

# North Yorkshire Council

## Corporate and Partnerships Overview and Scrutiny Committee

3 March 2025

### Update on Transformation Portfolio

Report of the Corporate Director for Resources

#### 1. PURPOSE OF REPORT

- 1.1. To update the Corporate and Partnerships Overview and Scrutiny Committee on the progress of the transformation activity within the council, with particular focus on the Customer Strategy, IT systems consolidation and property rationalisation.

#### 2. SUMMARY/INTRODUCTION

- 2.1. The Transformation Portfolio of activity continues to make significant progress. The focus remains on activities needed to bring teams together to deliver the MTFs savings. However, with the refresh of the Council Plan and the next round of service planning there will be an opportunity to review all work within the portfolio to ensure that it aligns with the services aims and objectives for the next 3 years and any associated savings targets and innovation opportunities.
- 2.2. A Customer experience programme of work has been established to oversee the implementation of this key programme of work through the Customer Experience Programme Board. Delivery of the programme has been broken down into workstreams to deliver on key activities.
- 2.3. The convergence of systems is making progress with a number of services now merged and using a single system, however there are several projects underway looking to consolidate the major systems used across the council as well as service specific business systems, these need to be sequenced to minimise duplication of work and effective use of resources.
- 2.4. Progress is being made with the consolidation of the council's property assets with several 'quick win' projects completed to release capital and revenue savings. The Corporate Property Strategy will set out the overarching framework for the management of the Council's portfolio.

#### 3. Transformation Portfolio update

- 3.1. Work in the portfolio is spread across three key areas; Cross-Cutting themes, Delivering the Target Operating Model and Service Specific programmes of work. The paragraphs below set out an update on some of the progress since the last report to the Committee.

##### Cross Cutting Themes

- 3.2. **The Way We Work theme** will ensure that the council's working practices and procedures enable the delivery of high-quality services, whilst creating a positive working environment for staff. The draft vision, outcomes and principles have been approved at Programme Board and the current activity in the programme is understood and time lined. Other work is also ongoing with other services to deliver some quick wins in supporting staff to work well

together, such as door access arrangements and property consolidation work, which is set out later in the report.

- 3.3. **Customer Experience theme** ensures that the council places the customer at the heart of everything we do to deliver customer excellence. The draft vision, outcomes, and principles have been approved by the Customer Programme Board. They set out the Customer Experience Vision: “We are an organisation which puts the customer at the heart of everything we do to continuously improve their experience.” Our commitment is that services are easy, accessible, consistent, responsive, respectful and informed.
- 3.4. The key activities of the programme will be progressed and implemented through the Outcomes Framework, which sets out 5 key customer outcomes workstreams as follows:
- One Council Customer First: We will foster a customer-centred culture, enabling customer-focused mindsets and skillsets to empower our people.
  - Customer Insight: We will use data and customer feedback to gain valuable insights into customer needs, expectations, and preferences.
  - Service Design: We will enhance our customers' experiences by designing improved services and interactions that meet customer needs.
  - Digital and Technology: We will harness digital and technology to make interactions quicker, simpler, and more secure for customers, ensuring we meet our customer principles.
  - Continuous Improvement: We will continuously evaluate impact and work towards excellence.
- 3.5 Progress to Date and Ongoing Activities:
- The development of the draft customer experience strategy which includes the vision, outcomes, and customer principles. The strategy will be shared as part of the customer programme work.
  - Work has begun to develop an annual customer satisfaction survey that will allow the council to receive customer feedback and set baseline measures to help measure customer satisfaction.
  - Work has started on the development of customer experience staff training and masterclasses.
  - A new customer engagement platform is being developed to manage and analyse all customer interactions and data, with the goal of improving customer experience and satisfaction. This work is progressing with options appraisal developed and the procurement process underway.
  - Consolidating the approach to Emergency Response Out of Hours calls through the customer service centre. Phase 1 is almost complete for Housing Repairs for all NYC and Homelessness for all areas apart from Scarborough (planned for March).
  - A new interim complaints and compliments system is on track to be implemented by the end of February 2025.
  - Preparation is underway for a new-style customer access point at the Treadmills site in Northallerton, using technology to help ensure our customers have access to specialists to answer their queries.
  - Over the past three months, the front-line customer service team has demonstrated significant improvement in telephone performance compared to Q3 2023/24. This enhancement is primarily due to the efficient utilisation of resources across all call centres for shared call types, such as Elections and the Household Support Fund, which now adhere to a streamlined single process. These processes enable customer advisors to centrally access and process enquiries. Although this capability is not yet available for all services, it will be integrated with the ongoing implementation of a new

customer engagement platform. By leveraging resources across call centres, we have not only enhanced quarterly performance but also improved the customer journey. The overall average call answering time in Q3 was 1 minute and 12 seconds.

Performance by month for front line queues - % of calls answered in 4 minutes.

Month	Q3 2024/25 % of calls answered in 4 mins	Q3 2023/24 % of calls answered in 4 mins	% Difference in 2024/25 to 2023/24
October	87.42%	84.18%	+3.24%
November	91.78%	87.71%	+4.07%
December	90.52%	88.07%	+2.45%

- The 4-minute KPI target for the telephone calls was set through Local Government Reorganisation (LGR), based on an analysis of phone performance data across all legacy areas and staffing levels at that time. As we transitioned into LGR, performance was poor in some areas, with call waiting times exceeding the target. However, we have already seen improvements with the new council, as the use of phone technology and teamwork has reduced call answer times.

- 3.6 **Service Convergence and technology update** - there has been a focus on a structured approach to helping services ensure they consider all the relevant elements that make strong teams that work well together. This includes considering finance policy and process alignment data, also performance, customer focus, technology and people issues.
- 3.7 A large number of system consolidations and upgrades have been completed, these were primarily tactical implementations where there was a high degree of urgency or where complexity was low. Some of this work required compromises to be made and this year has involved some utilisation of Windows 11 and Remote Desktop Services to assist with this. The initial tranche of work resulted in lessons being learnt for future phases, such as agreeing a data strategy at the start of the project.
- 3.8 The Council has over thirty live systems projects underway across all corporate and operational service areas. These were all more complex than the first cohort and required service convergence (restructures, policy alignment, standardised processes) prior to systems being consolidated. Some of these projects are still considered tactical because service priorities or savings delivery prioritised them to be done before foundational platforms (Finance and Customer) are complete. This work may need to be revisited in the future for the benefits to be fully realised. Dependencies are being very closely managed.
- 3.9 There are some projects yet to be started, careful consideration is now being given to when these are started, how they might be implemented with regards to other platforms, projects and innovation underway, and to most effectively manage resources. Some prioritisation is likely to be required. Information on the progress of each of these. A breakdown of the progress of all the systems is contained in **Appendix A**.
- 3.10 Solid progress has also been made in the infrastructure consolidation, including NYC WIFI in all buildings, the deployment of a centralised cloud printing solution and standardised accessories and a connectivity in all locations. The migration of our data centres (SAN and DR) is also progressing well, Selby and Scarborough are complete, Craven is 50%, Ryedale 75% and Richmond and Hambleton will be complete by June, Harrogate will then follow in Dec/Jan.
- 3.11 Windows 11 migration is on track with 3,264 devices upgraded to date which represents 40% of the organisation and the security information and event management (SIEM) is in place protecting the Council from potential cyber-attacks.

## **Delivering the council's Target Operating Model**

- 3.12 A number of programmes are in place to help the council achieve its Target Operating Model, a highlight of just some of the progress made this period is given below:
- 3.13 **Finance programme** focusses on delivering a finance function that meets the needs of the new council. Progress to date includes the procurement of a new system, with the team working closely with the supplier and a plan to implement in April 2026 ready for the next financial year. Other financial systems such as the Income Management Systems are also being consolidated and progressing well with Craven IMS successfully migrated across to the new NYC Core IMS Harrogate expected to be complete in May 2025.
- 3.14 **Human Resources** programme is looking to upgrade and improve the HR systems that the council uses daily. The new Everybody Benefits offering is already live (from 1st Jan 2025) to external customers and will be live to all NYC users from 1st March 2025.
- 3.15 **Data** programme brings together work around the council's approach to data and how the council can make best use of this to inform decisions, delivering targeted early intervention and preventative services. Beginning a procurement of a platform to support the data architecture that would enable implementation is a key step to being able to join up the data the council holds and will help inform decisions and improve the services we offer by better use of data, an update on this will be brought to the committee in the Autumn. The GIS architecture project to provide a centralised way of managing map-based data layers for the whole council is also making good progress.

## **Specific Programmes**

- 3.16 There are a number of service specific programmes of work, key updates in this period are set out below:
- 3.17 **Sport & Active Wellbeing programme** is focussing on moving towards consolidating sport and active wellbeing activity into a single in-house function under the Active North Yorkshire banner. In December Brimhams Active successfully transitioned across with work underway for Richmondshire services to move over at the end of February.
- 3.18 **Waste programme** – the adoption of a 4-day working week is being rolled out across the county where this is not already in place, starting in April in Harrogate and ending Scarborough in September.
- 3.19 **Property programme** - has been established to focus on providing the structure, governance and oversight to guide the safe, effective and efficient management of the Council's portfolio of land and property assets. Key activities within the programme include:
- The completion and embedding of the property service restructure and backfilling of vacant posts.
  - The development of a Corporate Property Strategy, which will set out the overarching framework for the management of the Council's portfolio.
  - The adoption and roll out of a 'Corporate Landlord' model, whereby all property assets are managed and maintained centrally, as a corporate resource, within the Resources Directorate.
  - The collation of high-quality asset related data, which is held and managed within a single Property Asset Management system.
  - The development and enhancement of the Property Asset Management system to support automated, streamlined processes and high-quality reporting outputs.

- The delivery of a programme to review, optimise and rationalise the property portfolio to drive increased rental yields, deliver revenue budget savings, generate capital receipts, reduce carbon emissions and repurpose underutilised properties.
- The production of a long-term investment plan to address maintenance backlogs and support carbon reduction initiatives across the portfolio.
- Service convergence activity including but not limited to the centralisation of property budgets, income and expenditure to align with the Corporate Landlord model; provision of a single helpdesk solution for the reporting and management of property repairs; the move to single workplace solutions across our operational buildings (eg. door entry systems, desk and room bookings); alignment of property lease management processes centred around the Property Asset Management system; and the re-procurement of legacy property related contracts and mobilisation of new county wide contracts.

3.20 Work on all of the above areas has commenced, and good progress is being made in the majority of areas, however progress has been affected by a number of factors, including:

- Resourcing constraints within the property service.
- The need to prioritise essential, business as usual, property related activity (eg. statutory property compliance work, lease management, the delivery of legacy capital projects, and the re-procurement of essential contracts) alongside additional workloads associated with LGR service convergence and asset rationalisation activity.
- The need to react to and prioritise essential and significant property related issues, caused by one-off events, or maintenance backlogs arising from historic underinvestment in certain assets.
- Incomplete, inconsistent, and often poor-quality data relating to the inherited portfolio.

3.21 Despite the above constraints a number of key achievements have been delivered, including:

- The appointment to all Heads of Service and Senior Managers posts within the property team structure.
- The completion of the consultation phase for the full property service restructure, with appointments of internal, ring-fenced employees due to be completed by end March 25 and external recruitment to vacant posts to commence thereafter.
- The delivery of significant financial returns and other benefits from asset rationalisation (as detailed in section 3.6.7 below).
- The procurement and mobilisation of 6 new countywide property related contracts with total contract values in excess of £150m.
- The commencement of the procurement of an additional 6, £multi-million property related contracts, which will be completed and mobilised during the 25/26 year.
- The selection of the single Property Asset Management system that will be used within the service.
- The inputting of all known property assets from predecessor councils into the Property Asset Management System, although it is recognised that further work is needed to cleanse and refine data, populate all associated data fields and finalise data structures.
- Obtaining the in-principle approval for significant (£59m) investment in new Care and Support Hubs; which will replace the existing stock of ageing Elderly Person Home properties
- Securing an additional £5m budget allowance in the 2025/26 year which will be used to address short term, critical property maintenance works on the inherited portfolio.

- 3.22 The Council has inherited a substantial portfolio of land and property assets. The LGR business case recognised that financial savings opportunities would be presented to the Council through the rationalisation of its operational assets. A number of potential opportunities were identified soon after vesting day, and a priority asset rationalisation programme was established to realise the potential savings.
- 3.23 Ongoing revenue savings of more than £1m per annum have now been identified and realised from the programme, along with one-off capital receipts projected at well in excess of £2m. The rationalisation proposals progressed to date include:
- The relocation of staff from **Jesmond House** in Harrogate and surrender of the property lease agreement, which has delivered an ongoing revenue saving of c£400k per annum.
  - The relocation of staff from **North Yorkshire House** in Scarborough and proposed disposal of the building, which has delivered an ongoing revenue saving of c£200k per annum and a prospective capital receipt well in excess of £1m.
  - The relocation of staff from space within **Belle Vue, Skipton** and lease of the vacated space, which has delivered an ongoing revenue saving of c£200k per annum.
  - The relocation of staff from **Richmondshire House**, Richmond and lease of the vacated space, which has delivered an ongoing revenue saving of c£30k per annum.
  - The proposed relocation of staff and the customer access point from **Stone Cross, Northallerton** and disposal of the building, which will deliver estimated ongoing revenue savings of c£200k per annum and a potential capital receipt from the sale of the site. The value of the capital receipt will not be known until the outcome of the marketing exercise at end April 25.
- 3.24 In addition to the financial benefits detailed above the asset rationalisation proposals will support the Council's carbon reduction programme by decreasing underutilised property space, and the repurposing of the surplus assets will support the local economy through inward investment and the provision of alternative employment uses.
- 3.25 Since vesting day the property team has generated more than £8m in capital receipts through the disposal of surplus or low yield property assets. Further disposals valued at more than £10m are currently under negotiation, with the capital receipts due to be delivered in the current or next financial year, and other pipeline disposal opportunities have been identified which will deliver significant levels of additional receipts over the short to medium term. These receipts will be used to support the Council's existing and future capital programme.

#### **4.0 REPORT RECOMMENDATIONS**

4.1 The Committee is asked to:

- i. Note the progress made to date.
- ii. Add an update on the procurement of a platform to support the data architecture and way-forward to the Committee's work programme for Autumn 2025.

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**Background Papers:** None

**Appendices:**

Appendix A - Breakdown of progress on all systems