

**Guildford Borough Council**  
**Future Guildford programme benefit**  
**report**  
**July 2021**



# 1. Business case

The original business case for Future Guildford was submitted to Guildford in November 2018 and approved at full council in early 2019. It included a refined business case, an organisational design and a costed implementation approach and plan. Ignite worked closely with Members, CMT, service managers and representatives across the council to develop the business case and refine savings estimates, setting out the following savings across the areas explored in the business case:

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
<b>TOTAL</b>	<b>-£851,316</b>	<b>-£3,302,082</b>	<b>-£6,400,290</b>	<b>-£10,346,784</b>	<b>-£10,832,209</b>
Increased tech revenue		£337,500	£626,000	£626,000	£626,000
<b>Grand Total</b>	<b>-£851,316</b>	<b>-£2,964,582</b>	<b>-£5,774,290</b>	<b>-£9,720,784</b>	<b>-£10,206,209</b>

Figure 1: programme target savings

Although the savings in Figure 1 above have been referred to throughout the programme, it should be noted that new projects from the programme excluding projects already underway and included in the GBC MTFP at the time. These savings amounted to £713,000 in FY22/23 as set out in Appendix 1.

The investment required in the programme (the programme budget) was set out as follows:

Programme budget cost items	Budget
Technology (new)	£592,500
Implementation team – Ignite	£1,470,400
Implementation team – other contractors	£3,711,900
Teckal & Trust setup	£2,292,100
Contingency	£1,190,000
Redundancy	£4,100,000
<b>Total</b>	<b>£13,356,900</b>

## 2. Seven aims of the programme

The aims of this new operating model set out in the original business case were to:

- Improve our services and customer care
- Future proof our organisation
- Modernise our services and systems
- Make us more efficient
- Deliver savings and address our financial challenges
- 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

Programme Aim	Status	What happened in the programme
Improve our services and customer care	Green	<ul style="list-style-type: none"> <li>• Development and implementation of the customer engagement strategy and associated metrics to measure customer value and improve performance</li> <li>• Engaging with stakeholders and SMEs to design and implement customer centric policies and processes (see section 4.4)</li> </ul>
Future proof our organisation	Green	<ul style="list-style-type: none"> <li>• Working with key stakeholders to align the Corporate Plan and portfolios with the organisational structure and service plans</li> <li>• Creation of roles and teams centred around the customer and their issues, able to deal with complex scenarios (e.g. Compliance Services)</li> <li>• Increasing utilisation of resources across service areas (e.g. Case Services)</li> </ul>
Modernise our services and systems	Green	<ul style="list-style-type: none"> <li>• Implementation of Salesforce to facilitate aspirations of the customer engagement strategy</li> <li>• Improvements in line of business system capability and related service redesign (e.g. Tascomi form and process building)</li> <li>• Implementation and ongoing development of the Unit4 ERP and ServiceDesk to improve internal self-serve and support services</li> </ul>
Make us more efficient	Green	<ul style="list-style-type: none"> <li>• Automation of high-volume processes</li> <li>• Streamlined processes to remove duplication, workarounds, multiple systems use and unnecessary approvals</li> <li>• Remove silos and blockers to inter-departmental data sharing, to deliver joined up services and information</li> <li>• Implementing more consistent spans of control in leadership roles</li> </ul>
Deliver savings and address our financial challenges	Amber	<ul style="list-style-type: none"> <li>• Delivery of £4.68M Future Model (transformation) savings (see section 4.1)</li> <li>• Delivery of £4.61M/year savings by end FY21/22 and £5.58M/year savings by end FY22/23 across non-staff efficiency, strategy-based reductions and commercialisation</li> <li>• Up to £1M Heritage &amp; tourism reductions still outstanding</li> </ul>
Create an environment where there are better development opportunities for staff	Green	<ul style="list-style-type: none"> <li>• Integrated help desk to support staff self-serve and build their skills</li> <li>• Huge increases in career pathways unlimited by functional areas, giving a range of pathways from operational leadership to functional specialisms (where resourcing models have laid foundations to improve the corporate approach to continuing professional development)</li> </ul>
Develop our culture into one that collectively adapts and changes to address the various challenges and issues facing us	Amber	<ul style="list-style-type: none"> <li>• The organisation has responded quickly throughout the pandemic to continue to deliver services in remote and hybrid environments enabled by new systems and adaptable culture that has been implemented</li> <li>• A combination of leadership development resilience training throughout the programme has supported managers and their teams to engage productively throughout this significant transformation</li> <li>• We recognise not all aspects of the originally envisaged culture and change programme have been implemented (partly due to disruption caused by the pandemic and the challenge in building teams remotely)</li> </ul>

Figure 2: High level summary of FG progress against aims of the programme

### 3. Benefits map

In the early stages of programme implementation (2019), a benefit map was developed which was aligned to the seven work packages within the programme:

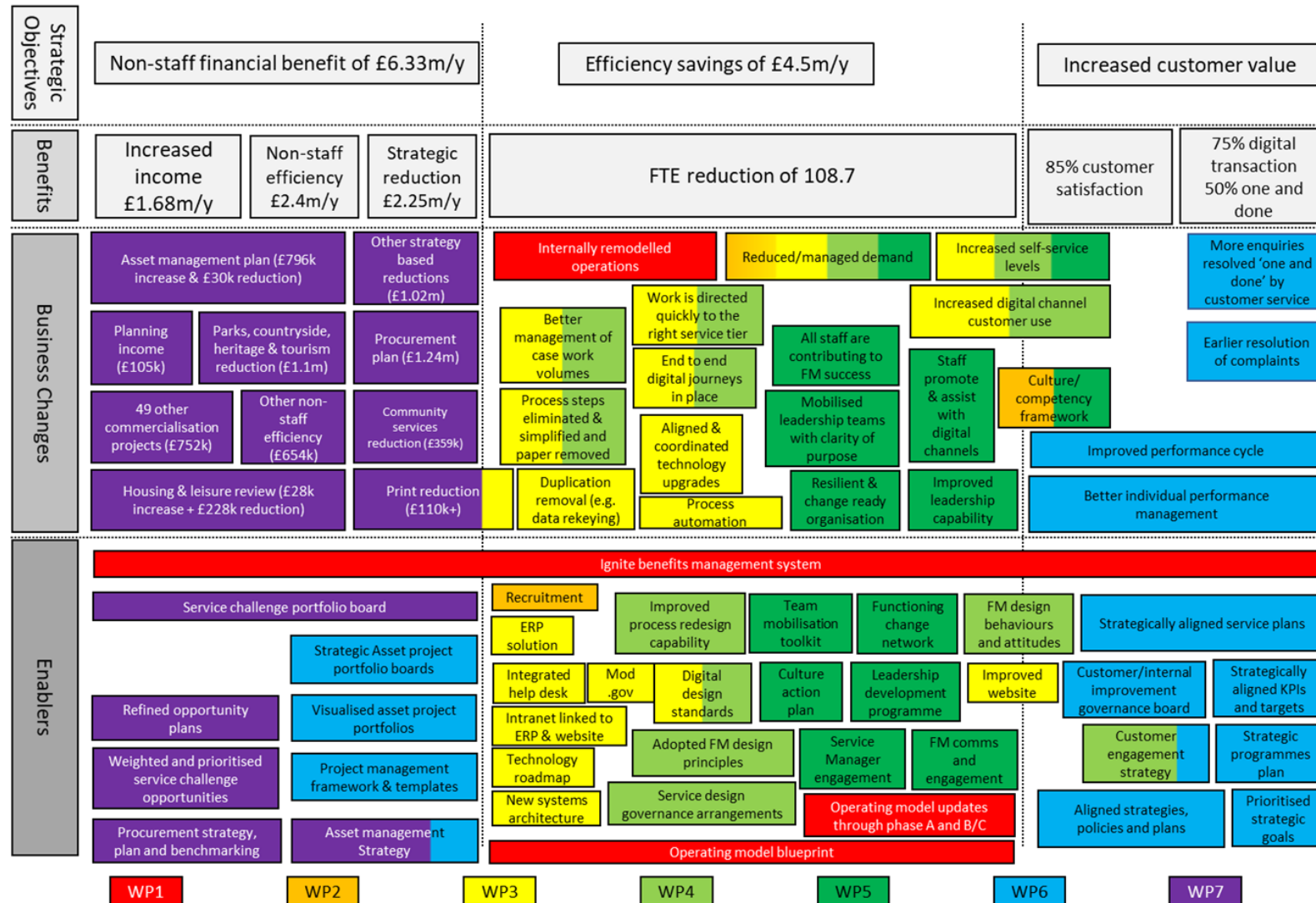


Figure 3: Programme benefits map, where the customer engagement strategy signed off in 2019 sets out the approach to increased customer value (e.g. a target of 85% customer satisfaction)

## 4. Benefits realisation

The benefit map (Figure 3 above) is closely related to the benefits set out in the business case (Figure 1 above), and each section below describes/summarises benefit realisation in each area:

Business case description (Figure 1)	Benefit map description (Figure 3)	Programme work package	Section of this document describing benefit realisation
Future Model	Efficiency savings of £4.5m/y	WP1: Operating model design and benefits management	4.1
Non staff efficiency	Non-staff efficiency of 2.4m/y	WP7: Service challenge	4.2
Strategy based reduction	Strategic reduction 2.3m/y	WP7: Service challenge	4.2
Commercialisation	Increased income of £1.7m/y	WP7: Service challenge	4.2
	Increased customer value	WP3: Technology WP4: Process redesign	4.4

Figure 4: benefits realisation

### 4.1. Future Model (transformation) savings

#### 4.1.1. Benefit delivery

The Future Model (transformation) savings targeted ongoing, annualised savings of £4.5M per year (see Figure 1) and this has been delivered across Phases A and B:

- Phase A has delivered £1.49M in annualised savings
- Phase B has delivered £3.19M in annualised savings
- Total ongoing annualised benefit from the Future Model component is **£4.68M**, exceeding target benefit by **£0.18M** per year. More detailed calculations are set out in Appendix 2
- **£0.60M** of this £4.68M benefit was reinvested into growth bids through detailed design and consultation, reflecting the changing needs of the borough, external conditions and strategic intent. The roles comprising the ongoing £0.60M growth are set out in Appendix 3
- Total ongoing annualised benefit from the Future Model component of the programme including growth bids is therefore £4.08M

It should be noted that the programme benefit figure is different to reported MTFP figures. While the programme has constantly adjusted course by making decisions and taking actions, benefit is always compared to the pre-transformation baseline position. Benefit has been delivered through a number of financial years and therefore medium-term financial planning continuously adjusts to monitor overall financial health and take benefit at the earliest opportunity.

#### 4.1.2. Benefit assumptions

- Based on 18/19 baseline establishment against which the business case was created
- Future roles costed on 18/19 SCPs for comparability and, based on the existing organisation, are assumed to be at the high cost point (two points from the grade maximum)
- Growth bids are excluded from the new operating model because they are driven by changing circumstances not included within the baseline
- Changes related to strategy based reductions, non-staffing efficiency and commercial surplus creation are excluded from the new operating model because fundamental changes in service provision are not a Future Model benefit (these are covered in the following sections)

#### 4.1.3. Costs in the 2021/22 financial year

Although benefit calculations were carried out referencing salary spinal column points from 18/19 for comparability, up-to-date spinal column points and allowances have been used to set out the gross budget for Phase B teams (where the budget for Phase A teams are already live and embedded within the budget).

The changes include:

- Increasing salary points from successive pay awards over three years
- Increasing the employer's national insurance threshold (from £8,424 to £8,788)
- Increasing pension contributions (from 14.60% to 17.20%)
- This increases the actual cost from £18.99M using 18/19 criteria to £20.04M for Phase B roles

## 4.2. Service challenge and other savings

Type	Opportunity title (from benefit map above)	Target net saving (£'000)	Status	Forecast savings (21/22) (includes savings fully delivered in previous years) (£'000)	Forecast savings (22/23) (includes savings fully delivered in previous years) (£'000)
Commercialisation	Asset management plan	£796	Amber	£350	£350
	Planning income	£105	Blue	£105	£105
	Other commercialisation projects	£752	Blue	£878	£1,331
<b>Commercialisation total</b>		<b>£1,653</b>	<b>Green</b>	<b>£1,333</b>	<b>£1,786</b>
Non-staff efficiency	Community services reduction	£359	Green	£292	£617
	Procurement plan	£1,240	Amber	£765	£810
	Print reduction	£110	Blue	£110	£110
	Other non-staff efficiency	£654	Blue	£815	£965
<b>Non-staff efficiency total</b>		<b>£2,363</b>	<b>Green</b>	<b>£1,982</b>	<b>£2,502</b>
Strategy based reduction	Housing & leisure review	£228	Amber	TBD	TBD
	Other strategy-based reductions	£1,020	Blue	£1,201	£1,201
	Parks, countryside, heritage & tourism reduction	£1,100	Amber	£90	£90
<b>Strategy based reduction total</b>		<b>£2,348</b>	<b>Amber</b>	<b>£1,291</b>	<b>£1,291</b>

Figure 5: Service challenge and other savings summary (note that savings opportunities were revised in the early stages of the programme which is why target net savings figures vary slightly to business case figures in Figure 1)

### 4.2.1. Summary

Through the programme the projects delivered have changed on the basis of the council's changing needs and financial situation. Each area has delivered as follows:

- Asset management plan: no progress up to FY21/22 but now underway with £350K savings built into FY21/22 budget and further savings built into 2022/23 to 2024/25
- Planning income: delivery of pre-application fees and PPAs
- Other commercialisation projects: original business case set out a weighted portfolio of 36 opportunities, with unweighted potential of £4.8M. So far, 10 projects have contributed to this including significantly increased Crematorium income and commercial services income
- Community services reduction: full delivery of new roles including reductions over and above Future Model savings, deploying the new Family Support approach for Guildford and Waverley. Review of day and community centres, meals on wheels and careline underway. Changes will continue this exceptional service, generating savings through increased asset utilisation
- Procurement plan: delivery of reduction in revenue spend of corporate programmes, reduction in procurement spend with further savings including legal expenditure planned in 22/23
- Print reduction: full delivery of reduced paper and print



- Other non-staff efficiency: the original business case set out a weighted portfolio of 44 opportunities, with unweighted potential of £4.7M. So far, 10 projects have contributed to this including significantly reduced operating costs in recycling and review of staff benefits
- Housing & leisure review: approach to be decided
- Other strategy based reductions: the original business case set out a weighted portfolio of 57 opportunities, with unweighted potential of £2.5M. So far, 10 projects have contributed to this including significantly a range of Phase A and Phase B changes delivered through the operating model and various reductions in agency spend (for example, street cleansing)
- Parks, countryside, heritage & tourism reduction: modest planned savings in 21/22

Detailed savings figures are in Appendix 4.

### 4.3. Summary of financial benefits

Opportunity type	Full business case target (end FY22/23)	Forecast FY21/22 benefit	Forecast FY22/23 benefit
Future Model	-£4,500,000	-£4,680,000	-£4,680,000
Non staff efficiency	-£2,162,061	-£1,982,000	-£2,502,000
Strategy based reduction	-£2,476,508	-£1,291,000	-£1,291,000
Commercialisation	-£1,693,640	-£1,333,000	-£1,786,000
<b>TOTAL</b>	<b>-£10,832,209</b>	<b>-£9,286,000</b>	<b>-£10,259,000</b>
Increased tech revenue	£626,000	£388,000	£388,000
<b>Grand total</b>	<b>-£10,206,209</b>	<b>-£8,898,000</b>	<b>-£9,871,000</b>

Figure 6: summary of financial benefits

### 4.4. Customer value

It was too premature to set out meaningful customer improvement targets at the start of the programme when the benefit map was set out. During the programme, however, a customer engagement strategy was developed and signed off by Executive. This customer engagement strategy defined six performance metrics and associated targets covering the first year of the new operating model.

The implementation of technology has already enabled performance to be tracked and prompt interventions to improve performance. A significant amount of baseline data has also been assembled from a range of service to produce a starting position of performance that is as meaningful as possible. This is challenging given that data has previously been largely unstructured and the scope of services has changed significantly. For example, comparing customer cases resolved by customer services now versus prior to transformation is not a like-for-like comparison due to the vastly expanded scope of customer services, including services such as waste. In addition, telephony data did not previously provide data on the number of enquiries resolved at the first point of contact.

The following table summarises how actual performance is improving across the areas of customer engagement for which data is already available, with additional benefits realisation set to continue beyond the end of the programme:

Customer engagement strategy metric	Baseline (if available)	Current performance (if available) as of 8 <sup>th</sup> June 2021
85% customer satisfaction	Unknown	56%
10,000 online customer accounts within a year of launching	No customer online accounts	Take up of 3574 online accounts (representing an 85% conversion rate for the number of contacts added to the system)
30 high volume services available online	Not yet confirmed	Not yet confirmed
50% of enquiries resolved at first point of contact	Estimated 25% based on team leader analysis of unstructured data and anecdotal evidence of pre-transformation reduced scope of calls	<ul style="list-style-type: none"> <li>• 49% of all enquiries are resolved by Customer Services at first point of contact</li> <li>• 67% of phone call enquiries are resolved by Customer Services at first point of contact</li> </ul>
75% of transactions through digital channels	16%	81% (noting that face-to-face channel has been unavailable through the pandemic, and the impact of this on total transactions and proportion of digital transactions is unclear)
90% reduction in email enquiries	Not yet confirmed	Not yet confirmed

Figure 7: Customer value improvement



## 5. Programme budget

The investment required in the programme was set out in the business case for the programme and the budget has been monitored throughout the programme. The table below summaries the forecast end position of the programme budget, where the total forecast expenditure has reduced in the last year:

Programme budget cost items	Budget	Forecast total as of April 2020	Forecast total as of July 2020	Forecast total as of May 2021	Forecast total as of June 2021
Technology (new)	£592,500	£1,559,739	£1,653,777	£2,256,643	£2,117,848
Implementation team – Ignite	£1,470,400	£1,471,100	£2,442,692	£3,244,613	£3,244,613
Implementation team – other contractors	£3,711,900	£2,876,339	£1,946,053	£1,583,148	£1,658,864
Teckal & Trust setup	£2,292,100	£1,292,100	£0	£0	£0
Contingency	£1,190,000	£1,190,000	£1,190,000	£1,190,000	£1,190,000
Redundancy	£4,100,000	£3,400,000	£4,100,000	£2,456,709	£2,456,709
<b>Total</b>	<b>£13,356,900</b>	<b>£11,789,278</b>	<b>£11,332,521</b>	<b>£10,731,113</b>	<b>£10,668,034</b>

Figure 8: Summary of programme budget position

With respect to the latest forecast position of £10.7M total expenditure as of June 2021, £9.89M of expenditure has already been incurred and £0.78M is forecast expenditure.

Technology spend has exceeded the original budget by £1.5M budget because:

- The profile of capital and revenue spend varied from the original business case, which assumed higher revenue costs but lower implementation costs. In reality, the revenue costs of the new systems are lower than projected but the one-off implementation costs were higher than projected (as seen in Figure 6, where increased revenue technology of £388K per year is ~40% below the £626K business case proposal)
- Following on from the above, the complexity of some of the technology implementations meant that specialist implementation partners were required, so some of the budget for the implementation team (other contractors) was moved to Technology

The business case originally forecast a total of £5.18M across the implementation team, which has reduced to £4.9M overall with a higher proportion attributable to Ignite as a result of a broader role across the programme. This role included the budget for items such as technology project management, technology implementation, business analyst resource.

Redundancy spend is £1.6M below budget as a result of maintaining tight controls on vacancies throughout the programme, using natural attrition to offset redundancy requirements.

## 6. Appendices

### 6.1. Appendix 1 - pre-existing MTFP items

Weighted revenue savings (excluding existing MTFP items)					
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	-£321,134	-£857,257	-£1,209,011	-£1,859,011	-£1,869,011
Strategy based reduction	-£145,207	-£1,267,975	-£1,953,454	-£2,236,508	-£2,476,508
Commercialisation	-£288,675	-£650,100	-£865,575	-£1,108,265	-£1,273,690
<b>TOTAL</b>	<b>-£755,016</b>	<b>-£3,192,332</b>	<b>-£6,278,040</b>	<b>-£9,703,784</b>	<b>-£10,119,209</b>
Increased tech revenue		£337,500	£626,000	£626,000	£626,000
<b>Grand Total</b>	<b>-£755,016</b>	<b>-£2,854,832</b>	<b>-£5,652,040</b>	<b>-£9,077,784</b>	<b>-£9,493,209</b>

Figure 9: target savings excluding existing MTFP items

The difference in the maximum annual savings (FY22/23) in Figure 1 and Figure 9 above is explained in Appendix 1.

Opportunity title	Type	FY22/23 savings
Introduction of Staff Agile flexible working to create space for trusted partners = 1 pavilion	Commercial surplus creation	£50,000
New waste company across Surrey	Non-staff efficiency	£280,000
Leasing of Burchatts Barn	Commercial surplus creation	£53,200
Air Source heat pump installation at Park Barn Day Centre, Sutherland Memorial park, stoke park nursery	Non-staff efficiency	£10,800
CAB Heating System	Non-staff efficiency	£2,250
Innovate Guildford Arts and Science Festival	Commercial surplus creation	£6,000
North Street Regeneration Project	Commercial surplus creation	£147,950
Strategic Property Acquisition Fund	Commercial surplus creation	£162,800
<b>Total</b>		<b>£713,000</b>

### 6.2. Appendix 2 - Phase A and B benefits

<b>Total original scope for Phase A</b>	<b>£9,564,330</b>
Less cost of new roles	£8,046,578
Plus planning policy strategy based reduction	£153,619
Plus reprographics strategy based reduction	£29,633
Plus economic development strategy based reduction	£38,093
Add back growth bids to programme saving	-£191,328
<b>Estimated FM saving (programme)</b>	<b>£1,487,734</b>

Figure 10: Phase A programme benefit delivery

<b>Total original scope for Phase B and B+</b>	<b>£22,041,490</b>
Less cost of new roles	£18,990,905
Less adjustment family support (no FM benefit, Waverley roles not in baseline)	-£17,914
Less capital funded new build project role not in base	-£49,395
Less operations support in refuse/recycling currently non-staff funded	-£34,498
Less voids officer currently non-staff funded	-£40,976
Less externally funded hospital discharge officers not in base	-£74,092
Less cost of capital funded car parks role?	£0
Less growth bids	-£404,957
Plus strategy based reductions delivered by staffing	£480,339
<b>Estimated FM saving</b>	<b>£3,192,079</b>

**Figure 11: Phase B (including Phase B+) benefit delivery**

Strategy based reductions delivered by staff				FTE	£
B	Neighbourhood housing	Compliance officer - gypsy & traveller sites L1	Compliance services	1.00	£34,498
B+	Parks & streetscene	Litter Patrol/Sweeper Driver	Operational services - parks & streetscene	3.50	£95,478
B	Community services	Cook	Community - Day care	1.60	£43,647
B+	Parks & streetscene	Gardener (parks)	Operational services - parks & streetscene	9.00	£245,514
B+	Culture, heritage & visitor experience	Tourism & retail services officer L2	Culture, heritage & local economy	2.00	£61,202
					<b>£480,339</b>

**Figure 12: Phase B strategy based reductions**

## 6.3. Appendix 3 - growth bids

Growth bids (Phase A)		FTE	£
Democratic services & elections	Democratic services officer, Chaeffeur	1.54	£43,479
Resources specialist services	Senior specialist - IT L1 (portfolio manager)	1.00	£62,014
Asset management	Deputy head of asset management (climate change lead)	1.00	£85,835
			<b>£191,328</b>

**Figure 13: Annualised impact of Phase A growth bids**

Growth bids		FTE	£
Digital services	Web manager (GROWTH)	1.00	£56,050
Digital services	Salesforce administrator (GROWTH)	1.00	£56,050
Digital services	Digital content editor (GROWTH)	0.50	£20,488
Digital services	Digital content designer (GROWTH)	1.00	£49,395
Resources specialist services	Resources specialist - IT (Developer) (GROWTH)	1.00	£56,050
Specialist - place	Senior specialist - development management (majors) (GROWTH)	1.00	£69,316
Specialist - place	Specialist - development management (majors) (GROWTH)	1.00	£56,050
Specialist - place	Specialist - S106 & CIL (GROWTH)	0.40	£16,390
Specialist - place	Specialist - land charges (GROWTH)	0.30	£14,818
Specialist - place	Caseworker - land charges (GROWTH)	0.30	£10,349
			<b>£404,957</b>

**Figure 14: Annualised impact of Phase B/B+ growth bids**

## 6.4. Appendix 4 - detailed service challenge savings

See attached spreadsheet.

## 6.5. Appendix 5 - programme budget

See attached spreadsheet.