

## Council Review 2007: Progress Report

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### The City of Edinburgh Council

18 August 2005

#### 1 Purpose of report

- 1.1 Following the Council's approval on 30 June of the next stages of Council Review 2007, including the establishment of the new service grouping of Services for Communities, this report provides a project update and a number of recommendations for finalising the location of certain services.

#### 2 Summary

- 2.1 The work associated with Stage 2 of the Review is now under way. An enhanced programme of staff and stakeholder communication has been established, together with development work on management structures, efficiencies and savings options and the examination of structural changes anticipated for other departments of the Council.
- 2.2 In terms of my report to the Council on 30 June, proposals are made for the location of particular service elements affecting Property Services, the Council Contact Centre and Customer Relationship Management, Community Safety and Regulatory and Licensing functions. Work is also under way on the review of the Library Service.
- 2.3 As the views of staff and others are taken into account, and as the management framework and resource base of the new Services for Communities grouping is constructed, it is increasingly clear that the culture of the Council's organisation as a whole will change and that new ways of working will be a key feature of service delivery across the entire Council.
- 2.4 Progress towards the appointment of a Director Designate for Services for Communities is also described below.

#### 3 Main report

##### Background

- 3.1 The Council will recall that its approval of the next stage of the Review confirmed the intention to establish local services in a composite grouping – "Services for Communities" – and to design new organisational arrangements

for this and for the Council as a whole. These will emphasise a move to more neighbourhood working and increase customer responsiveness.

- 3.2 Creation of a new service combination in Services for Communities, and the ongoing development of Children and Families and Health and Social Care, will require reconsideration of the pattern of services provided by the Council and will be the subject of my proposals in October.
- 3.3 I am able to report here the preliminary findings of the Stage 2 work and to make specific recommendations for the future of certain service elements identified for further examination in June. The following paragraphs address each of these in turn.

### **Property**

- 3.4 My June report indicated that property functions should be brought together as a corporate resource, possibly located in the City Development Department.
- 3.5 The Project Board has now assessed this property function more fully and has agreed to recommend the creation, in one departmental location, of strategic responsibility for the asset management and development of Council land and buildings.
- 3.6 The functions provided will include:-
- strategic asset management and development;
  - co-ordination of procurement, design and management of capital projects and property maintenance programmes in conjunction with service departments; and
  - facilities management in corporate office buildings.
- 3.7 Placing resources and support for property in one place will provide opportunities to deliver efficiencies through optimising the utilisation of the Council's property resources. Other benefits include those flowing from an holistic approach to land and property holdings. Shared service and other partnership opportunities can also be taken forward with other agencies in this arrangement.
- 3.8 The proposals will involve the movement of small numbers of staff from service departments in corporate offices to the new grouping; these movements would in any event occur in due course as the new Council Headquarters is occupied. The arrangements will also lead to the grouping together of all staff currently working on capital projects and maintenance in the City Development, Children and Families, Health and Social Care and Housing Departments. The Council's Property Conservation Service (which is a significant expert service supporting private sector tenement refurbishments) will also be located in the new property function, but details on all of these movements are still to be finalised.

- 3.9 I have also found it necessary to consider whether these proposals would need to be adjusted in the event of the Council's housing stock not being transferred to a new landlord. As proposed, and assuming stock transfer, the non housing parts of Edinburgh Building Services and Building Design Services will transfer to the new property grouping. If stock transfer does not proceed, however, it is also an option to keep these services in Services for Communities, with the rest of the Housing Service. This will be revisited in future reports, if required. It will also be necessary at a future date to consider the relationship between the strategic property management function and those property management functions that remain in other service groupings.

### **Regulatory and licensing functions**

- 3.10 The further consideration of the future of all Council regulatory services has now been undertaken by the Project Board. With the totality of the regulatory functions in the current Environmental and Consumer Services Department identified for inclusion in Services for Communities, the Board has examined the characteristics of other regulatory activity (licensing and planning and building control) and has taken the view that licensing should remain in the Corporate Services Department's portfolio. This recognises the separate institutional arrangements operating for liquor licensing, the need to provide expert legal advice to the Licensing Board, and the dominance of the legal process in the other aspects of licensing.
- 3.11 I wish to emphasise, however, that new ways of working and revision to licensing processes such as new approaches to the licensing of houses in multiple occupation (HMOs), are being considered. With further proposals from the HMO Working Group in prospect, it will be necessary to look closely at legal and administrative arrangements, and ensure that Services for Communities staff and the Council Solicitor co-ordinate well on new service arrangements. These must be fully responsive to community issues at the neighbourhood level.
- 3.12 In addition, I am clear that the established building control and planning regulatory functions should be maintained in their current locations in the City Development Department, where a universal standard for the city can be assured. This does not, however, preclude the review of these activities to ensure that their delivery continues to be focussed on customer need and engagement with communities on physical development matters at local level.

### **Customer Relationship Management and the Council Contact Centre**

- 3.13 Members will be aware of the successful development of the Council Contact Centre at Chesser House. Under the sponsorship of the Director of Housing, the facility has developed to manage a range of services. These include housing repairs, Clarence, environmental services, Freedom of Information requests, customer satisfaction surveys and debt collection.

- 3.14 The report to the Council on 7 April 2005 defined a strategy to extend the contact centre operation to provide a 'one stop' approach for citizens in accessing all departments. Such a strategy will require radical change in the way work is handled both in the contact centre and in service departments.
- 3.15 Other influences include the Scottish Executive's Customer First strategy which will create a unique identifier, or 'citizen account', for all contact from a citizen with public services (NHS, local government etc). In developing the Council's approach to the Contact Centre, action will be required to ensure that these developments are aligned.
- 3.16 Reassessment of the present strategy is thus required, but this should not delay the placement of the Contact Centre more centrally in the Council, in the Corporate Services Department. This reflects more clearly the role of the Contact Centre as an independent broker of service on behalf of the citizen. It also aligns closely with other aspects of the modernisation programme currently being taken forward by the HR, Corporate Communications and e-Government Divisions of that department.
- 3.17 It will be necessary to refocus priorities on the largest volumes of customer contact, particularly Revenues and Benefits, Health and Social Care and Children and Families. Planning will also be required to ensure links with other modernisation projects and organisational changes. I intend, therefore, to report again on this complex area after the final shape of departmental restructuring is approved in October. Explicit targets for customer service improvement and timescales for change across all departmental activity will be included.

### **Community Safety**

- 3.18 A further key area identified for consideration concerned crime prevention and community safety, one of the key services in the "liveability" category. My earlier report identified this local service focus, but also commented upon the strategic and city wide partnership action in this field which must be sustained and developed further. Again, national policy guidance, and examples of joint agency action in England and Wales, encourage the greater use of co-operation and co-location models across councils, Police and Fire and Rescue Authorities and other joint agency activity (such as drug and alcohol teams).
- 3.19 I have now determined, following discussions between the Housing and Corporate Services Departments, and assessment of the options by the Project Board, that the current community safety team in Corporate Services will join the Housing based Anti Social Behaviour staff in Services for Communities. This will deliver all community safety and related activity in one place, close to the community. Recent joint working between the teams (and in wider co-operation with other Council Departments and the Police) has shown that a joint tasking and co-ordination approach can both identify and tackle local community safety priorities.

3.20 I believe, however, that further development of such co-operation and guaranteed joint working and co-ordination is necessary. I propose a staged approach to implement further change over time. The Edinburgh Community Safety Partnership is the appropriate body for developing partnership co-operation and I shall ensure that the Council, along with Police and Fire and community interests will consider options for wider strategic developments, including co-location and joint management for services. Initially I shall place, within the Council, the lead responsibility for this activity in Services for Communities and shall require the new Director to obtain appropriate co-operation across all Council departments in respect of joined-up responses to needs on a city-wide basis.

### **Progress on Stage 2**

3.21 I am able to report that the Project Team is taking forward the preparation work for the design of new structures both for Services for Communities and for the remaining departments. This is characterised at present by information assembly and analysis to determine the likely staffing and resource base of Services for Communities, consultation with staff, and two major exercises to:-

- develop organisational options for Services for Communities; and
- review the prospects for efficiency and savings which may be secured.

With regard to the latter, areas to be examined include staff savings at all levels, management structure adjustments, opportunities for service rationalisation, premises savings and ICT improvements. I have indicated to all Directors that service planning must look to focus on key priorities, and reduce outmoded service provision.

3.22 Work is also under way to consider the options for the final shape of the Council, based on my discussions with Service Directors and the ideas and comments being drawn in from staff at all levels. I emphasise, at this stage, that there is no pre-set view of the outcome and that I wish to obtain as many views as possible, from all quarters, before making recommendations.

3.23 In this regard, the Project Team and Board are considering both structural matters and organisational culture and "ways of working" issues. This is emerging as a major facet of the changes, with impacts upon management and leadership in the Council, multi skilling and generic working approaches and patterns of decision making and responsibility. The following sections comment on more detailed aspects of the current work programme.

### **Appointment of Director Designate for Services for Communities**

3.24 Arrangements are in hand to implement the ring fenced recruitment arrangements agreed in June. The closing date for the receipt of applications is 12 August 2005. A first meeting of the Recruitment Committee will take place on 16 August 2005 and, if a short leet is agreed, an early appointment for approval by the Council at its September meeting is in prospect. As previously reported, this will allow the appointee to be fully involved in the final shaping of Services for Communities.

## **Staff Engagement and Trade Union Liaison**

- 3.25 With the design of options for new structures as the current focus, the programme of staff consultation and engagement has been intensified. A departmental "change champions" group, ensures senior management commitment across the Council to a full process of staff engagement. A City News Special was issued earlier this month and a weekly review of staff comments (and the provision of responses) has been operating.
- 3.26 The change champions, supported by Corporate Communications, have re-worked earlier communication plans to emphasise face to face meetings with staff and briefings and events are being arranged to bring together staff from different departments who will be located together in Services for Communities. The communications message during this period has been to emphasise the importance of the benefits of the changes and to encourage staff to come forward with ideas on structures and operation in the new settings. Some initial ideas and suggestions for new ways of working are emerging.
- 3.27 A regular pattern of meetings with Trade Unions is established (monthly) and these have emphasised the Trade Unions' understandable concerns for their members' futures. Every effort will be made to ensure that any such concerns are dealt with comprehensively.

## **Human Relations Support**

- 3.28 The Project Team has now been enlarged with experienced HR staff, who have moved from change support work for Children and Families and Health and Social Care to plan for the creation of Services for Communities and other staff movements. A risk factor in the project has been identified in respect of the volume of work required in restructuring and job specification and matching exercises. I am confident that the main elements will be tackled successfully, particularly in the light of experience gained from the recent departmental restructurings.
- 3.29 The Project Board has also agreed a framework for equalities impact assessment in the preparations for new departmental structures. This is a requirement under equalities legislation, where service change must be tested for its effect on equalities topics. With the re-shaping of the Council's equalities service previously agreed, I am also keen to ensure that revised departmental structures will reflect staff commitment to equalities activity, in a wider linkage with improved customer response and engagement with all communities in the city.

## **4 Financial Implications**

- 4.1 The design of the new structures will require the re-allocation of budgets and the fresh examination of service priorities. My report in October will provide a framework for resource planning and budget allocation which will allow the budget development process to proceed through the late autumn. The timetable will fit with the Council's overall budget planning process. I can confirm that the proposals to be brought forward will be achieved within the Council's current budget allocations and at no extra cost. I also expect to

deliver greater efficiencies alongside service improvement in the period after the setting up of Services for Communities, and once detailed plans for service operation are refined.

- 4.2 There are, however, known budget pressures in the service areas earmarked for Services for Communities. For example, some short term funding for community based activity (paid for policing and environmental wardens) is time limited. Also, I anticipate a budget priority to be the allocation of enhanced revenue resources for road maintenance. As indicated above, Service Directors will be obliged to take a rigorous approach in their framing of revised service plans. The reduction of expenditure in low priority or outmoded services is expected to assist the re-allocation of resources to achieve corporate priorities.

## 5 Recommendations

5.1 I recommend that the Council:-

- (i) notes the progress made overall on the Council Review 2007 project as described above;
- (ii) approves the proposals for departmental locations for the Contact Centre, community safety, regulatory functions and property; and
- (iii) notes the other areas for further development and strategic change contained in this report.



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Chief Executive

11/8/05

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Appendices

Contact/tel/Email

Wards affected

Background  
Papers