TRANSFORMATION CHALLENGE AWARD

BID NAME: Organisational Change

LEAD OFFICER: Jo Pitman, Head of Transformation

AWARD TYPE: SMALLER AWARD

COLLABORATION: Cherwell District Council (CDC)

                   South Northamptonshire Council (SNC)

                   Stratford upon Avon District Council (SDC)

AWARD SOUGHT: £366,932k

Overview of Bid
In December 2010 Cherwell and South Northamptonshire District Councils approved a business case to implement a shared senior management team (see Council Resolutions for further information).   The shared team was formed in October 2011 and as a result is generating savings of in excess of £1.2m across both Councils. The two Councils have also implemented a number of shared service teams and collaborative procurements, primarily in the back office (finance, procurement, ICT, democratic/elections, performance) with a view to generating savings, enhancing service resilience and improving service quality.   A positive report on a 12 month review of joint working arrangements was taken to CDC and SNC Councils in February 2013 outlined cumulative savings of £2.3m and procurement savings of £0.7m.   The two Councils are now working with Stratford on Avon District Council with a view to extend shared services working across the 3 authorities, in a full or collaborative basis. This bid concentrates on the transformation programme that is planned to deliver significant organisational change across all three councils, and is associated with the Programme Office resources to drive and manage those changes.
The key objectives of this project are to deliver:

- the best customer experience for the residents of Cherwell District Council, South Northamptonshire Council and Stratford on Avon District Council

- Financial savings, greater efficiency, service resilience, employee development

- A clearly understood and bought-into culture of ambition, innovation, forward thinking, high performance, continuous improvement, value for money and commercial awareness.

- Greater employee engagement and recognition

- service processes which are streamlined, automated, and documented

- an embedded continual service improvement loop, maintaining our streamlined processes by continually identifying and removing duplication of effort/resources and generate greater efficiencies and financial savings across all services, in all three councils

- a clearly defined organisational development strategy that sets out the journey of change; providing a description of how the culture of the three councils will change, and how that change will be delivered

- Harmonised JE, pay, terms and conditions of employment and HR policies

- A set of new core competencies for managers and staff which link directly to the vision and values of the three councils, which facilitate increased performance and employee development

- Flexible/agile workforces in each organisation, governed by appropriate organisation change policies and approach

- Transformation in relation to the way in which employees perform their work and their place of work.

- A paper-light working environment that seeks to reduce the councils' carbon footprint through the use of EDRMS while also enabling a "work anywhere" culture.

What will the project put in place to achieve the objectives?

In order to ensure that we capture all of the elements necessary to deliver the change required at SNC and CDC we have established 8 different workstreams reporting in to a member led project board, each of which has a lead officer responsible for delivering a particular element of the overall project. Those workstreams are defined below:

- **Service Reviews**
- Completion of all service reviews from a "shared service" perspective
- Completed reviews in Environment &Community Directorate
- Completed reviews in Development Directorate
- Approved changes planned
- Implemented changes/shared services

- **Business Process Review**
- Delivery of an appropriate business processes review programme in order to identify and remove non-value adding effort, information collection and storage, etc. comprising:
- An agreed engagement and communications plan
- A completed procurement of an appropriate supplier/methodology (e.g. LEAN)
- Training for employees
- An agreed schedule of reviews
- An agreed change management plan
- A set of reconfigured processes (documented as a key tool of business continuity)

   Digital by Default
- Adoption of a "Digital by Default" policy towards service redesign and delivery, comprising:
- An agreed engagement and communications plan
- Integration with the BPR workstream
- A customer service engagement and training programme

- **Electronic Document and Records Management System and paper-light working practices**
- Existing paper mountain dealt with
- Prevention of new paper mountain being created
- Data security
- Development and adoption of a consistent Information Storage, Retention, Retrieval and Disposal policy

- **Harmonisation of JE, pay, terms and conditions of employment and HR policies**
- All HR policies reviewed, comprising:

- Audit of existing policies
- Fitness for purpose assessment/comparison of which serves the councils' best
- Develop a single package of terms and conditions
- Move to a common JE scheme and single pay structure
- Consultation
- Approval process
- Adoption
- Training, awareness, implementation

- **Workforce Planning**
- An agreed approach to workforce planning adopted and implemented, comprising:
- The development and implementation of a workforce planning strategy and framework
- An agreed recruitment and retention policy adopted
- Skills audit

- **Management/Employee Development**
- An appropriate management development programme delivered, comprising:
- A completed skills identification and needs assessment
- Development Programme scope agreed, with measurable outcomes
- Linked to core competencies and business priorities
- A delivered and evaluated programme

New ways of working
- New flexible and home working policies and statement of working practices
- A distributed workforce following flexible working practices
- Appropriate policies adopted to facilitate a distributed workforce as "business as usual"
- Whole staff training – reports and management
- Implementation of distributed, flexible working
- Review of implementation

Project scope
- All services
- All staff
- All service processes
- All HR policies, terms and conditions and pay and grading
- All council customers

Any exclusions/Out of Scope items
- Housing and Planning Services are excluded from service reviews.

- JNC Chief Officers will be excluded from the job evaluation process

Project Outcomes and Benefits – why is it in the Councils' interest to do this?

Exploiting technology

By exploiting technology and using innovative ways to maximise the availability of resource to deliver services will be key success criteria in this project and a parallel programme of work.

Innovations delivered through technology will also enable our staff to work more effectively and efficiently.

- Hot-desking, working from home or another location, mobile working using council or their own devices,
- The ability to access back office systems and deliver services from any location.
- Share documents with colleagues, other organisations and customers from any location.
- Video conferencing will mean staff can stay in touch in any agile working situation with improve productivity, through unnecessary travel costs.

Enabling our staff to deliver our services through innovative technology is key to keeping the customer at the centre of all of our business activity.

Financial

- Lead to reduced revenue costs –measured through budget monitoring
- Generates new revenue income – measured through budget monitoring
- Enables other revenue saving opportunities e.g. use of externally available refreshment/catering services – measured through budget monitoring

Non-financial
- Improved delivery of public services, including multi-agency services
- Improved customer access and experience
- Facilitate flexible working and future work-style. Measured by take-up of homeworking, compressed hours, extended bandwidth etc.
- Increased employee performance
- Increased employee engagement, productivity and morale
- Flexibility to deal with future changes
- Facilitate corporate and cultural changes.

Project scope – what will be affected as a result of delivering this project?

- All staff
- HR policies
- Staff terms and conditions
- All current working practices and processes
- All customer facing service delivery processes
- All customer contact information
- Information storage, retention, retrieval and disposal policy and practice.
- Building operations and staff facilities
- ICT service model
- All service processes
- All council customers

Estimated Transitional Costs 2013/14 and 2014/15 (this should equate to amount of bid)

Whilst the programme itself is significant, this bid is associated with the funding of the programme management resource required to support it and to:

- Reduce the risk of significant financial investments and high profile strategic projects failing to deliver the planned for efficiencies and benefits, with the likely negative impact that this would have upon the councils' reputation if this were to occur.

- Ensure that the project has the capacity, capability and continuity required for its lifetime

- Ensure that appropriately skilled and experienced project managers, with specific experience in the types of projects being undertaken by the councils are engaged to oversee each project.

- Ensure that the resources are commissioned and managed as variable /temporary resources and do not incrementally become part of the permanent establishment of the councils.

Programme	Project	Job Title/Role	Anticipated costs	Duration

Transformation	ICT and Transformation	Programme Manager	£60,000 p.a.	2 years
Transformation	ICT	Project Manager	£47,779 p.a.	2 years
Transformation	Transformation	Project Manager	£47,779 p.a.	2 years
Transformation		Project Support Officer	£27,908 p.a.	2 years
Total Costs			**£366,932 pa.**	

2013/14 = £183,466

2014/15 = £183,466

Supporting Statement

Collaboration

- This proposal delivers significant collaboration between three Councils, who happen to be within 3 different county council areas and 3 different regions.

- Cherwell and South Northamptonshire have had a robust and consistent approach to the sharing of services since 2011 and are each committed to exploring all options to share services where there is a business case to do so based on cost reduction, enhanced resilience and/or improved quality of service for customers (internal and external).

- Collaboration with Stratford on Avon has progressed since 2012. We have a unique opportunity as we cover 3 geographical regions.

- Ability to collaborate with others and work with partners

Value for Money

- It is envisaged reductions of between 10-20% will be delivered to each of the 3 councils within support service budgets

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Details of Council Resolutions supporting the Collaboration

CDC and SNC Council meetings December 2010 – s113 agreement for shared management team
http://modgov.cherwell.gov.uk/documents/b2971/Business%20Case%20and%20Appendices%20Wednesday%2008-Dec-2010%2018.30%20Council.pdf?T=9

http://modgov.southnorthants.gov.uk/CeListDocuments.aspx?CommitteeId=117&MeetingId=430&DF=08%2f12%2f2010&Ver=2

Each of the Councils have formally agreed to see how they can work together collaboratively and have formed a 3 way Joint Arrangements Steering Group to consider collaborative proposals and recommend business cases to each Sovereign body to pursue through respective democratic processes. (see Appendix 1)

Each Council has formally supported the submission of this bid at the following Council meetings:
CDC – Executive 1 July 2013
(http://modgov.cherwell.gov.uk/documents/s18472/FINAL%20Transofrmation%20challenge%20award.pdf)
SNC – Cabinet 8 July 2013
http://modgov.southnorthants.gov.uk/ieListDocuments.aspx?CId=118&MId=1908&Ve

> <u>r=4</u>
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> SDC – Leader Decision (Executive Arrangements) 12 July 2013, plus consideration of Shared Services at Cabinet on 17 June 2013 (https://democracy.stratford.gov.uk/mgConvert2PDF.aspx?ID=21438.)

FURTHER INFORMATION CONTACT: Jo Pitman

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