CHANGE PROGRAMME - FUTURE RESOURCING REQUIREMENTS

EXECUTIVE MEMBER: Cllr Allan Holliday
LEAD OFFICER: Paul Walker, Chief Executive
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WHY HAS THIS REPORT COME TO THE EXECUTIVE?

Continued reductions in our funding from Government and changes to Government policy mean we must continue with our programme of change. Over the past two years we have worked hard to deliver efficiencies, reducing our expenditure and whilst we have tried to avoid this wherever possible, we have also needed to make staff redundant.

Through the change programme, we set a policy-led budget last year, working through Policy Development Groups and consulting our residents and partners about the changes to services we needed to make in order that we could set a balanced budget. We also revised our corporate plan setting out new priorities and stating that we need to continue to make changes in the way we work and deliver services because it was predicted that our funding would continue to be reduced further in future.

By the very nature of the challenges we face, this programme is key to the future of the Council and therefore is intensive in the both the amount of work that needs to be done and the time available to do it. As the scale and pace of the financial reductions has led to a reduction in budgets and total staffing levels already, we need to find a flexible approach to resourcing the Change Programme that allows us to deliver.

RECOMMENDATIONS

Executive are recommended to agree:

1. The resourcing strategy for the Change Plan as presented within this report;
2. The release of the Transformation Fund Reserve to support the delivery of the Change Programme;
3. That the Head of Policy and Transformation has delegated authority for expenditure against the Transformation Fund;
4. £16,000 is released from the ICT Reserve;
5. That the Head of Policy and Transformation reports progress against the Change Programme and the benefits realised to the Executive at least quarterly.

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1. INTRODUCTION

1.1 The financial challenges we face are well known. In February of this year, Full Council agreed a budget which included a range of savings proposals totaling £1.6M. We are now delivering these savings.

1.2   This means our managers and senior officers are doing the work to stop delivering some services, changing the level at which other services are delivered and where necessary, making redundancies. This programme of work follows efficiency rounds made each year since 2010 which has seen a reduction or withdrawal of budgets and reductions to the number of people working for the Council. Our staffing establishment has reduced by 26% over the last three years from 313 to 231.

1.3   Looking forward, Government has signaled its intent to continue to reduce funding to local government and through its national policy drives continue to expect local government to adapt to the new circumstances. This includes:

"Digital by default" - in the role out of Universal Credit 80% of applicants are expected to apply on-line with limited telephony and face to face support being provided

The role of Local Enterprise Partnerships and the Pooling of business rates – working together to pool resources to achieve economic growth

Shared Services – working together to reduce the overhead costs involved in delivering public services-

1.4   For the Council to continue to deliver services in future and to represent the needs of residents through its community leadership role, then we must continue to meet these challenges with a plan of concerted action which at the heart of it deals with the strategic issues facing the Council. We must modernise the way we work through the automation of processes; by putting our services on-line and by entering new service delivery models. All of these actions are targeted at minimising the risk we are exposed to at any one time; maximising the potential of our staff to deliver services to our customers as efficiently as possible and making savings so that we are able to work within the budget we have available.

1.5   Through our Change Programme, we have committed to changing the way we work. We need to do this because our residents need services to be delivered but we have less people and significantly less money to do this than we had before.

2. THE CHANGE PROGRAMME PLAN

2.1   As an organisation, we have taken a proactive and forward thinking approach to the challenges we face. We undertook a comprehensive consultation exercise last year, talking to residents and partners about the reductions to our funding and our proposed changes to services. We have subsequently started to change the way we work in order to reduce the costs of delivering services. This is essential if we are to control our risks and be sustainable in the future. We are doing this in a planned way and the changes identified and delivered are governed by the Change Programme Board, chaired by the Chief Executive.

2.2   The Change Programme Board provides the governance and accountability for the delivery of both the Savings Programme and the Change Programme so that the overall transformation of the Council is controlled effectively. The Council has implemented a programme management approach with clear lines of accountability and clearly defined roles and responsibilities. The Chief Executive is accountable for the programme and Senior Managers and Heads of Service are responsible for delivering individual projects within the programme.

2.3   The role of the Change Programme Board is set out below.

The role of the Change Programme Board

1. Ensuring that the Programme delivers the required outcomes to agreed timescales.
2. Overseeing and delivering a cohesive set of actions and activities across the work streams to achieve those outcomes.
3. Maintaining an overview of the work streams to ensure integration and synergy between services, projects and outcomes and avoiding duplication.
4. Commissioning new projects and other strategic initiatives.
5. De-commissioning existing projects that do not align with the Programme Blueprint.
6. Identifying and advising of appropriate Invest to save opportunities and resourcing requirements.
7. Assigning the necessary budget and resources for design, delivery and support of the Change Programme.
8. Ensuring that dependencies and risks relating to the successful completion of the Programme are identified and managed.
9. Building a shared understanding and view on action across work streams, organisations and stakeholders through effective engagement and communication (including staff, partners, public).
10. Advising and updating the Council Executive.
11. Stakeholder engagement and consultation.

2.4   Phase 1 of the Change Programme Plan is attached at Appendix A. At the present time, a significant proportion of Phase 1 projects are underway. Phase 2 has been scoped but none of the projects are underway as yet. The successful delivery of Phase 1 and Phase 2 now depends upon gaining additional capacity and capability to deliver. With the unrelenting financial pressures we find ourselves under, time is of the essence.

3. RESOURCING THE CHANGE PROGRAMME PLAN IN FUTURE

3.1   In December 2012, the Executive agreed to the setting up of a Transformation Fund Reserve. The Executive recognised the importance of agreeing an appropriate resourcing strategy for the Change Programme, one which seeks to bring additional capacity and capability into the Council when needed without building in additional costs to our base budget. This approach allows us to flex resources in as required and thus represents the most economic approach to delivering the change programme. This approach provides a bridge between the organisation we are today and the journey towards being a very different organisation in future.

3.2   The Transformation Fund Reserve has been created to:

- Support the organisation and its employees through change and making those changes stick
- Redesigning work to remove waste and automate processes where appropriate,
- Preparing for any potential future sharing of services; and
- Redundancy costs

3.3   In accordance with the purpose of the Fund it is requested that £175k is released in order to support Phase 2 of the Change Plan which concerns itself with (a) support the organisation and its employees through change and making those changes stick and (b) the redesign of work to remove waste and automate processes where appropriate. This spend will be profiled over a two years (2013/14 and 2014/15). The remaining funding with sit in reserve to support other aspects of the change programme, including redundancy costs.

3.4   It is also requested that £16k (8%) of the ICT reserve is also released to help fund Phase 2 of the Change Programme Plan.

3.5   In accordance with the governance procedures set out, the Change Programme Board is owned and chaired by the Chief Executive, as Senior Responsible Officer (SRO).The fund will be released to the SRO and the Board will provide the governance to ensure that the expenditure in support of programme delivery is appropriately controlled. The Head of Policy and Transformation will manage the

budget on behalf of the Board and will act in accordance with existing financial procedures and standing orders and will be required to report expenditure to the Board on a regular basis. Regular meetings are already held with the Portfolio Holder for Transition and Performance and he also attends the Board periodically. Reports are and will continue to be submitted to the Executive on a regular basis.

4. CONCLUSION

4.1 The Change Programme is a significant but necessary undertaking for the Council. By taking a planned approach to change, we are seeking to manage potential risks, realise the benefits intended and create a strong and stable platform for future decisions. By providing sufficient resources, we will be able to gain and sustain the momentum required.

5. STATUTORY OFFICER COMMENTS

5.1 The Monitoring Officer's comments are: No additional comments

5.2 The Section 151 Officer's comments are: The transformation fund has a balance of over £800K and so there are adequate resources to fund this phase 2 programme of work, leaving balances for other future work and redundancy costs. The IT earmarked reserve has a balance of over £200K so there are adequate resources to fund this request.

5.3 EIA comments: Changes where appropriate will be assessed from an equalities perspective.

5.4 Policy framework comments: The Corporate Plan 2013-15 identified that the Council is a changing organisation, responding to reductions in Government funding; changes in national policy and customer demand. The Council has established a Change Programme Board and a Change Programme Plan in order to develop a planned approach to these changes and to prioritise resources accordingly.

5.5 Other consultee comments, if any: None

6. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

6.1 The Change Programme Plan is managed through the Change Programme Board, chaired by Chief Executive. Each Phase is controlled through the Board and reported to the Executive.

6.2 Risks are addressed through the programme management approach and reflected within the Council's Strategic Risk Register.

7. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

7.1 The plan aims to address key risks, modernise how we work and deliver cost savings. Each Phase and each project is assessed in this way.

List of Appendices
Appendix A –Phase 1 and 2 of the Change Programme Plan.

Appendix A

Phase 1

Project	Benefits
Kiosk procurement, customisation, implementation	Reduced waiting times Reduced reliance on CSO Improved customer experience Creates capacity in Customer Service Team to take on new roles
New www.copeland.gov.uk website launch	Increased transactional activity via lower cost channels Increased customer convenience Increased customer satisfaction
WIFI Rollout	Improved customer services and ready access to information Reducing operational costs over time
Consolidate overview of ICT and Enterprise Architecture	Utility of existing platforms Identification of business requirements Future proof design of corporate IT infrastructure ensuring that systems can talk to each other where necessary and support the future aspirations of the Council
Information Management – improve policy and procedural framework, conduct self-assessment and promote compliance.	Respond to audit and ensure regulatory compliance Enable quick and easy access to information and data to support service delivery and efficient and effective working practices.
Civica Chip and Pin Upgrade	Improved customer satisfaction Faster processing times PCI Compliance
Reception: Finalisation and approval of reception designs	Reduced customer waiting times Improved customer experience Improved privacy Supports self-service offer
MFD replacement	Lower cost Increased reliability
Telephony Changes	Reduction in calls transferred that aren't answered Increase customer satisfaction Reduction in customer waiting times Better customer experience Improved staff morale Helping small teams handle demand for services

	Professional, high quality image
E-registers Requirements and solutions identified	Reduce errors associated with manual completion of hard copy register Customers will be able to search through the records online without the need for support form a council officer
Waste Management System Business case and system specification	Increase business continuity Increased information intelligence Waste round optimisation
MVM Options	Reduction in administrative effort Balance workloads easily and quickly Improved KPIs and performance Improved business continuity
Continue to move processes into Copeland Direct as required/available.	Helping small teams handle demand for services First time resolution of customer enquiries Making the best use of existing capability

Phase 2

Project	Benefits
Channel shift	Optimise processes Reduce costs of processing Improve customer choice and convenience
ICT Enterprise management	Identification of business requirements Future proof design of corporate IT infrastructure ensuring that systems can talk to each other where necessary and support the future aspirations of the Council
Reception re-design (project management and procurement)	Reduced customer waiting times Improved customer experience Improved privacy Supports self-service offer
Waste management system procurement and implementation	Increase business continuity Increased information intelligence Waste round optimisation