
NON-EXEMPT

HAVANT BOROUGH COUNCIL

CABINET

20 OCTOBER 2021

SHAPING OUR FUTURE PROGRAMME UPDATE – EXPLORATION PHASE

FOR DECISION

Portfolio Holder: Cllr Alex Rennie

Key Decision: Yes

Report Number: HBC/016/2021

1. Purpose

- 1.1. This paper is submitted to provide Cabinet with information on progress with the Shaping our Future Programme (“the Programme”).

2. Recommendation

- 2.1. Members are requested to note:

- a) the activity currently underway and its current progress against plan
- b) the progress against plan as set out in Appendix A
- c) the budget monitoring update as set out at paragraph 5.3 and appendix A.

3. Executive Summary

- 3.1. In July 2021, the Councils agreed the outline business case for the Shaping our Future Programme. This report provides a quarterly update to outline progress and expenditure.
- 3.2. High level information regarding the current activity underway as part of the most recent phase of the programme is provided as well as a highlight report at appendix A setting out progress against plan.

4. Programme update

4.1. Overview

4.2. The Programme itself is divided into four phases, as shown below in Diagram 1. The mobilisation phase was formally complete following Cabinet in July 2021. We have moved into the 'Exploration phase' of the Programme and this is progressing at pace with high levels of activity and continuation of the workstream prototype development and programme support activity.

4.3. The exploration phase is currently on track for October 2021 and preparation has begun in planning for the 'Learning and Scaling' phase.

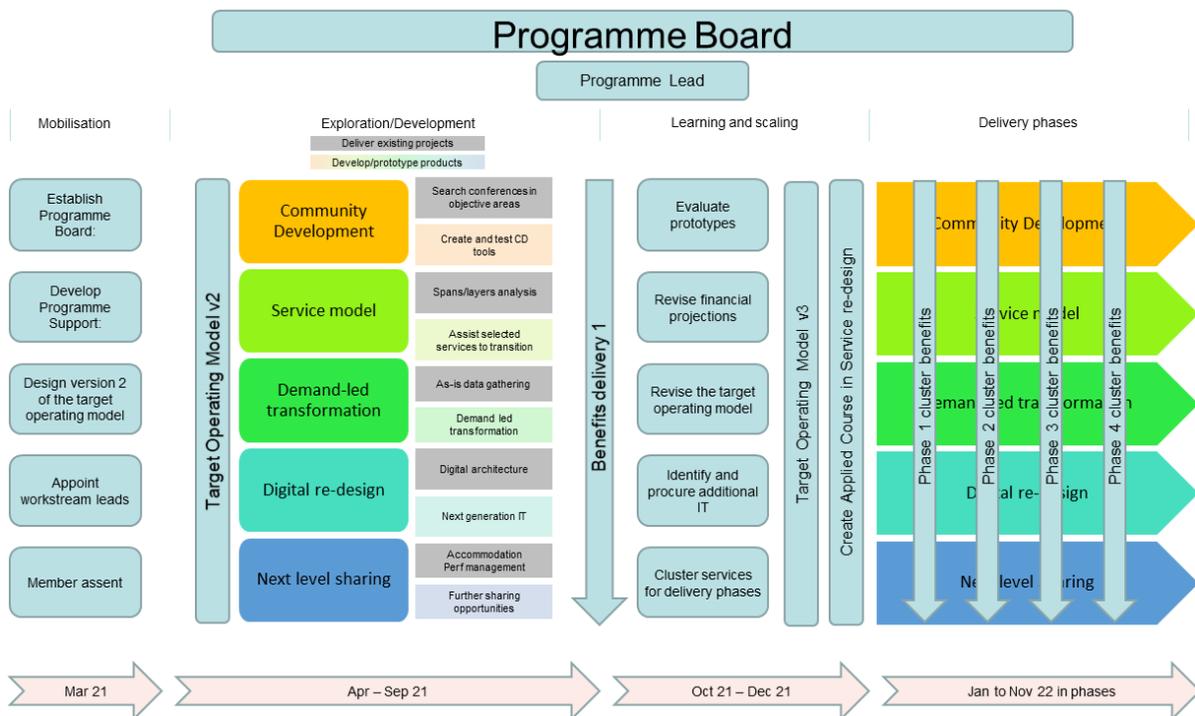


Diagram 1 – Programme Plan

4.4. Overview of key activity within Exploration Phase

4.5. The diagram below summarises the programme structure. There has been much progress made in transformation activity since the Shaping Our Future Cabinet report in July 2021. High level detailed information is provided below on some of the key activity underway.

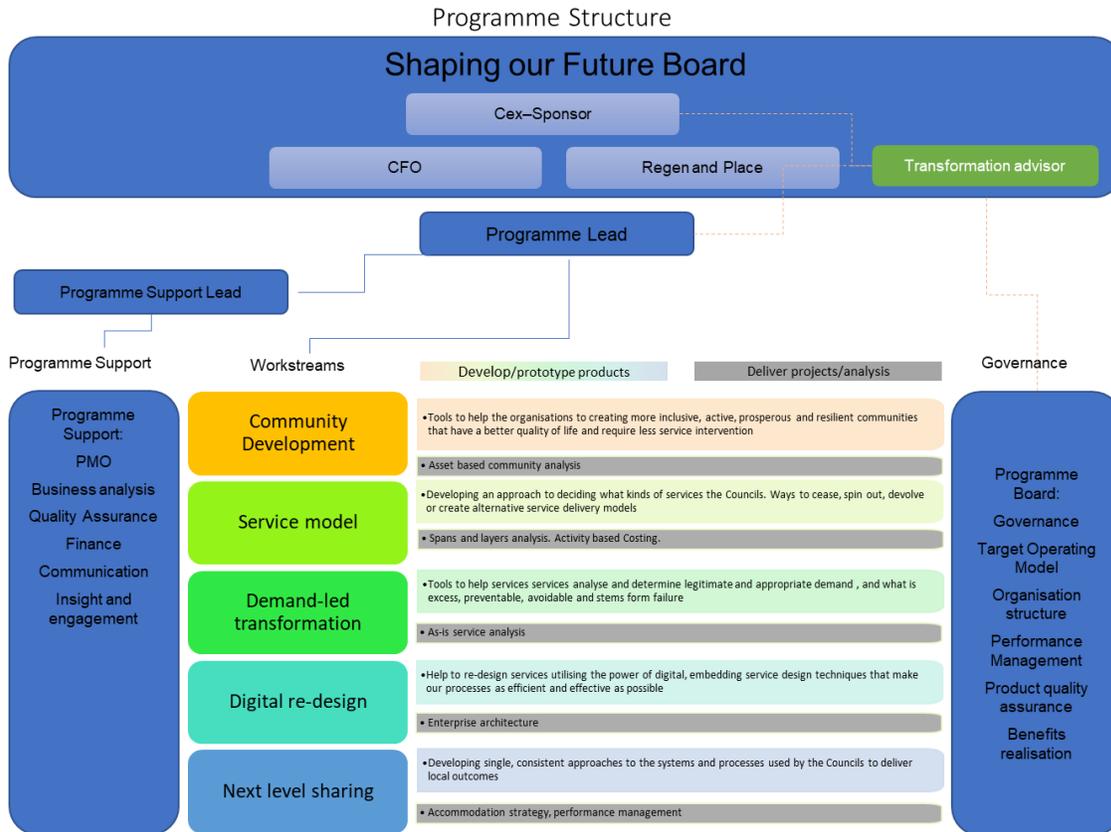


Diagram 2 Programme Structure

4.6. Programme support activity

4.7. **Performance Management** - Work continues to progress on the development of a refreshed approach to performance management. This wholesale top-down and bottom-up review will introduce new targets both at a corporate and individual level which will drive the transformation outcomes and strengthen the Councils' discipline in terms of outcome focussed delivery.

4.8. **Enterprise Architecture** - well advanced is the development of the digital foundations to enable the ToM. This is presented in the form of an Enterprise Solution Design which will map out the tools and systems required. A business case will be brought forward for investment during the autumn.

4.9. In addition, the Exploratory Phase of the programme requires multiple deliverables via the programme support team with the overall objective being to bring together a rich picture of data and service insights which will inform the

setting of targets and provide invaluable data to support services in their redesign efforts.

4.10. **Rich Picture** - a number of pieces of analyses are underway to develop this rich picture service by service:

1. Digital Insights - The measurement between the current Digital AS IS picture and the Digital Enterprise Architecture products to highlight gaps, constraints, opportunities, and insights. Examples of opportunities identified could be in terms of process automation and use of AI.
2. Channels & Management Information - To ensure service areas have access to data in terms of volumes, customer interaction and activity of current channels to inform the demand analysis.
3. Financial Insights - A number of financial analyses will provide a service-by-service view to understand constraints, opportunities and measurement to the target operating model. These are:
 - Activity financial analysis exercise
 - Benchmarking
 - Priority based budgeting
 - IT Expenditure
4. People Insights - Information relating to staffing, the layers across services and the associated spans of control in terms of service provision are also being collated. This aspect of the rich picture will also bring together information relating to current shared roles and the cultural position in comparison to the Target Operating Model.
5. Locations - The final part of the rich-picture will bring together data relating to As-IS service locations and customer access data to inform future plans and service redesign.

4.11. Workstream activity

4.12. **Community development** - In the emerging Community Development toolkit, a different approach to working with the public is outlined, taking reference from other local authorities who have successfully implemented this approach, together with experts in Community Development and Systems Thinking. This has led to an understanding of the benefits that this new approach could bring to the community, our partners, and our organisations.

- 4.13. The core principle of this new approach is Asset Based Community Development (ABCD), which identifies and builds on the assets that are found in the community. The approach is to nurture community strengths and assets, to improve outcomes rather than the current approach, which asks, what the needs are, how can we help, which is a Deficit Model, a 'top-down', solutions approach.
- 4.14. Asset Based Community Development is not a means to reduce demand and manage cost pressures, it is an end to itself, but one that will lead to cost savings eventually.
- 4.15. The draft toolkit is currently being tested with an internal and external group of critical friends and will be refined following feedback received before being rolled out into two community areas of Petersfield and Emsworth.
- 4.16. **Service models** - The overall purpose of this emerging toolkit is to guide the user towards identifying, objectively, appropriate service delivery models. This process is based on the following activities:
- Detailing the component parts of the service.
 - Gathering data and information about the service.
 - Scoring the service against set criteria to establish a service 'profile', including full rationale for the score.
 - Comparing the service profile against ideal profiles for different delivery models to indicate a 'best fit' model; and if necessary
 - A further detailed assessment where this exercise and scoring outcome generates more than one possible option
- 4.17. This emerging toolkit is based on an assessment of 12 specific operating conditions against which a service is mapped.
- 4.18. The draft toolkit has received initial feedback from an internal working group and will now be prototyped within a service and with Executive Board.
- 4.19. **Demand-led transformation** - The Demand Led Model emerging toolkit provides a methodology to effectively understand and manage the demand made for services. Taking a demand management approach ensures you can forecast, predict, and plan for the demand that is and will be made for council services, resulting in a much more agile, resilient, and sustainable organisation.
- 4.20. The framework will outline an approach to assess:
- What demand is occurring
 - Why that demand is occurring
 - How it can be effectively managed

4.21. There are a number of different forms of demand that could be occurring across a service, these include:

- Preventable Demand – this is demand that could have been prevented had action been taken sooner preventing the need arising in the first place.
- Avoidable Demand – this is demand that could be met by alternative means.
- Failure Demand – this is demand caused when the service fails to meet customer need first time round.
- Excess Demand – this demand occurs when customers are requesting services that are beyond what is needed.
- Co-dependant Demand – this demand arises from the need of the service provider which creates dependency of the user.

4.22. The aim is to diminish the above types of demand so that the genuine and legitimate demand, also known as value demand, can be appropriately resourced ensuring that there is capacity in the organisation to do this. This will ensure that the right resource is going to the right person, at the right time.

4.23. The draft toolkit is currently being prototyped within two service areas.

4.24. **Digital Redesign** - Digital is not just about technology or IT. It is instead a way of rethinking how the organisations and our services operate to meet the current and future needs of its customers, in the digital age. The technology is an important enabler, but it is the means rather than the end.

4.25. Digital transformation is the integration of digital technology into all areas of an organisation. Digital transformations challenge businesses to reconsider how they operate and how they deliver value to their customers. Adopting new digital tools and processes, as well as building on existing digital capabilities, are part of innovating to improve business solutions. And in addition to the planning for implementation and integration of these digital tools, digital transformations require cultural and organisational change that challenge the status quo.

4.26. Digital transformation of services is how do we think about developing and designing new services. It's not simply the idea that digital technologies enable more services and enables us to digitise some aspects of the customer journey.

4.27. This toolkit sets out an approach:

- which ensures our services are redesigned from a user standpoint,
- that embraces new and emerging technologies, providing information on digital tools, technologies, process, and their uses
- that enables smart workstyles; and

- uses data analytics to develop insights
- 4.28. The emerging toolkit is currently being prototyped within Service areas and will be refined following feedback received.
- 4.29. **Next Level Sharing** – The aim of this emerging toolkit is for services to understand the current sharing arrangements between the two authorities and consider further options to take sharing further including potential models for shared delivery from both public and private sector. The toolkit consists of two parts:
- A maturity model for shared services to assess the extent a service is shared. This includes staffing, processes/policies, systems, services, budgets, location, and engagement.
 - A framework to work through areas to improve shared arrangements.
- 4.30. The emerging toolkit is currently being prototyped within Services.
- 4.31. Next steps/phase
- 4.32. The next phase of the programme is the ‘Learning and scaling phase which is due to commence in October 2021. Ahead of the next phase, plans to develop the Applied Course in re design has begun this month as well as developing ideas for service clustering.

5. **Resource Implications**

5.1. Finance Implications

Programme costs

- 5.2. This quarterly update provides an overview of the expenditure, committed spend and remaining spend to date against the total across both Councils of £766k. Total spend (and committed spend) to date is £304.5k. A breakdown is provided in appendix 1.
- 5.3. To date this has secured:
- a peer review of the Enterprise Architecture work (£6k), and an extension to the Enterprise Solution Architect internal resource to 31 January 2022 (£30K).
 - a full Spans and Layers analysis to be undertaken by the LGA (£30k).
 - Staff training at Imperial College (£2k) on next generation technologies to support in the digital redesign toolkit development.
 - backfill arrangements for the Delivery and Support Leads and Workstream Leads (£92.8K)

- performance management external support by Ad Esse (£15k).
- the cost of the transformation advisor up to 3 August 2021 (£66.2k)

Section 151 Officer comments

Date: 3 September 2021

The current expenditure is with the approved budgets. More information on savings will be included in future reports, following further discovery work.

Human Resources Implications

- 5.4. The approach being taken is to use existing in-house human resource and ensure we maximise the skills of our own staff to deliver the Programme. Where we do not have the specific skills internally, we will seek external support as appropriate and the costs are reflected in the budget to date in paragraph 5.3.

6. Information Governance Implications

- 6.1. No information governance implications arising from this report.

7. Other resource implications

- 7.1. None

8. Legal Implications

- 8.1 This report is for noting by Cabinet and that has no legal implications. However, the Shaping our Future Programme will encounter aspects that have legal implications such as in terms of service provision, equalities human rights, staffing issues, budget, contracting and procurement. These are likely to materialise once we are through to the latter stages of the programme i.e., the delivery phase.
- 8.2 Legal Services, supported where necessary by external legal providers, are at hand to assist and advise as the programme moves forward.

Monitoring Officer comments

Date: 7 September 2021

The Shaping Our Future programme is supported via governance initiatives which have been largely implemented during the course of the last financial year, including a full review and refreshment of the Councils' separate constitutions. Governance will continue to evolve, if required, with the programme to ensure compliance and resilience. Legal support and assistance will be provided going forward.

9. Risks

9.1. A full risk register is being maintained, with regular review and mitigation monthly in accordance with best practice. Appendix A sets out an overview of the top risks, new risks that have been added, and highlights where mitigation has led to a lowered rating to previous top risks, demonstrating that mitigation is effective.

The table below summarises the top three risks as of 27 August 2021.

Risk Title	Category	Identification of areas where there are significant risks	Planned Mitigation Actions
IT-Tenancy Split	Programme/Organisational	Delay to project - This has risk of impacting and delaying the councils full use of 0365 and Share point as well as constraints for implementation of next generation IT in the Capita environment. This is also a fundamental dependency for the CRM Tenancy Split which is a key enabler for enterprise architecture.	-IT Leads to undertake impact analysis -Explore options with Microsoft -Use as an opportunity to re-cast our requirements thereby achieving a better fit with the ToM.
Accurate Cost & savings estimates	Financial	Initial cost and savings estimates are high level predictions and may vary from expectation as Programme develops	Further, more detailed financial analysis work is planned as the programme progresses, and further iterations of the TOM. Approval of Individual business cases for procurement of solutions. Programme governance in place to monitor and report actual costs and savings against initial high-level estimates with variances tested against business case.

Pace of Programme	Timescale	<p>Quality of outcomes may be affected if the programme timescales do not allow for development of further iterations of the TOM, testing and learning from prototype development and re-design</p> <p>A pace that is too slow to deliver benefits will risk losing engagement and confidence of key stakeholders.</p>	<p>Programme Support function in place to coordinate activity, ensure progress and alert to any deviation from the plan.</p> <p>Programme Governance to monitoring delivery.</p> <p>Governance checkpoints as part of programme.</p>
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10. Consultation and communication

- 10.1. The Shaping our Future Programme is supported by a detailed communications strategy, supporting action plan, and stakeholder management plan. These are live documents are being updated as we progress through the programme.
- 10.2. Further staff updates around the programme have been provided via Kneller's news, and Heads of Service and Managers attended their first leadership Conference to learn more about the Target Operating Model (TOM), how the TOM can help communities achieve better outcomes and help the councils become more efficient and financially sustainable and how the TOM could lead to fulfilling and rewarding careers for staff. The day included presentations, some interactive sessions with polls and questions, and some break-out rooms where staff could chat together in smaller groups. It was a high-level introduction to the concepts of transformation. Further Leadership sessions are scheduled for the coming months.

Appendices

Appendix A – Highlight report (progress against plan)

Agreed and signed off by:

Portfolio Holder:

Monitoring Officer: 7 September 2021

Section 151 Officer: 7 September 2021

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