Update on Organisational Improvement Work and link to ISO 9001 (and related quality and customer service standards) principles

Background

Following a motion agreed by Full Council in October 2021, a report from the Chief Executive was considered at Performance & Finance Committee in January 2022 and Full Council in February 2022 which explored the applicability of the ISO 9001 standard to services being delivered by Surrey Heath Borough Council.

At Full Council in February, it was resolved:

(i)   the key principles that underpin the ISO 9001 and related quality and customer service standards, be used to inform the Council's approach to delivering improved performance and customer focus across the organisation; and

(ii)   in line with the feedback from the Performance and Finance Scrutiny Committee, Option 2 in the report (that the Council seek full ISO 9001 certification across all functions, paragraph 4.2) not be supported and is removed as an option.

Mapping the Council Organisational Improvement Work to ISO 9001 Key Principles and other standards

The table below sets out the key principles of the ISO 9001 standard and shows what processes or improvement work are already in place or have been completed that link to the principles. The table also shows improvement activities that are underway.

An overview of other related quality and customer service standards is set out at the end of this document in Appendix A.

Review and further information

This document will be reviewed and updated on an annual basis. For any queries relating to the Organisational Improvement Programme please contact Sarah Bainbridge, Organisational Development Manager or Sally Kipping, Head of HR, Performance & Communications.

Sarah Bainbridge, Organisational Development Manager
Last updated October 2023

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
Context of the organisation • Understanding the organisation and its context • Understanding the needs and expectations of interested parties • Determining the scope of the quality management system • Quality management system and its processes	- Five Year Strategy public and partner consultation Summer 2021 which was used to set future priorities together with relevant data gathering. - Other recent consultations to inform our policies and approach including Local Plan/Site Allocations for Gypsy and Travellers and Travelling Showpeople, Obesity/Physical Activity, Electric Vehicles, Community Transport and Camberley Town Centre Strategy, Bentley Copse Playground, Street Trading Policy, Private Hire Operator Licensing Fees 2023 to 2024, Public Space Protection Orders. - Medium Term Financial Strategy approved by Council February 2023. - Performance Management approach – Service performance reports scheduled to CMT between September 2023 – February 2024. Guidance document on what could be included circulated to support Managers. - Short term plan agreed by Executive July 2023 and delivery against plan being monitored regularly. - Customer Engagement - Exploring the best option for enabling residents to better hold Council to account through a stronger petitions process and agreed by Council in October 2023 . Introduction of Resident panels – proposals agreed by the Executive in October 2023 and linked to petitions process . Make it easier to phone the council – less options to navigate through and access to a real person.

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
	- Partnership working – including a number of Health Partnerships (ICS/Surrey Heath Alliance), Surrey networks and partnership boards (Joint Waste, Community Services)
Leadership • Leadership and commitment • Policy • Organisational roles, responsibilities and authorities	- Adopting the principles of ISO 9001 commitment from Full Council in February 2022 ("*the key principles that underpin the ISO 9001 and related quality and customer service standards, be used to inform the Council's approach to delivering improved performance and customer focus across the organisation*"). Report from Chief Executive. - Five Year Strategy 2022 – 2027 adopted by Full Council October 2021, following significant input from cross-party Member task and finish group. Annual Plan 2023/24 (based on Five Year Strategy priorities and targets) agreed by Executive February 2023. Quarterly updates on annual plan to CMT. End of year annual plan completed and published online August 2023. - Constitution sets out organisational roles, responsibility and authority. Reviewed regularly (latest version with any substantial changes October 2022) - Corporate Policy list - Updated and reviewed June 2023 and September, 2023. To be published online. - Data Protection Policy reviewed annually (last reviewed June 2023) - Data Security Breaches Policy – reviewed annually, reviewed June 2023

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
	- Data security and protection tool kit - assess organisations compliance with the data guardians standards - accreditation achieved in June 2022 and June 2023
Planning • Actions to address risks and opportunities • Quality objectives and planning to achieve them • Planning of changes	- Quarterly review of Risk Management in place. Currently working with individual services to put in place risk reviews. - Risk Management Strategy 2023-2026 in place – expanding it to cover more Council-wide risks through service-risk registers by December 2023. - Improving project management – improvement work underway through national graduate trainee, initial proposals to be submitted December 2023. - Quarterly project review of Capital Programme with updates from capital budget holders – last board held October 2023. - Five Year Strategy 2022 – 2027 adopted by Full Council October 2021, following significant input from cross-party Member task and finish group. Annual Plan 2023/24 (based on Five Year Strategy priorities and targets) agreed February 2023. - Progressive re-tendering of contracts - 3 monthly review of contracts and information published online. Review of contracts coming to an end. Procurement working with services to keep ahead of their contracts that are due for renewal to begin retendering process. Working on training program for all departments in regards to tendering

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
	process, which one departments can do themselves and which need to be handled by Procurement. This is to meet compliance requirements. - Contract register and annual contract review – Next review due November 2023
Support • Resources • Competence • Awareness • Communication • Documented Information	- Senior Management Restructure completed January 2022. - Medium Term Financial Strategy approved February 2023. - Star Chamber budget challenge sessions March – June 2022 and report to Executive June 2022. Budget target exceeded for financial year 2022/23, £660,000.00 of efficiencies, savings and extra income identified. - Base budget review challenge sessions May – June 2023 and report to Executive July 2023. Budget target exceeded for current financial year (2023/24), £529,800.00 of efficiencies, savings and extra income identified. - Revised Procurement Strategy agreed June 2023. - New Values and Behaviours, developed in consultation with staff, agreed May 2022. - "Workforce for the Future" programme – monthly progress meetings. will now focus on delivery of people strategy – key topics career development, staff survey, project management, and manager skills.

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	- Staff survey took place April/May 2023 and Action Plan updated and presented to CMT July 2023. Excellent response rate of 72%, highest to date – Latest Action Plan update went to CMT in September 2023. - 2021 Census published online August 2023. A short, accessible summary produced to support Census. - Staff Appraisal process and paperwork reviewed for annual appraisals starting in April 2023 and briefing sessions held for managers and team leaders. Currently, 96% appraisals completed. Appraisal process completed using Jotforms. - "Warbler" - improved intranet launched May 2022. - Increased focus on Learning & Development including Peer Feedback, Aspiring Managers training, Mentoring and opportunities to work on cross-cutting projects – continued promotion - People Strategy 2023-27 agreed October 2023 by Employment Committee and action plan to be delivered including a focus on Talent acquisition and retention – - Document management - Asset registers in place for each service area covering all documents and information held and retention periods

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
	which are reviewed bi-annually – reviewed June 2023. Records retention schedule on internet. - Records Management Policy - reviewed every 3 years, last reviewed in 2021, next review due 2024. - Employment Committee – on-going review of policies. - Compliance with Code of Transparency (publication scheme etc) – work with web team and reviewed on regular basis, individual services to update when needed. - Freedom of Information process in place with high % responded to within timescales – covered in annual Portfolio Holder report to Performance & Finance Committee - run on average 96% response rate. - Accessibility review of Website / SOCITM ratings - new website launched 6th June 2023
Operation • Operational planning and control • Requirements for products and services • Design and development of products and services • Control of externally provided processes, products and services • Production and service provision • Release of products and services	- Contract Management – robust systems to monitor contracts, Contract Standing Orders. Annual meeting with Glendale – 16th Jan 2024 and Places Leisure Camberley – 18th May 23. Formal contract review meetings take place monthly and weekly operational meetings with Glendale.. Meetings with Places Leisure happen every 2 months. - Partnership Boards – Joint Waste and Community Services.

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• Control of nonconforming outputs	- Telephony reviewed on a regular basis - latest update summer 2023. Monitor daily call answering statistics and are within standard. Performance in resolving enquiries at the first point of contact is inexcess of 80%, which is very high performance. - Internal Audit Work programme - covering Council-wide activities, and focusing on continuous improvement – performance, regulatory, finance etc – reported to the Audit & Standards Committee - Periodic review of overdue audit recommendations and whether implemented – escalation procedure in place to senior management and Audit & Standards Committee - External Audit – annual financial review - The Council is still waiting to finalise and complete the 2019/2020 statement of accounts, once BDO, our external auditors, have finished their audit fieldwork which is expected to be during November 2023. Meanwhile the Council's finance team is completing the draft accounts for 2020/21, 2021/22 and 2022/23, which will be published as soon as possible after the 2019/20 accounts have been finalised. Accounts are compiled in accordance with international financial reporting standards (IFRS); they are audited according to international auditing standards. All accounts are compiled in accordance with the CIPFA code of practice. - Complaints monitoring – learning from complaints. Annual complaints monitoring report to Performance & Finance Scrutiny Committee – latest September 2023.

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
	- Annual Governance Statement incorporating Management Assurance Statements (MAS) from Wider Management Team that support the Council's Set Of Accounts – MAS prepared June / July 2023 - Member Working Groups e.g. Local Plan, Climate Change, Property and Regeneration Working Group Villages Working Group, Camberley Town Centre and Equalities Working Group replaced by Engaging Communities Working Group. - Engaging Communities Working Group – reviews policies and strategies - Review of Equality strategy taking place. - Building Control have ISO 9001 certification, via LABC (Local Authority Building Control) - Review of customer complaints policy to simplify and reduce duplication. – revised policy has been approved and implemented summer 2023.
Performance evaluation • Monitoring, measurement, analysis and evaluation • Internal audit • Management Review	- Mid and year end performance reports. Annual Plan to deliver Five Year Strategy. Performance management - Service performance reports scheduled between September 2023 – February 2024. - LGA Peer Review took place 11th – 13th July 2023. Report received and shared with Executive August 2023. Action plan to be published December 2023.

ISO 9001 Key Principles	Surrey Heath Organisational Improvement work - **Completed / in-place** - **In progress**
	- Short term plan comprising the new administration's immediate priorities for delivery until December 2023. - Internal Audit Work programme (see above) - Regular performance reporting (Portfolio Holder updates) to Performance & Finance Scrutiny Committee - External Partnerships Scrutiny Committee - Audit & Standards Committee – including Monitoring Officer Annual Report and Standards Report (compliance with code of conduct) - A combined level of assurance is also obtained from services reporting to Government or other bodies e.g. Housing, Planning, Health & Safety, Family Support (to SCC), Revenues & Benefits, Safeguarding (S11 Audit to Safeguarding Board) and others.
Improvement • General • Nonconformity and corrective action • Continual improvement	See above.

Total Quality Management (TQM)
- A core definition of total quality management (TQM) describes a management approach to long-term success through customer satisfaction. In a TQM effort, all members of an organisation participate in improving processes, products, services, and the culture in which they work.
- It consists of organisation-wide efforts to "install and make permanent climate where employees continuously improve their ability to provide on demand products and services that customers will find of particular value."
- It uses strategy, data, and effective communications to integrate the quality discipline into the culture and activities of the organisation.

Customer Services Excellence (CSE)
- Customer Service Excellence (CSE) is a nationally recognised standard designed to drive customer-focused change, the standard aims to make a tangible difference to service users by encouraging provider organisations to focus on their individual needs and preferences.
- Customer Service Excellence is designed to operate on three distinct levels:
  1. As a driver of continuous improvement. By allowing organisations to self-assess their capability, in relation to customer focused service delivery, they are able to address areas and methods for improvement.
  2. As a skills development tool. By allowing individuals and teams to explore and acquire new skills in the area of customer focus and customer engagement, they can build their capacity for delivering improved services;
  3. As an independent validation of achievement. By allowing organisations to seek formal accreditation to the Customer Service Excellence standard, they can demonstrate their competence, identify key areas for improvement and celebrate their success.

EFQM (European Foundation for Quality Management) Model
- The EFQM model's is used as a management system that encourages the discipline of organisational self-assessment. The EFQM Excellence Model is a practical tool to help organisations to do this by measuring where they are on the path to Excellence; helping them understand the gaps; and stimulating solutions.
- The EFQM Model structure is based on the simple but powerful logic of asking three questions:
  - **WHY –** "Why" does this organisation exist? What purpose does it fulfil? Why this particular Strategy… DIRECTION
  - **HOW –** "How" does it intend to deliver on its Purpose and its Strategy… EXECUTION
  - **WHAT –** "What" has it actually achieved to date? "What" does it intend to achieve tomorrow… RESULTS

Six Sigma
- Six Sigma at many organisations simply means a measure of quality that strives for near perfection. It can be called "Six Sigma," or it may have a generic or customized name for the organization like "Operational Excellence," "Zero Defects," or "Customer Perfection."
- Six Sigma is a disciplined, data-driven approach and methodology for eliminating defects (driving toward six standard deviations between the mean and the nearest specification limit) in any process – from manufacturing to transactional and from product to service.
- Six Sigma strategies seek to improve manufacturing quality by identifying and removing the causes of defects and minimizing variability in manufacturing and business processes. This is done by using empirical and statistical quality management methods and by hiring people who serve as Six Sigma experts. Each Six Sigma project follows a defined methodology and has specific value targets, such as reducing pollution or increasing customer satisfaction.

Lean
- Lean Management is an approach to management that seeks to enhance efficiency and productivity through eliminating waste from the business processes. The focus is on increasing the value provided to the customer through resource optimization.
- The eight lean manufacturing principles can be remembered using the acronym DOWNTIME.
  - Defects
  - Overproduction
  - Waiting
  - Non-utilised talent
  - Transportation
  - Inventory
  - Motion
  - Extra-processing

Agile / Scrum
- Scrum is a framework within which people can address complex adaptive problems, while productively and creatively delivering products of the highest possible value.
- Scrum is a lightweight framework that helps people, teams and organisations generate value through adaptive solutions for complex problems.
- Scrum requires a Scrum Master to foster an environment where:
  - A Product Owner orders the work for a complex problem into a Product Backlog.
  - The Scrum Team turns a selection of the work into an Increment of value during a Sprint.
  - The Scrum Team and its stakeholders inspect the results and adjust for the next Sprint.
  - Repeat

Investors in People

- Investors in People is a standard for people management, offering accreditation to organisations that adhere to the Investors in People Standard.
- The Investors in People Standard is a business improvement tool designed to advance an organisation's performance through its employees. It helps organisations to improve performance and realise objectives through the management and development of their people
- The framework is based on three main principles:
  1. Plan – developing strategies to improve the performance of the organisation.
  2. Do – taking action to improve the performance of the organisation.
  3. Review – evaluating the impact of its investment in people on the performance of the organisation. Each principle has clear indicators underpinning them.

Kaizen

- Kaizen the Sino-Japanese word for "improvement", is a concept referring to business activities that continuously improve all functions and involve all employees from the CEO to the assembly line workers. Kaizen also applies to processes, such as purchasing and logistics, that cross organizational boundaries into the supply chain.
- The concept of kaizen encompasses a wide range of ideas. It involves making the work environment more efficient and effective by creating a team atmosphere, improving everyday procedures, ensuring employee engagement, and making a job more fulfilling, less tiring, and safer.
- The small changes used in kaizen can involve quality control, just-in-time delivery, standardised work, the use of efficient equipment, and the elimination of waste.
- Changes can come from any employee anytime and don't have to happen slowly, although kaizen recognizes that small changes now can have big future impacts.

ITIL

- The Information Technology Infrastructure Library (ITIL) is a set of detailed practices for IT activities such as IT service management (ITSM) and IT asset management (ITAM) that focus on aligning IT services with the needs of business.[1]
- ITIL describes processes, procedures, tasks, and checklists which are neither organisation-specific nor technology-specific, but can be applied by an organisation toward strategy, delivering value, and maintaining a minimum level of competency. It allows the organisation to establish a baseline from which it can plan, implement, and measure. It is used to demonstrate compliance and to measure improvement.

Vanguard Method - Systems Thinking

- The Vanguard method combines systems thinking ("How to analyse and design work?") and intervention theory ("How to make a change?").
- The method emphasises that the top management's way of thinking defines the structure and qualities of the system, which then define the capability of the system.

- The Vanguard method uses the iterative Check-Plan-Do -model to improve organisational capability. Change is initiated by observing the present organisation from systems thinking perspective ("Check"):
  1. Define the purpose of the system from customer perspective.
  2. Study the nature of demand coming towards the system
  3. Learn how the system responds to the demands.
  4. Understand why this happens.
  5. Identify what policies or measures cause problems in the flow of work.
  6. Recognize the thinking behind the design and management of the system
- After this, the means to implement a change are identified ("Plan"). Finally, the change is implemented in the system ("Do"), after which the results are measured in relation to the purpose of the system, completing the cycle ("Check").

PRINCE 2

- PRINCE2 is a structured project management method and practitioner certification programme. PRINCE2 emphasises dividing projects into manageable and controllable stages.
- PRINCE2 is based on seven principles and these cannot be tailored. The PRINCE2 principles can be described as a mindset that keeps the project aligned with the PRINCE2 methodology. If a project does not adhere to these principles, it is not being managed using PRINCE2.
  1. **Continued Business Justification:** The business case is the most important document, and is updated at every stage of the project to ensure that the project is still viable. Early termination can occur if this ceases to be the case.
  2. **Learn From Experience:** each project maintains a lessons log and projects should continually refer to their own and to previous and concurrent projects' lesson logs to avoid reinventing wheels. Unless lessons provoke change, they are only lessons identified (not learned).
  3. **Defined Roles and Responsibilities:** Roles are separated from individuals, who may take on multiple roles or share a role. Roles in PRINCE2 are structured in four levels (corporate or programme management, project board, project manager level and team level). Project Management Team contains the last three, where all primary stakeholders (business, user, supplier) need to be presented.
  4. **Manage by Stages:** the project is planned and controlled on a stage by stage basis. Moving between stages includes updating the business case, risks, overall plan, and detailed next-stage plan in the light of new evidence.

5. **Manage by Exception:** A PRINCE2 project has defined tolerances (6 aspects above) for each project objective, to establish limits of delegated authority. If a management level forecasts that these tolerances are exceeded (e.g. time of a management stage will be longer than the estimated time in the current management stage). it is escalated to the next management level for a decision how to proceed.
6. **Focus on Products:** A PRINCE2 project focuses on the definition and delivery of the products, in particular their quality requirements.
7. **Tailor to Suit Project Environment:** PRINCE2 is tailored to suit the project environment, size, complexity, importance, time capability and risk.

Local Government Association Performance Management Guides – Standards for creating a performance management culture

- **Leadership:** Leadership which encourages learning and an infrastructure which enables learning (for example sufficient time, resources, experience)
- **Staff involvement and commitment:** a real commitment from staff is needed in order to create a culture throughout all levels of the organisation.
- **Transparency:** a culture where staff are actively encouraged to flag risks or concerns can help prevent failure and create a context of welcome reflection when failure does occur.
- **Willingness to learn from poor performance:** similarly, a willingness to reflect upon and learn from previous poor performance is required to focus on improvement in the future.
- **Communication and language:** good internal communication of performance and management, for instance, promoting good practice and communicating successes.
- **Support and advice:** it goes without saying that staff should be able to access support and advice when they need it, to create a positive culture of learning and growth.
- **Reinforcement:** Demonstrating the benefits of performance management to staff and celebrating successes is effective in raising the credibility of performance measurement.