Executive   **15th January 2008**

Report of the Easy@york Programme Director

Easy@york options for Phase 2

Summary

1.   This report sets out the business case for a second phase of the easy@york programme, which will extend the reach of the current York Customer Centre (YCC) and to establish a single, one-stop shop for face-to-face contact in the Hungate Building by 2010. It also sets out a revised analysis of the benefits and savings of the first phase of easy@york.

2.   The business case assumes that the improvement activity will be funded by the efficiency savings that it generates. This must clearly be aligned with the primary focus to improve customer service delivery.

Background

3.   easy@york is a programme of work to transform the way in which the City of York Council delivers services to its customers, using technology and changing processes to make the services more efficient and accessible to customers. The programme has delivered a first phase of services which include: -

   • York Pride Action Line – Street Cleansing, Refuse, Pest Control, Bulky Goods Collection, Highways, Street Environment, Abandoned Cars
   • Switchboard
   • Planning and Building Control
   • Revenues
   • Housing Benefit and Council Tax Benefits (still in development)

4.   Face to face contact was initially in scope but as the programme became more defined it was decided that there was insufficient space in any existing buildings to bring this together coherently and so it was decided to focus on telephone and web access channels.

5.   In order to deliver improvements that are both customer focussed and efficient the Programme has developed a service improvement methodology which uses a systems approach, identifying key outcomes for each service. Using detailed analysis of performance data, drawing on the experience of existing staff and applying external challenge, we have refocused service objectives to make them more customer centric, redesigned processes and configured the

new technology solutions to make these processes faster, more accurate and more responsive. This has already led to significant efficiencies and step changes in performance.

6. The technical solution comprises: -

    - Customer Relationship Management System (CRM)

    - New web site and Content Management Solution (CMS)

    - Geographical Information System (GIS)

    - Integration hub to establish a single person and property data set for the entire Council and dynamically link this to the CRM and also use this to connect up back office systems

    - Contact Centre Telephony solution

    - Online e-consultation package

7. In addition to the services of our suppliers, we established a dedicated Programme team to develop, define and deliver a broad range of changes to working practices, organisational structures, policy refinements, technical designs, implementation, testing and training activities. The changes that the programme has brought about have touched every area of the Council but have brought significant change in Resources, City Strategy and Neighbourhood Services. The Programme Office has successfully used the OGC Managing Successful Programmes (MSP) methodology and developed a robust and skilled Programme team who will form the base of the team for the next phase.

Phase 1 Benefits

8. It is important to reflect on the benefits achieved through Phase1 when considering a proposal for Phase2. The YCC went live with new processes and systems in February 2007. They have not yet had a full year of live running yet benefits are being achieved on customer services, efficiency of service and in particular on speed of process. It is unusual that a Programme can deliver a return on investment so quickly and reflects the quality of the work done in partnership with service areas. The current processes form a solid basis for moving forward.

9. There are now 112 users of the systems across 12 different teams, both on the telephone and face to face. The systems are directly accessed by two contractors. The applications and processes are popular with staff, but even more importantly they are well received by our customers who self serve. Staff are still struggling with the discipline of recording what they have done with service requests and providing updates within the CRM system. But this is essential in managing and controlling the work effectively and to support service planning..

10. We predict that in the first 12 months over 2.8m transactions will be made through Phase1 services. The following details the estimates Year1 outturn and the % increase in expected volumes since the July report.

- 694,000 customer calls — up 11%
- 41,000 emails - up 9%
- 14,000 e-forms - up 16%
- 40,000 phone and web payments - up 74%
- 1.8 million web visits - up 15%
- 215,000 web transactions. - up 2%

11. Customer Service

- 99% of customers satisfied with the service

- 850 calls per week are being directed though the speechserver, which is over 31 % of all signposting (switchboard) requests

- Savings in excess of £29k have already been reinvested into the handling of service requests because switchboard type requests have reduced by 29%

- Customer complaints reduced by 91%, down from 2352 per annum to 101 (over the last 6 months).

- Website on track to handle 1.8 million visits in the first year. Job vacancies, Parking, Tourism, Neighbourhood Services are the most popular 'hits'.

12. Self Service

- 27 self service e-forms available. On average 11% of YPAL service requests are coming through this route (144 per week), although over 550 were received during w/c 19th December 2006 which was 29% of the YPAL work received.

- 948 student council tax discount applications were made through self service (93% of all applications)

- Four of the city's largest letting agencies wish to have an online link to the Council Tax services. This will increase the process and accuracy of billing and speed up collection.

13. More efficient services

- 40k electronic payments in the first year – saving £64k in processing costs

- 250k visits to the Planning Portal

- On track for 500 online planning applications

- 70% of all Council Tax Service requests are fully automated with no work undertaken in the Back Office.

- 18% increase in service requests since go-live.

- 90% of all jobs undertaken within SLA

- 96% of all jobs done within 1 day of the SLA

14. Significant growth in YPAL Service Requests (by phone)

   2005 – Average of 84 service requests per day
   2006 – Average of 121 service requests per day
   2007 – Average of 176 service requests per day

   Over the same period, performance against service level for YPAL has been:

   2005 – Unknown
   2006 – 73%
   2007 – 91% of all jobs.

15. The tables below provide information in more detail on the performance of the York Customer Centre and illustrate the improvements made in the handling of phone calls. Table 1 illustrates the percentage of telephone calls answered by YCC staff within 20 seconds. As can be seen, performance has improved significantly since early summer and the service is currently answering close to 100% of all calls within 20 seconds.
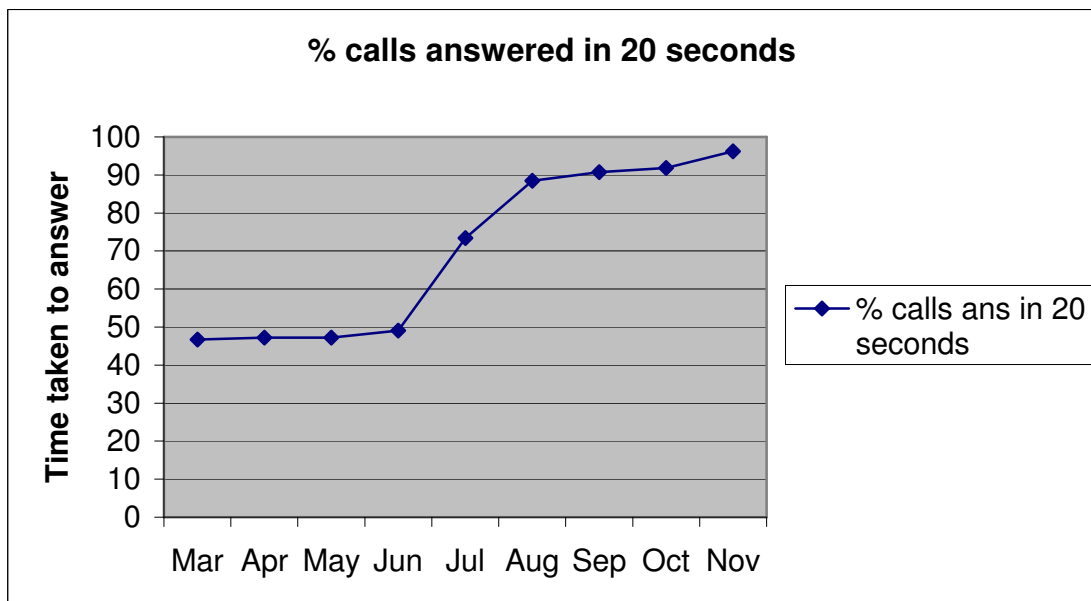

Table 1

Table 2 illustrates the total number of calls offered to the YCC and the percentage of those calls that were then answered.
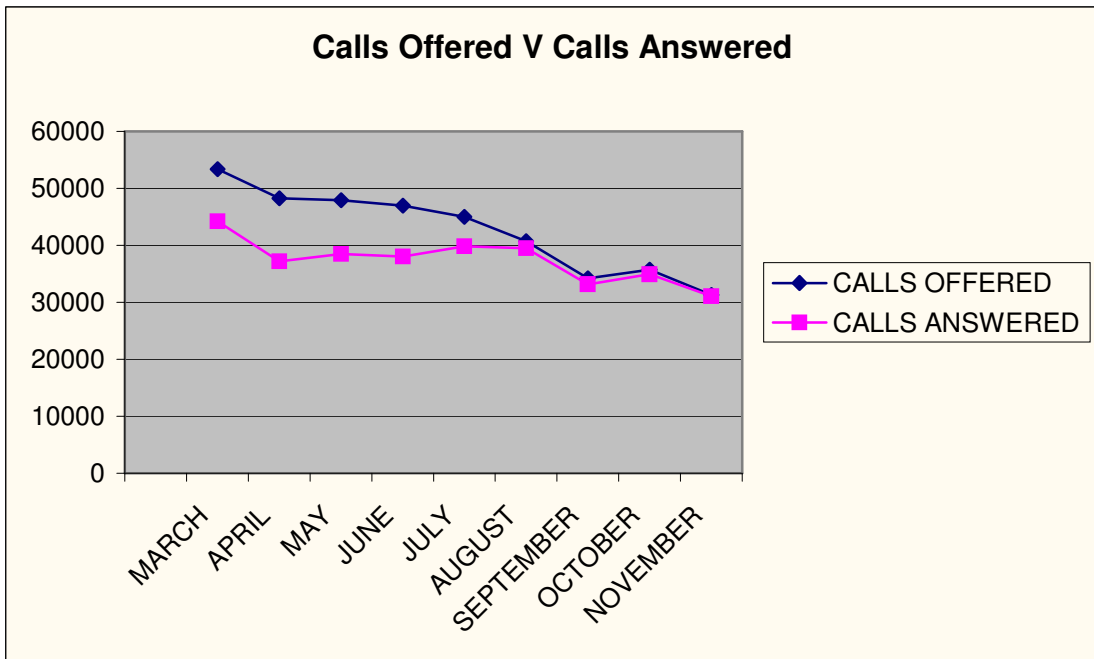

Calls Offered V Calls Answered

Table 2

Table 3 illustrates the percentage of calls abandoned. This means the number of telephone calls where a customer has been holding on the telephone for more than 20 seconds and has put the phone down before being answered. In any call centre, the objective is to make sure that this number is as low as possible.
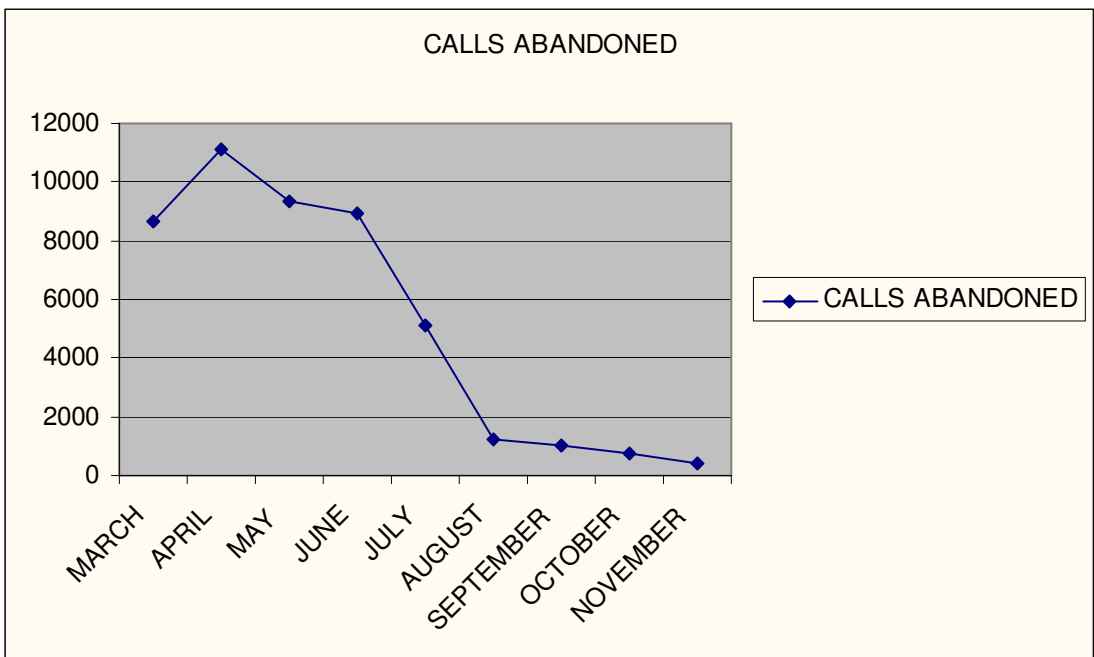

CALLS ABANDONED

Table 3

Table 4 illustrates how quickly calls have been answered. It reflects the percentage of calls answered within specific time frames such as between 11 and 20 seconds. As can be seen, the YCC is currently answering over 90% of calls within 10 seconds.
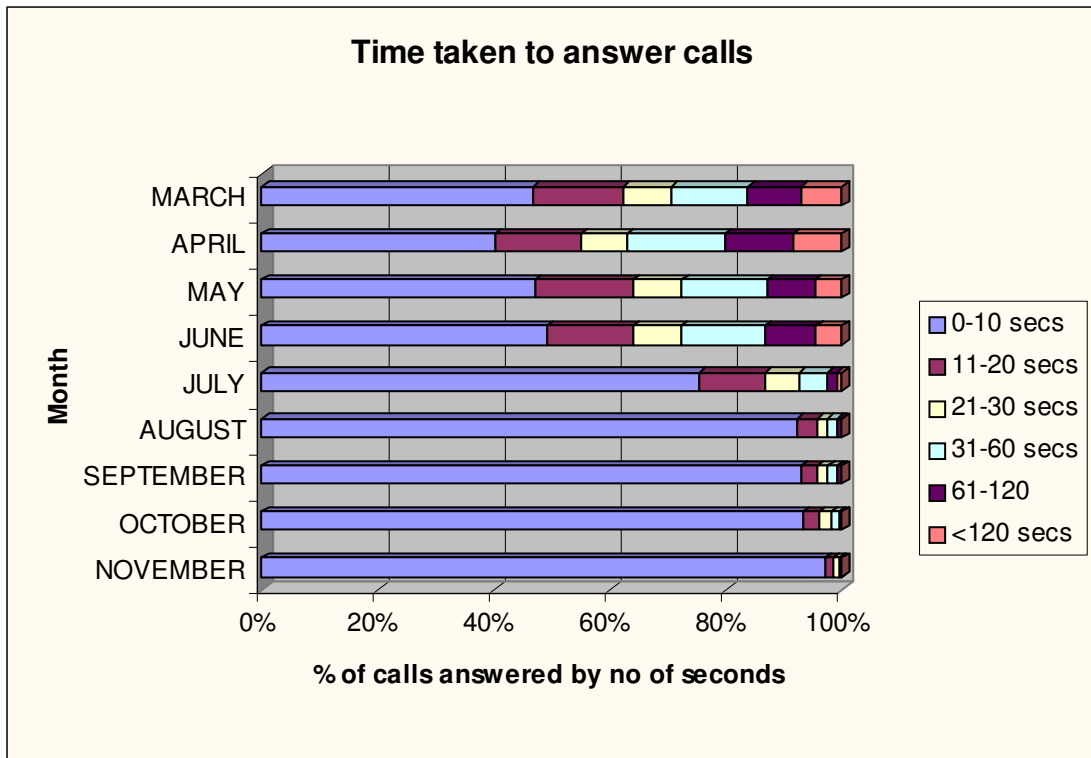
Time taken to answer calls

Table 4

Key Lessons Learnt From Phase 1

16. ***The partnership between the Programme and the Service needs to be more strategic from the outset***. Work on driving through business change to this extent can't be based on a bottom up approach. During Phase1, some engagements were not set in the context of where the services were going strategically and therefore the outcomes were not as good as they could have been. There has to be a shared objective from the outset and clearly set out and documented set of goals. Directors need to be fully aware and signed up to these. Of particular importance is getting the leadership of the work right. This means that AD's of the services working with the Programme need to be involved in the decision-making and accountable for delivery.

17. ***Service based communications***. Service areas need to work with the Programme on the business case for change and need to help identify the drivers and impetus for change. Once this is done, it is critical that the service take the lead for communicating this business case to staff.

18. ***Easy@York Board.*** The Board is very successful at shaping and driving the Programme, where the representation is right. As part of Phase2, a new structure will be required that puts the projects at the heart of Directorates but still ensures that the Board can make decisions in the context of CYC's strategic priorities and in support of the Programme's objectives.

19. ***Issue Resolution/Disputes***. The Programme needs a protocol for handling issue resolution. During Phase1, the issues were referred from the Programme Manager but there was not an obvious route for parties outside of the narrow project/service teams. This will need to be in place before Phase 2. Executive may want to be involved in any arbitration on benefits realisation issues. The decisions made must be visible to all parties.

20. ***Communications*** - communications between the programme and the services involved need to be improved. This would lead to achieve better engagement and more effective planning.

21. ***Corporate Change agenda***. The easy@york Programme has worked in isolation from some key projects and it is recognised that the organisation needs to consider how to join up the major CYC projects/programmes/initiatives to ensure that the overall change effort is coordinated and effective.

22. ***Marketing***. The Programme and YCC suffered through the decisions not to inform staff and customers more widely of the changes being made. In particular external marketing needs to be more up front in Phase2 now that it has been demonstrated that the Programme and Services have the ability to deliver.

Strategic drivers for Phase 2 of easy@york

23. There are a number of unavoidable drivers for a further phase of easy@york. City of York Council has a long standing commitment to customer care and Easy@york will continue to consult customers (and internal stakeholders) as part of the solution design to ensure that we give customers what they want and need.

Corporate Objectives

24. The easy@york Programme is a key delivery mechanism for the Organisational Effectiveness Programme (OEP) and has a significant contribution to two other Corporate Strategy Priorities and a Corporate Imperative.

   - **Delivering what our customers want** - This will be delivered by transferring the main strands of the council's customer contact into the York Customer Centre, improving the quality of the experience of people contacting the council, increasing the range and availability of ways in which people can contact the council and by promoting the use of more efficient ways for customers to enquire, book and pay for council services. In addition we will use the information from the consultation and customer comments and complaints to improve the way that the council responds to, and uses, feedback from customers. Easy@york, though not the sole delivery agent, is absolutely essential to the delivery of this outcome. The transfer of decision making to the person dealing with the customer (either on the phone or in the field) encourages and enables staff to use their

discretion and initiative to deal with the precise nature of the customer request and do their utmost to satisfy the customer.

- **Encouraging improvement in everything we do** - This will be delivered by undertaking further work to improve efficiency and the quality of services provided to our customers. Easy@york is assumed to be an essential part of this work.

▪ Improve the quality and availability of decent affordable homes in the city - This will be delivered by improving over 1,400 council homes which will be done in part by improving the efficiency of the council house repair service.

- **Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces** – Delivery of the York Pride Action Line through the York Customer Centre with associated re-engineering of end to end processes has already contributed to improvements in street based services, improving delivery, giving customers better feedback on progress, making these services more accessible to customers, and making performance information more transparent so that further improvements can be made.

▪ **Hungate -** A future phase of easy@york is also fundamental to the move into the Hungate building in 2010. This is being designed with a single point of customer contact for face to face and telephone contact for all Council Services. It assumes that 20% of all staff will not be desk based and that we will use the space flexibly based upon the nature of the tasks we are undertaking and that space will not be allocated by Directorate or team. The need to change our customer contact and the processes of working which sit behind that contact will be a key driver to the future phases of the easy programme. Without a further phase of easy@york the assumptions which underpin the Admin Accom Programme will be seriously jeopardised.

Developing the Business Case for Phase 2

25. A series of options for Phase 2 were presented to an Urgency Committee on 3rd August. At that meeting, Members agreed: -

"That the option for a future phase ….be recommended (to deploy the full easy@York approach on major customer facing services) and a further report be brought to Members in the Autumn containing robust figures for possible capital costs and revenue savings and targets;"
and
"That it be agreed that additional funding for easy@york Phase2 be made available from Prudential Borrowing to a maximum of £2.5m where it can be supported by identified efficiencies and savings options that would repay the level of additional investment required, and that Local Public Service Agreement 2 (LPSA2) funds be allocated in line with the new bidding process, in support of the Local Area Agreement (LAA), with any easy@york related bid needing to demonstrate its contribution to the LAA and compete for funds accordingly."

26. Over the last three months the Programme team have worked with senior service managers and to review the services considered for inclusion in the scope of Phase 2 to firm up the scope and the financial business case for the second phase of the Programme. An analysis has been undertaken to

establish the scope for process improvement within these service areas, to establish the desired customer outcomes and make an assessment of potential financial savings. In support of this work, contact has been made with other top performing Councils to establish what ideas/approaches CYC could adopt from others to further improve its services. Alongside this, further work has taken place with our IT suppliers to understand what benefits could be achieved through the utilisation of the IT systems already purchased in phase 1 of the Programme.

27. On 23rd November a budget paper was presented at a Leader's meeting that concluded: -

- A reduced Programme scope be considered for Phase 2 as some services originally included in the scope of a potential programme were unlikely to generate financial savings, although significant customer benefits could be demonstrated

- A larger proportion of the work programme be brought 'in house' to both reduce the Programme cost and to develop internal expertise in system integration and the overall design of our technical architecture, which would enable us to support and sustain these developing technologies in the long term .

- In order to start the Programme in January (and therefore finish before the move to Hungate), recruitment needed to start immediately to strengthen the Programme Team. This would be underwritten from phase 1 funding.

28. The Programme was asked by the leader to give further consideration as to whether Warden Call could be incorporated back into the proposed scope for Phase2. An analysis of this is included in para 34 and it is incorporated into Option 3.

Scope of Phase 2

29. The following services have been reviewed with a view towards including them in a second phase. An annex has been created for five of these services in order to provide further detail on what is proposed. In order to determine whether services should be part of Phase2, an analysis of the services has taken place to establish

- Whether there is scope to either achieve savings through the proposed joint working or whether services are able to pay, on a time and materials basis, for the easy@york Programme Team to work with them.

- Whether the individual service areas want to work with the Programme and have the capacity to contribute resources towards the work that needs to be done.

- Analyse the risk involved in delivering easy proposals alongside broader changes happening within the service.

30. Following meetings with service areas it is proposed to include within the scope of Phase2, the following: -

- Housing Management & Housing Repairs
- Advice, Information & Referral for HASS and Children's Services
- Corporate Recruitment
- Improvement of Neighbourhood Services – Phase 1 services
- Licensing
- Mobile Working
- Parking

31. During the consultation process, Directorates raised the issue of how face to face customer contact for services which were not in the scope of easy phase 2 would be delivered following the move to Hungate. The design of the One Stop Shop is currently taking place outside the Programme as part of the Admin Accom programme but there are no detailed plans or resources allocated within that project to analyse current service provision and redesign into the Hungate building.

32. The kinds of services that this would affect are: -

- YOT
- Planning and Building Control
- Environmental Health
- Homelessness
- Visitors to LCCS reception
- Tourist Enquiries
- Animal Health
- Partners and professionals visiting Hungate

33. This poses a risk to the Hungate Programme. If face to face customer contact can only be managed by the YCC One Stop Shop for some but not all services, we will be handling an unknown volume of customer visits in a fragmented and unsatisfactory fashion. This will place great strain on the YCC will not deliver a joined up customer experience.

34. Executive is asked to consider whether they wish to include this work in scope of easy Phase 2 and this is set out in option 3.

Out Of Scope

35. After having considered how the Programme could achieve the twin objectives of being self funding but also incorporate the services with the highest volume of customer contacts, it was judged unviable to include the following: -

- Life Events
- Electoral Registration
- Warden Call
- Corporate process redesign for handling white mail for Hungate
- Income collection in specific areas
- Develop additional face to face customer contact points in Libraries, Children's Centres and possibly Secondary Schools

36. At a meeting with CMT in July, it was agreed, following steers from Members, to include these as out of scope unless there was an overwhelming reason to

include them. To date the Programme still believes that the work programme already proposed is sufficient and there does not seem to be the capacity to deliver additional services.

37. At the budget panel meeting in November, members queried the omission of Electoral Registration and Warden Call. On the former, members accepted that savings could not be achieved but were disappointed to lose the customer service benefits that could have been achieved. On Warden Call, there was more enthusiasm to undertake the work. From the Programme's perspective, there are two key questions, can sufficient savings be achieved from what will be a relatively expensive engagement. A potential savings area might be the ability to use the Warden Call staff during the evening to process YCC emails if they were trained to do this work. It isn't apparent that there are enough potential savings to make this worthwhile. A second factor is the impact on HASS. This Directorate already has a challenging change programme and has agreed to incorporate projects in Adult Social Services A&I, Housing Repairs and Housing Management. This will mean that they are working with the programme for 18 months and it is unlikely that they have the capacity to support a fourth engagement. For this reason, the Programme would not recommend the inclusion of this service in phase 2 but it has been included in the options section so that Executive can make the final decision on scope.

In scope

38. Housing Management & Housing Repairs

39. Initially the focus of this work will be to implement a more efficient end-to-end Housing Repairs Service and then extend the scope of this unit to handle all aspects of Housing Management.

40. HASS and Neighbourhood Services are currently reviewing how to make the repairs service more effective. At present there are issues regarding the access for customers to the service and then the relatively high incidence of customers not being at home when service staff visit to carry out repairs. In addition the service considers that not enough jobs are completed first time and the number of re-visits to complete the task needs to be undertaken.

41. The easy team will look to support the existing review to better understand the service issues and influence the design of new processes. However the team will take a leading role in broadening the access to the service through the development of an on-line housing repairs service. From the initial work that has been done, we will look to deliver an application similar to that used in Bolton MBC and Hounslow Homes. Both these systems are compatible with the technology used in York and will enable us to shift a number of phone calls onto the web channel. The Programme will aim to achieve an uptake of 25% of transactions on the web channel.

42. Also in scope will be the development of a more effective booking system for service staff. A booking option will be provided on the web for routine repairs and staff within the Housing Service will be able to book repairs for those requests made by phone. Work will be undertaken to devise more effective 'routes' around the city. Currently work is planned without recourse to how far

staff will need to drive or how busy the major roads are at that particular time of the day.

43. The existing review is likely to make some recommendations as to how the HASS and Neighbourhood Service Teams need to work together in order to make the processing of work as effective as possible. It is suggested that the communications between the teams are not as effective as it needs to be. The Programme will work to ensure that the new business processes will work effectively irrespective of where staff are located and that an effective performance monitoring system is in place to ensure that process failure can be identified and addressed.

44. Work on Housing Management will commence towards the end of the Housing Repairs engagement although it is recognised that it would be undesirable to undertake the two pieces of work in isolation. As part of the Housing Management work a key objective will be to help existing tenants to self serve for services they want. Work will be taken forward to improve the provision of the on-line account information so that customers can, for example, make rent payments.

45. In addition the estate management function will be supported by an expansion of the mobile working initiative, to allow services to be provided in customers homes and in estate offices. Where appropriate this will remove the need for customers to travel to city based reception areas.

46. The service is already exploring choice based lettings and may well work in partnership with others to deliver this. The Programme will support the work to enable York to receive and manage applications through this process.

47. For both Housing Repairs and Management, the Programme will look to improve the efficiency of call handling. It is estimated that 8 staff are employed in this activity. In part this will be done through the development of a single view of the customer's history (account) to enable staff to give effective and accurate advice. This will reduce the current burden of having to check in more than one place for customer information. In addition the Programme will use its experience in developing shift patterns to ensure that staff are deployed in a way that best matches customer demand.

48. Finally, routine telephone and email enquiries for these services will be handled in a generic YCC staff pool to make the most of the economies of scale that this offers.

Advice, Information & Referral for HASS and Children's Services

49. The work in this area will focus on a review of the Advice and Information Team (A&I) and its relationships with other service teams in Housing, Children's Services and Adult Social Services with the objective of increasing customer access to the service, improving the overall quality of customer service, the quality and consistency of information provision and improving the end to end efficiency of processes and the use of resources.

50. The work of the A&I team has evolved over a number of years and the service is having difficulty meeting the changing requirements of its key stakeholders, representing a broad range of services, and maintaining high standards of customer service. HASS have carried out an analysis of the existing service which has highlighted a number of areas for improvement: customers cannot always get through to the service, clear information about service eligibility is not always available to staff or customers. This leads to inappropriate referrals and unrealistic customer expectations and referral information is often incomplete requiring further work in other teams. There is also continuing reliance on paper-based systems and often information has to be re-keyed. The programme will build upon the analysis work already carried out by HASS and support the design and implementation of improved business processes supported by the easy@york technology solution.

51. To improve customer's access to the service the programme will improve the management of the phone channel by applying the YCC model and technology for call handling and distribution to ensure that customers can always get through first time and in the majority of cases have their enquiry dealt with at the first point of contact or be effectively signposted. In addition we will aim to reduce the number of calls by actively encouraging the use of the web as an alternative channel to access the service.

52. Also in scope will be the establishment of the web as an effective alternative access channel. The easy team will work with the service to ensure that it contains comprehensive and up to date service information and transactional e-forms that allow customers to apply for services or carry out self-assessments of their eligibility. This could include on-line applications for Blue Badge Parking Permits (as successfully implemented by Lincolnshire County Council) and General Needs and Carer's self-assessments (as implemented by Kent County Council). Currently 60% of calls for adult social services are from relatives and friends of those who need help rather than the elderly and vulnerable. There is a significant opportunity here to enable such people to self-serve for the information they need rather than have to call or visit to find out basic information about the services offered.

53. To improve the quality of customer service the easy team will work with the service to develop CRM scripting and CMS content to make available clear information about service provision and eligibility rules. This technology will be available to staff in the YCC and A&I teams to ensure that customers have a consistent experience and that staff are supported with the appropriate tools.

54. Use of the CRM will also mean that all customer contacts can be effectively tracked and managed with appropriate priority allocated to particular cases.

55. Through integration between the CRM and the existing systems (framework-I, RAISE and Northgate Housing) a single customer search will be implemented which will overcome current time-consuming and difficult procedures to search a number of systems and reduce the need to seek again customer information which is already held.

56. The wide range of applications and referrals currently generated by A&I will be reviewed with service stakeholders in Housing, Children's and Adult Social Services to determine their requirements before redesigning these referral

processes and creating specially designed e-forms to gather all the required information. Where appropriate forms can include business rules and eligibility criteria so that it is possible to assess immediately whether a customer is eligible for a service. The data collected in the e-forms can be transferred directly by integration with back-office systems to avoid re-keying. The process redesign will review the roles of all teams currently involved in a referral/assessment process and aim to ensure that the shortest and simplest route between a customer request and a service being delivered is achieved.

57. Other work will include a review of the requirement for external partners to be able to make referrals and seek information about existing customers. Currently enquiries from this source represent a significant proportion of the calls handled by A&I. An alternative solution to address this requirement using the easy@york technology solution might be possible.

Corporate Recruitment

58. Initially the focus of this work will be to implement an e-recruitment system for CYC. This is an early step in the work that needs to be done to restructure the way in which vacancies are managed and filled. Efficiency savings will be made through the better control and advertisement of vacancies. In particular there is scope to reduce some of the expenditure on national advertising by focussing on publications where we have had good responses and through the use of online recruitment advertising.

59. We currently spend £1m p.a. on temporary staff and we have an average time to recruit of 2 months. The establishment of an e-recruitment system would also support the establishment of a talent pool with prospective staff being able to create online profiles and be sent regular updates about vacancies. The effective management and use of a talent pool has been shown to reduce the time to hire staff and therefore reduce the reliance on recruitment agencies and temporary staff and reduce the cost to the council.

60. The online recruitment system will allow the business to manage incoming work in a more organised and dynamic way. At present, many of the processes are paper-based and require relatively high levels of labour-intensive duplication. A web-based solution will drastically reduce administration time. The introduction of more structured workflows will also help managers deal with their responsibilities more effectively. There will be savings to be made from reducing the amount of clerical application forms posted out (stationery and postage costs) and their subsequent handling.

61. The online system will enable improved communications with applicants and will generally create a more modern image of the council, helping to establish us as an employer of choice and thus attracting good quality candidates. Management Information on recruitment is currently poor as activity is distributed across the whole organisation. One advantage of what is proposed is that it will provide HR management with a clear insight into applicant trends.

62. It is proposed that future work centres on some of the recruitment process involving managers. For example it would be proposed to manage the sifting and scoring of candidates on line and link posts to data within the HR/Payroll

system to ensure that rules on establishment figures were not breached. This would save a great deal of back office administration and provide more control to the process. The issue of invitation to interview letters would be handled automatically, probably by email. The key objective would be to remove around 80% of recruitment administration, from the organisation.

63.   There are proposal to replace the HR/Payroll system or consider business process outsourcing in 2008/9. In order to make the most of any new arrangements we need to re-engineer business processes to make them faster and more efficient and provide better management information. Whilst easy phase 2 will be able to make inroads into recruitment processes it is likely that much more significant savings could be driven out if all other HR processes were included in the scope and it is therefore recommended that this be incorporated. This could include sickness absence management, occupational health referrals, leave recording, changes of circumstance, expenses claims, attendance recording, induction etc.

Neighbourhood Services Phase 1 Refresh

64.   There is an agreed need to re-visit the CRM based processes within Neighbourhood Services and also to extend the reach of these business processes. Phase 1 of the Programme was able to achieve a more effective customer facing operation for Neighbourhood Service customers, in terms of the YCC. It is a significantly better and more efficient than its predecessor, YPAL. However despite this and the work that was done within the Phase 1 Programme to standardise service policies, limited benefit has been felt within Neighbourhood Services back offices.

65.   There is now an appetite to re-engineer the way in which the back office services work to allow service requests to be moved to operatives without the need for administrators to handle the interface between the YCC and service areas. This will have the benefit of speeding up the transfer of work and ensuring that the most urgent work is prioritised. A key enabler for this work will be the provision of mobile devices, supported by more dynamic back office processes. The Programme intends to re-engineer all the current CRM processes in order to reduce the administration by at least 60%.

66.   It is also proposed to extend the reach of the CRM to incorporate areas such as drainage. An analysis will be made of the customer requests made in the YCC for what are currently 'out of scope processes' and where it is viable to undertake development work, it will be progressed.

67.   In support of the work above, more needs to be done to improve the data available to customers on the website. The wide range of services available could be more effectively marketed and we would explore the approach taken in other councils where customers can see a list of available services and SLAs. Work would also be done to better capture the range of containers distributed across the city. There is still failure demand in the current processes because YCC staff do not have the correct data about whether residents have refuse bags, bins or what the recycling arrangements are. Although 90% of the data may be correct we need to tackle the areas where there is a mix of refuse collection arrangements.

68.   Work needs to be progressed to provide an optimum work scheduling/booking tool. This is required for Pest Control Officers and also the 'Bulky' contractor. It is proposed to deploy a more flexible solution that can also be made available to the public for appropriate on-line booking.

69.   Also, the Programme wishes to look at how the Street Environment function could be better supported by the CRM. There are work flow management functions that we believe could allow SEOs to manage their caseloads in one place and help them track progress with work being done on their behalf. This would give better visibility in the YCC as to what they are doing and allow customers to be updated at regular intervals. It would also allow more ownership of work amongst the SEOs and provide visibility to the section managers about what the work priorities are. Processes would need to be suitable for deployment in the field through handheld devices.

70.   Finally, we propose a review around the volume of work that Neighbourhood Services staff input into the CRM to understand why this is necessary. There is anecdotal evidence that work that should sit in the YCC is being handled at the depot. It is important to work towards a model where the vast majority of customer contact and service requests are made via the YCC or web.

Licensing

71.   The Programme has only had a cursory look at this service but on the basis of initial review there seem to be opportunities to modernise the way this service is delivered. It does have a pretty high level of customer contact and they would benefit from the incorporation of the customer facing elements into the YCC. There are obvious efficiencies in the way that the application and renewal of licences is handled, particularly as the service currently has little by way of IT support.

72.   It is proposed to undertake the licensing work towards the end of the Programme. At that time a more detailed analysis would need to be made of what benefits can be achieved, and how the licensing process would need to operate.

73.   One key decision would be on the scope of licensing. There is a lot of permit/licensing activity outside of the team in Neighbourhood Services. It is the Programme's view that all this activity would initially be in scope and then a decision would need to be made about the criteria that would determine what was left outside of the Programme work.

Mobile Working

74.   There is a corporate project delivering Flexible Working which incorporates mobile working, hot desking etc, home working and the provision of mobile devices. The Project Board is led by Steve Waddington. The remit of this project is very broad and incorporates the HR strategy and policy aspects of supporting and enabling flexible working as well as the technology provision and business process changes to exploit the potential of flexible working.

75. The easy Programme is a stakeholder in this group, as many of the processes being designed can be improved by deployment directly to staff undertaking the work. The Programme is keen to undertake an active role as part of the corporate project for the delivery of mobile working for phase 1 and 2 services but there is no clear link between easy and many other aspects of the mobile working project. E.g attendance management policies or deployment of mobile phones and PDA's.

76. In the meantime the programme will deliver mobile working where it sits clearly within the remit of the easy programme and will work with the Corporate Flexible Working Project Board.

Parking

77. The Director of City Strategy has recently undertaken a review of Parking Services and a report was issued to Executive on 25th September 2007. There were a number of recommendations within this report that could be taken forward as part of a future phase of the easy@york Programme.

78. It is not proposed to engage with work regarding the terms and conditions or working practices of parking wardens as it is expected that this work will be done as part of the job evaluation exercise. Therefore any easy@york engagement would be aimed at the administration of the system and ways in which it can be better tailored to customer needs.

79. The Programme would seek to extend the reach and effectiveness of the pay by phone scheme. A target model would be built upon the service operating in Westminster, where a full range of services can be obtained over the telephone, often by using automated services. The service operating in York would seem to be popular with drivers but more would be done to extend and promote the scheme.

80. The service currently handles payment of Parking Charge Notices (PCNs). As part of the work, it will be proposed that work be handled in the YCC alongside income collection for other services. This will allow the CYC to benefit from the economies afforded by a larger skills pool. At present payment of PCNs online is not available. This functionality will be developed and introduced onto the Council website. It is proposed that the PCN's include information to encourage drivers to pay online.

81. The income collection work outlined above would be done as part of a review of financial procedures to ensure that they were efficient and effective and met the requirements of audit. It is expected that a level of financial investment would need to be made in the financial systems. Investment in the IT/Telephony systems would need to be made by the Programme but as has been demonstrated in Phase1, the move to on-line or telephone payments saves significant sums in the medium term.

82. Work would also be undertaken on the application and renewal of permits. There are currently 25 different permits available in York and there are different types of verification requirements across those permits. The Programme would seek to use some of its data matching abilities to seek to
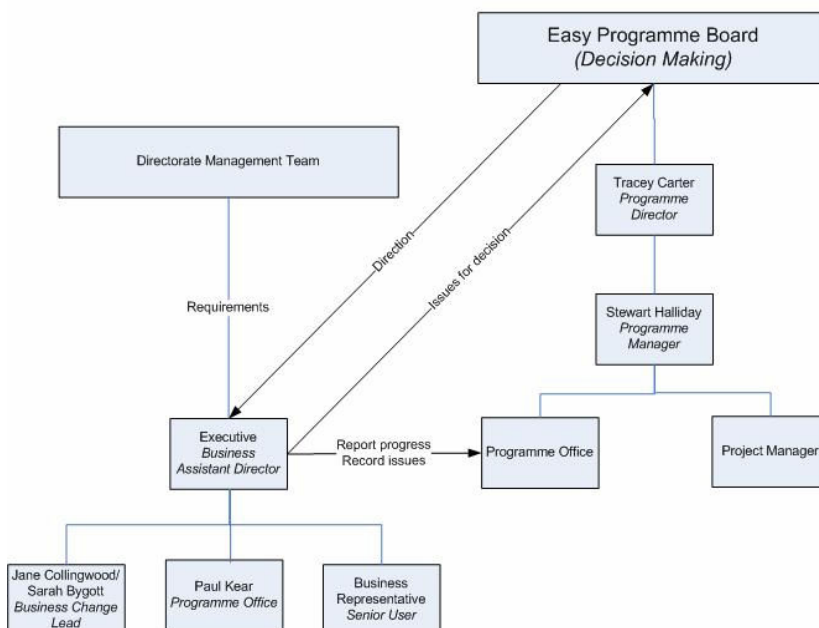
remove the need to simply check an individual is resident at a particular address and therefore speed up the application process for some customers. We would also review the need for such a complex range of permits with the service. It is thought that provision and renewal of some permits could be made available online using some of the techniques deployed in other Phase1 services.

83. An area where we believe a significant administrative saving can be made is in the handling of appeals and objections. Initially the handling of this work would be extended to open up the web channel and also to utilise resource based in the YCC. But the real savings would come in reducing the number of interactions between the service and customers. The Programme would seek to ensure that clear rules exist (building on existing protocols) and are communicated widely. A better rules based process would then be introduced for the majority of appeals and objections. This process would be supported through the provision of the CRM and where necessary integration with existing systems where still required.

Governance Arrangements

84. It is proposed that the governance arrangements are changed for individual projects within the Phase 2 Programme. This will not compromise the requirements of Prince 2 or MSP but is being done to ensure more effective engagement and visibility of the easy@york Programme.

85. One of the key lessons learnt during Phase 1 was that the lack of engagement/ownership at a senior level within Directorates had an adverse effect on the quality of project outcomes. In particular, where this occurred, the re-engineering phases and design were not challenging enough and services were not transformed to the extent to which they could or should have been. Additionally without senior management engagement it is not possible to quickly progress issues that are presenting a barrier to successful implementation. For Phase 2 the following model is proposed :-

Governance for easy@york Phase 2

86. The most significant change since Phase 1 is that we intend to establish a mini board for each of the projects, reporting to the relevant Directorate Management Team as well as the easy@york Board. It is expected that each Directorate will identify an AD to sit on the Project Board. Decision-making and steers will continue to be given by the easy board and issues will be tracked and managed by the easy programme office. However the work being done will be visible to Directorates and there will be a line of accountability from the Project Managers to them.

87. Another key change, again building on lessons from Phase 1 is to develop a Project PID for each stage. This will set out what the Programme is doing and the relative responsibilities of both parties. This initiation document will need to be agreed by the lead AD in a Directorate before significant work starts. This will ensure that everyone is clear about what the scope of the work is. All other controls will be rolled forward from Phase 1.

Options

Option 1

88. End easy@york after Phase 1 in May 2008. Telephone services would remain direct into the back offices with an acceptance that any efficiencies from aggregation of the resources will not be made. We would be unable to use the Hungate space flexibly as teams would need to be located together as they are now. We may not be able to meet the desk ratios required for Hungate, as existing processes will mean people still need to be office based.

Analysis of Option 1

89. The Council would not be able to deliver a large number of the customer focussed and efficiency actions outlined in the OEP and the Corporate Strategy. This would have a significant detrimental impact upon the CPA and our reputation with customers. We would not be able to generate efficiency savings by rationalising processes and migrating customer contact to cheaper channels of access.

90. It would threaten the viability of the move to Hungate as current designs assume a single point of customer contact. We would need to develop multiple customer reception points in the Hungate building, potentially on all floors.

Option 2

91. Commence Easy Phase 2 with the recommended scope of

- Housing Management & Housing Repairs
- Adult Social Services, Advice, Information & Referral
- Corporate Recruitment and HR Processes
- Improvement of Neighbourhood Services – Phase 1 services
- Licensing
- Mobile Working for easy processes
- Parking

92. easy@york will deliver the majority of our face to face contact in Hungate but non "easy" services will continue to be delivered as they are. This would result in a single One Stop Shop in Hungate but with separate reception points for non-easy services which would be designed by the Admin Accom project.

Analysis of Option 2

93. This option would deliver customer service improvements and would support the move to the Hungate Building. It is likely that the savings identified earlier in the report are realisable and that the Programme can be fully funded (see financial implications section). This would assist in delivering the corporate Strategy and could deliver (with the right level of innovation from Directorates) further savings for each Directorate to be used in future budget rounds. The scope of this option is ambitious - it requires a faster pace of change than phase 1 and is predicated on guaranteed savings as well as improving service and it is against the clock (Hungate). However the Programme team believe that with the right drive and support from the whole organisation that a programme of this scope can be delivered. The Programme would run two streams of development activity running in parallel but delivering alternately to ensure that we can manage the impacts of development, testing, training and go live upon each business and on the programme team and the technical infrastructure.

94. A risk of this approach relates to the links between the easy work and other change initiatives happening across the organisation. If we do not design the remainder of our customer contact then we could still appear fragmented and there would still be risks that the design of Hungate would be unsuitable. The tight timescale is in itself a risk as any slippage on any stream will have significant knock on effects on other streams and therefore on the whole programme (and ultimately on the Hungate Project.)

95. The Timetable for this Option is set out in Annex 3.

Option 3

96. Commence Easy Phase 2 with an extended scope from that recommended in Option 2 to include two of the following three options: -

   a. **The design and provision of face to face contact in Hungate** for the out of scope services e.g. face to face customers who currently come to our receptions in GHS, North Street, 9 St Leonard's, City Finance Centre etc. This includes services like YOT, Homeless customers, customers needing to be signposted to a range of Council services, Environmental Health, Planning etc. We do not currently understand the full scope or complexity of this piece of work. It may need to include service design for a "business" reception as well as a "customer" reception. It would be difficult at this stage to estimate any savings from this piece of work

   b. **Revisiting the Highways Service** – Building upon work done with other service areas further improvements could be made to the Highways service with regard to the reporting and resolution of defects and issues. Savings are deliverable if back office process changes are made.

c. **Warden Call** – If we create a large scale YCC then it is likely that there will be a duplication of call handling facility with the Warden Call Service. Bringing the call handling aspects of Warden Call into scope could flush out these inefficiencies however there are grave risks in undertaking this work in a rush. There are significant technical issues that would need to be overcome, the HASS directorate is already taking on 2 large work streams and a third would be difficult to accommodate. The service is subject to external changes in delivery which could impact upon the business case for inclusion in easy. This level of complexity and doubt would be difficult to manage in a programme that would be stretched to deliver an already huge scope. It is therefore not recommended that this be included in Option 3 when this is presented to Members.

Analysis of Option 3

97. An expanded scope could deliver more improvements and more efficiencies. The inclusion of non easy face to face contact would give more certainty to the workability of customer contact in Hungate and would help Directorates to co-ordinate their preparation and transition activities.

98. However in order to accommodate any aspect of Option 3, the Programme would need to expand and run three streams of work. This would cost more and would stretch the Programme management resource, introducing a risk to the whole programme (if we undermine fundamental planning and control activity then we may miss significant issues or fail to realise benefits). The overall timeline of the Hungate aspect of the Programme is immovable and hence we would need to consider whether the organisation can cope with an increased level of change. The inter dependencies between streams of work become more critical with any delay having an even larger knock on effect.

99. The Timetable for this option is set out in Annex 4. As you can see, the work required to assess, design and implement face to face contact for out of scope processes would need to start early in order to inform Hungate design and then re-commence approaching the move to Hungate. In the middle of this work we would have limited time and we would only be able to implement either Highways or Warden Call. The savings arising from Highways are more predictable and hence these have been used in the financial analysis of Option 3. These would be needed to fund the third stream of work.

100. In summary Option 3 is recommended on the basis of running a third programme team to deliver out of scope face to face contact in Hungate and Highways but not Warden Call.

Potential Costs and Funding

101. The financial models for Options 2 and 3 are set out below. The costs are split into

- **One off costs** which cover the provision of a Programme Team to deliver the work and the implementation of any IT systems required to deliver the programme but do not include any costs for the involvement of staff within directorates.

- **Ongoing costs** which cover the support and maintenance of any new IT systems and reflects the maintenance costs of the whole programme from 2013 onwards.

102. The estimated costs in the report have been compiled using the most up to date knowledge available and include a contingency element The Funding model assumes that :-

- We carry forward the underspend from easy@york Phase 1 which is expected to be in the region of £989k
- Receiving LPSA 2 reward grant (in full) for the Housing Benefit target and this being allocated to EASY. This will be subject to a separate application process.
- That easy phase 1 revenue budgets continue to be allocated to the programme beyond the initial 7 years in order to fund the ongoing support and maintenance costs.
- We are able to resolve some technical accounting issues - the cash flow for the programme would require some prudential borrowing (capital) when the majority of the spend will be revenue. This is still being worked on.
- The achievement of significant savings in service areas as a result of the business change work proposed. This element poses a high risk to the funding of EASY 2 and requires careful monitoring.'

103. Option 2 would generate a surplus of £158k over the 7 year period.

Option 2	07/08 £,000	08/09 £,000	09/10 £,000	10/11 £,000	11/12 £,000	12/13 £,000	13/14 £,000	14/15 £,000	Total £ ,000
Programme costs	-	775	797	245	-	-	-	-	1,817
IT costs	-	460	-	-	-	-	-	-	460
Contingency	-	77	80	24					182
Total 1 off spend		1,312	877	269	-	-	-	-	**2,459**
Support & Maint		100	100	106	100	100	486	486	**1,478**
Total spend	-	1,412	977	375	100	100	486	486	**3,936**
Savings	-	82	250	300	300	250	250	250	1,682
Grant Funding	-	-	196	-	-	-	-	-	196
Existing Budgets	989	-	-	-	-	-	614	614	2,216
Total Funding	989	82	446	300	300	250	864	864	**4,094**
Net costs	-989	1,330	531	75	- 200	-150	- 378	- 378	**-158**

104. The costings for Option 3 are based on the same assumptions but include costs for a third team of analysts for two years to run the additional work stream. They also include savings of £50k pa from re-engineering back office Highways processes. These potential savings were identified from work done in phase 1. Option 3 would generate a surplus of £122k over the 7 year period.

Option 3	07/08 £,000	08/09 £,000	09/10 £,000	10/11 £,000	11/12 £,000	12/13 £,000	13/14 £,000	14/15 £,000	Total £,000
Programme costs	-	883	943	296	-	-	-	-	2,123
IT costs	-	460	-	-	-	-	-	-	460
Contingency	-	88	94	30	-	-	-	-	212
Total 1 off spend		1,431	1,038	326	-	-	-	-	**2,795**
Support & Maint		100	100	106	100	100	486	486	**1,478**
Total spend	-	1,531	1,138	432	100	100	486	486	**4,273**
Savings	-	82	300	350	350	300	300	300	1,982
Grant Funding	-	-	196	-	-	-	-	-	196
Existing Budgets	989	-	-	-	-	-	614	614	2,216
Total Funding	989	82	496	350	350	300	914	914	**4,394**
Net costs	-989	1,449	642	82	-250	-200	-428	-428	**-122**

105. The savings profile for phase 2 and 3 is set out below.

	08/09 £,000	09/10 £,000	10/11 £,000	11/12 £,000	12/13 £,000	13/14 £,000	14/15 £,000	Total £,000
HASS A&I	12	25	25	25	25	25	25	162
Housing Mgt		50	50	50				150
HR recruitment		100	100	100	100	100	100	600
HR advertising	50	50	50	50	50	50	50	350
Neighbourhood Serv.	20	25	25	25	25	25	25	170
Parking			25	25	25	25	25	125
Licensing			25	25	25	25	25	125
Option 2 Savings	**82**	**250**	**300**	**300**	**250**	**250**	**250**	**1,682**
Highways		50	50	50	50	50	50	300
Option 3 Savings	**82**	**300**	**350**	**350**	**300**	**300**	**300**	**1,982**

106. The level of savings to be taken by the Programme does not reflect the potential total savings from the engagement. When we undertake the detailed scoping, each service will have options to push forward with more radical change that could deliver further savings or increase the capacity of the service to deal with existing demand or service pressures.

107. Directorates have been consulted on the level of projected savings and have agreed the approach being recommended. A detailed model for realising savings needs to be developed and an approach is set out below. Any savings made as part of the Housing work will relate to the HRA and therefore a clear account needs to be made to link the costs of work undertaken and any savings generated, directly to the HRA

108. It can be seen from this analysis that either Option 2 or 3 is affordable and can be financed in full.

Benefits Realisation for Phase 2

109. A key objective within Phase2 will be the identification, tracking and realisation of benefits. There is no real exemplar for doing this within the Council and it is inevitable that some external support will be required to get this right.

110. The simple objective from the Programme's point of view is to ensure that we can demonstrate the savings we have made before resources are transferred from Directorates. This needs to be done in a way that is transparent to all parties. In addition for the non-cashable savings such as those achieved through improvements in customer service, there needs to be a process by which they can be evidenced.

111. An assessment of benefits that has emerged from Phase 1 is reproduced in part at Annex 1. Although detailed, much of this analysis was done after the projects commenced and therefore the baseline was not easy to establish. During Phase 2 there will need to be a method of baselining costs and performance data well before the projects commence.

How we might do it

112. The easy@york Benefits Management approach will aim to ensure that desired business change or policy outcomes have been clearly defined, are measurable, and provide a compelling case for investment. An initial mapping exercise will take place to identify opportunities to make improvements in:

- Service quality
- Productivity/efficiency
- Staff morale/motivation/organisation
- Improved financial management
- Risk Reduction
- Business results/KPI/BVPI achievement/improvement

113. These benefits will be incorporated into a register that will be owned by service areas but tracked and updated by the Programme. For each benefit, a Benefit Profile/definition will be developed. This purpose of this profile is to describe all aspects of the benefit including ownership, measurement and it's relation to, and impact upon, other benefits.

114. Although it is intended that benefits will be tracked and measured by the Programme Office and will be reported to Directorate Management Teams and periodically to CMT, some work will need to be done to get an effective tracking system in place.

115. Responsibility for realising the benefits sits with Directorates and the AD who acts as executive on the project boards will be the focal point for ensuring that this work progresses smoothly and will be responsible for agreeing the transfer of funds when the planned benefits are available.

Benefits Planning

116. The first step will be to collate a list (which can then be represented as a map or register) of benefit opportunities.

117. The way in which this will be done is by :

- Top-down benefits mapping from outcomes to enablers – what are the benefits opportunities, and what needs to be in place in order to enable their realisation?
- Addressing the "as-is" issues faced by the business – what are the problems/obstacles/bottle-necks/failure points in the current process, that are either already known or are identified via a process mapping exercise?
- In designing the "To-Be" – what are the governing principles/constraints/features, that need to be incorporated into any future model?
- Stakeholder-based, for example by looking at the impact of the processes on key customers or on different business units or agencies

118. For each benefit, a Benefit Profile/definition will be developed. The purpose of this profile is to describe all aspects of the benefit including ownership, measurement and it's relation to, and impact upon, other benefits.

119. All benefits will be tracked and measured by the Programme Office and will be reported to Directorate Management Teams and periodically to CMT as part of the scheduled Programme updates.

Implications

120. The implications of Phase 2 of the easy programme are:-

- **Financial** - Sian Hansom – incorporated into the report
- **Human Resources (HR)** - further consultation required with Head of HR about how the HR change aspects of the programme would be resourced. In the past the programme employed a dedicated HR advisor to implement structural changes but in phase 2 we feel that this work should be done by the Directorate HR teams to ensure that the change is consistent with other work in the directorate.
- **Equalities** - There is potential for the work of phase 2 to assist with the exercise of equalities customer profiling but there needs to be a clearer scope for this work from the Equalities team before this can be assessed.
- **Legal** – The extension of existing support contracts is being negotiated
- **Crime and Disorder** – no implications
- **Information Technology (IT)** – Joint Workplans have been agreed with the Operational Head of IT

Risk Management

121. Option 1 represents a high corporate risk to the Council and is included in the Corporate Risk register under the description "Failure to deliver Transformational Government". And "failure to deliver the Hungate project". There are no other mitigations for these risks.

122. Option 2 would mitigate the above risks, but the lack of clarity over how out of scope services would be delivered face to face in Hungate presents a new risk which would also be classified as high impact and high probability.

123. Option 3 would mitigate the risks already identified above but because of the lack of clarity regarding the nature and extent of the out of scope customer contact, the agreement of this option would represent a risk in itself. Further work is recommended to analyse what is needed for Hungate and to develop proposals to build this in to the programme at a later date.

124. All options present a risk that sufficient savings will not be identified to fund the programme or that savings will not be driven out. The Programme will need to develop a robust model for bringing these savings to fruition and CMT will be engaged to monitor progress on delivery.

Consultation

125. Significant consultation has been undertaken with customers which was set out in the report to Urgency in August 07.   Further detailed consultation will take place with customer in each service area as part of the preparation work on each work package.

126. Directorates have been consulted about the model of engagement, the scope of work, the potential level of savings and the timetable for implementation.

127. CMT have been consulted on the proposals within this document and recommend that Option 3 is taken forward. CMT consider that the full HR programme be taken forward in a third stream of work and that Highways Service should be further improved. Warden Call will be considered for transformation after Phase2. The full scope being recommended is –

    o Social Services Advice, Information & Referral
    o Housing Management
    o Housing Repairs
    o Parking
    o Licensing
    o Neighbourhood Services Refresh
    o Highways Refresh
    o E- Recruitment
    o HR processes
    o Customer Contact Design for Hungate

Recommendations

128. Executive is asked to review the benefits of Phase 1 of easy@york.

129. Executive is asked to agree Option 3, as set out in paragraph 126 above.

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Chief Officer's name
Title

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

For further information please contact the author of the report

Background Papers:

Annexes

Annex 1 – Benefits of Phase 1

Annex 2 - Descriptions of potential Phase 2 services*.*

Annex 3 – Timetable for Options 2 & 3

Annex 4 –Approach