
NON-EXEMPT

HAVANT BOROUGH COUNCIL

CABINET

16 February 2022

SHAPING OUR FUTURE: QUARTERLY UPDATE

FOR NOTING

Portfolio Holder: Cllr Alex Rennie

Key Decision: No

Report Number: HBC/030/20

1. Purpose

This paper is submitted to Cabinet for information. It is the third update report on the Shaping Our Future Programme.

1.2. Havant Borough Council is ambitious about the well-being of its residents and has set out how it intends to achieve improved outcomes for residents in a Corporate Strategy 2020-2024. The Strategy is a series of commitments with a focus on

- An environmentally aware and cleaner borough
- A safe environment, healthier and more active residents
- A thriving local economy
- A revitalised borough with infrastructure that meets our ambitions
- A responsive and commercial council
- A quality home for all

1.3. The Council recognises that to achieve those benefits for its residents, it is essential to have an efficient Council whose people, systems and processes are directed towards achieving the Corporate Strategy. The Council has therefore begun to transform the way it operates. This is the 'Shaping our Future Programme'. The Programme is made up of a number of projects which each

have their own timetable. Whilst several projects are progressing concurrently, development of the Programme is proceeding in phases. We are about to enter phase 4 of the Programme, known as the ‘Redesign and Delivery’ phase. This report sets out what we have achieved to date in phase 3 and what we are about to do in phase 4.

- 1.4 To provide sufficient dedicated resource to achieve the Corporate Strategy objectives, the Council took the decision to end the sharing of the senior management teams in January 2022. The impact of this decision on the Shaping our Future Programme is currently under consideration and any changes to the Programme as a result will be reported in the next Cabinet update report.

2. Executive Summary

2.1. Overall Progress

PROGRAMME STATUS SUMMARY													
Overall Status		Scope		Budget		Time		Resource		Stake holder		Quality	

PROGRAMME STATUS SUMMARY KEY	
Green means ‘favourable’	Arrow up means ‘improvement on last month’
Amber means ‘neutral’	Arrow to side means ‘remains same’
Red means ‘unfavourable’	Arrow down means ‘decrease on last month’

- 2.1.1 Overall progress is good with officers committed to transformation. The above diagram is an extract from the most recent highlight report showing a summary of how we are performing against our target measures. The Programme is within its original scope, budget and is on time. The Programme is supported by a Programme team, led by a Programme Director, who report into an internal Programme Board. The Programme Board is chaired by the Chief Executive and a Transformation advisor acts as a critical friend and advisor to the Board and members of the Programme team. In the next phase Heads of service and their direct reports will become an integral part of the delivery of transformational activity.

2.1.2 In July 2021 the Council agreed the Programme and described the initial phases as internally focused, gathering insights into how the Council functions and building capacity for change. The purpose of this briefing is to explain progress against those goals in phase 3 and work continuing in phase 4. For the purpose of this report, those projects have been grouped into three key areas of focus - our systems, processes and people.

2.2. Our services: changing our services to the public

- 2.2.1. A review of our services aims to bring about change in how we engage with residents, businesses and community groups. We are looking at ways to enable those groups to engage with us in a better way. In phase 3 we set up an internal team of officers to look at how we operate, consider best practice and provide tools that will be used to transform our services. The toolkits are as follows:
- Community Development – tools which enable the Councils to understand and develop the assets of our communities and to development work with them so that they increase their participation and resilience.
 - Service Models – a tool which enables us to decide whether current models of service delivery are the most appropriate and helps us to explore potential alternatives.
 - Demand – a method of analysing the demand for services to see if any of this is preventable by earlier forms of intervention, or stems from failure in other service areas, to ensure we direct our resources to the right priorities.
 - Digital redesign – a customer focussed view of how well services work, with a particular emphasis on the contribution that digital technologies could make to their redesign to better meet customer needs.
 - Next level sharing – an assessment of the extent to which services are currently shared and consideration of options for the future.
- 2.2.2. We completed the early stage development of our toolkits in phase 3, including prototyping aspects of them within some teams and capturing their feedback. In phase 4 we will work with experts to refine those toolkits to enable officers to develop their transformation skills through this process. The tools will be used to form the basis of an Applied Programme of Service Re-Design’.
- 2.2.3. This Programme will be attended by Heads of Service and their direct reports and will take them through a systematic review of all services in ‘clusters’ where they work together with others to produce plans and business cases for fundamental change. These proposals will form the basis of the budget for 2023/24 through to 2025/26. This will enable the movement of resources away from low priority and low efficiency areas to those that deliver the priorities of each Council.
- 2.2.4. One of the most important aspects of this Programme is that it is designed and owned by our people. It is therefore bespoke to the needs of this Council and

designed to our specific Corporate Strategy. It builds the capability of officers within the Council to continually transform the teams and services they manage.

2.3 Our systems: Digital Design

- 2.3.1. Digital Design and our IT systems are central to our Programme. Many of the systems we currently use have developed over time based on the individual perspective of each service area, rather than being developed to function in an integrated way to improve the experience of the customer.
- 2.3.2 To enable transformation we are creating a unified and rational approach to IT so that it is better joined up within each Council. The way that we develop our IT systems to work as a unified whole with each other is called our **enterprise architecture**. This is a significant piece of work that crosses over several phases of the Programme. In phase 3 we continued work to develop the enterprise architecture. We did this by mapping and identifying all the systems we use, the licences and the contract length. In phase 4, and through the Applied Programme in Service Re-design we will be ensuring that services are redesigned based on a joined up enterprise architecture.

2.4 Our processes: budgets based on priorities

- 2.4.1. The Council sets an annual budget which aligns its funds to the services it will deliver over the course of the coming financial year. The budget should be directed to achieving good quality services and improving the well-being of its residents. It is imperative that the budget therefore aligns to achieving the priorities in the Corporate Strategy.
- 2.4.2. The budget for next year is prepared between November and February in the preceding year. This year we have approached budget setting in a different way. We are moving to a process of long-term transformational targets beginning this year by mapping budget to our Council wide priorities. In previous years our budget has been built against pressures and savings within each service area and against the base budget of the previous year. In phase 3 we produced a methodology, to determine the relative priority and efficiency of each service area. This is providing the financial insights necessary to help officers inform member decision making about which services to reduce, and which to invest in to meet objectives and priorities.
- 2.4.3. Our methodology looked at 7 areas of data and information to gather key service insights by service area. These 7 areas were:
 - a. Corporate Strategy and strategic priorities

- b. Spans and layers in terms of organisational management structure (ongoing)
- c. Benchmarking with other authorities
- d. Activity based costing – what our services spend time on
- e. Historic cost budgets – how much are services have increased/decreased in costs over the years
- f. IT spend – how much individual services spend on bespoke IT
- g. As-is service discovery – how the service currently operates and potential for the service to innovate in the future

2.4.4. Once completed, the Executive Board, in consultation with each service area, will recommend to members changes that will classify each service and target them with cost reduction or investment over a three-year period. This will inform the medium-term financial strategy and enable the Councils to re-distribute resources based on Corporate Strategy priorities. Officers will take this target into the Applied Course in Re-Design which will develop their skills to help them achieve financial and customer targets.



2.4.5. The Applied Course in Re-Design is the key part of phase 4. The toolkits are the support to guide the services through the review of their processes. The outcome of this work will be to enable officers to produce credible financial plans to achieve corporate targets and transform the Medium-Term Financial Plan into a Financial Strategy.

2.4.6. For this coming financial year (2022/23) every service is reviewing their budgets set against an initial 5% target by applying the principles of transformation to

consider what funds could be freed up by taking an alternative view to how they deliver services.

2.5 Our processes: Service Plans

2.5.1 Refreshed Corporate Strategies will be presented for approval by each Council in February 2022. Once approved, work will begin to translate those priorities into targets and actions. In phase 4, each service will set out in greater detail the actions taken within their services to deliver against the Corporate Strategy. It translates the priorities into what will be delivered, by whom and by when.

2.6 Our processes: Performance Management

2.6.1 An important adage is ‘that what gets measured, gets done’. Measuring how we perform against the Corporate Strategy priorities is an important part of what we are developing through this Programme.

2.6.2 In phase 3 work has been taking place on a balanced scorecard approach to performance. This approach examines what we deliver against the different perspectives of

- customers and communities,
- finance,
- internal processes and
- learning and growth.

2.6.2 Our finance targets are currently the most developed. This is to enable officers to move resources across service areas to achieve corporate objectives rather than service objectives. In phase 4 we will develop the other aspects of our balanced scorecard and our approach to performance management further. This includes a new method of reporting our performance and achievements.

2.7 Our People

2.7.1. The Programme is co-ordinated by a central programme team. The Programme team has a Programme Manager. The Chief Executive leads an internal Programme Board, known as the Shaping Our Future Board, to which the Programme Manager and the Programme team reports. The Shaping Our Future Board also comprises the Directors and a Transformation Advisor who guides the programme through the transformation process.

2.7.2. As a consequence of examining our systems and processes, we must also consider whether the people within our organisation are structured in the best way

to achieve the Corporate Strategy. In phase 3 we started working with the LGA on the 'Spans and Layers' of the Council. The 'spans' consider the number of people who report to any one manager and the 'layers' considers how many tiers of management are suitable for the Council. In phase 4 we will be receiving the outcomes of that work and the impact upon the current structure.

- 2.7.3. Individual performance management will be key to the success of the Corporate Strategy. Performance management is not just about holding to account or a job well done, it is also a key tool in identifying opportunities for progression, training and development. In phase 4 officers will work to develop their individual performance management framework with managers. This will establish the accountability of each officer's contribution to the Corporate Strategy. Officers will be supported by an enhanced training and development offer, making use of digital capabilities, underpinned by work to communicate and embed our values and behaviours.

2.8 Conclusion

- 2.8.1 The transformation programme will impact in the whole Council, its residents, businesses and community groups. To do this effectively the initial focus in these early phases has been for officers to develop the data and evidence base that is required to deliver transformational change. This will embed a more effective business cycle within the Council, owned by managers and officers. Changes to the budget setting process reflect this move towards a whole organisation approach and set the challenges as we move into the service redesign phase.

2.8.2 Background and relationship to Corporate Strategy and/or Business Plans

- 2.3. This work sets the foundations for achieving the Corporate Strategy objectives.

3. Options considered

None as no decisions are being requested

4. Resource Implications

- 4.1. Financial Implications

Section 151 Officer comments

Date:

The Programme is within budget. The Programme budget is monitored through the monthly highlight reporting so that any variations can be reported to Cabinet and / or Council for approval.

4.2. Human Resources Implications

None at this stage

4.3. Information Governance Implications

None

4.4. Links to Shaping our Future Programme

Shaping our Future Lead comments/sign-off

This report outlines the implications for the Shaping Our Future Programme

Date: 21 December 2021

4.5. Other resource implications

5. Legal Implications

6. Risks

6.1. The recent decision to separate out the senior management arrangements of the Council from the shared arrangements is under consideration.

Monitoring Officer comments

Date:

7. Consultation

7.1. None required as this is an update report

8. Communication

8.1. None required as this is an update report

9. Appendices

9.1. None

10. Background papers

10.1. None