

**NON EXEMPT**

## **HAVANT BOROUGH COUNCIL**

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**Cabinet**

**02 September 2020**

### **'SHAPING OUR FUTURE' TRANSFORMATION PROGRAMME**

**Head of Commercial Development**

### **FOR RECOMMENDATION TO COUNCIL**

**Portfolio Holder: Cllr Michael Wilson**

**Head of Service: Chris Bradley**

**Key Decision: Yes**

**Report No: HBC/015/2020**

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#### **1.0 Purpose of report**

- 1.1. This report seeks agreement to the policy parameters and approval to recommend their adoption to full Council.
- 1.2. The Key policy principles reflect the aims of the corporate plan and have already received outline approval. This report is to seek agreement to a detailed policy mandate to enable a rapid transformation to one workforce, serving two councils, along with a new concept of operations, in order to shape our future and deliver a financially sustainable council by October 2022.

#### **2.0 Recommendation**

Cabinet is recommended to:

- 2.1. Agree the policy principles in Appendix 1.
- 2.2. Invite full Council to agree the approach taken by Cabinet to implement the Corporate plan to create a sustainable Council.
- 2.3. Invite the Chief Executive to produce a 'Shaping our Future' transformation programme initiation document to support the Corporate Plan Theme 1 of sustainability.
- 2.4. Invite the Chief Financial Officer to make appropriate provision in preparation of the annual budget 2021/22 for delivery of transformation.
- 2.5. Invite the Chief Executive to report to Cabinet each quarter outlining progress, expenditure and any delay.

2.6. To note that a Cabinet Liaison Panel has been established under Covid-19 Recovery and a Transformation themed group will be formed within this panel to coordinate approaches.

### **3.0 Executive summary**

- 3.1. Havant Borough Council (HBC) needs to make financial savings of £12.1M over five years while realigning its resources to the current priorities as set out in the Council's strategies. The direct costs and loss of income resulting from coronavirus, the resulting economic downturn and Brexit have added significant uncertainty to the challenge. The degree of uncertainty means the nature and impact of these are difficult to quantify but it is prudent to plan for these to be financially significant.
- 3.2. Ongoing service improvements alone will not deliver the required organisational agility and sustainability. We need to take a more radical approach to transforming the way we operate and deliver our services.
- 3.3. The subject of devolution has been raised again by central government. The likely form, impact and options for HBC are currently unknown. The 'Shaping our Future' transformation programme aims to ensure HBC is in a strong, agile position to manage its response to the devolution agenda.
- 3.4. The purpose of the a 'Shaping our Future' transformation programme is to create an agile, financially sustainable authority by October 2022. With one workforce, applying an evidence-based approach to deliver the councils' statutory obligations and discretionary services.

### **4.0 Strategic Objectives**

- 4.1. An agile and financially sustainable operating model that delivers our transformation vision by October 2022.
- 4.2. An operating model that delivers the council's statutory obligations and where financially viable certain discretionary services.
- 4.3. A performance management regime that evidences a demand led and early intervention approach to the delivery of services.
- 4.4. Public service values and an agile, flexible and resilient 'can do' culture.
- 4.5. An environment that attracts, grows and retains talent at all levels.

## **5.0 Vision**

- 5.1. The vision is to shape our own future as a financially and environmentally sustainable council that greatly enhances the lives of residents and local businesses. An agile council that understands local challenges and local needs. Tailoring our services and resources to meet our statutory obligations and target discretionary services based on need and use.
- 5.2. We leverage our positive partnership with EHDC for the benefit of both councils. Creating more efficient and effective services for our residents and local businesses, with less bureaucracy.
- 5.3. We are an enabling council which takes a strategic view to focusing resources. Promoting community engagement and work collaboratively with partners in the public, voluntary and private sectors. We are outcome focussed and provider agnostic. Working with all partners to applying prevention and early intervention to reduce demand, challenge anti-social behaviour and deliver positive outcomes.
- 5.4. We embrace a digital first approach to our services; enabling ease of access and convenience for residents while promoting productivity and the efficient use of resources.
- 5.5. Driven by public service values we are also commercially astute and obtain the best financial, environmental and social value in all our dealings.
- 5.6. As one workforce we are brilliant at the basics; flexible, agile and resilient. Engaged at all levels, we have honest and challenging conversations. We take ownership of performance at all levels and are empowered to make timely decision at the lowest appropriate level. We maintain the highest professional and ethical standards and invest in our people. Our positive, friendly and professional culture helps us attract, grow and retain talent.

## **6.0 The concept of operations**

- 6.1. The outline concept of operation is to build on the success of the partnership with EHDC, creating greater efficiencies through rationalisation, managing demand proactively and working more smartly.
- 6.2. The concept consists of a customer demand model and target operating model as illustrated in Appendix 2. Key features of the outline concept of operations are provided below and illustration may be found at Appendix 2. Subject to approval of this paper, staff will be engaged in designing and mobilising the detail needed to deliver the outline concept.

6.3. 'Shaping our Future' will be a highly complex and challenging programme of work. While this paper and the concept of operations provides a common direction of travel, some solutions may need to be iterative or emerge out of negotiations with third parties.

6.4. The programme will be delivered through seven integrated workstreams: strategy, governance, communications and engagement, financial stability, target operating model, digital and one workforce. Together they will enable one workforce, manage demand and smarter working.

6.5. One workforce:

- Following council approval of a One Workforce options paper, all staff will transition to a single employing entity. Simplifying HR policies and processes, reducing bureaucracy and the administrative burden.
- We will drive efficiencies by creating and managing a single set of internal policies, practices and procedural documents. Differences will be minimised and included within the single set of documents. Internal documents will be jointly branded HBC and EHDC.

6.6. Managing demand. We will manage demand applying the outline customer demand model shown in Appendix 1. This will include:

- Prioritising statutory services
- Identifying need and demand using evidence to focus discretionary services
- Applying proactive prevention and early intervention to reduce demand
- Challenging anti-social behaviours and promoting healthy options to reduce demand
- Apply a case management approach to resolve resident issues first time

6.7. Work more smartly

- Reduced demand through proactive engagement and enabling greater self service
- Reduce the number of different points of contact within the council to make it easier for residents
- Collect less and ensure residents only need to provide their information to us once
- Resolve issues first time
- Develop a multi-skilled case management team
- Review and update performance management and reporting
- Be service provider agnostic and outcome focussed

- Promoting community engagement and work collaboratively with partners in the public, voluntary and private sectors.
- Focus the utilisation of specialist staff and leadership teams

## **7.0 Additional Budgetary Implications**

7.1. There are likely to be significant costs to delivering. . The aim will be to create a financially stable council within three years, for the financial year 23/24. With the cost of transformation to have been repaid within the current MTFP, by the end of the 2024/25 financial year.

## **8.0 Background and relationship to the Corporate Strategy and Directorate Business Plan/s**

8.1. This proposal draws directly upon the HBC Corporate Strategy. 'Shaping our Future' will drive Directorate and Service Business Plans going forward.

## **9.0 Resource Implications**

9.1. Financial Implications. Given the complexity and risk presented by the external environment, there is an urgent need to act prudently to secure the long-term financial sustainability of the council.

9.2. Human Resources Implications. There is likely to be a reduction in staff numbers. The numbers, nature and strategy for managing reductions will emerge from the work undertaken during the programme. There is likely to be a need for new skills and training to support staff in developing those skills.

9.3. Information Governance Implications. These will be identified and addressed as part of the programme.

9.4. Other Resource Implication. Transformation is a highly challenging and complex programme of work that will require the prioritisation of resource capability and capacity. This will mean the cutting, delaying or adjustment of some existing projects.

## **10.0 Legal Implications**

10.1. The Council has decided through the Corporate plan to transform the way it delivers services. Cabinet must now set the administrative policy parameters to deliver on the plan as approved at full council. Although, it is primarily the responsibility of cabinet to agree approaches to delivering the corporate plan, it is recommended that there is provision for full council to agree to this programme as it is likely to result in a Council that is significantly changed in the way it provides and operates services. The transformation project will encounter significant legal hurdles in terms of service provision,

equalities human rights, staffing issues, budget, contracting and procurement. These will vary in accordance with the individual workstreams identified.

## **11.0 Risks**

11.1. The vital risk is in inaction or delay to initiating the 'Shaping our Future' transformation programme, resulting in financial pressures that force unplanned cuts.

## **12.0 Consultation and Communications**

12.1. A communication and engagement plan for key stakeholders will be developed as part of the programme.

## **13.0 Appendices:**

Appendix 1 – Policy Principles

Appendix 2 – 'Shaping our Future' Concept of Operations Illustrations

## **14.0 Background Papers:**

14.1. HBC Council Strategy

14.2. HBC Digital Strategy

Agreed and signed off by:

**Monitoring Officer:** Daniel Toohey (Deputy Monitoring Officer) 21 Aug 20

**S151 Officer:** Lydia Morrison 24 Aug 20

**Director:** Gill Kneller 6 Aug 20

**Leaders:** Cllr Michael Wilson 6 Aug 20

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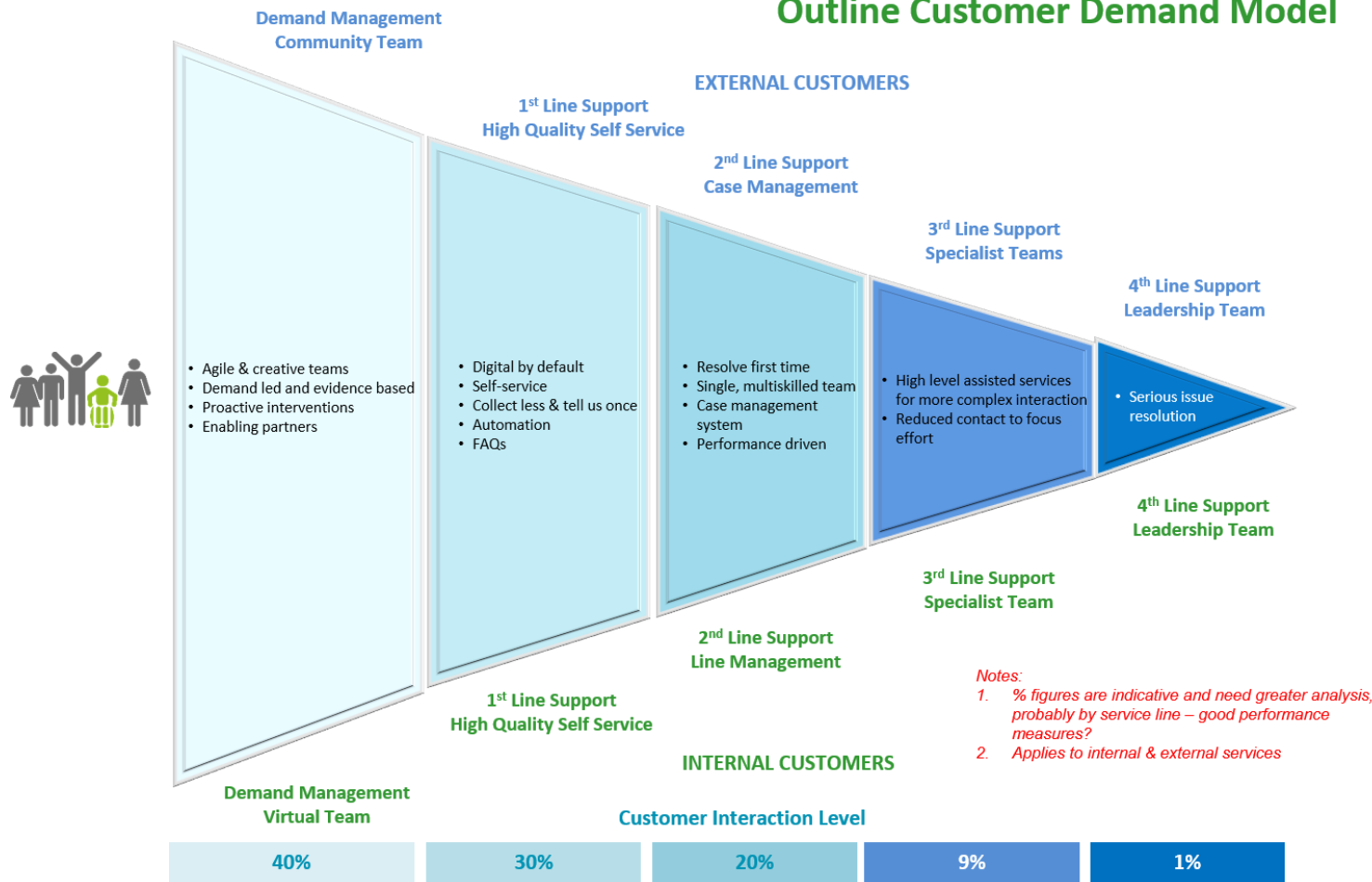
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## POLICY PRINCIPLES

Serial	Policy	Purpose
1.	Transformation by October 2022 is critical for the future financial sustainability of the council. It is our highest priority programme and the capability and capacity must be prioritised to deliver it.	To create a sustainable council, theme 1 corporate plan and prioritise resources.
2.	Havant Borough Council (HBC) will leverage the positive partnership with East Hampshire District Council (EHDC) for the benefit of both councils.	To reduce bureaucracy and the administrative burden, drive efficiencies and explore cost saving and income generating opportunities together.
3.	'Shaping our Future' will be digital by design.	To enable ease of access and convenience for residents while promoting productivity and the efficient use of resources.
4.	The purpose, vision and concept of operations described in paragraph 6 of the main body is approved as the basis for transformation.	To rapidly create focus, unity of effort and a platform for the development of more efficient and economic ways of working and delivering services.
5.	To enable efficiencies, HBC and EHDC will create a homogeneous workforce who work to identifiable JD's & T&C's across both Councils. An options paper on One Workforce will be brought to full council for approval.	To reduce bureaucracy, administrative costs and the size of the organisation.
6.	To enable efficiencies, the council will transition to one shared set of digital solutions with EHDC but with the data separated and held by each individual council.	To reduce costs of procurement and maintenance and operation while maintaining sovereignty of data.
7.	To enable efficiencies, HBC and EHDC will adopt an aligned set of constitutions and governance structures.	To reduce bureaucracy, administrative costs while maintaining sovereignty of governance.
8.	To enable the efficient delivery of transformation, full council will delegate decisions on transformation to Cabinet.	To enable the rapid design, build and mobilisation of the programme while maintaining appropriate governance and oversight.

**‘SHAPING OUR FUTURE’ CONCEPT OF OPERATIONS ILLUSTRATIONS**

**Outline Customer Demand Model**





# 'Shaping our Future' Target Operating Model

