

Future Guildford Project Board

13th June 2019

What is Future Guildford?

- It's our Council-wide transformation project
- All services, systems and processes will be looked at, reviewed and revised as required. We are taking the engine out and rebuilding it!

We are:

- Using Ignite (management consultants)
- Implementing their model
- Investing in our ICT
- Increasing customer-self service
- Focusing on how we buy-in services and commercial activity, reduce duplication and redesigning services to be more efficient.
- Looking to have one view of the customer.

Aims

- To be more customer focussed
- To deliver services in a way that the customer needs
- To improve our services and customer care
- Future proof our organisation
- Modernise our services and systems
- Make us more efficient
- Deliver savings required and address our budget gap
- Create an environment where there are better development opportunities for staff
- Develop our culture into one that collectively adapts and changes to address the various challenges and issues facing us

Background

Previous approaches to savings and efficiencies:

- Service Challenges
- ‘Star Chamber sessions’
- Fundamental Service Reviews (FSRs)
- Lean Reviews
- Under heading of ‘Channels for Change’
- Delivered £10m of total savings from 2013-2018
- Generally successful but will not deliver the level of savings, efficiencies and service improvements required

Why Future Guildford is needed

- FSRs – many delayed; drawn out process; have looked at one service and often not made most of opportunities with other internal or external services. Silo cultures in some areas
- Our culture does not, consistently, encourage and accept change
- High levels of duplication
- Need to challenge service models, and increase commercial activity
- Customers expect easy and efficient access to our services and systems – 24/7.
- Our IT systems limit our ability to do this and affect staff efficiency, procedures and working practices

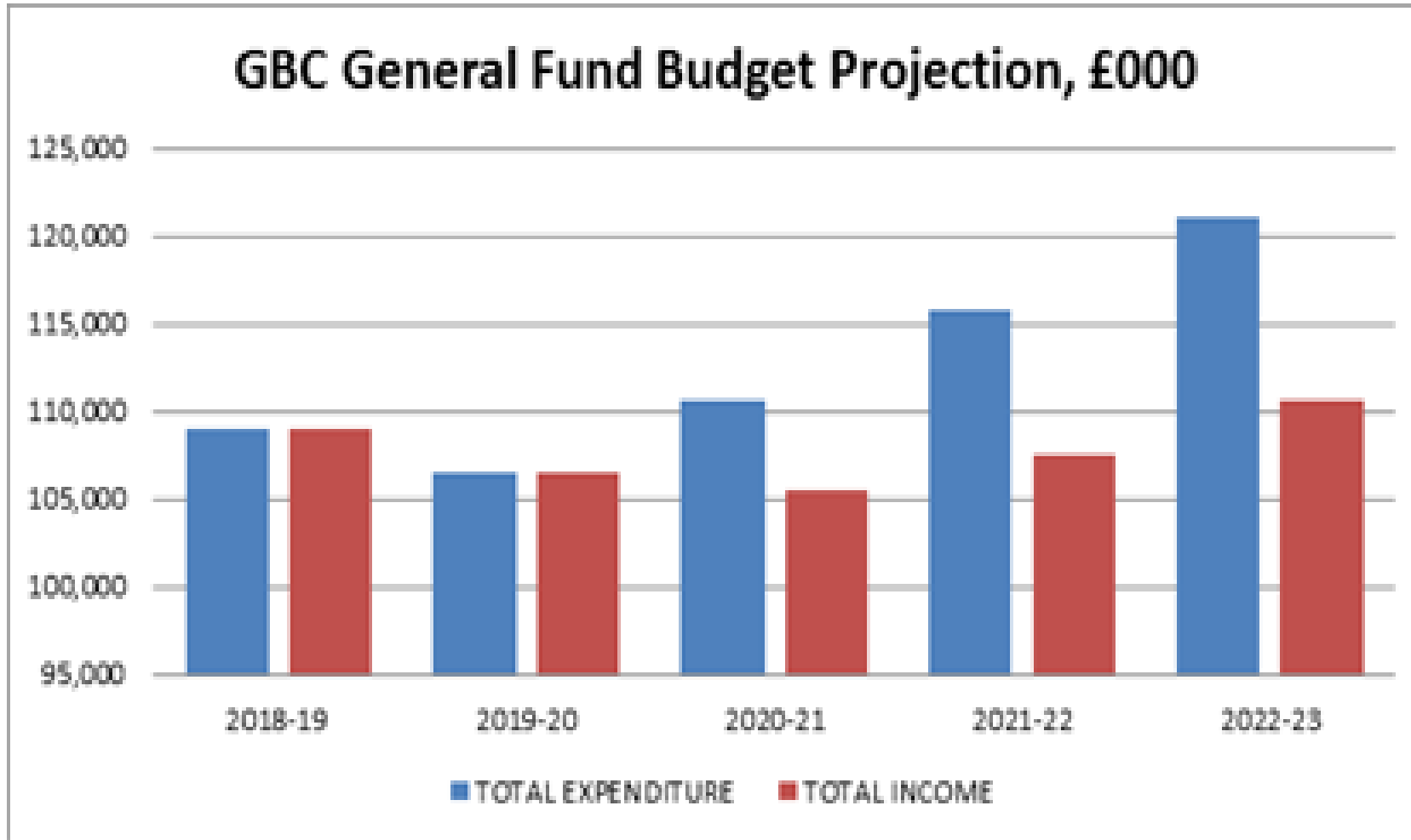
Why Future Guildford is needed

- Our self service involves 3-4 logins
- No contact management software for queue management and no customer record providing a joined up view to the customer
- CSC staff – have to refer to and directly enter cases in 14 separate systems
- 23 published telephone numbers for services
- Shadow Teams, especially in IT and customer service
- Finance has 20 in-house data bases/systems with significant off system working
- Out of 51 identified in-house systems, 30 relate to support services
- HR system – doesn't cover full range of HR areas

Financial gap

- 2019-2023 – we are projecting an annual gap between income and expenditure to grow to around £10m – Reasons are:
 - reduction in the Council’s settlement funding assessment and therefore net retained business rate income due to the government’s fair funding review
 - removal of business rate growth received since 2013 under the business rate retention scheme as a result of ‘resetting’ the business rates system as part of the Government’s business rate reforms
 - removal of nearly £2 million of base budget funding from the new homes bonus and business rate retention levy due to future uncertainty surrounding the income streams
 - increase in revenue debt servicing costs and interest charges arising from the Council’s capital programme

Financial Gap



What we have done so far

- Data gathering
- Finance meetings – gathering information
- ICT meetings – looking at current systems & future needs
- Workshops with 34 service representatives
- Service Leader sessions & service challenge
- Change and culture workshops
- ‘Illuminate sessions’ – looking at processes
- Councillors – Executive liaison sessions; Ignite Executive session Nov ‘18; Ignite workshop all councillors Jan ‘19; O&SC Feb ‘19; Executive Feb’19; Full Council Feb’19.

Investment and projected savings

- We will make a one off investment of £13.3m (covers new technology, implementation team, cost of service redesign and redundancy)
- Paid for out of reserves
- Payback period 2 to 3 years
- Will result in annual savings of £10m per year after payback

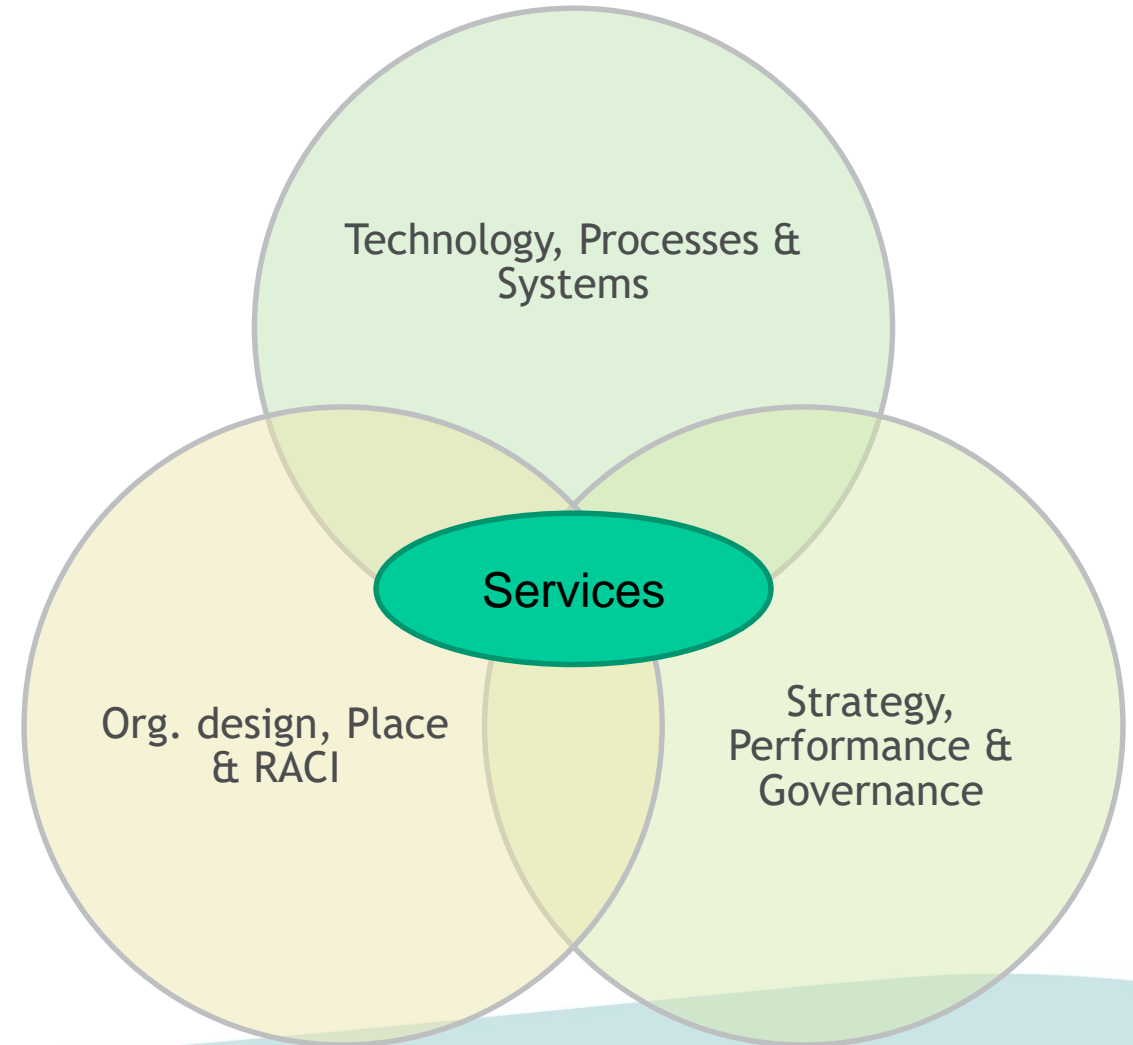
Areas of Review

- We will be implementing the Ignite Model
- Around 14% reduction to establishment
- We will be implementing service challenge proposals
- We will be looking at a range of our services and looking at a range of alternative delivery models - e.g remain in-house, outsource or trading companies
- Creating the implementation team:
 - Identifying opportunities for staff to be seconded to the team

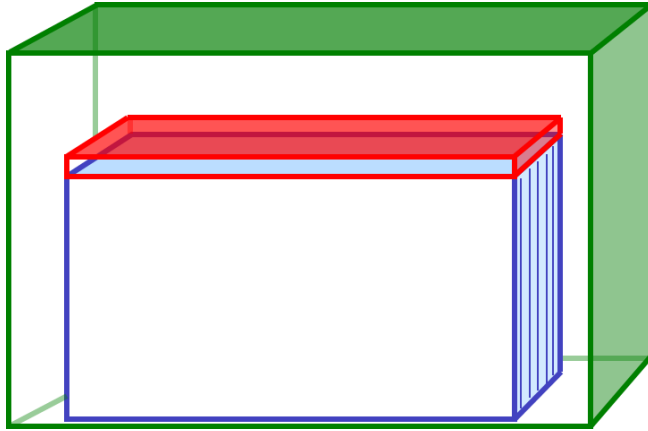
Operating Model - Ways of working

The operating model:

- describes how all aspects of the business drive success in service delivery
- is a collection of interconnected views which together describe how a business will operate
- should stem from the services/ offerings and should be fully aligned to them in order to support business success



Operating Model Components



Green Box

- Focussed on the Organisation
- Activities that monitor the environment and navigate this business through it successfully
- KPIs linked to corporate performance and Governance

Blue Box

- Focussed on the customer
- All activities that are delivering value to the customer
- KPIs linked to cost, revenue or customer experience

Red Box

- Focussed on supporting the blue box
- All activities that enable the blue box to happen (may enable some green box activities)
- KPIs linked to a blue box KPI or provision of infrastructure at minimal cost

Two key enablers...



People

- Customer centric behaviour and attitudes, rather than Service centric
- New culture required that doesn't allow working in silos
- New slick and efficient business processes

Technology

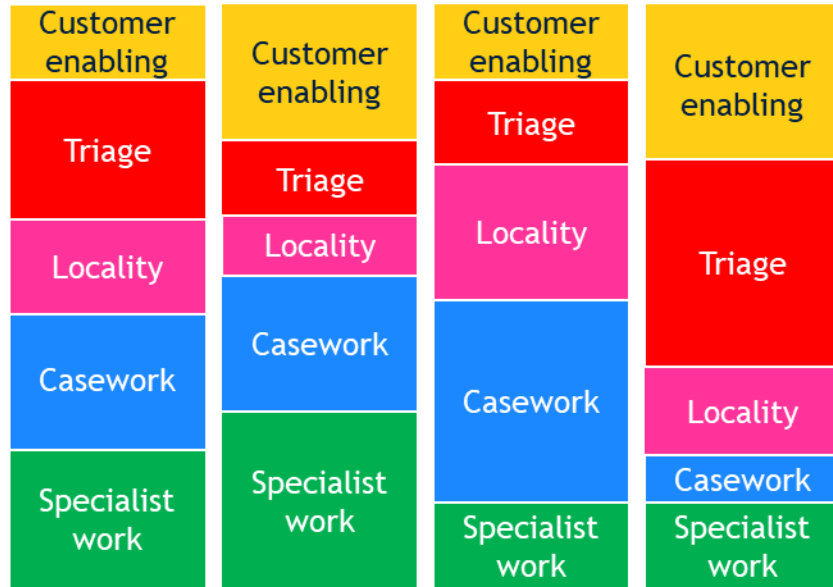
Integrated technology platform:

- Genuine self serve
- Single view of customer
- Workflow
- Integration
- Mobile working
- Paper free

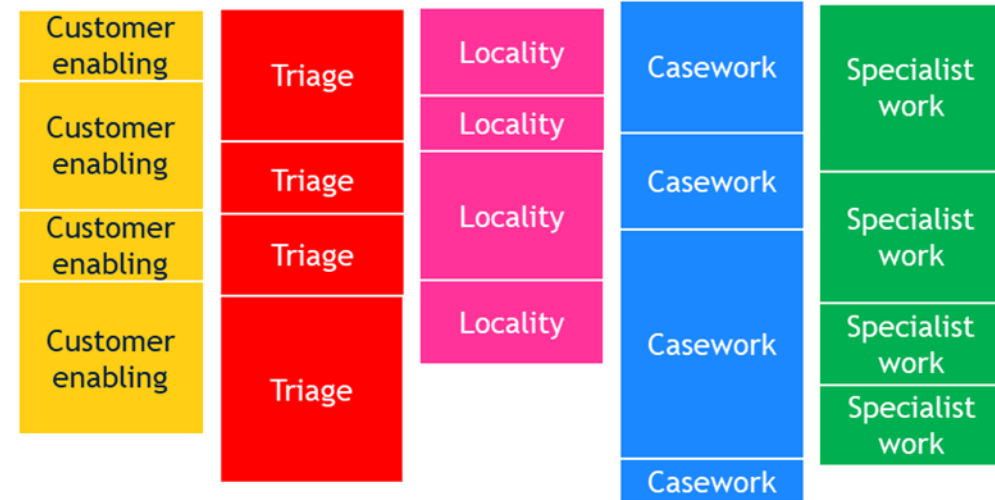


People – what is changing?

Current silos by Service

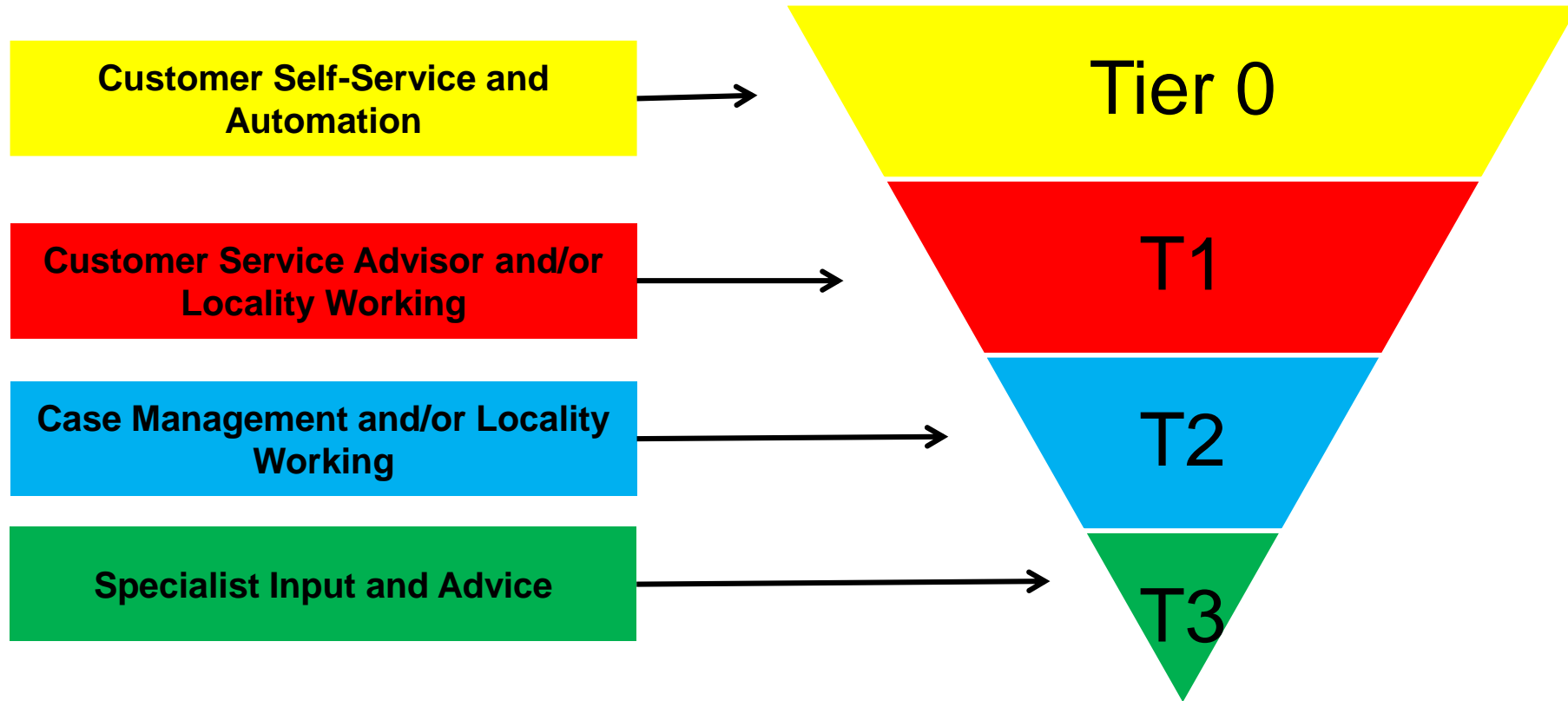


Future Model organised by activity



- Completely new way of working for staff
- Teams organised around the customer and activity, not Services
- Requires the breaking of old habits and the forming of new ones centred around the customer
- New roles across the organisation
- More clear progression pathways
- Different way of working for Members

Technology and process tiers



Some technology cuts across more than one tier but many aspects sit largely in one of these tiers, e.g. website is Tier 0, contact centre management solutions are Tier 1

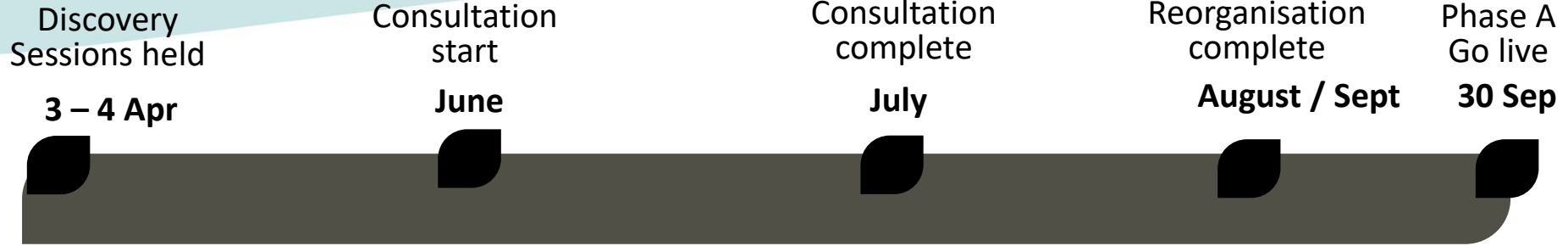
Where we are now?

An implementation team has been assembled including officers from GBC and the ignite team. Work is split into streams which include;

- Design
- HR & People
- Technology & Systems
- Service Redesign
- Culture & Change
- Strategy
- Service Challenge

Key Upcoming Milestones

- ERP procurement & team assembled
- CMT Consultation
- Phase A staff consultation begins



Detailed design
25 Mar – 14th June

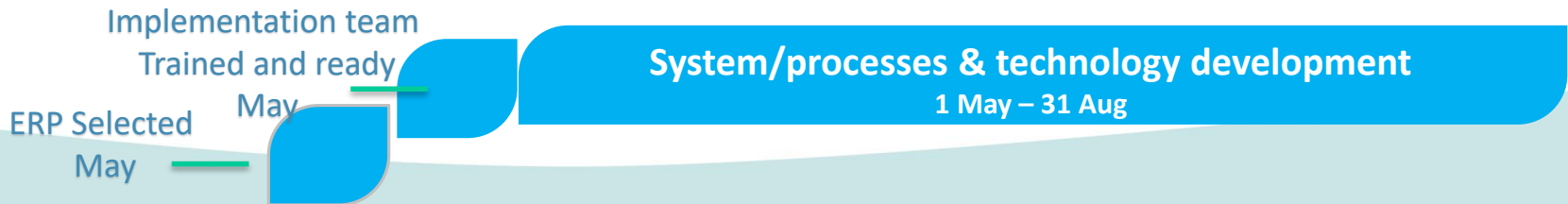


Reorganisation
July / August

Transition period
August / September



Service challenge delivery
May – Aug



Programme costs

Forecast costs						
Costs	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023	TOTAL
Technology (new)	£0	£462,500	£130,000	£0	£0	£592,500
Team - Ignite	£101,650	£1,011,600	£321,150	£36,000	£0	£1,470,400
Team - contractors	£155,960	£1,390,320	£1,930,620	£235,000	£0	£3,711,900
Teckal & Trust set up	£0	£430,000	£1,862,100	£0	£0	£2,292,100
Contingency	£25,000	£500,000	£640,000	£25,000	£0	£1,190,000
Redundancy	£0	£1,850,000	£2,250,000	£0	£0	£4,100,000
Grand Total	£282,610	£5,644,420	£7,133,870	£296,000	£0	£13,356,900

Programme benefits

Weighted revenue savings					
Opportunity type	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Future Model	£0	-£417,000	-£2,250,000	-£4,500,000	-£4,500,000
Non staff efficiency	-£331,934	-£870,307	-£1,222,061	-£2,082,061	-£2,162,061
Strategy based reduction	-£145,207	-£1,267,975	-£1,953,454	-£2,236,508	-£2,476,508
Commercialisation	-£374,175	-£746,800	-£974,775	-£1,528,215	-£1,693,640
TOTAL	-£851,316	-£3,302,082	-£6,400,290	-£10,346,784	-£10,832,209
Increased tech revenue		£337,500	£626,000	£626,000	£626,000
Grand Total	-£851,316	-£2,964,582	-£5,774,290	-£9,720,784	-£10,206,209

Questions?

Future Guildford Project Board

24th July 2019

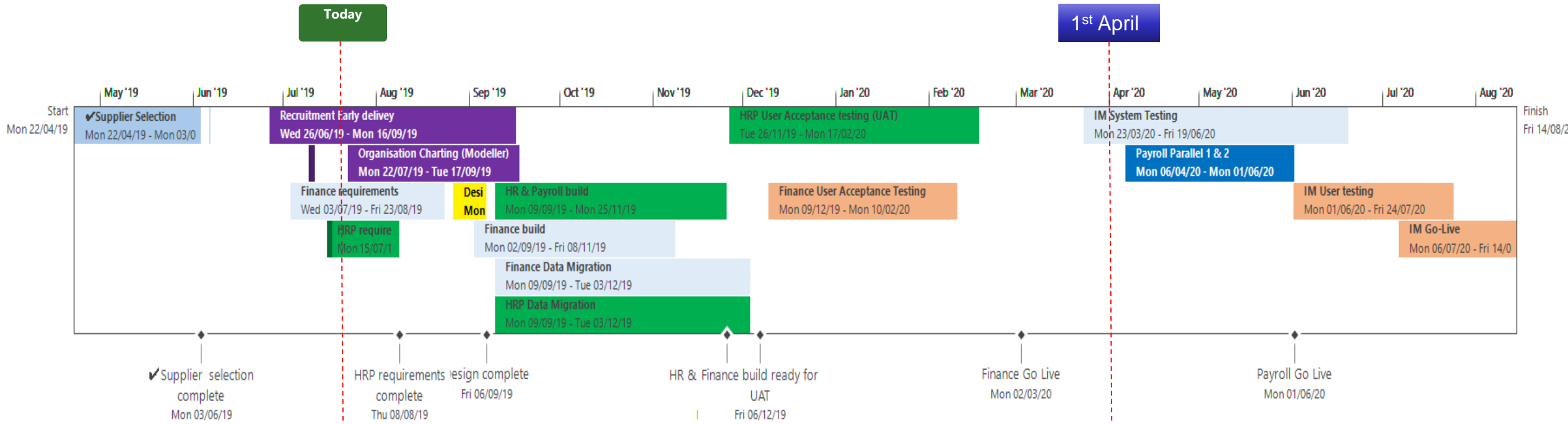
Agenda

- ERP progress update
- CMT Re-Structure Update
- Phase A Consultation
- A.O.B

ERP Highlights

- Recruitment go live - 16th September
- Org charting in BW is suggested for Sep/Oct 2019
- Finance, HR & Payroll Design complete - 30th August

23rd July: High Level Project Plan



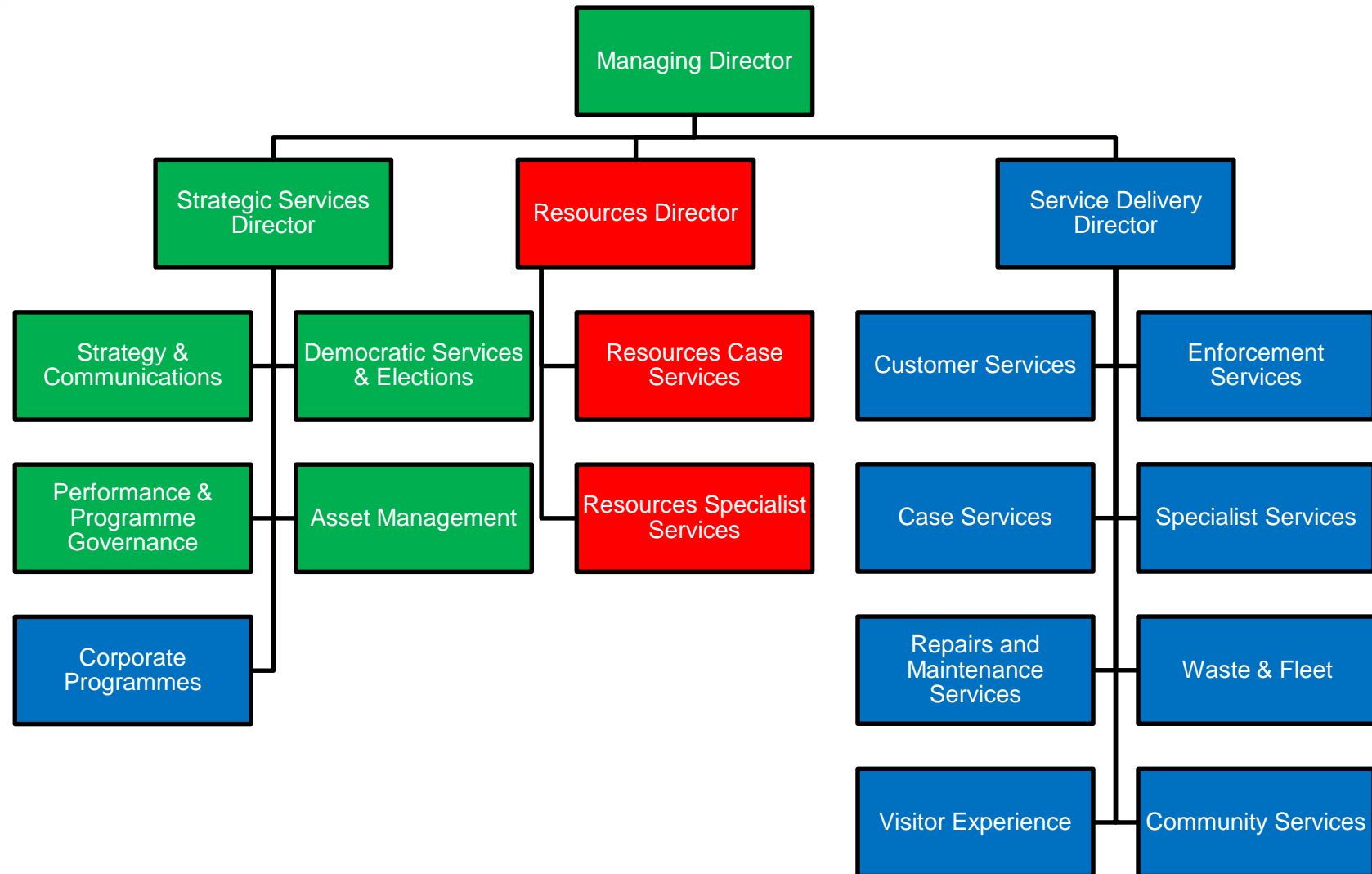
Recruitment Timetable

- 8th Aug - Recruitment design sign-off
- 21st Aug – Walkthrough of build
- 6th Sep – User testing & training complete
- 9th Sep – Recruiting manager training starts
- 16th Sep - Recruitment go live

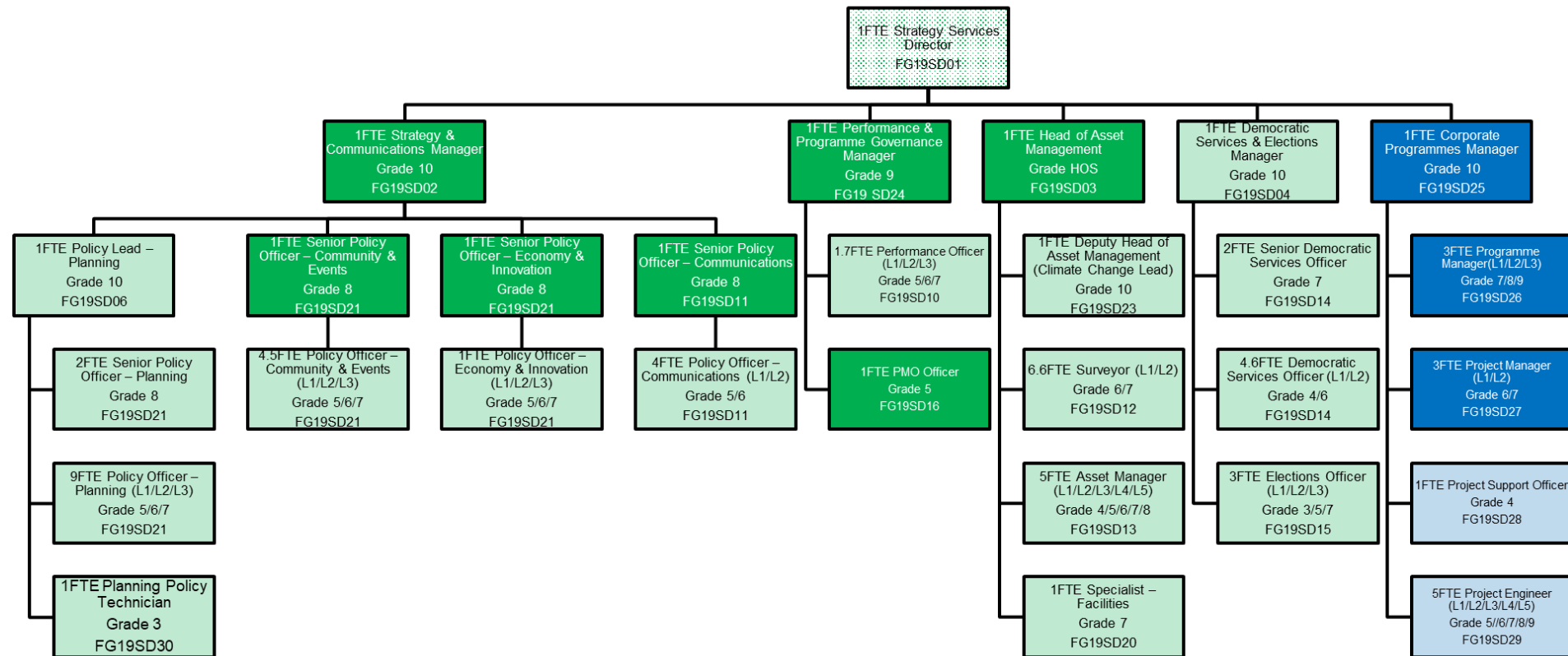
Phase A Consultation

- Started 18 July 2019
- 171 staff involved
- 45 day consultation period
- Each member of staff will receive a consultation pack:
 - Letter relevant to you
 - Phase A Staff Consultation Document
 - Covers: background; the model; details of proposals for each area; Consultation approach and how appointments will be made/selection criteria; policies (covering redundancy; pay protection; voluntary (compulsory) redundancy scheme; FAQs; contact details; information to contact Pension Services; organisation charts; JDs to each role in the restructure

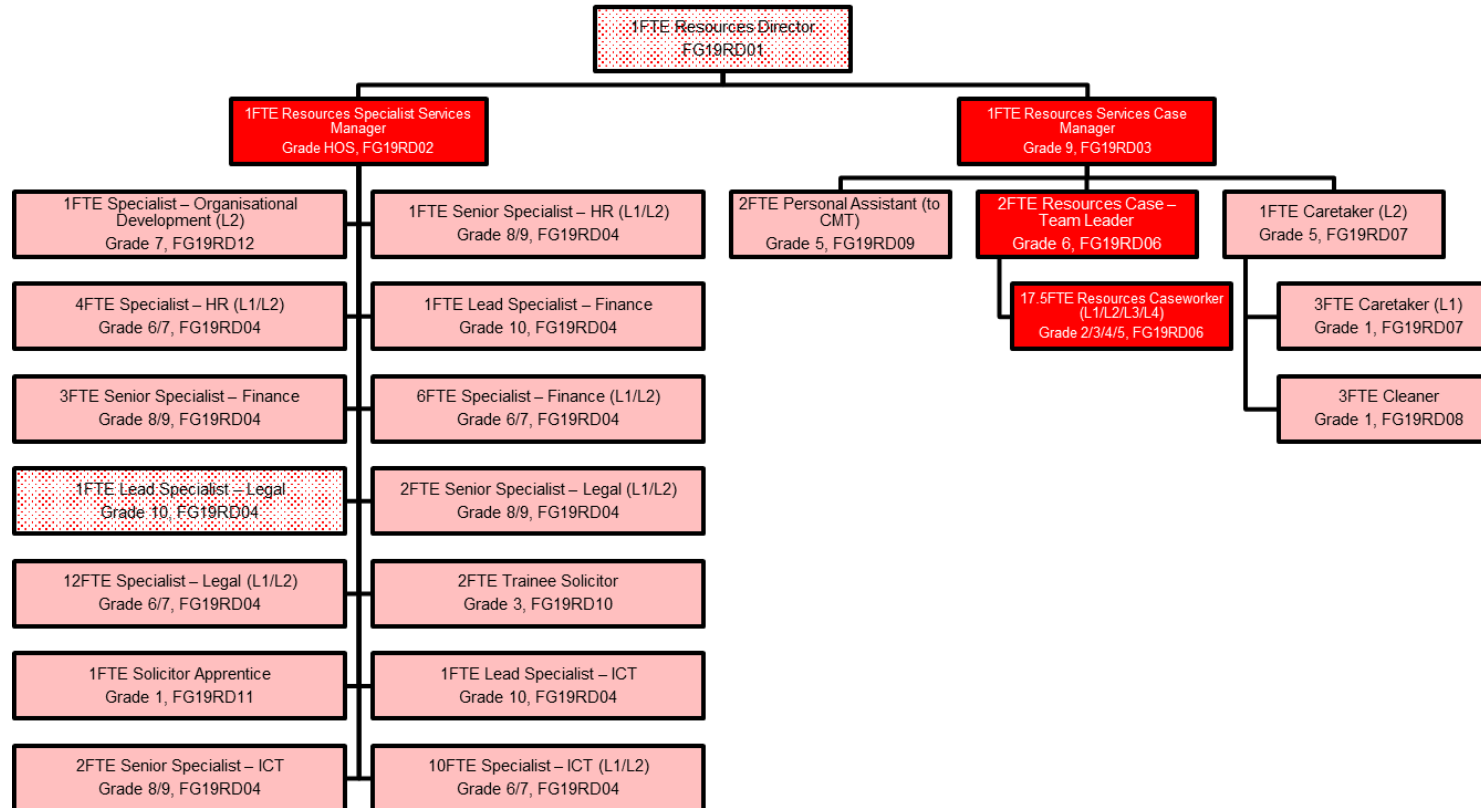
High level structure



Proposed Organisation Chart - Strategy



Proposed Organisation Chart - Resources



Timeline

	18 July 2019
Formal consultation meeting-All staff in Phase A will receive a consultation pack	
Individual consultation meetings , as required and drop in sessions (TBC)	19 July - 1 September 2019
Deadline for submitting voluntary compulsory redundancy (VCR) and consultation closes	01 September 2019
FG Programme Panel, chaired by MD, reviews feedback, approves changes, approves final structure and communicates accordingly	w/c 1 September and 9 September 2019
MD communicates to the Council the final structure	w/c 16 September 2019
FG Panel, chaired by MD, considers assimilation appeals (for the relevant phase)	w/c 9 September 2019
All staff to receive letters to notify if their role is redundant or a post has been identified to "slot" them into	w/c 16 September 2019
All staff in Phase A to submit their expressions of interest forms for vacant roles	w/c 16 September 2019
Staff notified of the outcome of their VCR request	w/c 16 September 2019
Assessment and selection processes commences	w/c 23 September 2019
Staff side have been consulted at all stages	

Questions?

Future Guildford Project Board

12th September 2019

Agenda

1. Programme highlight report
2. Programme budget update
3. Programme benefits update
4. Draft organisation structures
5. AOB

1. Programme highlight report

Work stream	Lead	RAG	Progress
1) Model	Dave Mullin	G	Target operating model has been defined following consultation design responses and this is in line with overall savings assumed in the business case Initial design work for phase B/C has commenced on time and we are working towards a single phase B/C consultation starting in January 2020
2) People	Jenny Lester	A	Delays in finalising CMT structure have caused knock on delays to the implementation of phase A We are now recommending to board that we postpone phase A go live of 9 th December 2019
3) Technology	Henry Branson	G	Core ERP and Nethelpdesk developments progressing on track Key area of focus is the consolidation and improvement of back office data for phase A go live
4) Process redesign	Charlotte Ellis	G	Resources directorate process redesign is on track
5) Culture and change	Natasha Chadwick	A	This work on culture development, leadership development (alongside work with SOLACE) and transition is key to supporting our new ways of working Key dependency in this workstream is the level of vacancy that we may have at service leader level as a result of recruitment (difficult to progress with service manager training and some key transition activities if key posts are vacant)
6) Strategy, performance and governance	Stephen Benbough	A	Significant amount of up-front work has been done on discretionary activity across the council aligned to strategic priorities Member session, hopefully in early October, will be key to give strategic direction for service challenge work-package that is required to deliver £6.3M per annum of savings from commercial surplus, external expenditure and reductions in services
7) Service challenge	Claire Morris	G	There are three large scale projects in this workstream that deliver of order £1M each (Reducing budget of external transactions, income from assets and reduced levels of service expenditure in parks and visitor experience) Key dependencies on the Member prioritisation identified in SPG work-package

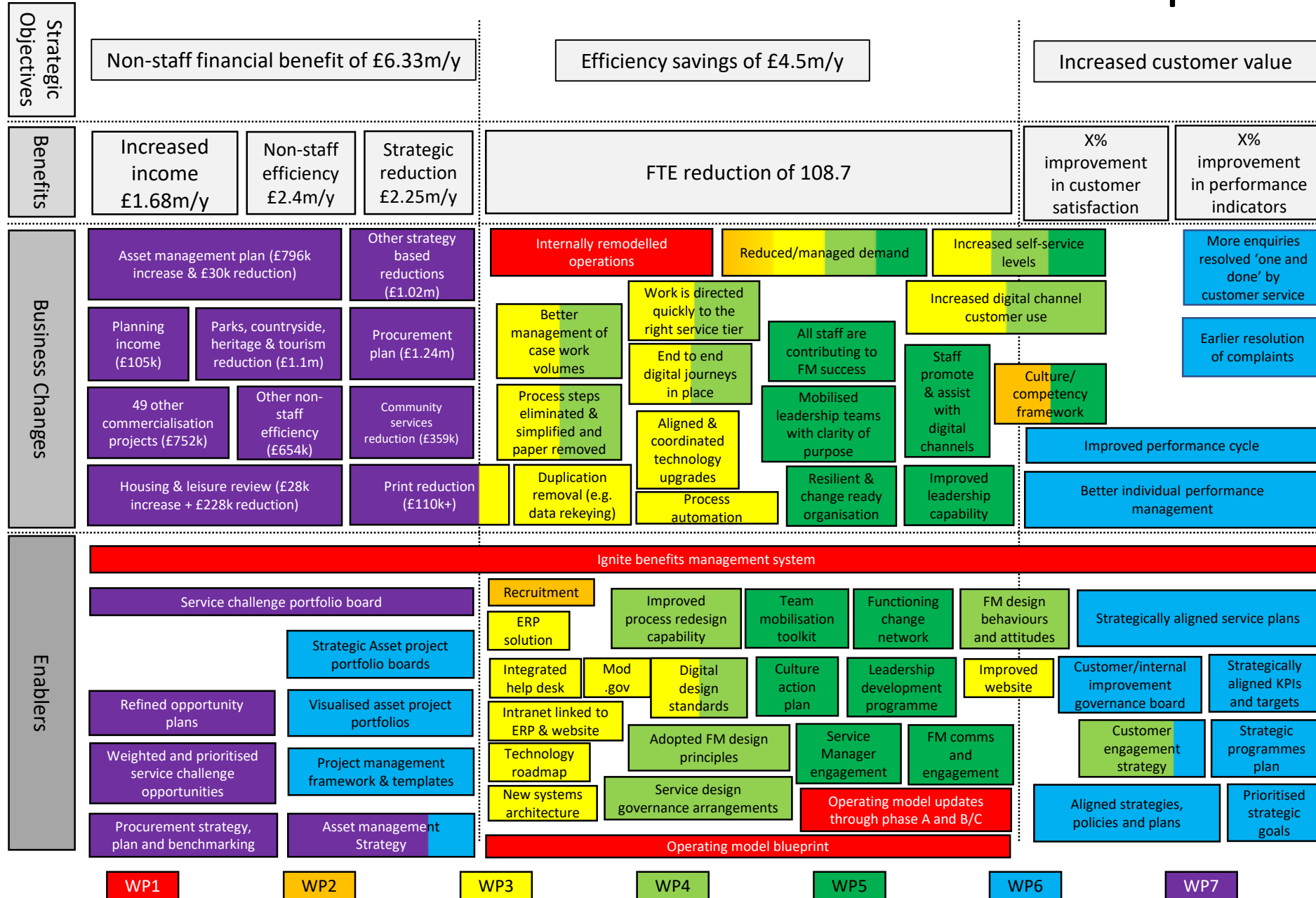
2. Programme budget update

BUDGET ITEM	To April 2020		TOTAL		Notes
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Team - contractors	£1,546,280	£1,546,280	£3,711,900	£3,711,900	<i>Current forecast to budget</i>
Teckal & Trust set up	£430,000	£430,000	£2,292,100	£2,292,100	<i>Pending Member decision and detailed business case to revise forecast</i>
Contingency	£525,000	£131,000	£1,190,000	£131,000	<i>Used some contingency for extra staff support and development</i>
Redundancy	£1,850,000	£1,600,000	£4,100,000	£3,400,000	<i>Forecast revised down based on phase A VCR position</i>
Grand Total	£5,927,030	£5,283,030	£13,356,900	£11,597,900	

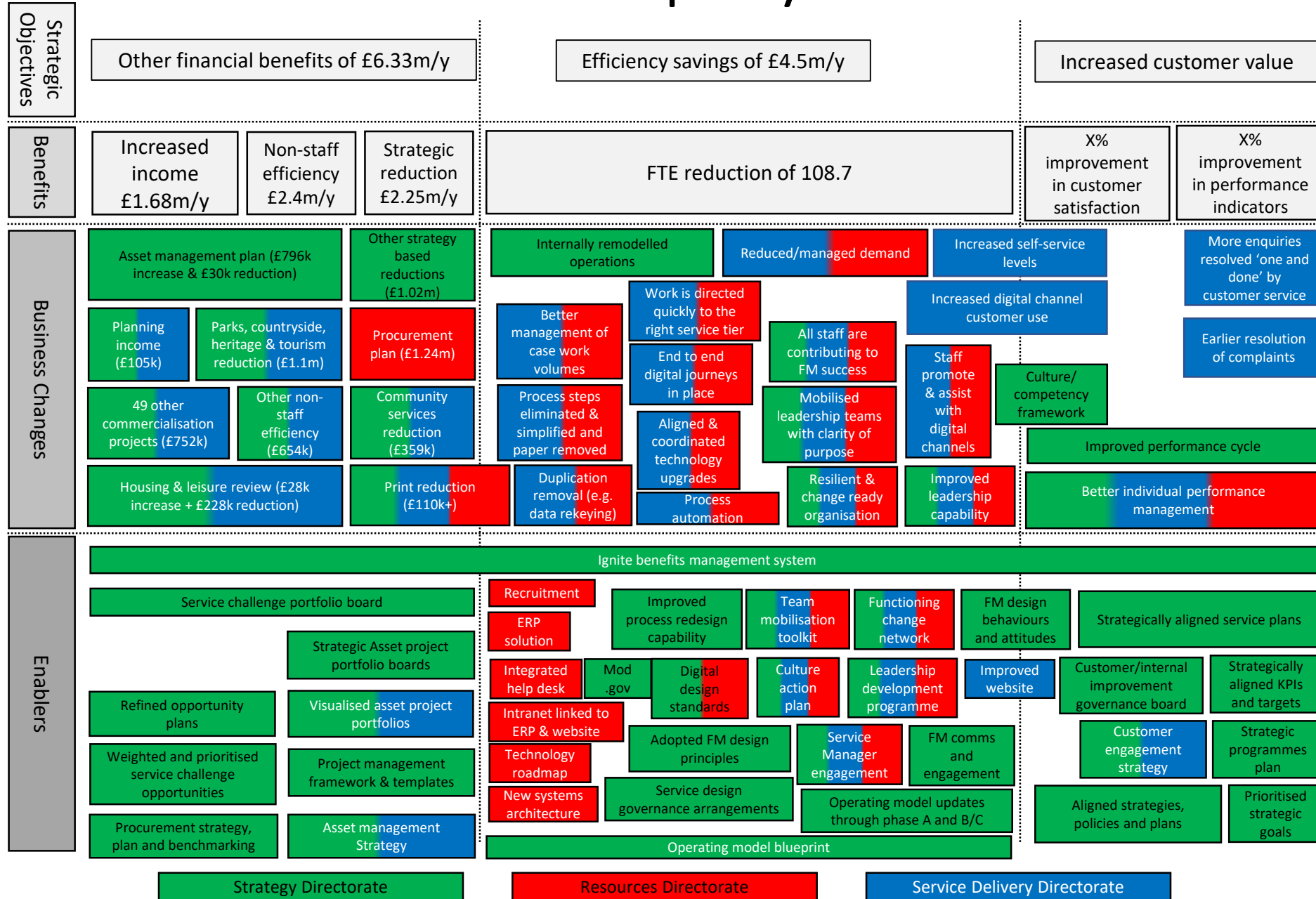
3. Programme benefits update

- On the following two slides we show the programme benefit map:
 - By programme workstream
 - By new directorate
- A key dynamic of the programme is transitioning accountability for benefit outcomes from the programme team to the new organisation
- We propose to give monthly updates on the overall RAG status of the benefits moving forward and then report quarterly on the phased benefit picture vs the business case forecast

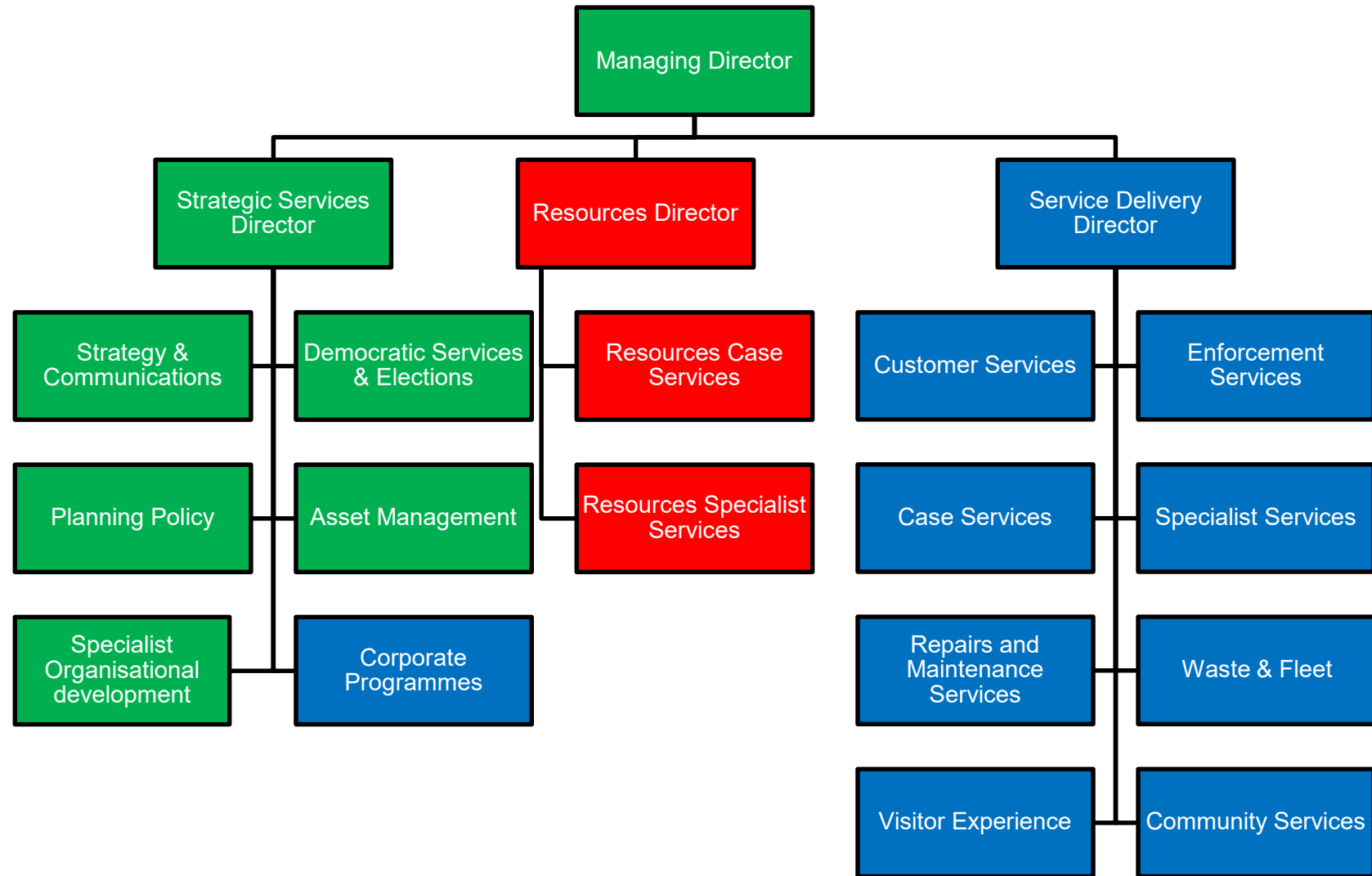
Future Guildford: benefits map



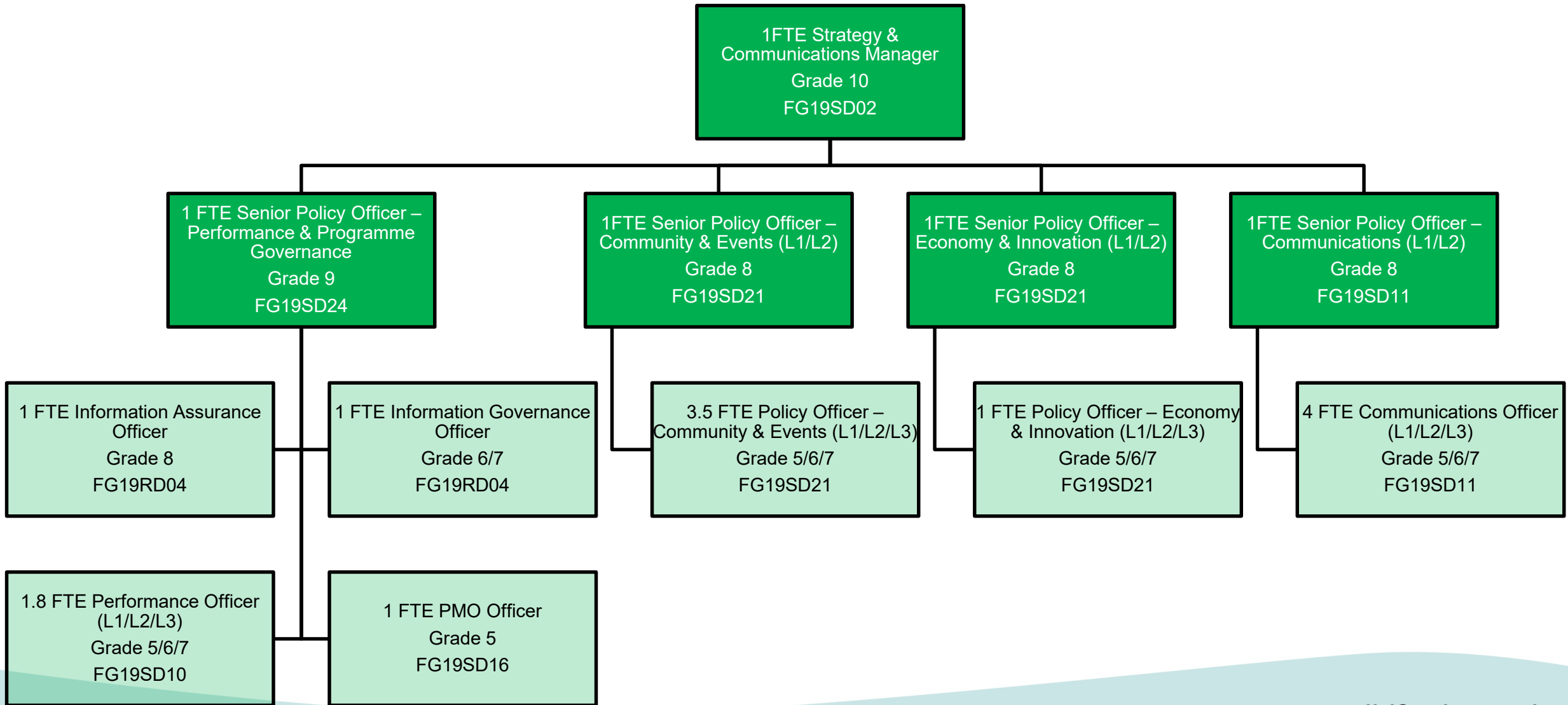
FG: benefits map by directorate



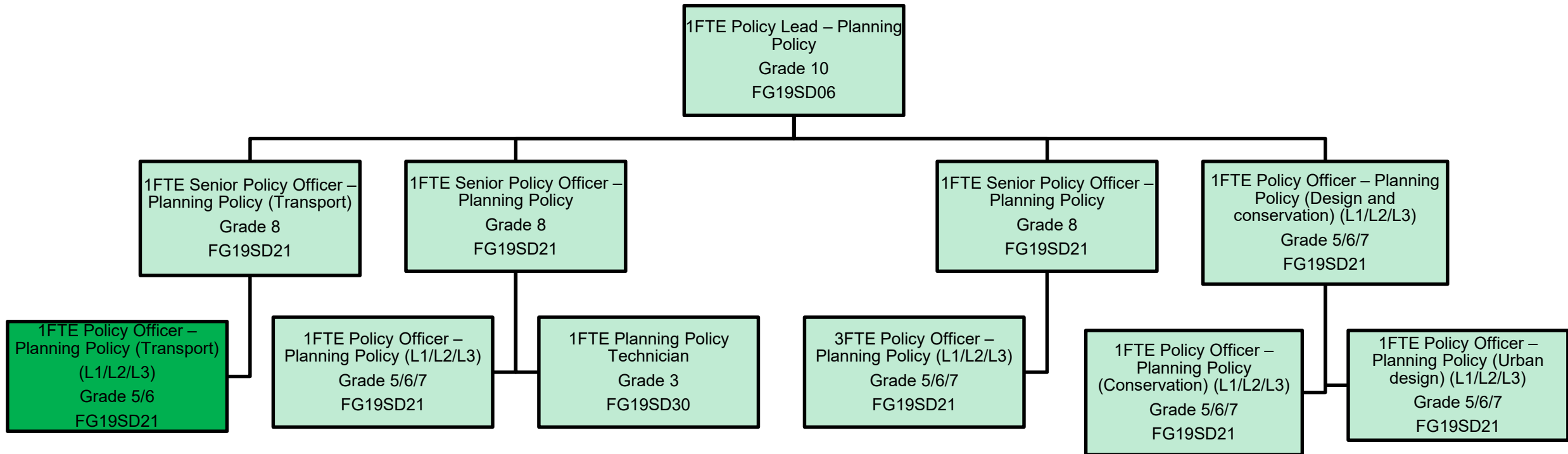
High level structure



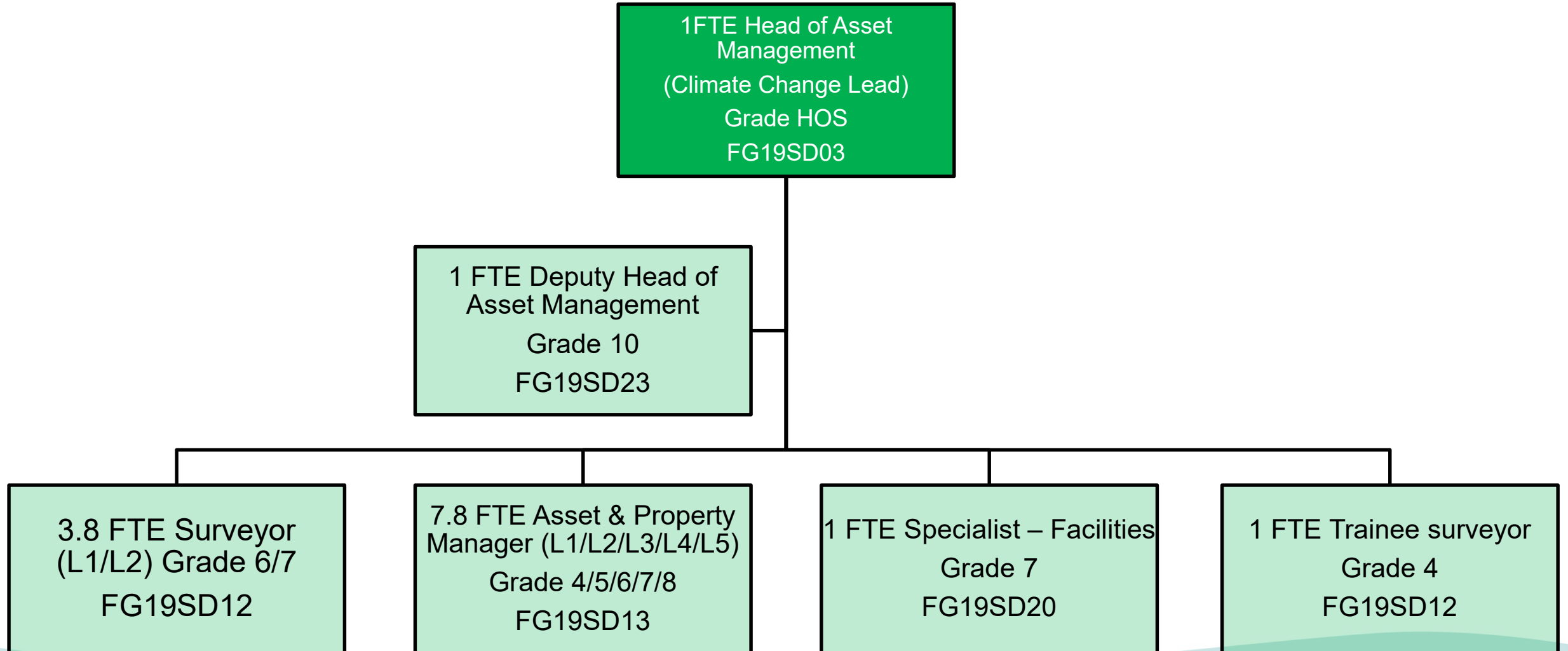
Strategy & communications



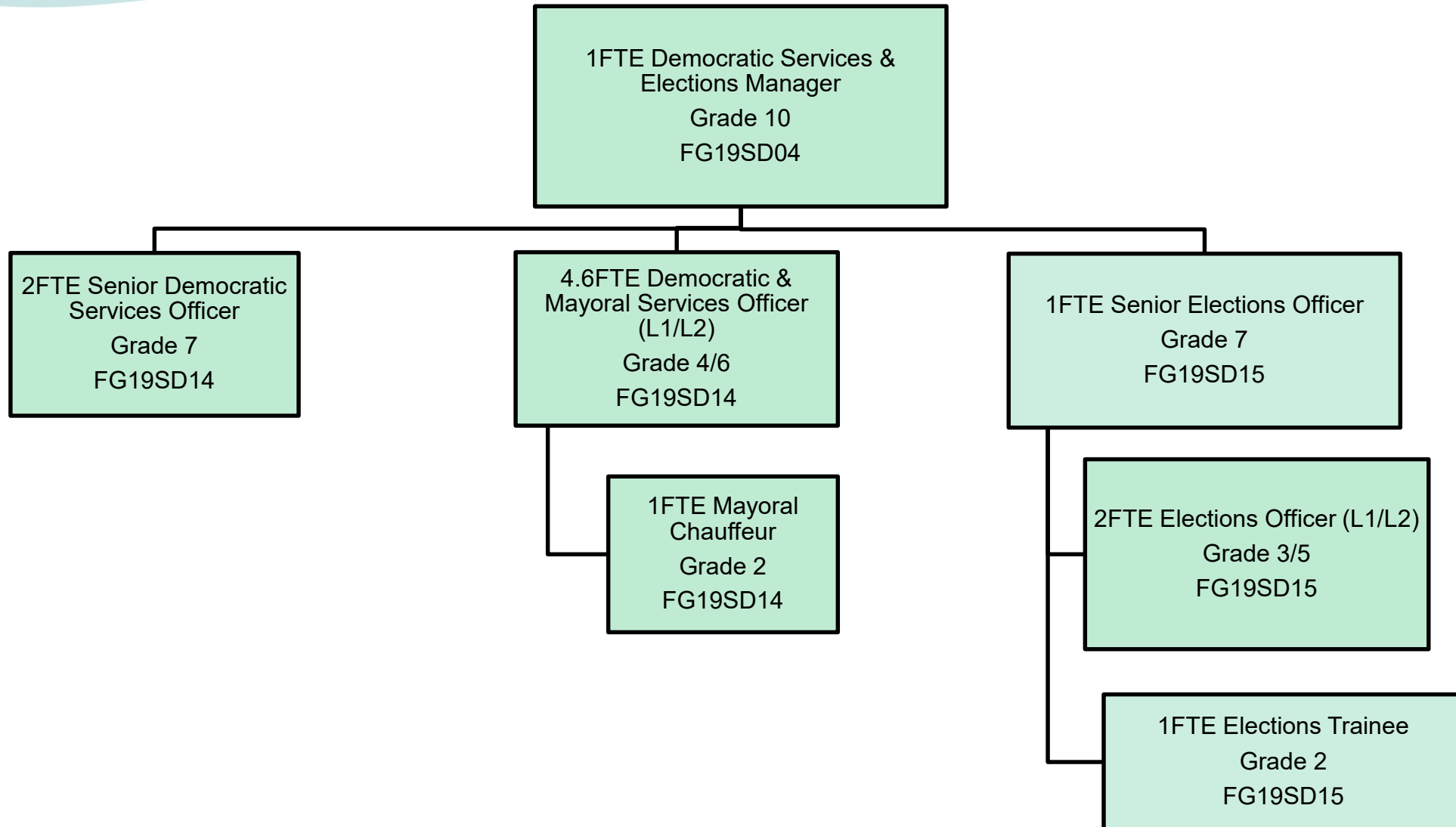
Planning Policy



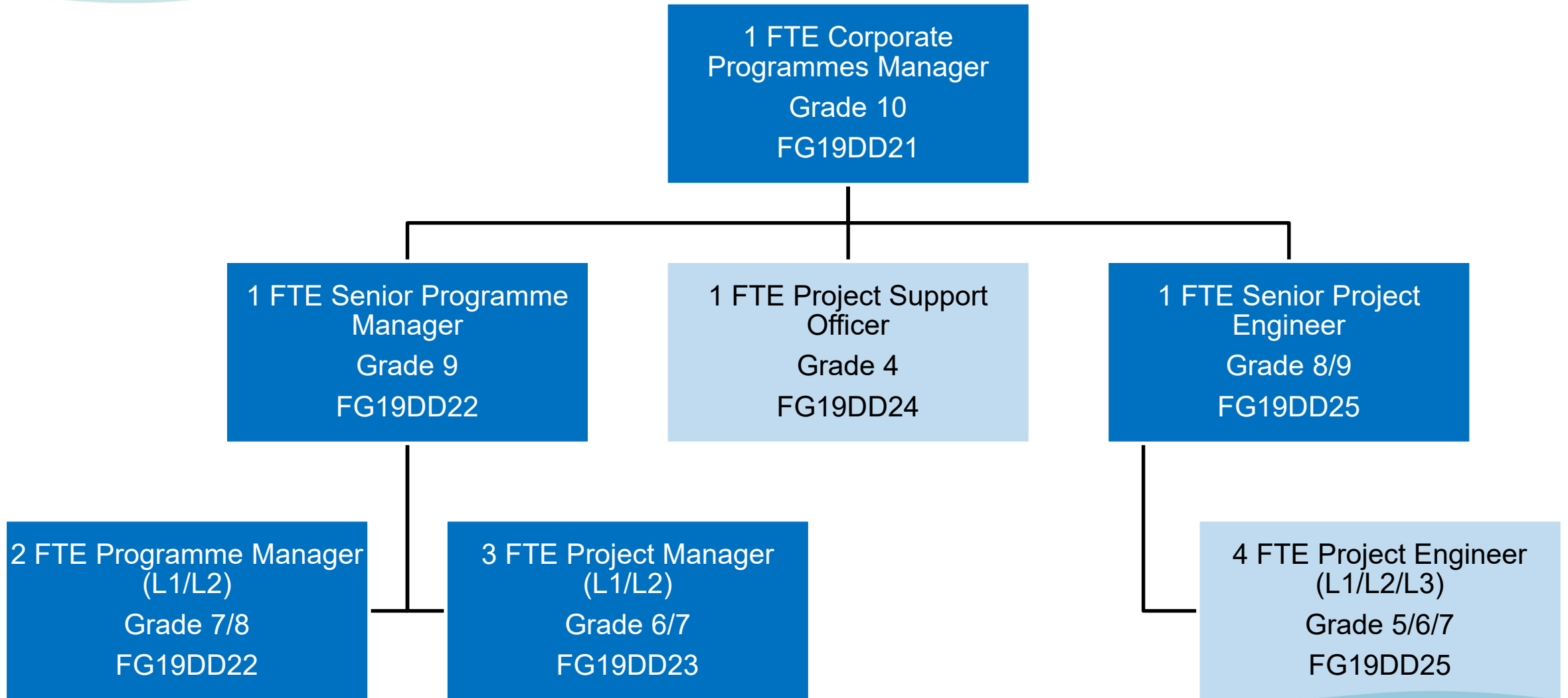
Asset management



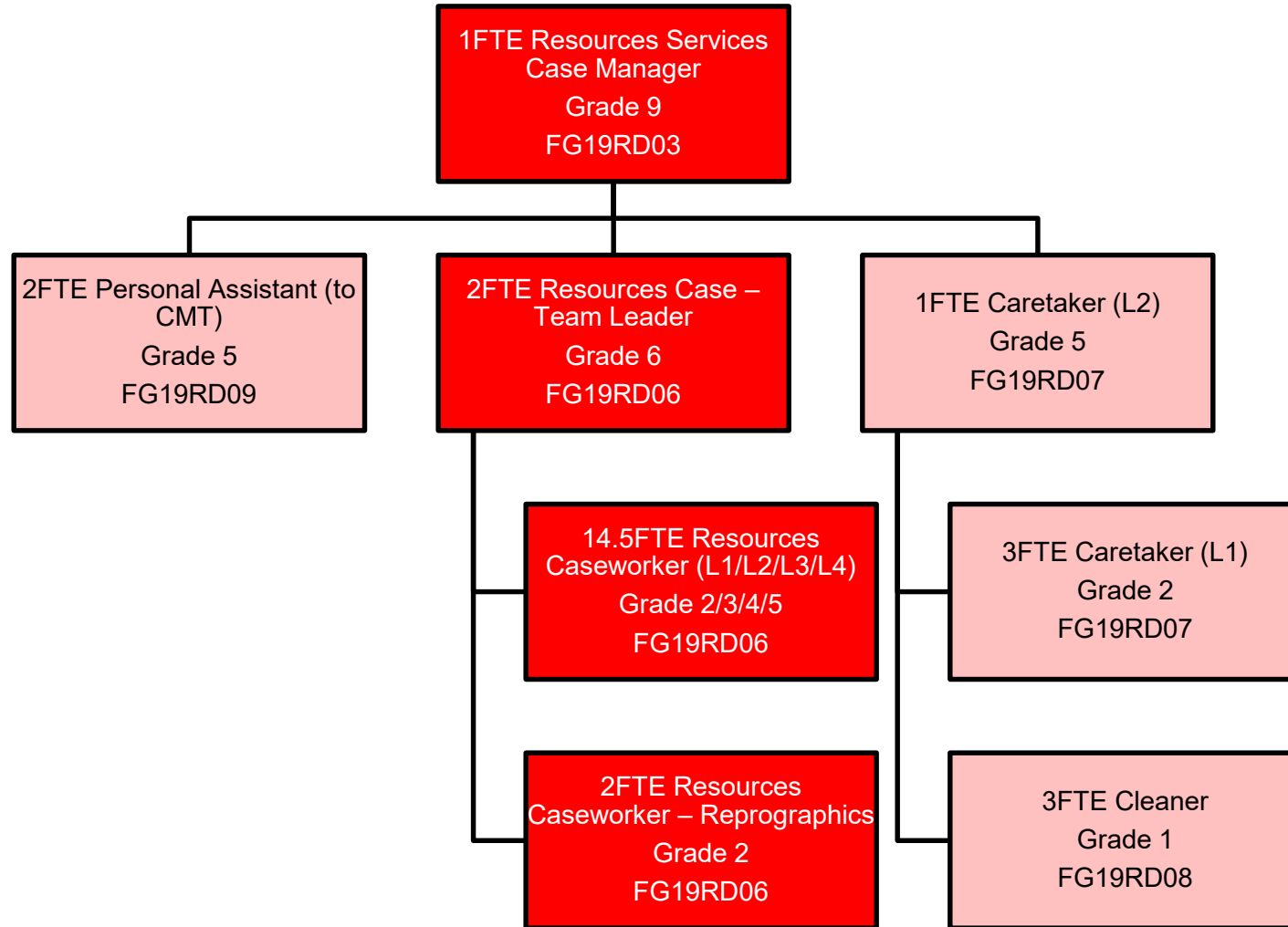
Democratic and elections



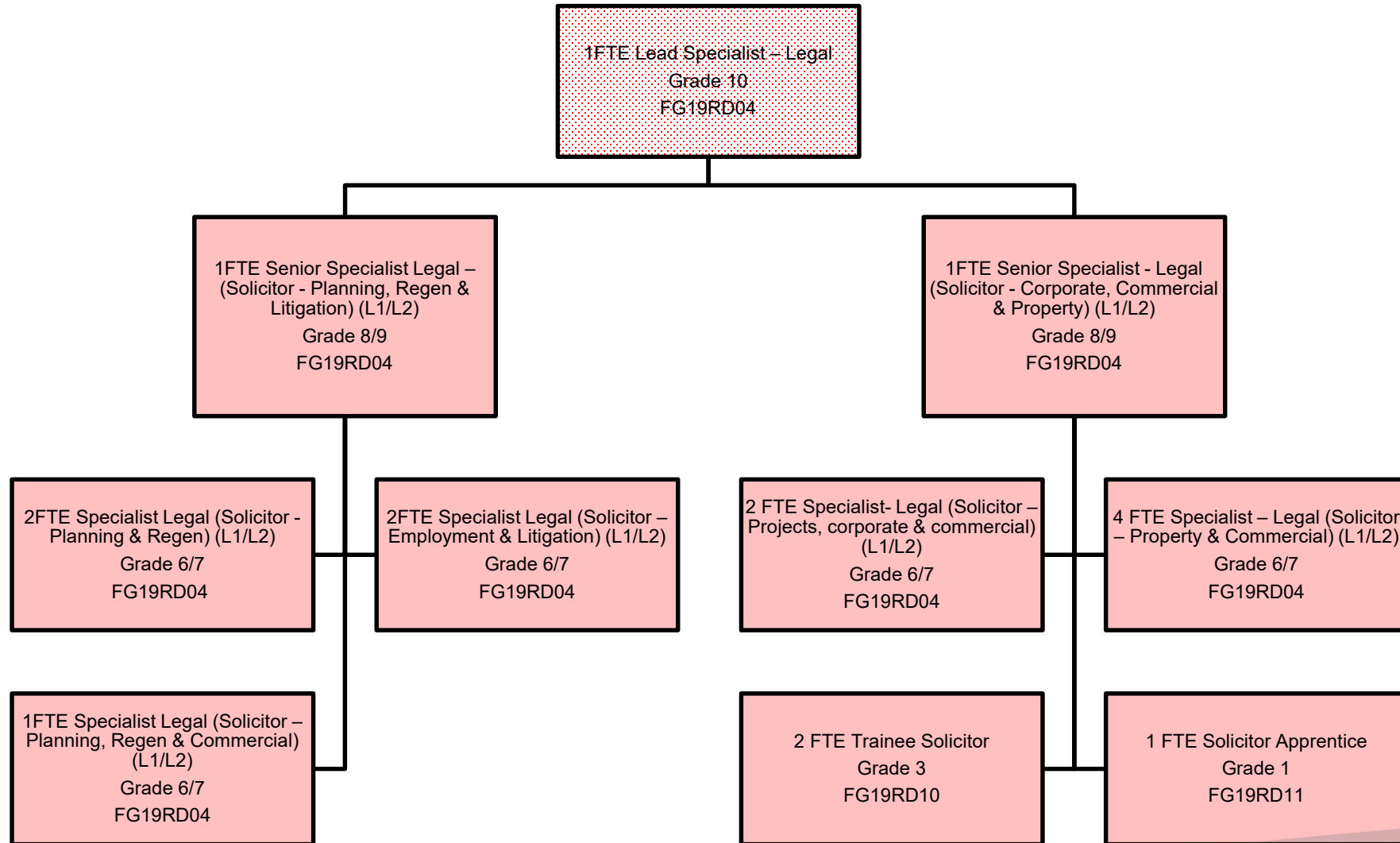
Corporate programmes



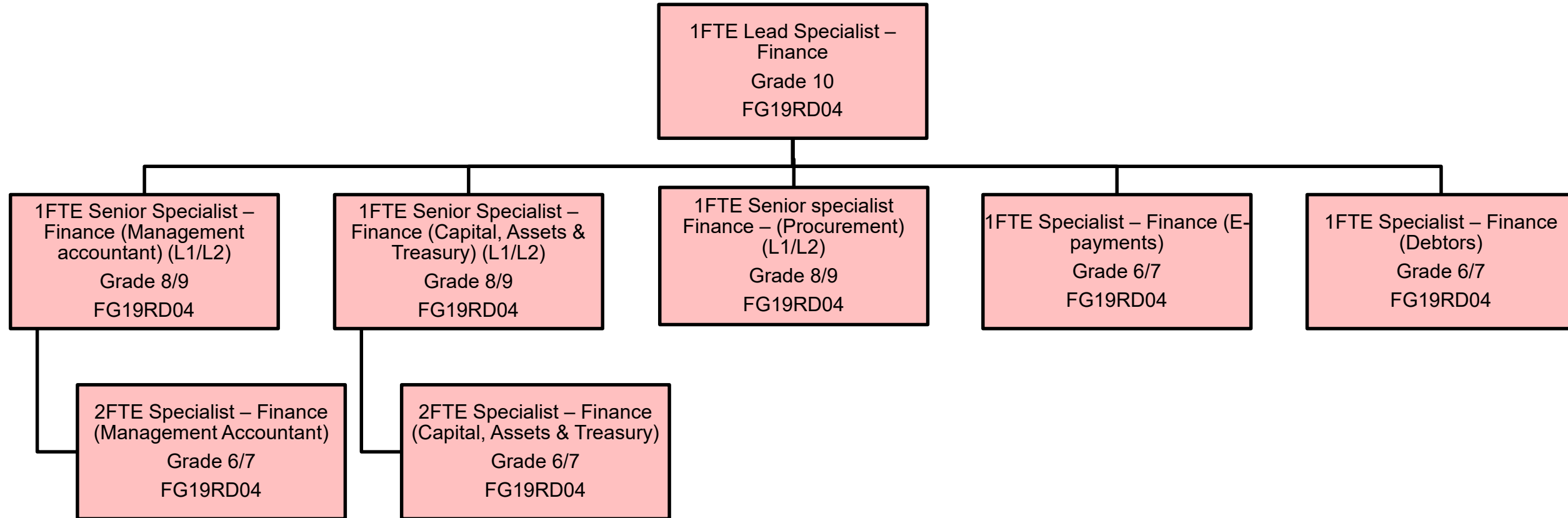
Resources case management



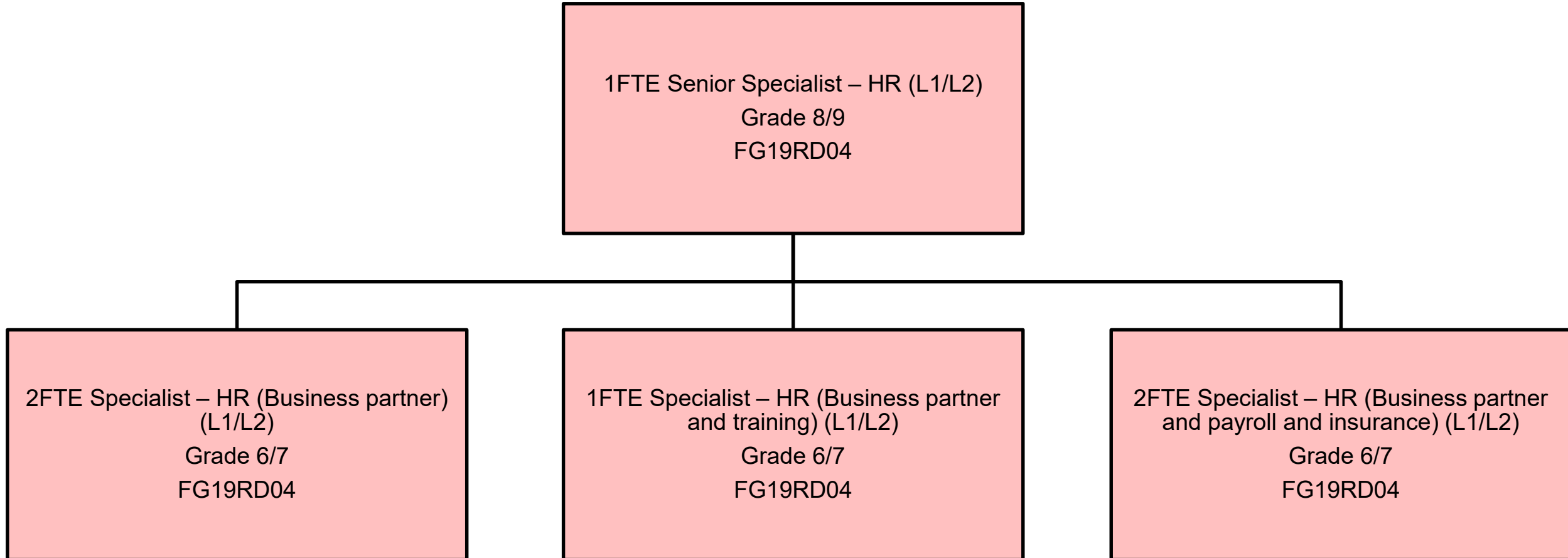
Legal



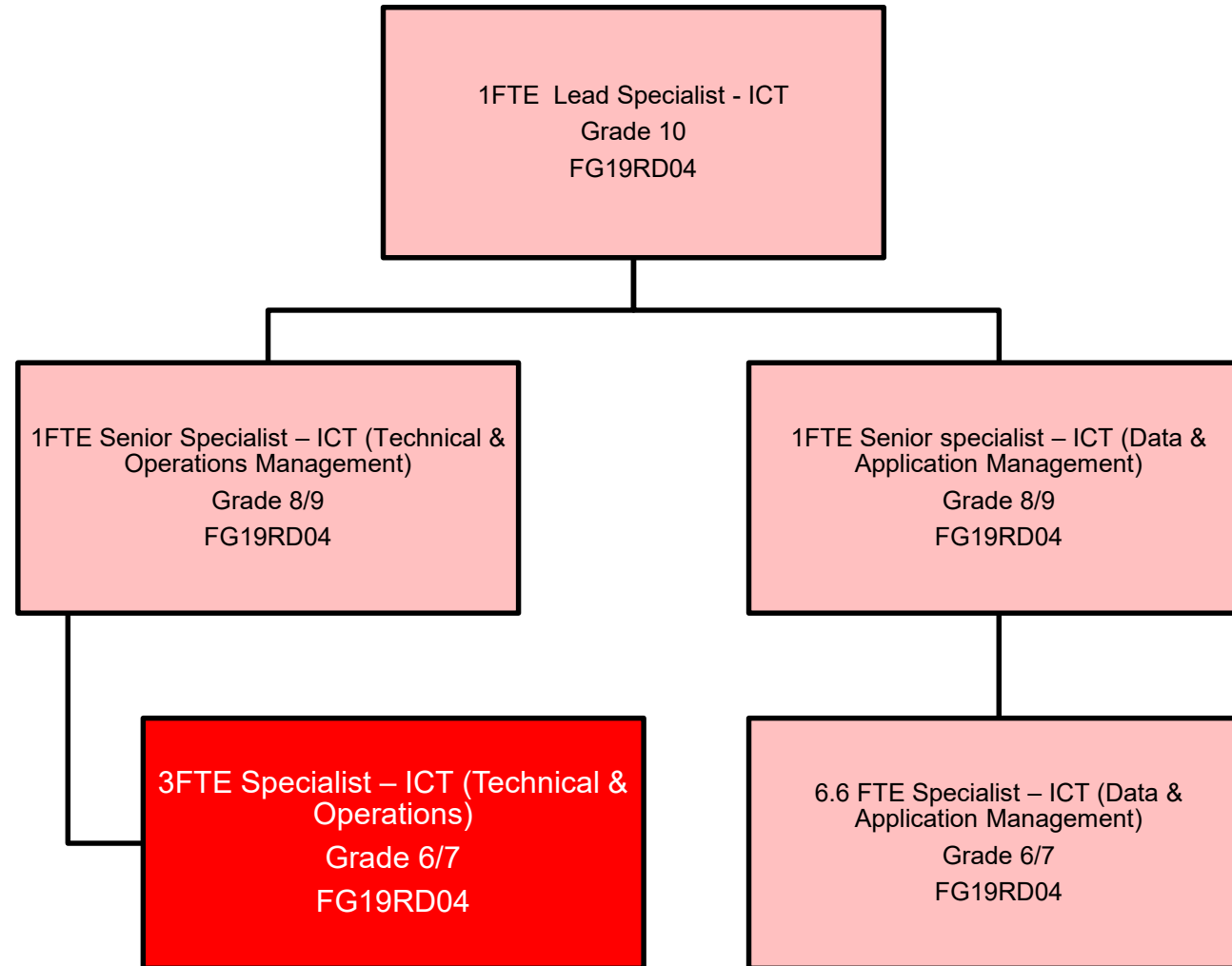
Finance



HR



ICT



6. AOB

Future Guildford Project Board

22nd October 2019

Agenda

1. Programme highlight report
2. Programme budget update
3. Programme benefit update
4. Teckal and Trust update
5. AOB

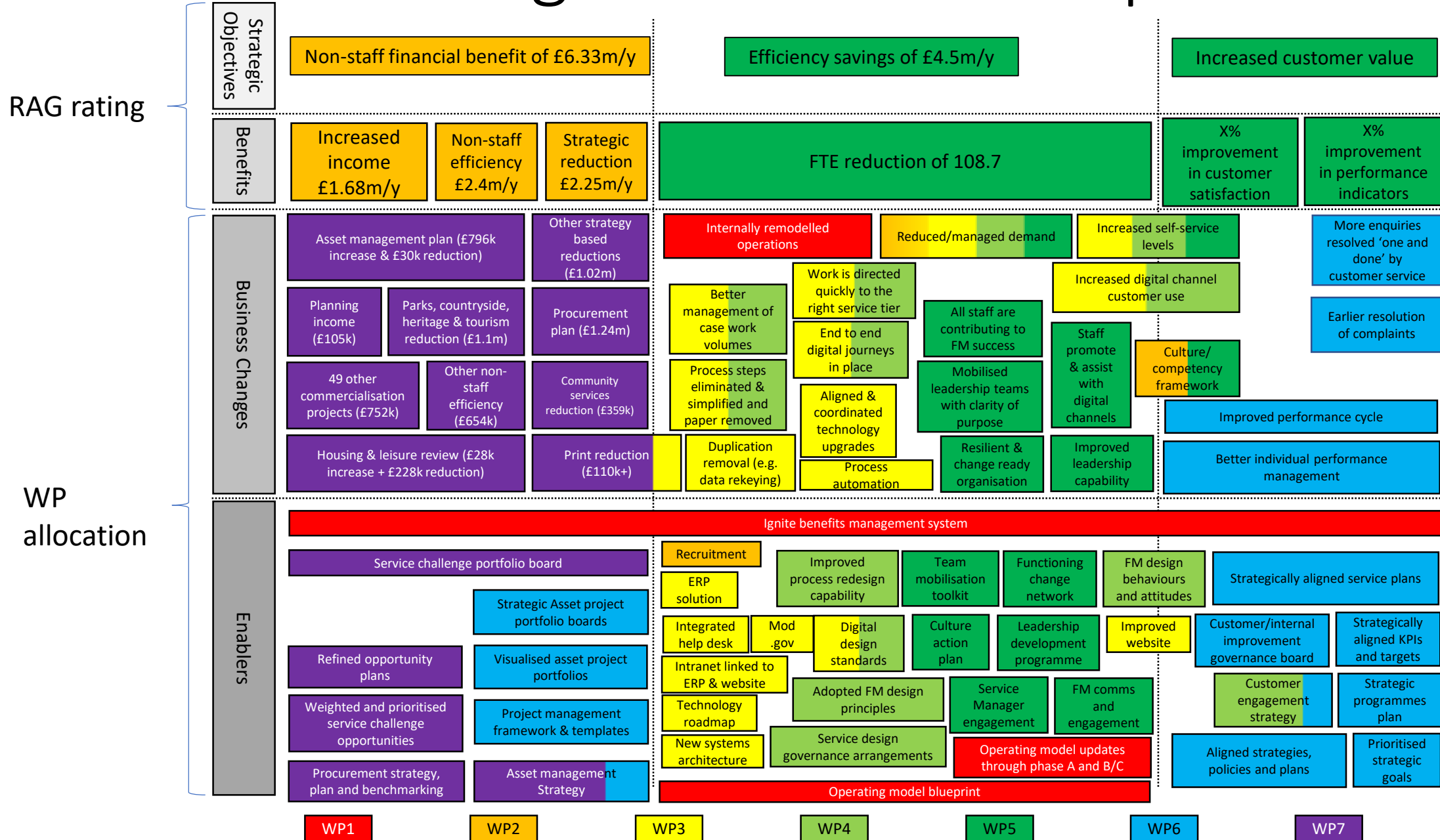
1. Programme highlight report

Work stream	Lead	RAG	Progress
1) Model	Dave Mullin	G	Draft Teckal and Trust paper has been created for Member review, We have had the first session coaching phase A leaders on the operating model and the 8 detailed design sessions for phase B/C are all planned for 7/11/19 – 21/12/19 to create the phase B/C operating and organisation design
2) People	Jenny Lester	A	Tier 3 managers and leaders selection has concluded with 3 key vacancies that we are broadening out the recruitment for: Head of asset management, Corporate programmes manager and Resources case services manager
3) Technology	Henry Branson	G	Core ERP and Nethelpdesk developments progressing on track Work on detailed specification for phase B/C systems has commenced and we will bring an updated to the next board on the procurement plan for these
4) Process redesign	Charlotte Ellis	G	Customer engagement strategy drafted for Member review
5) Culture and change	Natasha Chadwick	G ↑	First transition planning session and leadership development session held for all phase A managers and directors on 17/10/19 Detailed culture design session held with CMT on 8/10/19 and follow on session scheduled for 23/10/19 before this broadens out to all staff
6) Strategy, performance and governance	Stephen Benbough	A	Update with Exec liaison planned for 6/11/19 before all Councillor session on strategic priorities planned for 13/11/19 and then follow up session at next transformation board on 25/11/19 to inform operating model decisions for phase B/C as a result of Member priorities Service planning session
7) Service challenge	Claire Morris	A ↓	There are three large scale projects in this workstream that deliver of order £1M each (Reducing budget of external transactions, income from assets and reduced levels of service expenditure in parks and visitor experience). Whilst there has been progress on a range of projects, more focus and traction is required on these most strategic projects. Key dependencies on the Member prioritisation identified in SPG work-package A more detailed update on this work-stream will be brought to next transformation board.

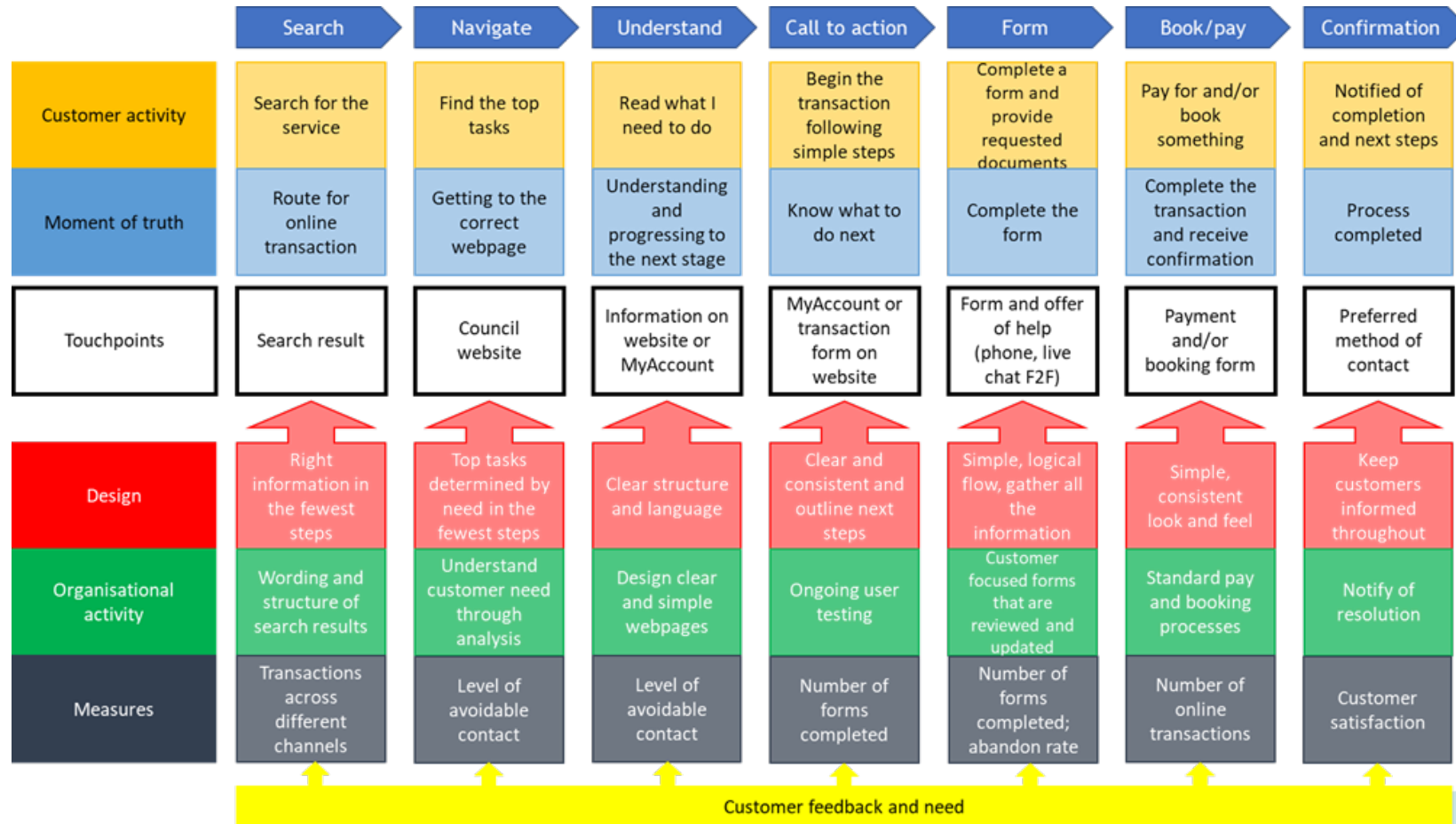
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3. Programme benefit update

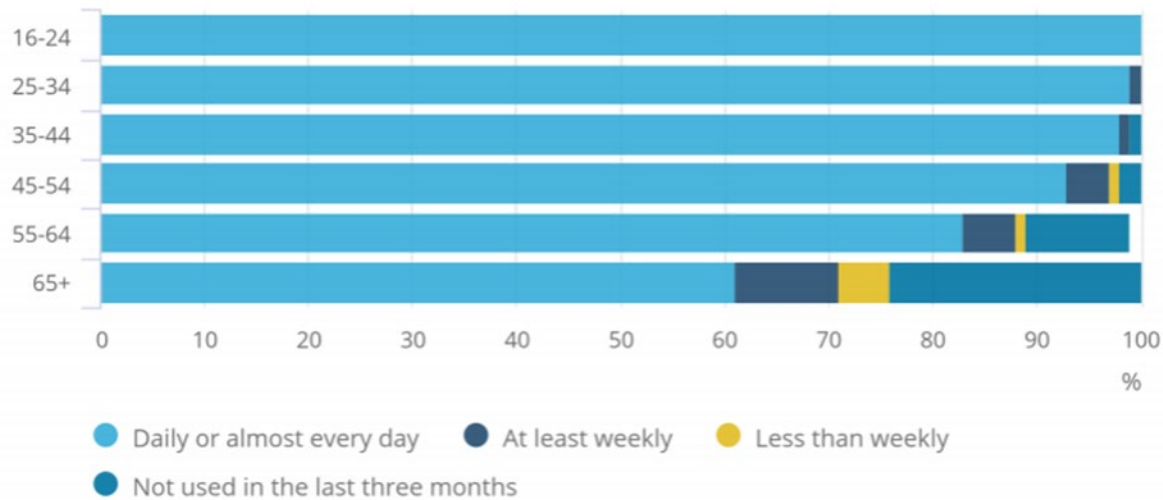


4c. Example customer journey

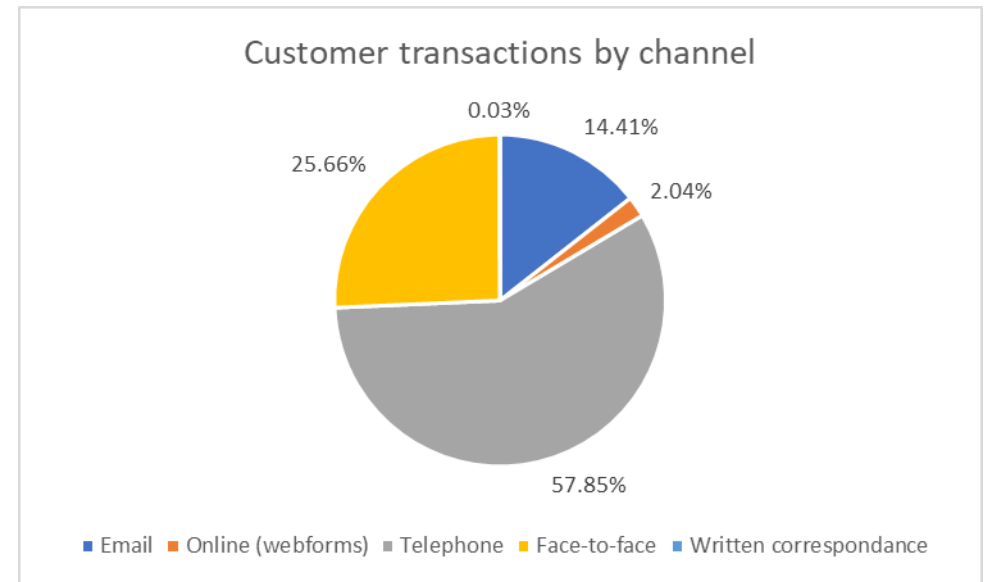


4d. National internet usage vs GBC customer channel data

- GB internet usage by demographic (last 3 months)



- Current GBC customer transactions by channel (July 19)



Source: Office for National Statistics – Opinions and Lifestyle Survey

5. Teckal and Trust update

- a) Teckal and trust definitions
- b) Teckal and Trust scope
- c) Potential organisation structures
- d) Teckal financial payback model
- e) Further benefits in creating this TECKAL

5a. Teckal and trust definitions

- A **Teckal** is a company wholly owned by a local authority to primarily provide services back to that authority. The benefit of a Teckal company is that the contracting authority does not have to go through a procurement process, provided that the requirements for a Teckal exemption are met. The requirements for being Teckal compliant, at a high level, are that the local authority must control all shares in the company and exercise full control over Teckal affairs, secondly, a Teckal must be inwardly focussed with at least 80% of its revenue deriving from the local authority owners.
- The key characteristic of a **Trust** is that it permits the separation of legal ownership and beneficial interest: the trustees become the owners of the trust property as far as third parties are concerned, and the beneficiaries are entitled to expect that the trustees will manage the trust properties for their benefit. These benefits for the trust may include the ability to benefit from business rates relief, Gift Aid and to employ flexible staff as required outside of TUPE'd staff.

6. AOB