

BABERGH DISTRICT COUNCIL

FROM: CAST Programme Board

REPORT NUMBER **E286**

TO: STRATEGY COMMITTEE

DATE OF MEETING 9 March 2006

CUSTOMER ACCESS AND SERVICE TRANSFORMATION (CAST)

1. **SUMMARY**

In August 2005 the Strategy Committee determined that we should:

- a) enter into detailed discussions with Suffolk County Council, and other bodies to seek to agree an affordable shared vision for delivery of joined up access to local government services, and
- b) investigate and prepare a detailed plan and programme to implement Business Process Re-engineering (BPR) across all Council services

Delivering everything set out in our Customer Access Strategy will be expensive, and probably unaffordable. A set of priority requirements for customer access is therefore proposed. These requirements reflect the current patterns of contact as well as the preferences expressed by our customers.

Significant progress has been made in discussions with other Suffolk Councils to determine a shared vision for customer access, but some issues are not yet resolved. In particular, Suffolk County Council have entered into a contract with Customer Services Direct Ltd for delivery of their services and all negotiations have to take that into account. There are two areas of activity that are still in hand and these should be completed in March and April 2006.

Four long-term strategic options for delivering customer access have been identified, and a fifth positioning option has been developed for a shorter-term plan. Until the position across Suffolk is clearer it is not feasible to determine a long-term strategic option, therefore an action plan for the positioning option is recommended. This will enable real progress to be made until such time that a longer-term strategic decision can be made.

Two BPR pilot reviews have been undertaken in Revenues and Development Control. Officers report that these pilot reviews have generally confirmed the assumptions made in the original Outline Business Case reported last August, other than the reviews are taking a little longer to complete and that the savings will take longer to deliver. It is recommended that at least one further review should be undertaken to cover service requests in Environmental Services.

Members of the Programme Board were split on whether or not any further reviews should be started prior to the Strategy Committee receiving a 6 monthly report on CAST on 28 September 2006 and approval by Council on 31 October 2006. Some Members wished to only proceed with one further review, at this stage, until the proposals from the two pilots are implemented and a clear picture on actual savings can be assessed. Other Members wished to move straight from the agreed review in Environmental Services to further reviews to ensure continuity and momentum, as well as retaining new skills and ensuring savings from these reviews are accrued more quickly. The Strategy Committee is asked to determine a recommendation to the Council on this matter.

The proposals in this report can be implemented within the budget agreed for CAST.

2 **RECOMMENDATIONS**

- 2.1 That the Proposed Customer Access Priority Requirements & Delivery Arrangements detailed at Appendix 1 be approved.
- 2.2 That the Positioning Option for delivering customer access at Appendix 2 be approved.
- 2.3 That arrangements be made to undertake a further Business Process Re-engineering review, from May 2006, to cover service requests in Environmental Services.
- 2.4 That the Committee should indicate whether or not it recommends the Council to continue further BPR reviews, from August 2006, prior to receiving a progress report on CAST on 28 September 2006, and if so it is recommended that the reviews should cover Council House Voids and Procurement.
- 2.5 That the high level Programme Plan for 2006/07, including major deliverables and milestones, resource requirements, spending plans and risks, set out at Appendix 5 be approved.
- 2.6 That the Chief Executive, in consultation with the CAST Programme Board, be authorised to make ongoing operational and tactical decisions to progress CAST, in accordance with the objectives, action plans, budget and spending plans determined by the Council.
- 2.7 That update reports be submitted to the Council through the Strategy Committee meetings during 2006/07 as follows:

28 September 2006 Strategy, for 31 October 2006 Council
8 March 2007 Strategy, for 17 April 2007 Council

The Committee is asked to make recommendations to Full Council on the above matters.

3. **FINANCIAL IMPLICATIONS**

- 3.1 The current proposed spending plan for 2006/07 is well within the budget allocated. Details of the proposed spending plans, set against the budget provision for 2006/07 are set out in Section 4 of the high level programme plan for 2006/07 at Appendix 4.
- 3.2 The section in Key Information below at paragraph 4.12 on Customer Access outlines a proposed way forward. This is a short-term tactical approach, at this stage, as further clarification is needed on the longer-term strategic options. It is anticipated that we should be able to come back to the Strategy Committee, and Council, later in 2006 recommending a long-term strategic proposal. At that time, it will be necessary to revise the spending plan for 2006/07 and set out the longer-term business plan.
- 3.3 The Strategy Committee is being asked in the Key Information Section on BPR at paragraph 4.21 of this paper whether it wishes to recommend that further BPR exercises be undertaken in 2006/07. There is scope in the budget, and if the Committee are minded to support this extra work then revisions will need to be made to the spending plans to accommodate this.
- 3.4 We have received a total of £430k from the ODPM in support of CAST. We now have plans in place to ensure that all of this funding is used by 31 March 2006, when the funding stream ends. The IDeA have been supportive and helpful in approving shifts within the budget headings to

ensure that ODPM resources were spent this year and Babergh was given maximum discretion over other expenditure headings. Money was set aside for legal advice and commercial advice, which was not needed this year, and is therefore available to carry forward into 2006/07.

- 3.5 Part of the ODPM funding was to assimilate information, guidance and help to other Councils seeking similar objectives. As explained below we have used the 'Strategic Support' ODPM funding to assist all Suffolk Councils consider their own customer access requirements and to prepare proposals for shared service delivery models for customer access. Further funded work is also in hand to prepare a Lessons Learned report for assimilation.
- 3.6 In September 2005 the Council budgeted to spend £202,000 of its own money in 2005/06 on the CAST Project. As a result of savings in some areas, the willingness of the ODPM to meet some of those costs, and slippage, it is now likely that the Council will only incur about £60,000 in 2005/06, and that will be met by IEG grant.
- 3.7 Effectively there could be a saving on the Capital Budget (and the use of capital receipts) of £88,000 and on the General Fund Revenue Budget of £54,000 in 2005/06.
- 3.8 The savings have arisen in the following areas:-

Area	£000	Reason
Programme Management	12	Later appointment of new team
BPR	76	ODPM meeting all costs of pilots including staff backfill
Legal advice	50	Carry forward to 2006/07
Commercial advice	12	Carry forward to 2006/07
Customer Access	20	Staff backfill not used
Contingency	12	Not used
	182	
Less		
Adjustment between ODPM and BDC	-40	To keep to ODPM overall funding level of £431,000
Total	142	

- 3.9 If allowance is made for the possibility of £75,000 on Legal and Commercial advice in 2006/07, there will be a net saving on Capital of £13,000 and £54,000 on the General Fund Revenue Budget. That will leave £54,000 in the General Fund Reserves for future use.
- 3.10 The overall position on this funding can be summarised as follows:-

Organisation	Approved Budget £000	Anticipated Spend £000	Saving £000
ODPM	431	431	-
Babergh DC			
- Capital	148	135	13
- Revenue	54	-	54

4. **KEY INFORMATION**

4.1 **Objectives** - The main objectives for this project were agreed by the Council on 4 February 2005 and are set out, in order of importance, below:

- Transformed public access to services through successful implementation of the Council's Customer Access Strategy, including seamless access to services across the tiers of local government.
- Efficiency savings on core services to offset the costs of delivering the Council's Customer Access Strategy.
- Managing the Council's exposure to technological change.
- On-going year on year efficiencies to assist the Council in achieving its service objectives and to meet Government efficiency targets.

4.2 The above objectives to be achieved while protecting employees' terms and conditions of service as far as possible.

4.3 **Customer Access** – A report was submitted to this Committee on 4 August 2005 – Paper E78. At that time it was concluded that there was no single option that could be put to the Council to offer an ideal and affordable solution. The Committee approved the following recommendation:

‘That Babergh immediately enter into detailed discussions with Suffolk County Council; and, as appropriate, with other District/Borough and Town/Parish Councils in Suffolk and other bodies, to seek to agree an affordable shared vision for the delivery of joined up access to local government services. Further, these discussions to identify all possible financial and other benefits that might accrue from a collaborative approach to developing a common specification and a shared procurement process for joined up service access across the county.’

4.4 Since that time an extensive amount of work has been undertaken with other Councils in Suffolk, and in analysing our own priority requirements for customer access.

4.5 Proposed priority requirements for customer access have been prepared. Some of the key data and factors taken into account in preparing these requirements are set out below:

- (a) It is estimated that our customers currently contact us about 1.3m times per year. We have around 440,000 telephone calls (34%), 418,000 website contacts (32%), 242,000 emails (19%), 169,000 letters/post (13%) and 28,000 visitors in Hadleigh and Sudbury (2%).
- (b) The telephone has always been the preferred method of contacting us, however there is currently a significant growth in the use of our website. This trend is expected to continue, in line with the trend in society generally, and particularly as we continue to improve our website with better information and more transactional services.
- (c) The website is, by far, the most cost effective method of dealing with customers, followed by telephone calls. The most expensive method is dealing with face-to-face enquiries in either the customer services centres or on site.
- (d) 83% of all customer contacts are for 3 of our services i.e. Revenues & Benefits, Planning Control and Housing & Technical Services.
- (e) We received about 1,800 telephone calls for services provided by other Councils, particularly Suffolk CC. This equates to 0.4% of all our telephone calls.
- (f) There is evidence to indicate that our customers would like to contact us outside of the normal working hours of 9am to 5pm – Monday to Friday. Survey work indicates that 19%

of customers would like to contact us from 8 to 9am, and/or from 5 to 6pm on Monday to Friday. There is an even higher preference for Saturday morning opening, with 85% of respondents indicating support for this.

- 4.6 The proposed customer service priorities, together with details of how we would deliver these, are set out at Appendix 1.
- 4.7 Since last August we have been involved in discussions with Suffolk CC and Customer Services Direct, have provided financial and coordination support (from ODPM funding) for detailed work on customer access across Suffolk Councils, and have brokered some work through 4ps to clarify how we might best be able to work together (again funded through ODPM funding).
- 4.8 Through the Suffolk Chief Executive's Group (SCEG) a Director level group was set up in November – the Suffolk Customer Access Programme (SCAP). SCEG agreed a Countywide Customer Access Strategy and SCAP have been asked to prepare proposals for shared service delivery models for customer access and identify any quick wins such as joint marketing or dealing with high value/volume services. SCAP have been asked to deliver this work by 1 April 2006, and we have funded some consultancy facilitation to support this work (as agreed in our revised bid, under 'Strategic Support', for ODPM funding reported in Paper E137A on 15 September 2005). At this stage it appears that the work is on target.
- 4.9 We have had extensive discussions with Suffolk CC, and now have quite a good understanding about their requirements and how these compare with our proposed priority requirements (Appendix 1). However, despite this progress we currently have some difficulty in defining precisely what is not negotiable from Suffolk CC and CSD's position in one or two key areas. Other Districts have confirmed that they too have not bottomed out these issues. As a result SCEG and CSD have agreed a brief to commission 4ps, through an independent associate resource, to undertake a review of the position with Suffolk CC/CSD and all other Suffolk District Councils to determine the issues and problems that need to be addressed and attempt to broker a solution.
- 4.10 This work is also being funded from our ODPM 'Strategic Support' funding, and is due to be completed on 10 March 2006. It is anticipated that some legal advice is likely to be required when this work is completed, particularly around the issue of procurement.
- 4.11 We have identified four potential long-term strategic options for delivering customer access, and a fifth positioning option for a shorter-term action plan, as follows:
- Option 1 – Outsource via a negotiated procedure to CSD.
 - Option 2 – Outsource via open procurement.
 - Option 3 – Partnership between Suffolk CC and Babergh.
 - Option 4 – Co-locate CSD with Babergh front office staff.
 - Option 5 – Positioning Option.
- 4.12 Bearing in mind the work that is currently in hand through SCAP, and more significantly through the 4ps, it is not possible at this stage to determine which of the four long-term strategic options could actually be pursued. The Programme Board therefore recommend that the Positioning Option should be supported as detailed at Appendix 2. It is important to note that this option allows us to make progress in delivering our customer access priority requirements in a way that does not prevent or constrain any of the longer-term strategic options from proceeding, as and when a decision is made.

4.13 A high-level programme plan has been prepared for 2006/07 and is covered below. This plan sets out the major deliverables and milestones for delivering our customer access priority requirements. This includes the appointment of two posts. The Customer Access Manager post is expected to be accommodated from within the existing establishment and the Service Manager post is a new post and would be met from the CAST funding.

4.14 Business Process Re-engineering (BPR) – When Paper E78 was considered on 4 August 2005 the Committee approved the following recommendation:

‘That the CAST Group be asked to investigate and prepare an outline plan and programme to implement Business Process Re-engineering across all Council services, having regard to all of the Council’s priorities as set out in the Corporate Plan and the overall capacity and resources available to the Council’.

4.15 The work undertaken in the Outline Business Case had identified that BPR could possibly be undertaken across all Council services in about 3 years, and could bring about potential long-term efficiency gains in the order of £900k per annum. It would however require up front investment.

4.16 The Committee then approved two pilot BPR exercises on 15 September 2005 (Paper E137 refers) to cover processes in Revenues and Development Control. These pilots have now been successfully completed, and were paid for from ODPM funding. The pilot reviews have generally confirmed the assumptions made in the original Outline Business Case reported last August, that efficiency savings of around 10% are feasible and that improvements to customer services can be made. However the reviews took slightly longer to complete and the savings will take a little longer to deliver.

4.17 Some relatively straightforward ‘quick win’ recommendations are being implemented. Action plans are now being prepared and agreed to implement a raft of changes emanating from these reviews. Consultation is being undertaken with Unison before the major changes are implemented. Details of the proposed changes were covered in the presentation to the Members Seminar on 26 January and details are set out in Appendix 3.

4.18 The lessons learned from the pilot exercises are set out below:

- (a) The level of savings anticipated of around 10% can be achieved
- (b) It is important to establish critical goals for the reviews early and that this should include Member input
- (c) Staff ownership and involvement is critical
- (d) Communication is very important
- (e) The methodology works and staff are capable of applying it
- (f) Careful planning and a sound timetable are essential
- (g) 10 weeks is too tight for a review for large processes
- (h) A detailed preparation/implementation plan is required
- (i) A preparation period (for training etc) may be necessary before testing any new processes
- (j) Processes should be tested before final commitment

4.19 In considering the proposed way forward for BPR the Members on the Programme Board were divided. Some Members wished to only proceed with one further review, at this stage, until the proposals from the two pilots are implemented and a clear picture on actual savings can be assessed. Other Members wished to continue with BPR reviews to ensure continuity and momentum, as well as retaining new skills and ensuring savings from these reviews are accrued more quickly. This was set against officer advice to proceed with a programme of BPR reviews,

with 2 reviews running concurrently, in order to retain skills and deliver to an already slower pace than was set in the original Outline Business Case.

- 4.20 In order to meet the Council's expectation of having 6 monthly progress reports and the Council determining spending plans for CAST it is planned to report to the Strategy Committee on 28 September. It is anticipated that, at that time, the savings from the 2 pilot exercises will be clear. If a decision to continue with BPR is postponed until this meeting it will require a recommendation to the Council on 31 October. Officers have assessed the impact of pursuing this option since the meeting with Board Members. It would effectively delay the re-commencement of BPR reviews until January 2007, as we would need to appoint staff to undertake the BPR team leader roles following the decision to go ahead.
- 4.21 **The Strategy Committee is asked to determine a recommendation to the Council on this matter.** In order to assist with this consideration a high level summary of the key implications of the various options, set against the original intentions in the Outline Business Case are set out in Appendix 4.
- 4.22 If the Strategy Committee recommend that a commitment should now be given to a continuation of the BPR programme then the two services that were presented by officers to the Programme Board, and supported by those Members in favour of continuation, to be relevant for early BPR reviews are:
- (a) Council House Voids – It is currently taking an average of 35 days to relet Council houses. The Overview & Scrutiny Committee (Community Services) has indicated that this service should be reviewed.
 - (b) Procurement & Contract Administration – Procedures, processes and involvement would benefit from review in the light of e-procurement, revised financial regulations and other factors.
- 4.23 **High Level Programme Plan for 2006/07** – A high level programme plan for 2006/07 has been prepared to reflect the issues and proposals detailed above, and is set out at Appendix 5. This plan sets out in section 2 the major deliverables and milestones under each of the CAST work streams of customer access, BPR and Organisational Development (OD). Section 3 details the resources that will be required. The costs and benefits are set out in section 4, and the key risks are highlighted in section 5. The plan can be met from the CAST budget provision.
- 4.24 As and when the issues around customer access are clarified, further legal advice will be obtained if considered necessary. The CAST Programme Board will then give further consideration to the longer-term strategic options for delivering customer access, and will report with recommendations back to Council through the Strategy Committee.
- 4.25 **Governance** - It is noted that the Council wishes to receive a 6 monthly progress report and to approve spending plans for CAST. It is proposed that reports be submitted to the Council through the Strategy Committee meetings during 2006/07 as follows:
- 28 September 2006 Strategy, for 31 October 2006 Council
8 March 2007 Strategy, for 17 April 2007 Council
- 4.26 **Unison** – Unison have a representative on the officer Core Group for CAST and on the Programme Board. This enables them to be kept informed and involved in ongoing developments. We have formally consulted Unison on the proposals in this report and their response will be available for the Strategy Committee meeting.

5. **APPENDICES**

- Appendix 1 – Proposed Customer Access Priority Requirements & Delivery Arrangements
- Appendix 2 – Positioning Option
- Appendix 3 - Business Process Re-engineering Proposals from Pilot Reviews
- Appendix 4 – Comparison of Options for Taking BPR Forward
- Appendix 5 - Proposed High Level Programme Plan for 2006/07

6. **BACKGROUND PAPERS REFERRED TO:**

Outline Business Case for CAST.

MEMBERS OF THE CAST PROGRAMME BOARD:

John Brand
Michael Miller (Chairman)
Duncan Read
Rex Thake (substitute for Tony Bavington from the HR Panel)
Humphrey Todd

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Strategy Report 9March06 0.22

Customer Access Priority Requirements & Delivery Arrangements

Priority Requirements

- We should adopt a Customer First ethos
- We should provide 80% of resolution at the first point of contact
- Full integrated and seamless access across all services is not a priority, nor across tiers of Government. There should be a much more limited level of integration. This should focus on a package of related services based on life events, with a priority attached to developing services for vulnerable people. This should be dealt with first within Babergh and then with other key partners.
- Our website, email and telephone should be our main access channels for customers to contact us
- Our website should be used by the public and our staff to provide a consistent quality of information across all channels
- The website should enable transactional services from all channels
- There should be automatic updates to our computer systems from information entered via the website to eliminate the need for re-keying information
- We should be available by telephone at times to match our customer need/demand
- We should provide an appointments/call back service, wherever a customer enquiry cannot be dealt with at the first point of contact
- We should continue to provide walk-in centres in Sudbury and Hadleigh but not open new ones
- We should use partner websites to provide information in support of any agreed joint service packages

Delivery Arrangements

- We will focus on customer access as well as standards for delivery of services to our customers
- We will focus on our website, email and telephone as the main channels for our customers to contact us
- We will improve the content, layout and transactional services on our website
- We will encourage our customers to use our website or the telephone when contacting us
- We will significantly reduce the number of telephone numbers published for our services (probably to around 5 numbers).
- We will split our front and back office staff.
- Our front office staff will be trained in specialist customer services skills and will provide access to customer services through our website and appropriate computer systems.
- Our back office staff will be freed from interruptions. They will be trained in customer services and will provide an appointment service, including home visits where appropriate.
- We will focus on the top 3 high volume services (Revenues and Benefits, Housing and Technical Services, and Planning) for maximum initial impact

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CAST Positioning option

Background

This paper outlines the proposed Positioning Option for Customer Access in Babergh. The aim is to begin to deliver some real improvements to services while the longer term strategic option is determined. It focuses on Babergh's priority requirements and services and proposes solutions that can be delivered in the short to medium term with limited investment.

Key deliverables and outcomes

The following bullet points summarise the key deliverables and outcomes expected from this positioning option:

- Review/Improve the content of the Babergh website
 - The content of the website will be reviewed to ensure a consistent standard and quality of information.
 - All services will have a minimum content including description of service, how to access the service (including access to on-line forms) and the service levels to be expected for delivery.
 - All information will be reviewed for 'plain English'
 - Publicise the improved website to residents and encourage them to use this as the primary method of accessing services.
 - Resolve the linkage with information on the OneSuffolk site.
- Establish initial 'front offices' within Revenues and Benefits, Planning, Housing and Technical Services and a general front office for other services.
 - Establish, publish and publicise new contact numbers and e-mail addresses for these services.
 - Establish clear hand offs between the front office and back office activity. The aim should be for staff in the front office to deal with all requests that do not require investigation, analysis or wider consultation. (NB this may link to Business Process Reengineering (BPR) activity)
 - Staff these areas with sufficient people and experience from the respective services to deal with the front office remit. Ensure selected staff have the customer first attitude required. It may be necessary for the back office to provide a 'duty officer' to provide support to the front office especially in the early stages.
 - Provide formal training in customer service, in how to use the Babergh website to respond to enquiries and where necessary how to obtain information from legacy systems.
 - Begin to join up services provided by Babergh and make customers aware of related services that might be useful.
- Develop appointment booking systems
 - Develop a calendar system accessible to front office staff which shows when back office staff are available and on which front office staff can book appointments. Ensure back office staff change to use this system.
 - Appointments can be for face to face meetings or for telephone call back.
 - The system should ensure that a minimum standard of information is recorded when making a booking, in particular the name of the customer, a contact number, a clear statement of the purpose of the meeting/call and any information that needs to be gathered, the time and likely duration.
- Work through SCAP to develop service packages

CAST Positioning option

- Identify the 'life events' that might result in the need for a range of services. (There are national projects that we can draw on for this).
- Agree how those life events can be identified from an initial request for service.
- Agree how to promote other services to customers – signposting, providing, etc.
- Agree on-going management of change to agreed service packages.
- As packages are agreed, train staff whose services are involved in how to deliver related services.
- Pilot extended opening hours for the telephone service
 - Initially 08:00 to 18:00 Monday to Friday, then Saturday opening 09:00 to 12:00. (It might be feasible to provide this service via homeworking) Review customer demand for these extended hours after 6 months and either make further extensions or retrench if necessary.
 - Staff would need to be rota'd to ensure there was someone to answer the phone during published opening hours.
 - There would need to be a publicity campaign to ensure Babergh residents were aware of the extended availability.
- Upgrade Sudbury/develop Hadleigh walk in facilities
 - Upgrade the infrastructure in Sudbury to provide improved access to the legacy systems.
 - Train staff in Sudbury to use the website and legacy systems to deliver services.
 - Refit the entrance area in Hadleigh to provide initial contact desks equipped with access to the website and any necessary legacy systems. Move the telephonists to another area.
 - Train staff on these desks to deal with all service requests, directing Revenues and Benefits and Planning to the existing counters. Ensure sufficient trained staff to provide the front office service 09:00 to 17:00 Monday through Friday.
 - Ensure telephony capability in both sites to transfer calls to appropriate back office numbers.

Business Process Re-engineering Pilot Reviews

Introduction

- The aims of the pilots were to:
 - Improve services and customer satisfaction
 - Make savings through greater efficiency to support customer access and other priorities
 - Test out the assumptions in the Outline Business Case (OBC)
- The OBC assumptions were:
 - BPR could be undertaken across all services in about 3 years
 - Potential long term saving of around £900k – 30 FTE posts
 - Needs up front investment
- There were two reviews covering
 - Benefits Claim process
 - Planning Application process
- Backfilling was used to provide capacity within the teams
- Specialist consultants provided advice, guidance, training and skills transfer

Timetable

- 21 Oct – Invitation to tender
- 7 Nov – Tenders received
- 14 Nov – Interviews held
- 21 Nov – Reviews start
- 3 Feb – Reviews completed with plan of action
- Feb/Mar – Consultation/Implementation starts

Critical Goals

- Improve performance with applications determined faster
- Reduce cost of processing
- Make service improvements for customers
- Increase staff motivation

Planning Application Process

Planning Performance

- See Pages 3 & 4

Planning ‘As Is’ Findings

- No clear service standards
- Too many people involved before visit by Planning Officer
- Level of delegation at officer and member levels
- Inconsistent practices between East/West teams
- I.T. system not fully utilised
- I.T. records not up to date
- Committee process time consuming and more expensive
- Too much checking of decision notices
- Scope for more training

Planning ‘To Be’ Findings

- Performance (speed) can be improved by:
 - Streamlining process on receipt of application
 - Planning Officers visiting site quicker and producing assessment/report immediately after inspection
 - Decision notice one person’s responsibility
- Cost reduction is possible:

Business Process Re-engineering Pilot Reviews

- Initial assessment suggests possible reduction of 1½ staff
 - But need to allow for present unpaid overtime, training costs and any IT costs
- Service Improvement through:
 - Customer awareness of process/clear service standards
 - Front office and customer access changes
- Staff motivation improved through:
 - Greater empowerment
 - Greater clarity of roles
 - Work done at right levels
 - Better customer access
 - More training

Benefits Application Process

Benefits Performance

- See Pages 5 & 6

Benefits 'As Is' Findings

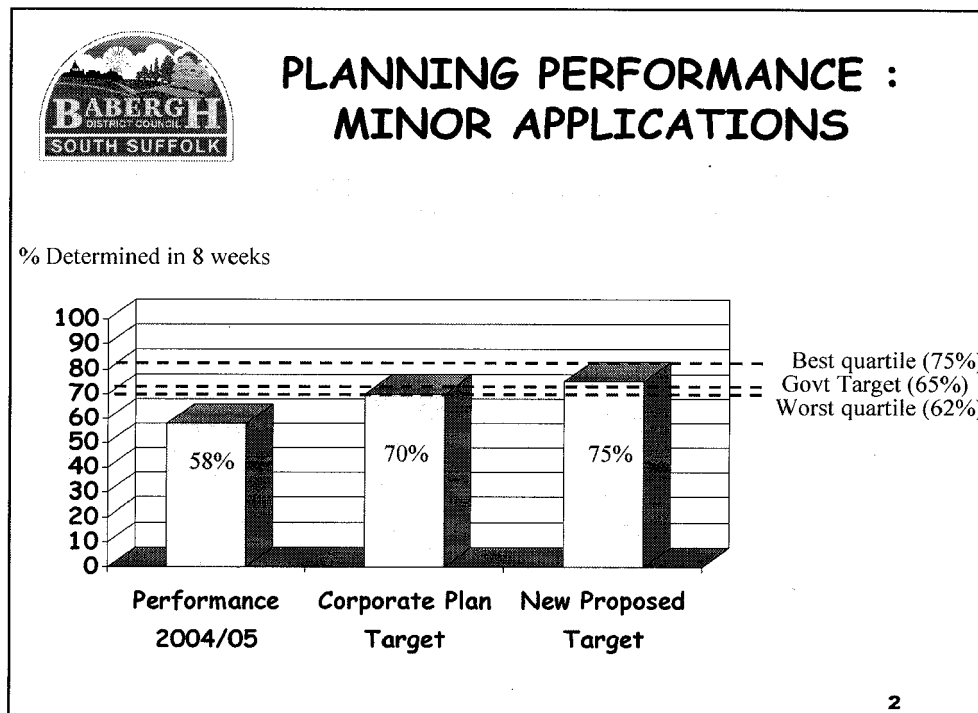
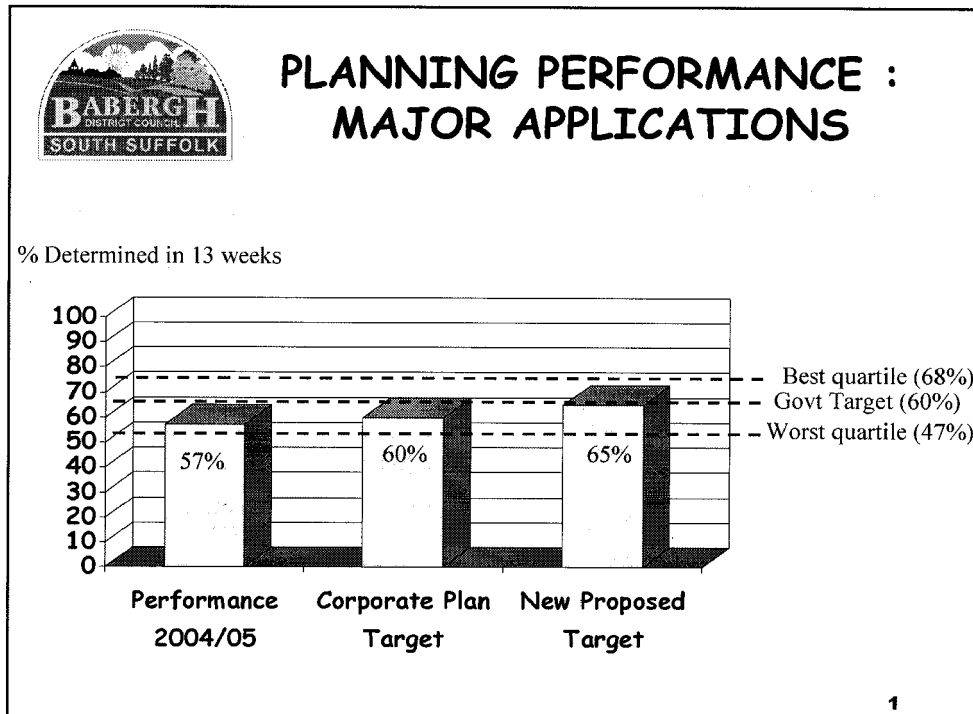
- 70% of new claims incomplete
- Reassurance/quality assurance add 15 minutes per claim
- Files difficult to find
- Delays in suspension of benefit
- Claim form needs improvement
- Work allocated manually
- I.T. system can be exploited further

Benefits 'To Be' Findings

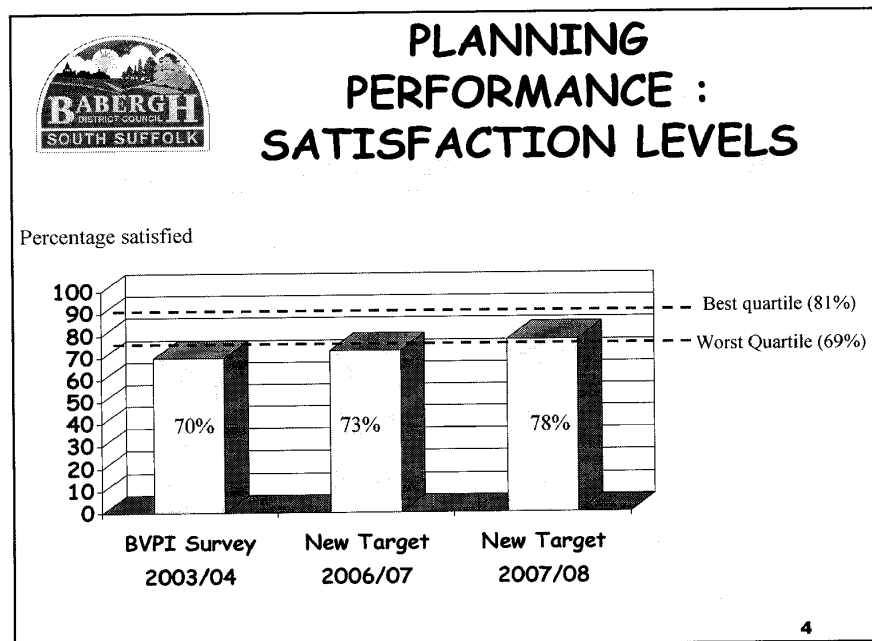
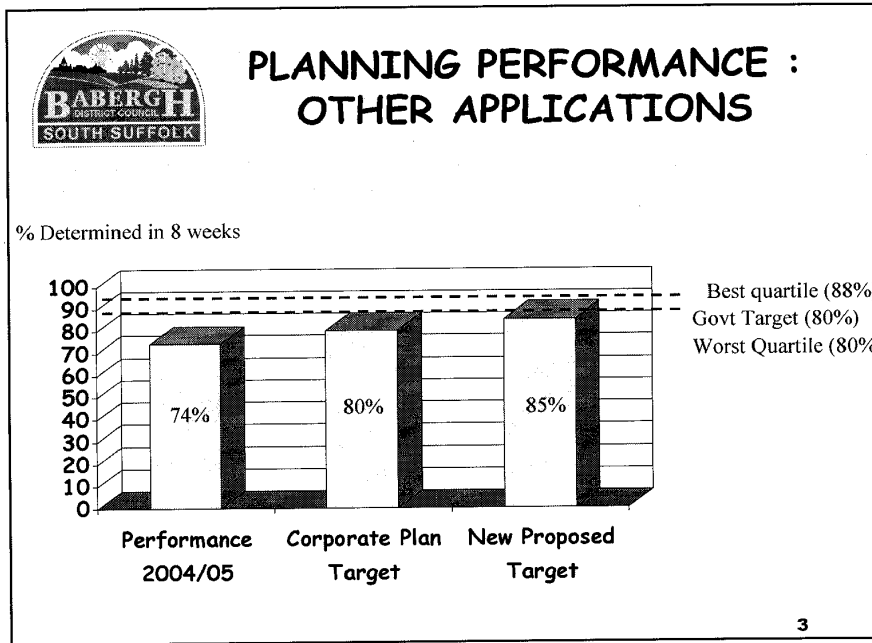
- Performance (speed) can be improved by:
 - Completion of application by phone
 - On-line completion
 - Education/encouragement of public
 - Visits where appropriate
- Cost reduction is possible:
 - Partly through DIP (2 staff in June - December)
 - Partly through BPR with initial assessment (½ to 1½ members of staff)
 - But need to allow for training costs
- Also issue of resilience
- Service Improvement through:
 - Quicker turnaround
 - Practical help on completion of applications
 - Better understanding by claimants
 - Increased take-up?
 - Staff motivation improved through:
 - Wider pool of staff trained to assess
 - More satisfied customers
 - Better records administration/availability (DIP)
 - Removal of double-handling

Business Process Re-engineering Pilot Reviews

Planning Performance

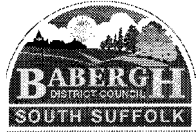


Business Process Re-engineering Pilot Reviews



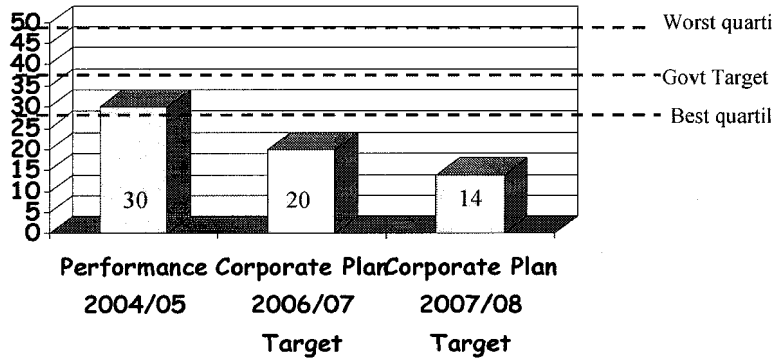
Business Process Re-engineering Pilot Reviews

Benefits Performance



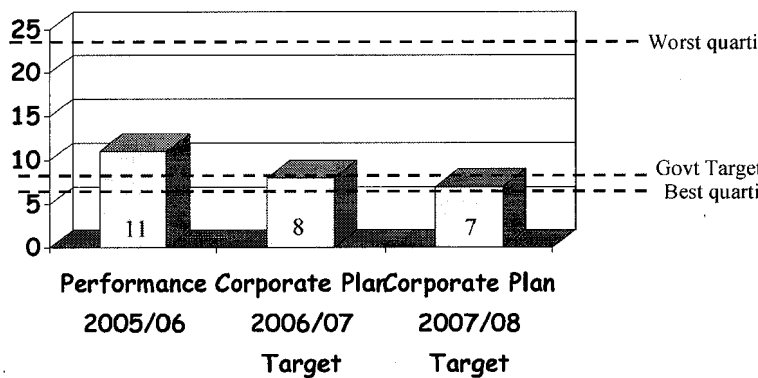
BENEFITS PERFORMANCE : NEW CLAIMS

Average days taken to process



BENEFITS PERFORMANCE : CHANGE OF CIRCUMSTANCES

Average days taken to process

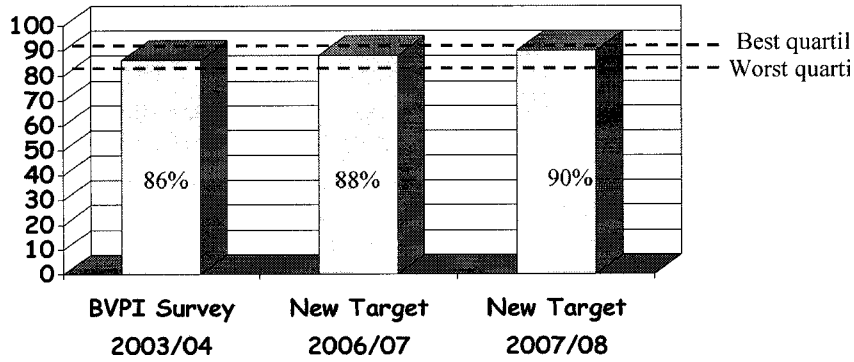


Business Process Re-engineering Pilot Reviews



BENEFITS PERFORMANCE : SATISFACTION LEVELS

Percentage satisfied



Comparison of options for taking BPR forward

1. Background

1.1 The CAST Outline Business Case (OBC) published in July 2005 identified a profile of costs and savings associated with undertaking BPR across all council services. The Council subsequently approved two pilots to prove the assumptions made in the OBC and these completed the review and recommendation stage in January 2006.

1.2 The pilots confirmed many of the assumptions made in the OBC, but also highlighted that the period allowed for review should be increased and that delivery of savings was likely to take longer than originally anticipated. A revised plan was presented to the Programme Board in February 2006 based on undertaking 8 reviews per year rather than 10 as originally expected. It proposed starting the first two reviews in May 2006.

1.3 The Board were unable to agree to this plan with one group of members considering that savings should be realised before investing significantly in further reviews. The other group took the view that we should press ahead so as to maintain momentum and avoid further delay in delivering savings. In the end there was agreement that one review should proceed running from May to July 06. Two alternative options were identified for proceeding from there. The first would stop further work until the pilot savings have been realised; the second would, subject to satisfactory progress in implementation, press ahead with further reviews, one at a time from August 06 until the pilot savings were realised.

1.4 Under the first of these approaches there would be a period from around July to September 2006 when no reviews were being undertaken. Assuming savings were realised a recommendation to proceed would need to be approved by Council on 31 October 2006 and staff recruited to take forward the BPR programme. The programme would not re-commence before January 2007.

1.5 Under the second approach Council would agree in principle to the outline programme and would delegate authority to the Programme Board, via the Chief Executive, to approve reviews subject to satisfactory progress in implementing the pilot work. Approval would be required by the Council on 31 October to proceed with the main BPR programme of two concurrent reviews, which would commence from January 2007. This would enable a smooth transition from one review to the next and would maintain some momentum to the BPR process.

Comparison of options for taking BPR forward

1.6 The table below compares the four different approaches.

	OBC Model	Plan proposed to Board: Proceed with 8 reviews per year starting in April 06	Minimum level proposed to Strategy Committee: Undertake 1 review from May and then wait for savings to be delivered	Alternative option to provide continuation: Undertake 1 review at a time until savings delivered
Commence main BPR programme, running with two concurrent reviews at a time	April 2006	May 2006	January 2007	January 2007
BPR Costs in 06/07	£270k	£210k	£105k	£155k
Savings in 06/07	£150k	£60k	£40k	£50k
Net investment in 06/07	£120k	£150k	£65k	£105k
Additional savings in 07/08	£300k	£240k	£135k	£195k
Additional savings in 08/09	£300k	£240k	£240k	£240k
Achievement of full project savings of 30 staff	April 2009	December 2009	July 2010	March 2010

CAST High Level Programme Plan – 2006/07

1. Background

1.1 This document provides a high level plan for the way forward for the CAST programme during 2006/7. It follows discussion at the Programme Board on 16th February 2006.

1.2 It assumes that the council proceeds with a ‘positioning’ option for Customer Access as outlined in Paper 2 at the workshop on 10th February. Work to pilot extended hours for telephone contact and upgrades to the Sudbury and Hadleigh accommodation would take place in 2007/08. When a strategic option for Customer Access is agreed we will need to reassess the positioning option.

1.3 The Board discussed at length how to proceed with BPR and agreed to recommend to Strategy Committee that one further review should be undertaken starting in May and the area to be reviewed should be Environmental Services. The Board were unable at this stage to agree recommendations for any further reviews. Some members did not wish to undertake any further reviews until the benefits (especially cashable savings) identified in the BPR pilots had been delivered; these are expected by the end of September 2006. Other members wished to maintain momentum by progressing a second review starting in August. Strategy Committee will be asked to recommend which of these approaches it wishes to adopt. The plans below are based on the single review in May with the programme reconvening in January 2007. If the decision is to proceed with further reviews from August the plans below will need to be modified.

1.4 The Board noted that delaying further BPR work would delay the delivery of savings and improvements in services, which in turn will impact the pace of delivery of improved Customer Access.

2. Major Deliverables and Milestones

2.1 The following milestones provide an indication of the major delivery points envisaged for 2006/7. The dates are month end dates. Further interim milestones will be identified when detailed plans are produced that will enable progress to be monitored more closely.

- Customer Access

Website reviewed and updated	August 06
Initial internal service packages implemented	September 06
Appointments/booking system implemented	October 06
Initial service packages agreed with partners	January 07
Satellite front office/back office fully operational	February 07

- BPR

‘Quick wins’ from the pilots delivered	April 06
Commence BPR of Environmental services	May 06
Complete review of Environmental services	July 06
Implement changes from BPR Pilots	July 06
Pilot changes fully embedded and cashable savings realised	September 06
6 monthly review of BPR programme completed	September 06
Commence next round of BPR reviews	January 07
6 monthly review of BPR programme completed	March 07

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- OD

Complete Skills Audit	April 06
Commence implementation of Programme and Project Management	April 06
Commence implementation of new organisational structures	May 06
Workshop Leadership and Management culture changes	July 06
Workshop vision and engagement with Staff	August 06
Complete resolution of staff issues arising from BPR Pilots	September 06
Complete delivery of essential Front Office training	November 06

- Other key activities

Consultation with Unison – Commence regular meetings	April 06
Communications with Staff – Next all staff briefings	April 06

3. Resources required

3.1 The following resources have been identified to support the plan. The costs for these are included in the budget.

External Resource	<ul style="list-style-type: none"> - BPR consultancy support - Training provider - ICT/Telephony changes - Web site accreditation
Development resource/backfill	<ul style="list-style-type: none"> - BPR pilot implementation (Backfill) - BPR Experts/team leaders (1 new appointment initially, 2nd required once two reviews run concurrently) - BPR review (Backfill) - Customer Access development (Backfill) - Web designer support (Backfill)
Operational resource	<ul style="list-style-type: none"> - Customer Access Manager (Internal appointment from existing establishment) - Service Manager (new appointment included in proposed CAST Budget)

4. Costs and benefits

4.1 The following table sets out the approved budget for CAST for 2006/07 and current estimates of expected spend for the work outlined above. As and when we recommend a long-term strategic approach for customer access we will need to re-assess the spending plan for the remainder of 2006/07. The table shows a significant reduction in Capital spend for the year as well as reductions in Revenue spend which offset the expected reductions in cashable savings.

CAST High Level Programme Plan – 2006/07

	Budget 2006/07 (£,000s)	Revised estimates (£,000s)	Commentary on variations
Capital			
Pension/redundancy costs	100	0	Reduced savings in 06/07 can be achieved by shedding temporary staff
Accommodation refurbishment	200	30	No major building works now planned in 06/07. Some allowance for office relocation, etc.
ICT	85	125	Estimates for DIP/Workflow in planning arising from BPR (Brought forward from future years) plus telephony upgrades for Front Office.
Total Capital Costs	385	155	
Revenue Costs			
Customer Access			
Implementation team/Staff backfill	72	72	
Additional operational staff	25	15	Additional Front Office staff in respect of post handling deferred to 07/08
Business Process Re-engineering			
Implementation team/Staff backfill	170	75	Based on 2 review periods in 06/07.
External consultancy support	100	30	Reduced reviews in 06/07 and clearer understanding of external support needed.
Organisation Development			
Additional HR post	40	40	
External Training	10	10	
External consultancy support	10	10	
Programme management			
Programme Office	75	75	
Other costs			
ICT running costs	11	11	
Borrowing costs	28	10	Reduced capital expenditure in 06/07
Costs of Change (Risk element)	75	75	
Total Revenue	616	423	
Less projected savings	150	40	Based on BPR pilot savings for 6 months
Net cost	466	383	

CAST High Level Programme Plan – 2006/07

5. Risks

5.1 The following key risks have been identified:

Risk	Possible mitigations
Delivery of service packages involving other authorities is dependent on the ability of those authorities to work to the same timescales.	Manage the work through SCAP/SCEG. If necessary work with sub group of others.
There is a risk that some staff will resist changes being proposed.	Open, communication to staff on the reasons and impacts of change. Management action to address areas of resistance.
Capacity of the organisation to absorb the level of change being proposed both from CAST and from other areas.	Clear priorities and realistic plans agreed by Members and Management.
Future BPR reviews may not deliver the desired level of cashable savings.	Regular reviews of progress and delivery at Programme Board; 6 monthly reports to Strategy Committee.