



**BYRON  
SHIRE  
COUNCIL**

# **Service Review Framework**

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## Information about this document

Date Adopted by Council	
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## Document History

Doc No.	Date Amended	Details/Comments eg Resolution No.
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## Further Document Information and Relationships

Related Legislation	NSW Local Government Act 1993
Related Policies	Strategic Partnerships Policy
Related Standards, Procedures, Statements, documents	Byron Shire Community Strategic Plan 2032 Delivery Program 2022-26

Note: Any reference to Legislation will be updated in the Policy as required. See website <http://www.legislation.nsw.gov.au/> for current Acts, Regulations and Environmental Planning Instruments.

# 1 Introduction

Byron Shire Council is committed to providing services to the community that are flexible to the community's changing needs and are efficient, effective, and sustainable in their delivery.

In September 2021, the NSW Office of Local Government (OLG) published revised guidelines for Integrated Planning and Reporting (IP&R), which included a new requirement for all councils to have an annual program of service reviews.

*“To encourage continuous improvement across council’s operations, the Delivery Program must identify areas of service that council will review during its term, and how the council will engage with the community and other stakeholders to determine service level expectations and appropriate measures”.*

A commitment to continuous improvement demonstrates an ongoing effort to change services or processes for the better and to ensure community expectations and standards are met in a cost-effective manner.

Council has developed a Service Review Framework (the framework) to guide a systematic review of its services. The framework supports a culture of continuous improvement, where service reviews become a standard part of Council’s operations.

Service reviews are to be undertaken in accordance with this framework and the prescribed templates and guidelines.

## 2 What is a service review?

A service review is systematic evaluation of an identified service, for the purpose of assessing the efficiency, effectiveness, and quality of the service, and to identify opportunities for improving service delivery and outcomes for the community.

Service delivery refers to both enabling services (such as HR and finance); and external services (such as waste collection, parks maintenance, and development application processing).

Service reviews are vital processes to ensure Council provides services that are:



**Appropriate:**

Services meet the current and future needs and aspirations of the community



**Effective:**

Council delivers targeted, better-quality services



**Efficient:**

Council improves resource use and generates efficiencies for service delivery



**Quality:**

Council provides services and assets to a standard guided by our community.

### 3 Guiding Principles

The following Guiding Principles have been used in the development of this framework.

- Transparency with stakeholders about the proposed objectives and outcomes of each service review
- Engagement and consultation with relevant stakeholders throughout the review
- Service objectives linked to identified current and future community needs and wants
- Focus not just on financial outcomes but on effective provision of services

### 4 Objectives

The key benefits of a Service Review will vary depending on the objectives of a particular review. These may be:

- Responding to changing priorities and needs
- Identifying service and activity improvements
- Cost savings and income generation
- Improved efficiency and resource usage
- Consideration of alternative delivery options
- Addressing non-compliance or complaints
- Managing service delivery risk
- Improving customer satisfaction
- Aligning the service to the Community Strategic Plan (CSP) or other strategy
- Addressing performance

By setting the objectives for each Service Review, Council can consider the depth, effort, focus, key stakeholder identification, and expected outcomes of the review in-line with organisational priorities.

### 5 Stakeholder Engagement

Under Essential Element 4.3 of the revised IP&R Guidelines, Council is required to define how it will engage with the community and other stakeholders to determine service level expectations and appropriate measures. The below table outlines the roles and responsibilities:

Role	Responsibility
Council	Receive and endorse recommendations relating to significant organisational change and changes to service levels.
Audit, Risk and Improvement Committee	Review the Service Review Framework. Receive quarterly progress/information reports. Receive and endorse recommendations relating to significant organisational change and changes to service levels.
Executive Team	Provide governance and direction to the Service Review Framework.

	Review and endorse the Service Review Framework. Approve priorities and schedules. Endorse recommendations for consultation and implementation.
Managers	Validation of inputs/information collected. Implementation of agreed actions. Support and participate in the service review process as required.
All Staff	Support and participate in the service review process as required. Proactively identify opportunities for improvement across the organisation.
Community	As per Community Engagement Strategy

Our approach to community engagement is based on international best practice including the spectrum of engagement developed by the International Association of Public Participation (IAP2). The spectrum defines the public's role in any community engagement program we do. The five levels of participation reflect our promise to our residents and stakeholders. They are:



**Inform** – this normally means a decision has been made or an action is needed so people are provided with information.



**Consult** – people can provide feedback on issues, options, ideas, and decisions.



**Involve** – people's concerns and feedback are reflected in decision-making.



**Collaborate** – the community and Council partner in decision-making towards a common goal.



**Empower** – the community and stakeholders have final decision-making power.

## 6 Process

The framework describes a systematic process for undertaking service reviews.



Each step is explained in the following sections.

### Define

Council has identified 7 key service types; enabling services, community services, community assets, planning & development, infrastructure, utilities, and waste & cleansing.

These 7 key service areas comprise 70 services delivered by 13 business units across the organisation. There are also a number of sub-services within each unit.

The services deliver a wide range of activities, programs and/or projects to specific individuals, targeted groups of people, or the community as a whole. Collectively these services contribute to the social, economic, environmental, and cultural wellbeing of our community.

### Prioritise

The annual program of service reviews will be developed using a prioritisation methodology with input from the Executive Team and recommendations from the Audit, Risk and Improvement Committee. The methodology is based on the following criteria:

Criteria	Description	Response
Core service	<i>Is this a core service or function of Council?</i>	Yes / No
Strategic drivers –	<i>What are the strategic drivers for this service?</i>	Legislative, strategic/policy, customer demand, historic, political, or other
Legislative or regulatory changes	<i>Have there been recent legislative or regulatory changes prompting a service review?</i>	Yes / No
Alternative delivery options	<i>Are alternative service delivery options available?</i>	Yes / No
Community satisfaction	<i>Result from the most recent community satisfaction survey</i>	Score out of 5

Criteria	Description	Response
Community importance	<i>Result from the most recent community satisfaction survey</i>	Score out of 5
Evidence of changing demands / priorities	<i>Has there been evidence of changing demands and priorities? From Council, community, staff, or other stakeholders</i>	Yes / No
Number of staff resources	Number of staff resources allocated to delivery of the service	# full time equivalent
Percentage outsourced	% of the service delivery that is provided by external parties (i.e. contractors, not-for-profit service delivery, other government agencies)	Percent
Funding source	What is the source of funding for the service?	External/Grants, combination, internal funding
Capital Expenditure	What is the annual capital expenditure on the service?	\$ value
Operating Expenditure	What is the annual operational expenditure on the service?	\$ value

Each criteria will be weighted and scored with the total sum providing a priority rating for the review.

- **Priority 1:** Essential
- **Priority 2:** Important
- **Priority 3:** Needed
- **Priority 4:** Elective

## Analyse

The information gathered during the analysis phase will assist in determining the objectives of a particular service review, the level of the review to be undertaken, and the required resources.

The service review process will be supported by a number of key documents to provide consistency across all reviews. These include:

- **Business Model Canvas (BMC):** A BMC is a tool to help business units define their purpose and how they create and deliver value to Council and the community.

- **Service Activity Statement (SAS):** SAS captures relevant information about the service's processes, resources, levels of service, service costs, service measures and key statistics.
- **SWOT Analysis Tool:** A SWOT analysis tool assists in identifying the internal and external factors affecting a service. A SWOT analysis aims to build on strengths (S), minimise weaknesses (W), seize opportunities (O) and counteract threats (T).
- **Community Benefit Analysis:** Assists to define how well the service supports community aspirations, opportunities, wellbeing, safety, and health.

Based on the information gathered, service reviews will be undertaken at three (3) different levels based on the agreed objectives of the review.

- **Simple:** High level, desktop review of the current service model, exploring opportunities for improvement.
- **Intermediate:** Considers the current service model, financial performance and efficiency and effectiveness of delivery.
- **Detailed:** A detailed analysis of the service including an evaluation of current and alternative service delivery methods.

Service review data requirements will vary depending on the level of review but may include the following:

- Service Level Agreements
- Organisational Chart and Position Descriptions
- Policies and Procedures
- Current financials
- Legislative requirements
- Community Satisfaction Surveys
- Service Levels
- Customer Request Management reports (CRMs)
- WHS incidents
- Human Resource Metrics (leave statistics, staff turnover, WHS incidents etc)
- Service Key Performance Indicators
- Internal Audit Reports
- Benchmarking and performance data

## Optimise

This phase of the Service Review process allows Council to use the information gathered to determine if a service could or should be delivered differently. Any suggested changes should come with a view to increasing efficiency and effectiveness and with the potential to increase income and/or decrease costs.

A **Service Review Report** will be provided to the Executive Team and relevant managers consolidating all captured information, recommendations, suggested improvements and risks associated with any proposed change. Those reviewing should ensure the options for change are relevant and appropriate and will meet the previously outlined review objectives.



The type of recommendations made in the Service Review Report will determine the level of consultation required. Any required changes to existing services should undergo appropriate community and/or stakeholder engagement before implementation, including the opportunity to review the draft recommendations and to provide feedback, suggestions and ideas.

An **Opportunity Register** will also be developed to capture, centralise and prioritise each business unit's improvement opportunities. Improvements will generally fall into one of three (3) categories:

- **People** - Roles and responsibilities, accountability, communication, performance, training and resources.
- **Policy and Processes** - Strategy, direction, priorities, policy, procedures, delegations and systems.
- **Service** – Delivery models, strategic relationships, assets, tools, service levels, funding.

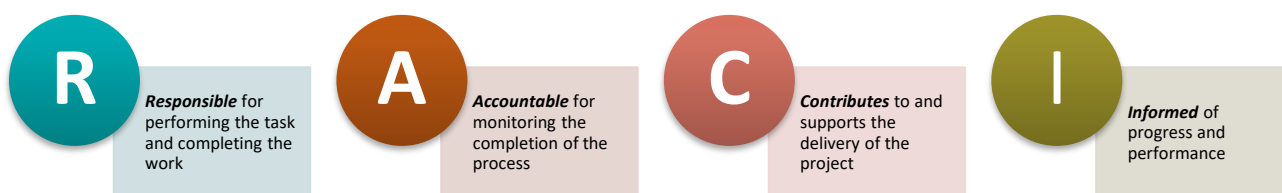
## Realise

All agreed recommendations will be converted into realistic actions and detailed in the **Implementation Plan**. This plan will record and track the recommended changes to each service and outline those responsible for the implementation.

For each recommendation, the Implementation Plan will include at a minimum:

- Objective of change
- Actions required
- Stakeholders affected
- Cost/resources required
- Expected outcomes
- Timeframe
- Any impact on fees and charges

The roles and responsibilities will be defined based on the RACI framework.



Any change processes will be clearly communicated to both internal and external stakeholders throughout and on completion of the review.

## 7 Evaluation and Monitoring

Council will evaluate and communicate whether each service review achieved its objectives and how effective the process was by sharing the outcomes and learnings to all relevant stakeholders.

While not all service reviews will require formal evaluation, all changes should consider questions such as:

- Did the review meet success criteria and goals?
- Were the changes and risks well managed?
- What have the impacts been to stakeholder satisfaction?
- Are there any remaining issues?
- What were the lessons learned?
- Can any further improvements be made?
- Are there improvements required to the service review process?

Services subject to change will be monitored by the relevant Manager. The Executive Team will receive a follow-up report 12 months post implementation.