and principles upon which the council will enable a culture of proactive risk management.

RISK MANAGEMENT STRATEGIC FRAMEWORK

INTRODUCTION

1. Risk management is a key organisational responsibility and a vital component to improving our effectiveness that supports and underpins the aspirations of the corporate strategy.
2. Good risk management allows the Authority to have increased confidence in achieving its desired objectives and priorities, through the effective consideration and exploitation of opportunities and the active management and mitigation of threats.

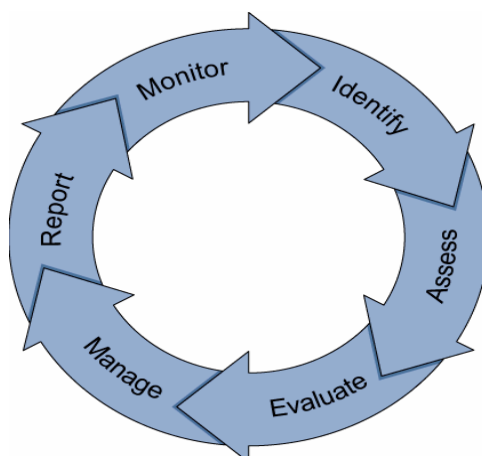
OBJECTIVES

3. The strategic framework is designed to provide practical advice and guidance for implementing risk management practices within all activities of the organisation. The objectives of this framework are to: -
 - fully integrate and embed risk management into the culture of the authority, and its day-to-day business.
 - raise awareness and the profile of risk management in all areas, including partnerships.
 - achieve appropriate consideration of risk within all reviews of service performance and improvement plans.
 - maintain a robust framework of procedures for the identification, assessment, evaluation and management of risk.

RISK MANAGEMENT CYCLE

4. Exhibit 1 shows the standard risk management cycle adopted by City of York Council.

Exhibit 1.





RISK MANAGEMENT STRATEGIC FRAMEWORK

5. Phases and related activities of the risk management cycle: -

I. **Identify**

The first phase of the risk management cycle involves the identification of existing and emerging threats and opportunities. This is carried out in all areas of the council's business, which are classified as follows: operational; strategic; partnership and project.

II. **Assess**

Identified risks are then assessed, at an inherent and residual level, for their impact and likelihood in accordance with the council's risk rating matrix. This phase includes the identification of mitigating controls and allocation of responsibility to appropriate officers.

III. **Evaluate**

An evaluation of each risk is then made to determine whether it requires further action. The options for evaluation are; tolerate, treat, transfer or terminate.

IV. **Management**

At this stage it is determined how best to manage those risks that are to be treated, transferred or terminated and these actions are implemented.

V. **Report**

All significant risks, usually those with a net risk rating of 16 or above, should be reported to the appropriate senior level in the organisation, this is set out in the risk management policy statement.

VI. **Monitor**

All risks should be subject to periodic monitoring that will identify changes, and assess the implementation and effectiveness of the associated responses.

6. The complete risk management framework with all supporting documentation and guidance is available on the webpage – link: [Risk Management Webpage](#)



RISK MANAGEMENT STRATEGIC FRAMEWORK

ROLES AND RESPONSIBILITIES

Elected Members

7. All Elected Members should consider risk as part of decision-making, strategic planning and objective setting, and they have a duty to evaluate the effectiveness of officer's risk considerations as documented in the risk management paragraph in all committee reports.

Executive Committee

8. The Executive Committee receives the annual risk management report that provides information on the council's significant business risks and details progress made in embedding risk management arrangements across the organisation.

Audit & Governance Committee

9. Audit and Governance Members have corporate responsibility for risk management and determine which risks are reported to Full Council. Their responsibilities include; overseeing and approving the risk management framework and reviewing its implementation to provide independent assurance that officers comply with Member approved policies and procedures.

Chief Executive

10. The Chief Executive is charged by Members to embed an effective risk management system, with a corporate approach, throughout the council.

Director of Resources

11. The Director of Resources is the chief officer responsible for leading and championing risk management across the organisation.

Corporate Management Team (CMT)

12. All directors, as members of CMT, have joint responsibility for the effective identification, management and review of Key Corporate Risks (KCR's). CMT review quarterly risk monitors and monthly exception reports and if necessary 'call in' the relevant risk owner to report to them in more detail. They decide which risks to include in the annual risk management report to the Executive Committee.



RISK MANAGEMENT STRATEGIC FRAMEWORK

Directorate Management Team (DMT)

13. Members of each DMT are responsible for ensuring the implementation and effectiveness of controls and action plans to mitigate corporate and directorate level risks. This involves maintaining systems to:
- Identify, analyse and monitor risks of all levels.
 - Ensure the effective implementation of control measures.
 - Develop and deliver action plans for further mitigation.
 - Report in accordance with the Risk Management Policy.

Senior & Line Managers

14. It is important that managers stimulate the interest of their staff in the identification and reporting of risk and that they respond positively to this. This responsibility should be inherent in managers performance plans and accepted as one of their management responsibilities. They need to be both proactive and reactive, and take ownership of the process. They are responsible for: -
- Ensuring the authority's Risk Management Policy is implemented within their area of responsibility.
 - Identifying and controlling operational risks associated with their service area.
 - Ensuring employees have access to training and development.

All Employees

15. It is necessary for the management of risk to be regarded by all employees at all levels as one of their fundamental duties and to understand their responsibilities to: comply with policies and procedures; operate safe systems of work; and report incidents and near misses to their line manager.

Risk Management Champions

16. A Risk Management Champion is appointed within each directorate and Elected Members to help deliver the risk management strategy and develop good practice across the organisation. The full extent of the remit of their role is available on the risk management webpage.

Risk Management Coordinator

17. A Risk Management Coordinator is appointed within each directorate to help facilitate the risk management review and reporting process.

RISK MANAGEMENT STRATEGIC FRAMEWORK

REPORTING & MONITORING ARRANGEMENTS

18. As described in paragraph 5, reporting and monitoring arrangements are two of the six vital components of a successful risk management process. Reporting is necessary as it acts as an early warning system highlighting the potential for future difficulties. Monitoring provides the opportunity for assessment of whether the corrective action taken to address the reported risks are effective and sufficient.
19. The table below sets out the Identification and Reporting Cycle.

Risk Level	Identification	Monitoring	Reporting	Frequency
Corporate	Corporate Management Team	Corporate Management Team	Executive Committee	Annually & Ad Hoc
			Audit & Governance Committee	Quarterly
Directorate	Directorate Management Team	Directorate Management Team	Corporate Management Team (CMT)	Quarterly
Division/ Group/ Arm	Service Planning	Management Team	Directorate Management Team (DMT)	Quarterly
Service	Manager	Manager & Team	Management Team	Quarterly
ITD Plan Projects	Project Manager & Leader	Project Board	Corporate IT Strategy Group	Quarterly
Other Projects			CMT or DMT	Ad Hoc
Partnership	Client Officer	Partnership Board	Directorate Management Team	Ad Hoc
** HIGH LEVEL RISK ESCALATION REPORTING** significant risks (those evaluated with a net rating of 16 or above) should be reported to the appropriate senior management team				



RISK MANAGEMENT STRATEGIC FRAMEWORK

20. Regular risk reporting is essential to ensure key operational and strategic risks are visibly being considered, addressed and reviewed.
21. The reporting process set out in the above table is designed to provide a structured framework for the management of risk information at all levels and demonstrates how risks can be both escalated and disseminated throughout the organisation.

TRAINING & GUIDANCE

22. A training and communication plan exists to underpin the risk management policy and strategy. The plan is regularly updated and reported to Council Management Team and Audit & Governance Committee. The plans are available at: [Training & Communication Plan](#)

EVALUATION AND REVIEW

23. This policy will be reviewed annually to ensure its continued relevance and to assess its performance against its objectives as set out above.

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Executive

7 July 2009

Report of the Director of Neighbourhood Services

Street Level Services and Area Based Working

Summary

1. This paper sets out a refreshed vision for street level services. It describes a new model for street level services and proposes Area based working in line with the More for York transformation proposals.

Background

2. Since 2003, a range of initiatives have been undertaken under the 'York Pride' umbrella. Progress has been made in cleaning York up - we have improved local environmental cleanliness as measured by BV199/NI195, made services more responsive to customers by developing the York Pride Action Line (which became a key part of the York Contact Centre), developed the Street Environment Service to solve street level environmental problems, and taken steps to encourage residents to take pride in the city and their communities through the use of campaigns, community engagement and devolved budgets.
3. In 2007, a number of environmental services in Neighbourhood Services (Waste, Street Cleansing, Street Environment, Pest Control, Drainage) became accessible via the York Contact Centre. Since mid-2008 Neighbourhood Services has been working with the Easy @ York team to review work processes in these areas to bring further benefits for customers through more efficient working. The outcome is a proposal to develop a more efficient and sophisticated system to manage the work and our responsiveness to customer demand in these service areas, and to move through a series of stages to area based management.
4. A number of further NS services (Highway Maintenance, Parking Services, Licensing) are to be reviewed in Phase 2 of the Easy @ York Programme.
5. Further analysis this spring suggests that the directorate should undertake a rebranding exercise to consolidate a range of practical operational services under a single strong brand. The branding exercise would encourage customer contact via the YCC.
6. York has a successful tradition of devolving budget and decision making to local areas – particularly through ward committees. Currently DCLG sees York's approach to participatory budgeting as best practice. Recent legislation has shown the government's aim of pushing localism further. The

Easy @ York refresh has been expanded to consider options for how stronger more consistent area management could overlay the set of more efficiently delivered street level services. The aim is to consolidate the benefits to the customer, while protecting the current strength of our local decision making.

7. NKA has adopted the Easy @ York refresh work in Neighbourhood Services, and their paper is consistent with the approach being taken here.

Reinvigorating York Pride: A new Vision for Street Level Services.

8. This paper asks members to agree a new vision for street level services that will build on the work done under the York Pride initiative. We believe that the proposals in this paper can reinvigorate the ideas behind York Pride, namely:

- Efficient services that are easy to access, delivered right first time, working together for the good of residents. Delivering clean, green, safe and strong neighbourhoods.
- Residents exercising control through local democratic frameworks.
- Services that encourage local ownership and contribution.

9. Members are asked to support a 5 element vision

- A more efficient end to end approach to delivering street level services. This will speed up response to customer demand, improve feedback to customers, deliver more efficient working, and build trust in the single point of contact (YCC) model among members. Members will get a quicker more responsive service through using the YCC.
- A comprehensive rebranding of street level services to bring them all within a single brand, which will then be marketed strongly to encourage customer contact.
- Stronger area management arrangements. Senior staff empowered to act on behalf of areas of the city, to sort out issues and problems, and to support residents and councillors to improve local conditions.
- Once area management is in place, to use it to strengthen the approach to devolved budgeting and local decision making, and to reach out to empower local communities' with respect to local services.

10. The design of new systems, mobile technology solutions, redesign of YCC processes, and redesign of business process in current service areas will deliver an improved, more responsive set of services by the end of this year. Members are asked to agree the vision set out in this paper so that we can move to detailed design work around rebranding and area management. If members agree then we will continue to work up detailed proposals to show how the service can deliver the various elements of the vision.

Case Study – Rotherham ‘StreetPride’ Service

11. The Interim Director of Neighbourhood Services was previously Executive Director for Environment and Regeneration Services at Rotherham MBC (2002 – 2007), and was responsible for Rotherham MBC’s StreetPride initiative, which delivered on all of this agenda. Rotherham StreetPride was integral to delivering the council’s corporate plan priorities of safe, alive, achieving, proud and learning. The initiative had a number of elements. Most importantly a number of street level services were branded together under a single strong memorable ‘StreetPride’ brand. The following services were covered:

Abandoned vehicles, devolved budgets, dogs, environmental crime, fly posting, fly tipping, graffiti, grounds maintenance, highways, litter, parking, rights of way, road safety, street wardens, street lighting, street works, traffic management, trees and woodlands, waste management and recycling, winter maintenance.

12. All of these services were branded as one. Literature was common to them all – with service standards published together. Staff employed by the Council and by private sector contractors wore the same uniforms. Vehicles had the same livery. Banners were produced and placed around the borough. All literature, vehicles, banners and marketing carried a single contact point. The branding and marketing was aimed at encouraging contact from residents. Work was done to ensure that staff across the services shared a common vision for the borough (clean, green, safe, strong, customer focused, community oriented).
13. A second element was that Rotherham implemented an area management approach. This meant splitting the borough into 3 large areas, each with a senior Area Manager, whose role was to manage a devolved spend within the area (about £500k per area per year). This devolved spend came from within existing service area base budgets. The Area Managers were limited on how that money could be spent (ie they could spend from a controlled menu). This allowed for local flexibility in the delivery of service, and allowed the local community to influence technical design. The Area Managers managed some of the (larger) services in their area (as a larger authority – RMBC had three depots), while some (smaller) services continued to be managed across the Borough. Area Managers were accountable to area assemblies.
14. A third element was to encourage community participation. Individuals within the community were brought on board as Street Pride Champions and encouraged/trained to act as eyes and ears for the council within their community. They were trained to encourage customer contact, and they were empowered to sort minor issues out as well as just reporting those problems.
15. In the first two years, Rotherham achieved the following for its StreetPride initiative – all at nil/less cost:

- Investors in People, ISO9001, ISO14001.
- LGC Award for the Environment
- Customer satisfaction above 90%
- Near 100% Councillor satisfaction
- 46% reduction in the fear of crime
- Beacon award for Better Public Places after 3 years – leading to visits from over 35 councils.

Possible in York?

16. The government's localism agenda, and the new corporate strategy lend weight to an attempt to reinvigorate the local environmental agenda through introducing an initiative similar to Rotherham StreetPride in York. In York a similar initiative would support delivery of the safer city, sustainable city and inclusive city themes from the corporate strategy. The Easy @ York refresh (with NKA in clear support) provides a strong mechanism to deliver the system and organisational changes required.
17. We have strong foundations to build on. Performance across environmental services is stronger than it was a number of years ago. York has taken significant steps in the past towards a streetpride type initiative, but has not fully committed to this type of approach as a whole. Examples include:
 - Contact with environmental services has gone through the call centre since February 2007. We estimate that only about 40% of demand currently goes through that channel, the other 60% of contact is by way of other channels including direct to staff, website, letter etc. This results in fragmented delivery and limits our ability to record, track and monitor performance.
 - YorkPride and York Pride Action Lines brands have been used, but not particularly well defined, controlled or adopted consistently across services sufficiently to become a strong enough brand.
 - York has a history of devolved budgeting and community engagement through ward committees. Neighbourhood Action Plans have been developed for each ward committee area but they may have had limited impact and influence over service delivery.

Delivering the Vision

18. If Members support the 5-element vision at para 9, then the More for York and Easy @ York refresh project will deliver that change. The next sections of the report describe how the vision would be delivered.

19. The Easy @ York refresh project has been underway since mid 2008. The project has been reviewing how we deliver key street level services (waste management, neighbourhood pride, street environment, pest control and drainage). We have now got to the point of discussing a 'To-Be' design document that sets out a 3-stage system and organisational redesign.
- In Stage 1 the business is redesigned to ensure that customer demand can be dealt with as quickly as possible.
 - Stage 2 introduces a limited area management role.
 - Stage 3 is a major restructure to introduce a full area management delivery structure.

Delivering the Vision: Stage 1 of the NS Easy Refresh Project

20. The key principles behind the design of stage 1 are:
- To base our service delivery around set schedules that are owned by NS and managed through a scheduling system within CRM.
 - To operate YCC as the single point of entry for all customers (including, Councillors)
 - To send as much reactive work as possible from the YCC to as near to the front line operatives as possible – the aim is that 80% of contact goes direct to front line operatives.
 - To invest in the use of mobile devices for front line staff.
21. The scheduling software is key. It will allow the service to control the schedules (e.g. NS would own and control the CRM content about bin rounds, grass cutting schedules, new bin delivery schedules, street cleansing schedules etc). Operatives would update progress against their scheduled work as they complete it. YCC staff could then see in real time what work had been done and what was due to be done and when, and could inform the customer as appropriate. If the customer still needed a reactive service, that demand could be placed intelligently within the schedule. This will reduce the level of ad-hoc reactive work required. This approach will allow for more efficient working, speed up response times, improve the YCC's ability to provide a quality front end service, and improve feedback and reassurance to customers. Stage 1 is a significant change programme that will enhance the quality of service being delivered.
22. Other benefits are to:
- simplify and clarify policies.
 - where possible remove contradictory policies – for example where a policy drive one team to remove an environmental problem as quickly as possible, while another team needs it to remain while they investigate with a view to taking enforcement proceedings.

- introduce payment in advance for services such as bulky waste collection, reducing the level of invoicing and the need to take cash in the field.
- introduce call out charges in limited areas as appropriate.
- sort out weaknesses inherent in the initial end to end work processes – for example to ensure that call centre scripting is correct
- provide a work management system for the Street Environment and Enforcement Service.
- provide improved management information and reporting capacity.

Delivering the Vision: Rebranding

23. There are a plethora of brands within Neighbourhood Services – and even more across the council as a whole. The idea would be to rebrand waste management, street cleansing, street environment, drainage, pest control, commercial waste and highway maintenance into one group. Vehicles, staff uniforms, literature, publications would be revised to ensure a common thread. A set of service standards would be produced and published. All of these services would be contacted via one number – ie the York Call Centre. Over time, if and when further services are business process reengineered – they can then be added to the brand.
24. If members agree then firm proposals can be developed.

Delivering the Vision: Stages 2&3 of the Easy Refresh Project

25. The refresh suggests introducing area management in two stages. Stages 2 and 3 could be undertaken alongside the system and service redesign work at stage 1. Stage 3 does not depend on stage 2 being completed.
26. Stage 2 represents a reallocation of responsibility within the existing organisational structure to introduce 'Area Managers'. These managers would retain a primary responsibility for services that continue to operate across the city (e.g. Waste, Neighbourhood Pride, Civil Engineering etc). They would also take on a secondary responsibility for overseeing an area. Their area role would be to act as a trouble-shooter– somebody to bring together agencies and directorates and seek solutions to intractable or complex problems. They would be helped in their area role by the Street Environment and Enforcement Officers who would continue to monitor environmental condition, quality of work and deal with enforcement issues.
27. Stage 3 of the design is more radical. It gives Area Managers primary responsibility for ensuring the quality of the range of environmental services delivered in their area by the cross-city service teams. They would retain the oversight/troubleshooting role regarding longer terms strategic issues identified in stage 2. They would support ward committees and work closely with local Councillors. Responsibility for delivering the services across the city would be lodged elsewhere within the structure.

28. Stage 3 is a departure for Neighbourhood Services. While operational staff in the 'in scope' service areas would see little change, it would have implications for all managerial and supervisory staff within the 'in scope' service areas. It would also potentially have implications for the Neighbourhood Management Unit.
29. We are now examining how the services provided by the Neighbourhood Management Unit would fit within stages 2 and 3 of the new proposed model. There is potential to enhance the significance of Neighbourhood Action Plans (NAPs), by delivering variations to the standard level of services to meet the priorities and needs set out by the community in their NAP. This would place the NAP as a pivotal document in the community, and it would be essential to retain and enhance the strength of current devolved budgeting arrangements (over 8000 residents engaged each year, DCLG pathfinder on participatory budgeting).
30. One area of obvious and significant risk for the area management approach is the relationship between the Area Manager and the Ward Councillors in their area. The Area Manager could become the receptor for every Councillor issue or complaint within that zone – regardless of the content or seriousness. But the system would only work successfully if all Councillor issues and complaints were routed through the contact centre. The second potential problem is that the Area Manager would need to avoid being tasked by Councillors directly. As the scheduling system being built beds down to provide a quicker response and greater feedback, then direct tasking requests may go away over time.
31. The Easy @ York refresh project board is working to develop more detailed proposals for stages 2 and 3, and to decide whether to recommend to progress step by step and thus to allow staff to gain confidence in the scheduler/mobile working system, or whether to push forward to introduce area working alongside the service redesign. The relative risks and benefits of changing quickly or slowly are not yet adequately understood. However given the requirement within the More for York report to make change quicker, one option would be to move to stage 2 or stage 3 by April 2010.

Delivering the Vision – Stronger Area Management

32. York has a tradition of devolving budget and decision making to local areas – particularly through ward committees. 18 Ward committees cover 22 wards. Each ward committee has a Neighbourhood Action Plan (NAP) which sets out local priorities. At present the NAPs act as Ward Charters. Each ward committee has a devolved budget which can be spent at local discretion. Last year over 8000 people helped decide how to spend devolved budgets. Each ward committee also has a multi-agency ward planning team which runs the ward committee agenda, and acts as a forum for progressing issues in the local area. Stages 2 and 3 described above should strengthen this existing structure by importing additional senior management capacity.
33. A final step would be to extend devolved funding to turn the NAPs from Ward Charters into real ward service action plans. The strong Area Managers

envisaged at stage 3 could have larger devolved budgets comprising funding sliced from existing service base budgets. The Area Managers could then usefully start to vary local service standards, in line with locally stated priorities within the NAPs. This would bring advantages in terms of the localism agenda, but would be administratively difficult if budgets remained at the Ward Committee level. More work is needed to develop detailed proposals for this final step.

Geographical Analysis

34. Early analysis has been done to understand how we could group wards into zones. An initial analysis has used data around environmental performance, deprivation, level of demand for environmental issues, and taken into account the variable likely demand on the Area Managers' time from enquiries generated by Councillors and Parishes. Each ward committee area can then be scored. Then a range of options can be put forward based on these scores. This analysis is very basic at present – but it has adhered to some minimal principles, to ensure that areas were roughly equal in terms of likely demand. The analysis would need to be shared widely and, crucially, given a common sense check by operational managers.
35. As an example, we could decide to have five Area Managers (at either stage 2 or stage 3). The analysis suggests that we could group wards into five with a central area made up of either two or three wards, and the remaining words grouped into four areas.
36. If members agree the vision, then we would do more work to define the Area Manager role, and following that to decide how many areas were needed, what those areas should be, and whether those groupings would then be workable.

Costs and Timetable

37. The aim will be to deliver the vision on a cost-neutral basis.
38. Stage 1 of the vision will be delivered by the service and the Easy@york programme working together by the end of 2009 calendar year. Further work is needed to set out a detailed timetable for the other elements of the vision.
39. If members agree the vision in principle, we will develop a detailed implementation plan to show how much of the change could be completed by the ideal date of April 2010. If it is not feasible to complete all the change by that date, we would set out the elements of the change to come on stream at defined points after that date.

Corporate Priorities

40. The proposals discussed in this paper would allow a better contribution to delivering the sustainable city, safer city and inclusive city agendas. It will impact particularly on the cleanliness of the local environment. It also sets

out clarity on area based working in line with the More for York transformation programme.

Implications

41. Human Resources (HR). Implications for a range of staff within the relevant services in NS. The Easy NS Refresh project has a dedicated 'People' workstream that will undertake the necessary consultation.
42. Equalities: None
43. Legal: None
44. Crime and Disorder: None
45. Information Technology (IT): None
46. Property: None
47. Other: None

Risk Management

48. There are no risks associated with members agreeing a vision for the street level services in York. The risks associated with members agreeing to move towards that vision using a 5-stage delivery programme, and agreeing that officers would work up a detailed delivery programme have been assessed at a net level below 16 – the likelihood that a further report will not be brought back to members for agreement detailing the delivery programme to be used is considered 'remote'.

Recommendations

49. That members support the principle of area based working and the street level services proposed.

That a further report be submitted to members outlining the detail of areas and options for a new brand.

Contact Details

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Interim Director of
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Chief Officer Responsible for the report:

Adam Wilkinson
Interim Director of Neighbourhood Services

Report Approved

Date 10/06/09

Specialist Implications Officer(s)

None

Wards Affected:

All

For further information please contact the author of the report

	
Executive	7th July 2009
Report of the Assistant Director of Property Services (Corporate Landlord)	

Castle Piccadilly Regeneration Project

Summary

1. This report updates members on the progress of this project since the Executive report of 4th November 2008, asks members to note the outcome of the procurement process to identify a development partner (known as the preferred concessionaire) which has been completed, and also to comment on the recommended course of action to continue this project which will regenerate an important part of the City centre.

Background

2. The Executive report of 4th November 2008 advised members of the need to carry out a procurement exercise to take forward this project to carry out a substantial retail-led development of the Castle Piccadilly area. The Executive decided
 - (i) That the Council's aims and objectives be confirmed as:
 - a) To achieve best consideration for its land;
 - b) To achieve the Council's vision and planning objectives as set out in the planning brief, including a high quality development which helps to meet the retail needs of the City;
 - c) A development that is viable and helps to deliver wider planning objectives for the area, e.g. provision of quality civic and open space, links across the river, riverside paths and relocation of the Castle car park; and
 - d) To achieve the comprehensive regeneration of the Castle Piccadilly area.

(ii) That the commencement of a works concession procurement process to support the bringing forward of possible alternative developer solutions in a fair, transparent and proportionate manner, be approved

(iii) That authority be delegated to the Director of City Strategy, in consultation with the Director of Resources, to approve a set of criteria upon which the procurement competition process will be measured.

REASON: In order to achieve the Council's objectives whilst complying with the Council's own rules and the current regulatory framework.

3. Since that decision was made a full procurement exercise has been undertaken in full consultation with the Council's procurement officers in accordance with all the procurement and legislative requirements.
4. Assessment of the responses to the Invitation to Tender has taken place and a meeting has taken place with the proposed development partner (known under the procurement process as the 'Preferred Concessionaire')
5. The project team are agreed that the preferred concessionaire which they would recommend to take to the next stage is LaSalle UK Ventures Property. This company is the current long leaseholder and operator of the Coppergate Centre and the project team are satisfied that they meet the criteria set out in the Invitation to Tender documents and are suitable as partners in this project. They have appointed Centros as their development manager to deliver a retail led scheme on the Castle Piccadilly site which meets the Council's aims and objectives. Centros have extensive experience of similar type of city centre development projects, often working with local authorities.

Consultation

6. The procurement process has been carried out in accordance with the procurement and legislative requirements and so full consultation has taken place in accordance with the requirements through advertising in the European Journal.
7. The proposed next steps in taking forward this project will include consultation with all stakeholders, including the public, in development of the masterplan of the area and any subsequent planning applications.

Options

8. The Council will now work with LaSalle and Centros to take this project through the next stages in accordance with the requirements set out in the Castle Piccadilly Planning Brief. This will include the following next steps:
 - Centros and their design team to work up conceptual approaches for the comprehensive development of the area
 - Centros to lead an extensive public consultation exercise on the conceptual approaches proposed
 - A report back to members on the findings and key issues from the public consultation
 - Centros and their design team to then prepare a masterplan for the comprehensive development of the area
 - Centros to lead an extensive public consultation exercise on their proposed masterplan
 - A report back to members on the public consultation responses
 - Centros to make amendments to the masterplan in light of public consultation
 - A report to members seeking agreement (as landowner) to move to the next stage)
 - Planning application/s submitted for the development.
9. The Council will assemble a multi-disciplinary team to work with Centros and Lasalle. This will seek to advise and guide the future development of the scheme so that it fulfils the terms of the planning brief. We will agree a detailed consultation strategy with Centros to ensure a wide input from the public and key interested parties in the development of this scheme. Early engagement with key agencies such as English Heritage, the Environment Agency and CABI will be critical. A detailed programme is being worked up at present and members will be advised of the likely timescales as soon as this is agreed with Centros.
10. There will need to be detailed negotiations on the structure of the agreements for the land and buildings. These have not yet commenced but will be carried out on the basis that the Council's interests are as a minimum maintained, particularly the revenue income

and best consideration is obtained whilst also ensuring the wider objectives for the Castle Piccadilly are met.

- 11 These are proposals at this time for the way forward and members comments and further suggestions are welcome so a structured timetable can be agreed with the development partner to take this project to a stage of readiness to complete a development agreement and submit a planning application.

Analysis

- 12 The advantages of following this option are
- This crucial regeneration project to develop an important part of the centre of York will be able to be progressed
 - LaSalle Ventures, as long leaseholders of the Coppergate Centre, already have an interest in the commercial viability and success of this area of the City Centre and have shown themselves, in meetings which have already taken place to be committed to the whole life and success of this project
 - Centros have a good track record in developments of this nature and are also fully committed to the proposed next steps outlined in paragraph 8 including full involvement in the development of the masterplan

Corporate Priorities

- 13 The successful delivery of this scheme will help to achieve a number of the themes of the Corporate Strategy 2009/2012 including
- Thriving City – providing new retail space will support the economy of York and will provide new job opportunities both during the construction phase and the operation of the completed scheme
 - Sustainable City – any development will be delivered in accordance with the Council's sustainable objectives and the provision of city centre retail space will encourage the use of public transport due to the good transport network. The development will also radically enhance the public realm and townscape of this under-utilised part of the city centre which will support the sustainable growth of the city.
 - Inclusive City – The public will be consulted in the development of the masterplan for the area and also any planning applications. City centre retail and business facilities will be able to be accessed by all more easily than out of town sites

Implications

14.

- (a) **Financial** - The procurement process which has been followed and the subsequent negotiations which will take place will ensure that the best consideration will be achieved in any agreement concerning future use and ownership of the land owned by the Council
- (b) **Human Resources (HR)** - There are no HR implications
- (c) **Equalities** – Development of the masterplan and any subsequent planning applications will be progressed with full consultation with the public and all other relevant groups
- (d) **Legal** – the procurement process has been carried out in accordance with all procurement and legislative requirements. Any future negotiations and agreements will be undertaken in consultation with the Council's legal representatives.
- (e) **Crime and Disorder** – There are no Crime and Disorder implications
- (f) **Information Technology (IT)** – There are no IT implications
- (g) **Property** - the property implications are included and detailed in this report. The structure of the agreements for future delivery of the scheme on the site which is mainly owned by the Council will be lead by the Corporate Landlord
- (h) **Other** None known

Risk Management

15. An assessment of risk has been carried out at each stage of this project and has been managed successfully. Once the course of action for the next stage of this project has been agreed a further risk assessment will be carried out in consultation especially with the Corporate Landlord, the Head of Legal services, the Head of Financial Services and the Director of City Strategy

Recommendations

16. Members are asked to:

- (a) Note the successful outcome of the procurement process with the result that LaSalle UK Venture Property are the preferred concessionaire for the Castle Piccadilly Regeneration Project

Reason: so that the requirements of the procurement process are satisfied

- (b) Comment on the recommended course of action for the next stage of this project detailed in paragraphs 8 to 11 of this report

Reason: so that negotiations can take place with the preferred concessionaire and the development partner to ensure that the project is progressed quickly.

Contact Details

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Author's name : Philip Callow Title : Head of Asset and Property Management Dept Name: Property Services Tel No. 553360		Chief Officer's name : Bill Woolley Title: Director of City Strategy					
		Report Approved	<input checked="" type="checkbox"/> Date 26/6/09				
		Chief Officer's name: Neil Hindhaugh Title: Assistant Director Property Services					
		Report Approved	<input checked="" type="checkbox"/> Date 26/6/09				
<p>Specialist Implications Officer(s)</p> <table> <tr> <td>Planning and City Development Name Dave Caulfield Title Head of City Development Tel No.551313</td> <td>Legal Name Quentin Baker Title Head of Civic Democratic and Legal Tel No 551004</td> </tr> <tr> <td colspan="2">Procurement Name Zara Carter Title Corporate Procurement Manager Tel No 552930</td> </tr> </table>				Planning and City Development Name Dave Caulfield Title Head of City Development Tel No.551313	Legal Name Quentin Baker Title Head of Civic Democratic and Legal Tel No 551004	Procurement Name Zara Carter Title Corporate Procurement Manager Tel No 552930	
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Wards Affected: <i>List wards or tick box to indicate all</i>			All <input checked="" type="checkbox"/>				
For further information please contact the author of the report							

Background Papers:

All relevant background papers must be listed here

Report to Executive 4th November 2008

Annexes

None