

Item 4

REPORT TO OVERVIEW AND SCRUTINY COMMITTEE 1

29 AUGUST 06

REPORT OF THE CHIEF EXECUTIVE

Portfolio Name: Strategic Leadership

TITLE OF REPORT

CUSTOMER SERVICES MODERNISATION PROGRAMME UPDATE

1 SUMMARY

1.1 This report follows the approval of Scrutiny and Overview Committee 1 on the 14th June 2005 to adopt the role of programme assurance in overseeing the delivery of the Council's Customer Services Modernisation Programme.

2 RECCOMENDATION

2.1 That Scrutiny and Overview Committee 1 notes the progress made to date and continues to monitor the Council's progress in delivering the DCLG (Department of Communities and Local Government) Priority and Transformational Service Outcomes and in meeting the Government's National e-Service Delivery Standards.

3 APPROACH

CUSTOMER SERVICES MODERNISATION PROGRAMME OBJECTIVES

3.1 The Council is addressing the Government's modernisation agenda in the following ways:

3.1.1 Developing and delivering a modern day Customer Services function that provides seamless access to all customer-facing services whether through face-to-face, telephone, Internet or other access modes.

3.1.2 Re-engineering business processes and exploiting new technology to enable Customer Service Staff to resolve 80% of customer enquiries at the first point of contact.

3.1.3 Developing an accessible, informative and up to date web site that provides information, electronic service request forms, on-line payments and other self-service facilities that can also be used by intermediaries (e.g., Citizens Advice) on behalf of customers that do not have the means to electronically transact with the Council.

- 3.1.4 Providing Internet facilities for Council Members to engage in electronic democracy functions and to allow members of the public enhanced access to their elected representatives.
- 3.2 The Council's strategy is part of a wider countywide partnership strategy that aligns closely to the Cabinet Office's 'Transformational Government' White Paper, the Gershon Efficiency Review and the Durham Local Area Agreement approach.
- 3.3 **'Durham Connects'** brings together the county and district authorities to co-operate on e-Government and customer service developments underpinned by a shared vision:
- 3.4 **"Working together and across all boundaries to deliver quality, joined-up, customer-focused services"**
- 3.5 The Durham Connects brand is scalable, enabling other public sector and non-public sector organisations to join-up their approaches for the benefit of all customers. Partnership working is delivering economies of scale in building the necessary infrastructure and is enabling partners to pool scarce skill sets.

THE NATIONAL SERVICE DELIVERY STANDARDS

- 3.6 The National eService Delivery Standards (NeSDS) programme sets efficiency benchmarks for local authorities with the objective of delivering:
 - 3.6.1 Customer focused service delivery
 - 3.6.2 Best practice driven performance levels
 - 3.6.3 Compatibility with professional bodies and other government departments
 - 3.6.4 The definition of the role of each service area in terms of overall customer care
 - 3.6.5 The Streamlining of delivery of services to customers and the interface between front and back office functions/services
- 3.7 The standards are being endorsed to all Councils by the Government and cover
 - 3.7.1 Customer Services,
 - 3.7.2 Housing,
 - 3.7.3 Adult Services,
 - 3.7.4 Highways,
 - 3.7.5 ICT Services,
 - 3.7.6 Human Resources,
 - 3.7.7 Trees,
 - 3.7.8 Property Services,
 - 3.7.9 Building Control
 - 3.7.10 Environmental Health.
- 3.8 Local Authorities who adopt the Standards will be able to:
 - 3.8.1 Identify where to start in moving towards the delivery of more efficient services.
 - 3.8.2 Determine how much progress they have made to date.

- 3.8.3 Identify clearly what 'excellent services' look like and determine the work the authority has to do in order to achieve the delivery of an excellent service.
 - 3.8.4 Prioritise the services that are important, allowing them to focus their effort and resources on achieving realistic improvements relevant to the Gershon Agenda, IEG (Implementing e-Government) and CPA (Comprehensive Performance Assessment).
 - 3.8.5 Measure and assess progress to date in comparison with other Authorities.
 - 3.8.6 Clearly identify the corporate areas in which the authority is in need of assistance or has best practice experience to share.
 - 3.8.7 Plan for the delivery of faster, more joined-up and integrated services overall.
- 3.9 The Council's Modernisation Taskforce have been made aware of the national standards and is working with the Business Transformation Team to conduct self-assessments using the IDeA's ESD-Toolkit.
 - 3.10 Following self-assessment, each service area will be reporting on progress against the standards at future Modernisation Taskforce meetings.
 - 3.11 All of the Service Standards are available to download at http://intranet.sedgefield.gov.uk/businesstransformation/national_estandards_ds.htm

PRIORITY SERVICE & TRANSFORMATIONAL OUTCOMES (PSTO) POSITION STATEMENT

- 3.12 On 29 April 2004, the Government announced the publication of a guidance document entitled 'Defining e-government outcomes for 2005 to support the delivery of priority services and a National Strategy transformation agenda for local authorities in England'.
- 3.13 The PSTOs are based on seven-shared priorities agreed between Central and Local Government and can be closely mapped to the local priorities outlined in our own Community Strategy:
 - 3.13.1 Raising standards across our schools;
 - 3.13.2 Improving the quality of life of children, young people, families at risk and older people;
 - 3.13.3 Promoting healthier communities by targeting key local services, such as health and housing;
 - 3.13.4 Creating safer and stronger communities;
 - 3.13.5 Transforming our local environment;
 - 3.13.6 Meeting local transport needs more effectively;
 - 3.13.7 Promoting the economic vitality of localities.
- 3.14 Linked to the above priorities, the Government is taking the implementation of the PSTOs across all UK local authorities very seriously. Whilst some of the priorities are not the direct service delivery responsibility of District Council's e.g. Education, the Government wants two-tier authorities to join up services via deep-linking County Council and District Council websites. The PSTO's have also been factored into Corporate Governance Assessment (CPA). The KLOE (Key Line of Enquiry) for 'CPA the harder test' has had an additional question added, which requires achievement of all of the priority outcomes for

a level 3 assessment. In short, it means that an authority that has not achieved them cannot progress beyond level 2.

Key Question
3.3 Does the council, with its partners, have the capacity it needs to achieve change and deliver its priorities?
Inspection Focus
Evidence that <ul style="list-style-type: none"> the capacity of councillors, management, staff, and organisational development is sufficient to ensure clear leadership and support the achievement of priorities; existing financial capacity is sufficient to achieve the council's objectives, sustain performance, and promote improvement; and financial management arrangements are secure ICT resources and e-government are used to support delivery of priorities and greater choice for service users the council works with partnerships to enhance its financial and other capacity so as to achieve its ambitions and priorities full account is taken of diversity, user focus and human rights issues in decision making and achieving outcomes the council, with its partners, has the capacity to respond flexibly to changing circumstances and emerging challenges

Criteria for Judgement	
Level 2	Level 3
<ul style="list-style-type: none"> In most areas, the council has the people, skills and capability it needs to deliver its priorities. The council is taking steps to ensure that councillors and staff are representative of local communities. The council has a financial strategy and sufficient financial capacity to deliver its priorities, or has robust plans to achieve this within the required timescale. Financial reserves are sufficient to provide for contingencies. The council has bid successfully for external funding in line with its priorities. The council's asset management strategy is effectively implemented. The council has sufficient ICT resources to deliver its priorities. There is progress towards realising the benefits from e-government. Competencies for e-government-based change are embedded in the organisation. The council uses ICT to improve access to services. It has achieved the required priority outcomes for e-government, including the availability of online facilities at all times. The council has taken steps to build financial and other capacity through the strategic use of partnerships. The council considers the diversity, user focus and human rights implications of decisions or actions. It monitors its performance and shares the information internally. It recognises the benefits of a diverse workforce and community. The council has taken steps to gather intelligence to enable it to respond effectively to changing circumstances. 	<ul style="list-style-type: none"> The council is self-aware about capacity and has the people, skills and suppliers it needs to deliver its priorities. Capacity of key post-holders, councillors and officers is sufficient to provide consistent leadership, challenge and support across the council. The council has a strategy to develop skills. It takes swift steps to address weaknesses. The council regularly monitors its workforce to ensure it is representative of the community. The council has a robust financial strategy and sufficient financial capacity that supports delivery of its priorities. It maintains reserves in line with the corporate and community plans and risk assessment, including contingencies. It bids for funding in line with priorities within a robust risk management framework. It has invested widely to achieve service improvements. Its asset management strategy complements partners' strategies creatively and efficiently to achieve council and community ambitions. The council uses ICT effectively throughout its activities and partnerships. It uses e-government to deliver objectives and service improvements, to gather information about community needs, and to join up services in collaboration with partners. ICT provides real-time management information about service use. The council understands the levels of internet usage in the community and is working with partners to help improve access. The council has achieved the 'required' and 'good' priority outcomes for local e-government. The council works effectively with a variety of partnerships across sectors to build and sustain financial, staffing and leadership capacity. The council is innovative with partners and can point to key successes which have improved the area. The council has a strategic and integrated approach to diversity, human rights and user focus evident in its policy development, employment practices and service delivery. The council champions and promotes these to its staff, partners and the wider community. The council has good relevant intelligence about its area which enables it to predict and respond to change. The council communicates these plans well to the public, and engages with communities and the public to increase capacity.

Corporate Assessment KLOE – February 2006

17

3.15 For the Council to realise its vision for Customer Services and to deliver many of the DCLG's Priority and Transformational Service Outcomes, it must implement a number of core change-enabling corporate systems. These systems will help the council to deliver service improvements to its customers as well as deliver administrative efficiencies.

4 UPDATE ON PROGRESS

Customer Relationship Management (CRM) and Enterprise Workflow

4.1 The Council has procured a CRM solution in partnership with the 7 other Durham Councils and has employed a dedicated Project Manager to oversee the delivery of the solution across all service departments. The CRM solution will enable the Council to deliver County Council services and will allow customer services staff to have a single view of customers. Ultimately, CRM will improve our relationship with customers and local businesses by enabling the Council to become more responsive to customers needs.

4.2 One of the main challenges with the project has been staff availability to take forward the project as well as the dependency on the Partnership's Programme Office (a shared resource across the 8 partners) to progress the project with new products or information. Both these factors are causing slippage to the Council's original CRM Project Plan.

4.3 The Council has commenced its CRM testing phase and early testing with customer services and back office staff has highlighted some usability and

functionality issues. These have been forwarded to the Partnership Programme Office Development Team to be resolved.

4.4 We are now embarking on the second phase of testing which will lead to the system being rolled across the following first phase services: -

- Street Scene
- Anti Social Behaviour
- Licensing
- Democratic Services

Website Content Management System (CMS).

4.5 Content management is more than simply managing the Council's website. It provides an integrated environment that manages the publishing of all content, whether static or transactional, on all access channels. This would include the publishing of electronic forms and the re-purposing of content for non web-based interfaces such as SMS text messaging, digital television, kiosks and other mobile devices.

4.6 The efficient management of web content is seen as an essential step by the Government towards the mainstreaming of websites as a low cost access channel for services.

4.7 The implementation of the CMS was successful however there are three main issues with the system:

4.7.1 Speed, general users often complain about the speed it takes for pages to load when creating / editing content. This is to be resolved through new server provisions in ICT.

4.7.2 Reliance on 3rd party for future developments

4.7.3 Little feedback about the website from staff to help understand / identify new requirements.

Electronic Records and Document Management System (ERDMS)

4.8 The Comprehensive Performance Assessment (CPA) requires Information management to be taken seriously by every local authority given its significance to resource management and performance improvement.

4.9 Information management is about making it easy to find information—whether an officer or member is writing a committee report at home, or answering a customer query in the Customer Contact Centre. The easier information is to find, the more likely it is to be re-used, and the greater the value the council and its customer base benefits from that resource.

4.10 Every member of staff in Sedgfield Borough Council has some responsibility for information management. Implementing information management involves organisational culture change, because the way we do our everyday work has to change. This fundamental need for a shift in culture will be supported through the implementation of the Council's Organisational Development Strategy.

4.11 The Council has employed a dedicated Information Management Project Manager who will be overseeing the improvement of information processes across all departments through the implementation of appropriate policy and

a Corporate Electronic Records and Document Management System (ERDMS).

4.12 The remit of the ERDMS Project is to ensure that stakeholders have access to adequate Records Management Functionality, Information Security and Data Quality legislative requirements.

4.13 Preparatory Work is underway including an Electronic Records Collection Inventory and a Fileplan based on the Local Government Classification scheme but adapted to suite Sedgefield's specific filing requirements. The objective is to ensure Sedgefield has done everything possible to shorten implementation times of an ERDMS.

4.14 Four ERDMS suppliers are currently being evaluated on system functionality and cost. Presentations for 3 external Suppliers took place during the week beginning 17th July. A team representing different departments scored the systems.

4.15 An existing supplier to the Council is currently developing its solution and their presentation is scheduled for the 31st August.

4.16 The Project Board is monitoring the project risks. These include delays to proposed timescales, stability of systems, budget and what constitutes 'fit for purpose' for the Council. Actions are being taken to alleviate Risk such as comparisons of cost and evaluation of areas of functionality.

PRIORITY SERVICE & TRANSFORMATIONAL OUTCOMES PROGRESS SUMMARY

4.17 The following table summarises the Council's progress against the 'required' and 'good' PSTOs:

Number of complete 'required' & 'good' PSTOs	Status at 20/12/2004	Status at 21/06/05	Status at 28/12/2005	Status at 31/03/2006
	11 (20%)	23 (43%)	30 (56%)	41 (76%)
TOTAL	54 (100%)			

5 PROJECT MANAGEMENT OF THE COUNCIL'S E-GOVERNMENT AND ICT CAPITAL PROGRAMME

5.1 The successful implementation of the modernisation agenda is underpinned by effective Programme and Project Management, which again is being aligned to the Council's Organisational Development Strategy. Effective Project Management addresses the common causes of public sector project failure:

- 5.1.1 Lack of co-ordination of resources and activities
- 5.1.2 Lack of communication with interested parties, leading to products being delivered which are not what the user/customer expected
- 5.1.3 Poor estimation of costs, leading to projects taking more time and costing more money than expected
- 5.1.4 Insufficient measurables, e.g. milestones and deliverables

- 5.1.5 Inadequate planning of resources, activities and scheduling
- 5.1.6 Lack of control over progress so that projects do not reveal their exact status until too late.
- 5.1.7 Lack of quality control, resulting in the delivery of products that are unacceptable or unusable.

5.2 The adoption of Project Management (PRINCE2) principles has already started with the Modernisation Taskforce. The first stage involved the allocation of funds from the 2006-2007 Capital Programme whereby funding was determined on the strength of the business case which outlines:

- 5.2.1 The reasons for wanting to commission a project, outlining objectives and links to corporate objectives.
- 5.2.2 The procurement and/or implementation options.
- 5.2.3 The benefits expected to be delivered.
- 5.2.4 The risks and how these could be mitigated.
- 5.2.5 The project timescales
- 5.2.6 Costs and investment appraisal that sets out the potential suppliers of the product/solution and the indicative costs associated with hardware, software, consultancy, training etc.

5.3 All progress associated with commissioned projects is captured through Highlight Reports. These are produced by the Project Managers for each Project Board at agreed intervals and are also monitored by the Modernisation Taskforce.

6 RESOURCE IMPLICATIONS

6.1 Since 2001, £900,000 has been received from the Department of Communities and Local Government for implementing e-Government. During the same period the Council has invested almost £3m into new technology and e-government solutions. Whilst no further funding is expected from Central Government the Council will be required to make significant investments in rolling out access to service solutions. In 2006/07, the council contributed £900,000 from its Capital Programme.

7 CONSULTATIONS

7.1 This report has been developed through consultation with the Council's Modernisation Taskforce.

8 OTHER MATERIAL CONSIDERATIONS

8.1 Links to Corporate Objectives

8.1.1 The Customer Services Modernisation Programme is about improving access to services through electronic means and as such it is key to the council's stated ambition to make its services accessible.

8.2 Risk Management

8.2.1 Failure to deliver on the Government's Priority and Transformational Outcomes could impact on the Council's CPA Corporate Assessment Score. This risk is mitigated by the governance role of Scrutiny and Overview Committee 1 in overseeing the delivery of the Programme.

8.3 Health & Safety

8.3.1 There are no additional Health & Safety Implications.

8.4 Legal and Constitutional

8.4.1 No additional Legal and Constitutional issues have been identified.

8.5 Equality and Diversity

8.5.1 Equality and Diversity considerations are an inherent part of e-Government. Electronic delivery of services is a key contributing factor to the Council's corporate priority to ensure fair access to services regardless of religion, sex, race, gender etc as set out in the Corporate Plan and Corporate Equality Plan.

9 OVERVIEW AND SCRUTINY IMPLICATIONS

9.1 A further progress report for the period September 2006 – February 07 will be submitted to Overview and Scrutiny Committee 1 in February 2007.

10 LIST OF APPENDICES

N/A

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Wards: ALL

Key Decision Validation: [Insert if appropriate]

Background Papers:

Gershon Review - Independent Review of Public Sector Efficiency
Releasing resources to the front line (July 2004)
ODPM 'Defining e-government priority services & transformation outcomes in 2005
for local authorities in England' (April 2004)
Customer Services Modernisation Programme (2005)
Delivering Efficiency in Local Services (ODPM – January 2005)
Sedgefield's IEG6 Statement (March 2006)
National e-Service Delivery Standards (DCLG – April 2006)
Cabinet Office - Transformation Government White Paper (November 2005)

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input type="checkbox"/>	<input type="checkbox"/>

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