

Report Title: **Achieving excellence**

Forward Plan reference number (if applicable): **[add reference]**

Report of: **Chief Executive**

Wards(s) affected: **All**

Report for: **Key decision**

1. Purpose

This paper is written to achieve several outcomes:

- 1.1 How the Council will develop a corporate programme to deliver a number of projects to support the delivery of the Council Plan.
- 1.2 To propose revised programme management arrangements for our stream boards
- 1.3 To outline a range of internal and external programmes as a means of achieving excellence in service delivery.
- 1.4 To set out a number of recommendations to take the achieving excellence strategy forward.

2. Introduction by the Leader of the Council

- 2.1 As Leader of the Council I am determined that this council provides excellent service for residents.
- 2.2 I ask members to endorse the report which will enable Haringey to further complete the goals of achieving excellent service for the Borough.
- 2.3 Accordingly, Members are asked to agree the recommendations below which will enable members and others to implement and, more importantly, achieve the Excellence Strategy.
- 2.4 Our Goal is to provide Value for Money, efficient services and the structure laid out in the report will enable members to achieve this.

3. Recommendations

- 3.1 To agree the approach set out in this report: to achieve excellence in service delivery
- 3.2 That a strategic framework of pretended suppliers is created to be used on a call off basis to provide expertise to support project delivery
- 3.3 That the timescales for the next steps set out in paragraph 14.4. are noted
- 3.4 That this report is the first of a series of reports to members as business cases are developed for agreed projects within the programme

Report Authorised by: **Chief Executive**

Contact Officer: **Ita O'Donovan Chief Executive**

4. Director of Finance Comments

- 4.1 This is a key strategic programme for achieving excellent services and improving value for money. The Council's financial plans are underpinned by £19m of identified savings proposals over the next four years. In addition there is a further target of £5m where proposals have not yet been identified and this programme will be key to the delivery of that as well as some of the identified savings. The forward financial plans are based on a council tax level of 3%. The assumptions of formula grant from central government, and therefore our financial plans, will need to be revised once the comprehensive spending review 2007 is published.

5. Head of Legal Services Comments

- 5.1 There are no specific legal implications at this stage. Any future progress reports will have to take into account the provisions of the Local Government and Public Involvement in Health Act as it comes into force.

6. Local Government (Access to Information) Act 1985

- 6.1 [List background documents]
- 6.2 [Also list reasons for exemption or confidentiality (if applicable)]

7 Strategic Implications

- 7.1 The Council has continued to make strong progress through the early stages of the new administration. This is evidenced by the good result in our corporate

assessment, continued improvement in measured performance, positive perception surveys, and our shortlisting for Most Improved Council.

- 7.2 Key to these improvements has been our ability to prioritise and deliver corporate change programmes resulting in greater focus on meeting the needs of our customers, together with improved value for money providing the necessary resources for investment.
- 7.3 The Achieving Excellence programme will bring greater focus to ensuring that the key community and corporate projects become a licence for change within the council and the community we serve. It will enable the council to respond to the challenges the organisation faces in achieving its vision to be 'A council we are all proud of'.

Whilst the day to day work of delivering council services on the ground needs to continue and incrementally improve, the ability of the council to deliver its five key aspirational priorities set out below requires a significant step change in how a number of these services should be delivered in the future .

The Council's Priorities

- Making Haringey one of London's greenest boroughs
- Creating a Better Haringey : cleaner , greener and safer
- Encouraging lifetime well being at home , work , play and learning
- Promoting Independent living while supporting adults and children when needed
- Delivering excellent customer focussed cost effective services

- 7.4 It is important that this paper is viewed in the context of the following conclusions and recommendations.

1) The Corporate Assessment . The Audit Commission report identified that the Council is performing well , but also identified there was scope to further improve how the council works with others, the need for overarching strategies for both regeneration and improving the health of the locality, and to make better use of the investments in customer services and ICT to date .

2) The Medium-Term Financial Strategy. This report considered by Council at its meeting on 5th February 2007 stated that we will be required to make further savings, specifically reductions in revenue spend of £3m in 2008/9 and £2m in 2009/10.

3) Local Government White Paper. The proposed the Local Government and Public Involvement Bill will have a substantial impact on the way the council will operate in the future.

4) The Council Plan. This document sets out how the Council will deliver high quality value for money services which meet the needs of its residents .

5) The Community Strategy. This document sets out how the Council will work in partnership to improve, extend and sustain the opportunities and quality of life for those who live, work or come to Haringey.

8 Financial Implications

- 8.1 The Council has identified a requirement to achieve savings of £5m to meet the manifesto commitment of 3% council tax increases.
- 8.2 The Council has the capacity to take forward these revised arrangements. There will, however, be a need to finance a new role of Programme Director and there may be some requirement to back-fill for individuals who are seconded to project delivery roles. There will also be a requirement to fund the cost of using external partners to help deliver some of the projects. An overall sum of £2m over two years has been set aside within our financial plans to progress the programme. Detailed proposals for the financing and managing of the programme will be produced as the programme and projects are scoped and agreed.

9 Legal Implications

- 9.1 There are no specific legal implications at this stage.

10 Equalities Implications

- 10.1 Equalities principles will underpin and drive the corporate change programme.

11 Consultation

- 11.1 There has been no external consultation on this report at this stage. The achieving excellence programme will be a key mechanism whereby the Council will give effect to the priorities, outcomes and benefit realisation identified with partners within the new Community Strategy.
- 11.2 Principles of collaboration and partnership will particularly underpin the aspects of the programme concerned with shared services and commissioning strategy.

12 Background

- 12.1 The strategic rationale for renewed programme management arrangements is set out in paragraph 7. The Achieving Excellence Programme will set out how we are to respond to these particular challenges. The programme specific aims will be to :
- Bring together the challenges into one programme thereby consolidating the achievement of 'excellence' and providing clear leadership on meeting these challenges
 - Strengthen the Programme Management function to deliver a major change agenda

- Identify and prioritise projects within the overall programme
- Allow us to focus on the priority outcomes by making use of scarce resources
- Enable us to consistently focus on realising the benefits from each project.

12.2 The method to be adopted is explained in section 13 and appendix one outlines the project mini-briefs. This paper makes it clear that further preparatory work is needed to take these ideas forward and regular progress reports to members would be an integral part of the process.

13 Project Methodology

13.1 Our drive towards excellence and value for money should underpin all aspects of the Council's activities and this needs to be reflected in our business planning process and 'business as usual' across the organisation. There are however a number of projects which cover all the Council's activities or which are sufficiently significant to be included within a corporate programme. An initial view and brief description of **potential projects** for a renewed programme for service excellence is set out in appendix 1. Whilst all projects will seek to improve cost, performance and perception, the main driver for each project is set out in the mini-briefs. Please be aware that each of these briefs will be subject to the methodology outlined in the next paragraph. Whilst each project must seek to achieve at least one of the themes of value for money, improved effectiveness or improved customer perception must also contribute to the delivery of the Community Strategy and the Council priorities set out in the Council Plan.

13.2 The **methodology** for all projects will be to assess the current scope of the internal function, for cost, shape, rationale, customer needs, performance and social benefits. This will establish a baseline to enable comparison against best practice and improvement to be measured. Proposals for changes and improvement will be measured against the baseline. An essential component of all changes will be a strong customer focus in terms of need, choice and quality. The programme will commence by drawing strongly on internal personnel for the process examination and evaluation supplemented by expert support from a partner to help strengthen the programme management function through improved governance and to develop the framework, to develop project briefs and business cases. The intention is to develop further the skills and capacity of our staff by engaging them in scoping and realising the benefits across a range of projects. External expertise would be expected to transfer their skills to in-house project teams.

13.3 To achieve this, projects need to be set within a **programme structure** to provide programme coherence and clarity to stakeholders, and enable effective programme governance. The following three groupings would be incorporated into a new programme structure (see table one). These in turn would be subdivided to make clear which might require external resource and expertise and those that would be dealt with internally (see table two below). External

resource requirement to be used where it is believed greater expertise and knowledge is required to take improvement forward.

Table One: Potential Projects to achieve excellence

Organisational effectiveness	
Potential Projects	Primary aim: Excellence in
• external shared services →	quality of service, procurement and efficiency savings
• internal shared services →	efficiency of delivery
• IT applications architecture →	Performance and perception
• knowledge management →	Performance and perception
• procurement →	efficiency
• commissioning strategy →	specification of need, partnership working and efficiency

Customer direct	
Potential Projects	Primary aim: Excellence in
• customer services →	performance and perception
• area-based working →	performance perception and efficiency
• street presence rationalisation →	Performance, perception and efficiency
• delivery of children's services closer to children and families →	performance and perception
• achieving the benefits of adults, culture and community services integration →	performance and perception
• service value for money reviews →	use of resources

People and process	
Potential Projects	Primary aim: Excellence in
• flexible working and use of accommodation →	asset utilisation, productivity and new patterns of work
• transaction processing →	efficiency
• productive time and productivity. →	productivity

Table Two: Resource and Expertise

Internal Capacity

Organisational Effectiveness	<ul style="list-style-type: none"> • Internal shared services • Commissioning Strategy • Knowledge Management
Customer Direct	<ul style="list-style-type: none"> • Service value for money reviews

	<ul style="list-style-type: none"> • Delivery of integrated Children’s Service closer to children and families • Adults, Culture and Community Services Integration • Area Based Working • Street presence rationalisation
People and Processes	<ul style="list-style-type: none"> • Productive time and productivity

External Capacity

Organisational Effectiveness	<ul style="list-style-type: none"> • External Shared Services • IT applications architecture • Procurement • Knowledge Management
Customer Direct	<ul style="list-style-type: none"> • Customer Services
People and Processes	<ul style="list-style-type: none"> • Flexible working and use of accommodation • Transaction processing

In addition there will also be a requirement for change management and communication across the programme which will need to be built into the new Programme Management structure.

13.4 For **governance** purposes, it is proposed that the current basis of the programme board approach is retained, with stream boards reporting to CEMB co-ordinated by a programme management office. It is further proposed that the current stream boards will be replaced by the three service excellence streams set out above, but that the existing Better Haringey and regeneration stream boards are retained (with the addition of BSF, asset management, and capital programme delivery arrangements to the existing scope of the regeneration board). The current and proposed revised programme arrangements are set out in appendix 2.

13.5 Implementation Approach

The programme will be having two phases.

Phase 1

The first phase is almost entirely internally focused with the appointment of a Programme Director from within the Council and strengthening the Programme Management Office to drive the different projects through to satisfactory completion and the delivery of benefits . We will need to acquire some additional assistance to support programme management from an external source to enhance internal capacity.

Each project brief will need further development as outlined in the methodology paragraph 13.2. An internal project team, with external support in an advisory capacity will develop the briefs and report on results to members through programme management arrangements which are enhanced and outlined in Appendix Two.

Concurrent with phase 1 and in preparation for phase 2 will be work on procuring a strategic framework of organisations who can provide expertise to help us deliver the benefits from the agreed projects as partner. Again, members will be kept informed throughout.

Phase 2

The role of an external partners would be as follows:

- provide a challenge to the outcome of the project scopes identifying alternative options for service delivery i.e. shared service, partnering etc
- ensure a challenge for the achievement of cost and time for delivering both cashable and non cashable benefits to the organisation
- give practical commercial advice on different options for moving forward
- assist in the development of procurement documentation for alternative service delivery
- work with the council in managing the change agenda by developing internal capacity
- identify and assist in the delivery of significant cash and efficiency savings
- assist in the delivery of service efficiencies that will enhance and improve customer experience/ perception and satisfaction ratings.

13.6 A tendering process has commenced to create the Council's own strategic framework of external organisations who can provide the type of support identified above. This framework will be in place by December 2007 allowing the Council to 'call off' from any of the suppliers on the framework for a range of 'expert' services. In the period up to December the Council will use the OGCBS framework agreement to source appropriate support.

13.7 The Council's internal capacity for programme and **project delivery** has increased significantly in recent years and this must be exploited for the delivery of this programme. The improvers scheme, graduate trainee scheme, leadership programme and aiming high scheme have identified a cadre of potential project and change managers across the Council. The programme will require a senior programme director, stream leads and project managers, together with focused change management and communication support from the respective corporate teams. It is recommended that the first step in taking things forward would be an internal recruitment process, offering programme director, stream lead and project manager opportunities on both a full and part time basis. The intention is find every opportunity for cross learning between all projects irrespective of whether internal or external category.

13.8 The Council has established a corporate Programme Management Office (PMO) to co-ordinate programme delivery. There are also PMO functions within IT and for the BSF programme. As part of the transition to the new arrangements set out in this report it is recommended that the current PMO function is strengthened and supported to deliver the maximum benefits and coherence across the programme.

14 Conclusion and next steps

- 14.1 The revised programme set out in this report will be a key component of the Council's response to its strategic agenda.
- 14.2 Should Members agree this approach, the next steps must build on the established expertise in the programme office and the body of knowledge across the council in business process engineering.
- 14.3 In addition clarity is required between routine delivery of service objectives and what constitutes projects and programmes. It would be useful to review the current criteria used to decide on projects and programmes. For example the programme approach is very relevant to inter service and inter agency working. The table below sets out a chart for next steps.
- 14.4 Report back to Members on the outcomes if agreed

Action	Timescale
Programme Management support appointed	May 2007
Internal recruitment process	June 2007
Allocation of programme and project management resources	June 2007
Review of corporate PMO function	June 2007
Preparation of detailed project briefs	From July 2007
Transition to new arrangements	October 2007
Strategic framework for accessing external expertise	December 2007

15 Use of Appendices / Tables / Photographs

- 15.1 Appendix 1: project mini briefs
- 15.2 Appendix 2: programme management arrangements

Organisational effectiveness

External shared services

External shared services involve separate organisations coming together to procure or jointly manage the delivery of services.

There are significant potential advantages from external shared services:

- cost savings through economies of scale,
- quality improvements through greater expertise, investment and process improvement, and
- improved cost-effectiveness in procurement and contract management.

A number of service delivery models are available:

- separate or joint procurement from existing multi-client providers,
- one authority providing services on behalf of a number of organisations, and
- the joint creation of new entities to provide services to a number of organisations.

There are also a number of collaboration projects associated with shared services, including the procurement of framework contracts by one organisation which can be utilised subsequently by other organisations.

The government has created regional Centres of Excellence through which local authorities seek to jointly progress the shared services agenda. Shared services can, however, be equally relevant for other public service organisations. The potential for collaboration could be pan-London, within London sub-regions or within the borough. Likely service areas to consider are: insurance, agency staff, pensions fund management and administration, internal audit, benefits and local taxation, accounts payable and receivable, IT infrastructure and applications, accommodation and FM, and the customer interface.

The key enabling factor for shared services is the very strong political and managerial commitment necessary to deal with the practical and risk issues. So far, this agenda has been slow to gain momentum in London. A notable early success is the London insurance mutual of which Haringey is a founder member.

The scope of this project is to ensure that Haringey is well placed to be involved in, and where appropriate lead, shared services initiatives which offer the realistic prospect of quality, cost and perception improvements.

Primary target: quality of service, improved procurement and cost saving.

Internal shared services

Several years ago, the Council adopted a policy of internal shared services whereby business support functions were provided corporately on behalf of the whole organisation, with necessary support staff located within business units and minimal 'infrastructure' at directorate level.

Whilst this approach is still visible within the organisation, there have been a number of pragmatic responses to specific issues which have reduced clarity and consistency and increased duplication and cost.

The relevant support functions are policy, finance, procurement, performance management, IT, HR, OD&L, the improvers, accommodation and FM, Member enquiries and complaints.

The scope of this project is to define the shared services model for each function and to implement the model in order to improve quality and reduce costs. The project should work towards a specific target for workforce reduction and cost saving.

Primary target: efficiency of delivery

IT applications architecture

The Council has a robust corporate approach to IT delivery and a recently updated infrastructure which will support many programme objectives. Whilst this has enabled some rationalisation of applications there is further scope for this, together with opportunities for more cost-effective delivery to the changing organisation.

We currently run both SAP and Siebel as core, along with several other key business-specific applications. Through the coming period we will need to consider a single core application and explore opportunities for further rationalisation.

The Council does not currently run a single corporate performance management system, instead collating composite performance reports from a variety of applications. Consideration will also need to be given to corporate data-warehousing solutions which will enable more cost-effective internal knowledge management.

It will also be essential to maintain and improve the effectiveness of our IT infrastructure in enabling other aspects of the customer focus programme. This will include consideration in particular of web-channel expansion, mobile and flexible working, IP telephony, and extended-hours support.

Primary target: improved performance and perception.

Knowledge management

A knowledge management project has been commissioned by CEMB. The scope of the project is to rationalise the processes whereby data is collected and turned into information which is made available for the management of the organisation. Such information can be in respect of either the external world or the activities of the organisation.

The key drivers are to ensure that a consistent knowledge base is made available to the organisation and to partners within the HSP so that we can have confidence that we are sharing consistent data bases. This would support cost-effective strategy development and implementation, thereby improving information quality and removing duplication of effort.

Primary target: improved performance and perception.

Procurement

Whilst the potential for joint procurement is covered under shared services above, there remains a significant requirement for Council procurement strategies.

The implementation of improved SAP procurement processes will deliver management information enabling the more systematic delivery of procurement good practice. This covers the procurement of goods and services through competition and under appropriate contract structures. It also enables aggregation of demand across the Council.

There is also a need to consider arrangements for the procurement of services across the Council. At present, service procurement expertise is contained within business units. The current arrangements need to be tested against a more corporate model of delivery.

Primary target: cost saving.

Commissioning strategy

The leadership role for the Council implies a move towards service delivery underpinned by a clear commissioning strategy. This enables a more strategic role for the Haringey Strategic Partnership and requires the council to systematically consider all potential forms of service delivery arrangements: in-house, shared, outsourced and third sector.

For example The voluntary sector can play a key role in service delivery within the borough as a cost-effective and high quality provider. The current pattern of service delivery has, however, evolved over time and is not the product of a commissioning strategy. The community buildings portfolio is linked to current levels of activity and is

poorly maintained and managed. The Council's financial plans include a saving of £1m through review and re-commissioning of existing provision.

The scope of the project is to produce and deliver a voluntary sector commissioning strategy for cost-effective and high quality delivery and to deliver the planned financial savings as part of a broader requirement for the delivery of a corporate commissioning strategy.

Primary target: improved specification of need, better partnership working, cost saving.

Customer direct

Customer services

The Council has an 80/80 vision for customer services and has established a call centre and four customer service centres. Cost-effective progress towards this vision depends on a number of elements:

- improved engagement and communication with customers,
- increased self-service through the web,
- increased proportion of 'right first time' in back office,
- improved management of call volumes,
- optimum degree of staff specialism,
- addition of further services to customer services approach.

This depends crucially on the degree of customer focus within the relevant services and the management of the relationship between the front and back office.

The scope of the project is to continue the application of the vision across all appropriate Council services, delivering higher quality service outcomes and cost savings.

Primary target: improved performance, perception and cost savings.

Area-based working

The Council has seven neighbourhoods as an infrastructure for local engagement, each supported by neighbourhood management staff. A key priority is to deliver better quality local 'cleaner, greener, safer' services, both across the Council and with partners.

A new approach to area-based working has been piloted in three neighbourhoods. This involves relevant local service providers (Council, Homes for Haringey, police, other housing providers) working more closely together to improve the quality of services and to resolve specific issues of local concern. There is potential for service re-configuration within the scope of the project. Joint working is co-ordinated and lead by the neighbourhood manager and a lead senior officer from environmental services, and managed against local performance indicators.

The scope of the project is to continue implementation across all neighbourhoods and to develop robust success measures. The primary drivers for the project are to improve service delivery quality and customer perception.

Primary target: improved performance and perception.

Street presence rationalisation

The Council and partners have an increasing level of 'street presence', primarily for enforcement and reassurance purposes. This includes parking enforcement, wardens, other enforcement staff, parks constabulary, streetscene monitoring staff, BLT inspection officers, street cleaners, refuse and recycling collectors, and police safer neighbourhood teams. Currently these teams are focused on delivering specific service outcomes with no common agenda.

The scope of this project is to consider whether such a common agenda can be devised and delivered thereby increasing the overall service value generated by these teams. Such an agenda might cover fault/incident reporting, generic working across service areas, and greater visibility and reassurance in respect of the total Council and partner 'street effort'. The main drivers for the project are improved service quality, cost savings (particularly to protect service levels with reducing NRF and other specific funding), and customer perception.

Primary target: improved performance and perception.

Delivery of integrated children and young people's services closer to children and families

Plans are already in place to deliver greater integration of children and young people's services across the Council, schools and with partners. There are two key strands:

- support, including targeted resources, to enable universal services to intervene earlier thereby reducing the need for specialist services
- multi-disciplinary area-based working for targeted services based on three children's networks.

The scope of this project is to manage the delivery of this agenda, delivering improved outcomes for children and cost savings.

Primary target: improved performance and perception.

Achieve the benefits of adults, culture and community services integration

The reshaping of the Council has created a new grouping of services. The scope of this project is to consider practical arrangements to maximise the customer impact of the new service grouping and to identify opportunities for improved value for money.

Primary target: improved performance and perception.

Value for money reviews

There is an established programme of service value for money reviews in place, working to a common format. Areas for review are selected by reference to cost, performance and perception and action plan progress is followed up.

Primary target: better use of resources.

People and process

Flexible working and accommodation

The Council has agreed a policy which makes some flexible working options available to business units and staff, but has not determined a desired policy outcome or approach to implementation.

The business case for flexible working can be summarised as follows:

- the use of existing workstations can be maximised (from the current level of [60]%), saving money on accommodation and IT,
- the customer focus of services can be improved,
- the productivity of staff can be improved through the use of mobile technology and home working, and
- recruitment and retention of high quality staff can be improved through the work/life balance 'offer'.

The project should work towards specific targets for workstation numbers and utilisation rates which will enable cost savings.

Completed phases of the accommodation strategy have established four local customer services centres, with the Wood Green hub accommodating, in due course, all staff who do not require a more local base. Whilst new and refurbished accommodation is designed to support more flexible working, this has yet to be systematically exploited.

Subsequent phases of the accommodation strategy will need to:

- size and deliver future requirements, particularly in respect of the Wood Green hub, in the light of the corporate approach to flexible working,
- explore opportunities for collaboration with other local organisations on a shared services basis,
- ensure that the Council's remaining local asset base (schools, children's centres, libraries) is used to promote and enable co-located local facilities where this is required.

Primary target: adoption of new patterns of work, better asset utilisation, increased productivity

Transaction processing

SAP is the Council's core system for transaction processing, covering finance, HR and procurement. Significant work has already been undertaken to improve our use of SAP and to realise cashable savings. This has included improvements to the procurement functionality of the system and an upgrade to the latest version of the software.

There is now an opportunity to consider a more robust approach to the identification of cashable savings, assisted by the potential introduction by SAP of a whole-site license rather than the individual user arrangements which have inhibited exploitation to date.

The scope of this project is to:

- continue to develop SAP processes, ie cashless, chequeless, e-enabled, employee self-service,
- define key transaction processes end-to-end, including links to other systems, eg social care, housing, parking,
- complete process review of key transactions,
- implement and enforce rationalised processes across Council.

The project should set and work towards workforce reduction and cost-saving targets.

Primary target: cost saving.

Productive time and productivity

There is a direct relationship between the proportion of staff productive time and the efficiency with which resource inputs are turned into service outputs. Improving staff productive time will reduce cost as a consequence of less cover being required and/or will increase service outputs. There should be two main areas of focus:

- the reduction of sickness absence, and
- optimising the balance between 'front line' activity and administrative and support functions.

The project should aim to reduce costs and increase service outputs by reducing sickness levels. The project should also mediate issues regarding productive time which arise as a consequence of other strands of this programme.

A wider concept of productivity is also fundamental to value for money across the Council. The project should also work to identify corporate themes for improved productivity and ensure that 'business as usual' processes address such themes.

Primary target: increase in productive time.