

Transformation Programme: Customer Access and Business Transformation workstream Update for Cabinet Liaison – workstream current position

1. Programme progress and successes

1.1 Reviews – delivery

We are working with the business on about 40-50% of the planned programme; this is already the largest programme of service reviews we have ever done and quite possibly the largest in year programme of system thinking anyone has done.

Help To Live At Home (H2L@H), Disabled Children and Adults (DCA) and Highways and Streetscene are three of the four large reviews in the programme, and all are progressing to plan with respect to delivery.

Together, these three service reviews cover approximately £130m of the council's spend, and waste and recycling (fourth major review, starting in 2012) will increase that by a further £29m.

The medium sized reviews, in Passenger Transport (£5m in scope - started), Parking (£9m – currently baselining), Fleet (£13m – currently baselining) and Premises and Place (due to start in August 2011, budget to be determined) will add a further £27m to the spend covered by the reviews, plus a significant additional sum from the Premises and Place review. The total spend covered by the large and medium reviews in 2011/12 will exceed £200m

1.2 Developing our capability

In the last four months we have trained more than 100 staff (managers and team members) in systems thinking skills:

- 30 people have gone on 2-3 day intensive courses and most of these have had further one to one coaching/follow up support for their work in their services;
- 60 people have had practical introductions to customer focus and systems thinking;
- 10+ senior managers (CD/SD/HoS) have worked on service reviews and/or been in workshops using systems thinking and are at the stage where they can lead interventions with support.
- Four members of staff are receiving intensive training as systems thinking practitioners.

In addition, at least another 100 staff across DCS, DCE and DNP have been involved in service review teams and improvement workshops and gained systems thinking skills as a result.

We have more people with systems thinking skills than ever before, and our capability is growing faster than ever before, expanding this area is a key focus for us.

2. What we have learned – to drive our future work

We will only *transform* when we work across an entire system, and our management structures do not currently match the systems which are built around customers and place, not single services.

Help To Live At Home (H2L@H) is the council's current best practice in this respect, seeking to redesign fundamentally how service is delivered across the principal council department, our partners, and suppliers. Disabled Children and Adults (DCA) programme has the same ambition, and operates across two major departments.

We will work with the departments to extend, improve and embed this approach to all our current and future service reviews as requested by the Resilient Communities Board.

For example, service reviews in DNP are currently working within service directorates. Although they will deliver significant benefits, these are constrained because the reviews do not yet operate across the entire “place” system (ie including economy and enterprise and planning, in particular) and this needs to be addressed rapidly if we are to achieve *systemic* improvement and savings.

3. Benefits realisation

Progress on this has been insufficient. We now have agreement between the departmental business change leads, the finance department, and the programme about how we will work together:

- tangible benefits must be cashable (ie not cost offset or avoidance, but cash releasing);
- achieving real cashable reductions matters more than savings categories or headings we ascribe;
- finance provide the figures, to predict and to count the benefits.

However, we have a substantial gap between the benefits that are needed to achieve our 12/13 budget, and those we are confident that the business can realise in that timescale as a result of systems thinking reviews. This shortfall figure is being clarified with Finance but is of the order of £10m. Addressing this will be a major focus over the next three months during the main budgeting cycle.

4. Status reports – service reviews/fishbones

4.1 Disabled Children and Adults

Overall Status is **Green**

The project is on track to deliver a business case in September, and engagement is generally good. Whilst the overall sweep of the project is clear, the challenge now is to focus on in the key areas we can affect as we move forward into the design stage, and to validate the savings that the review will be able to achieve, and over what timescale.

The overall status is green because progress vs schedule and scope are green, risk and resourcing are amber.

4.2 Help to live at home

Overall Status is **Amber**

This programme has seven workstream. Of these, HTLAH Service, Information Management, Wiltshire Options-VCS status are green; the other four streams: Operations, ICESS (Integrated Community Equipment and Support service), Call Centre & Response Service, and Communications: creating detailed plans, to be approved.

The overall status is amber because: progress vs schedule is green (following planned timescales); risk, resourcing and scope are all amber, and the programme team has clear plans and actions to address these and move them towards green.

4.3 Highways-Streetscene

Overall Status is **Green**

This sizeable intervention is now in the Check stage (understand the service and how it performs from the customer’s point of view) and is progressing well. We have the intervention team members we need including the active participation of people from key corporate and support services. The service leadership to Service Director is fully engaged and we have strong sponsorship from the Corporate Director in this. We increasingly understand how decisions made in other departments, particularly planning/development control and economy and enterprise, affect the demands placed on highways and streetscene and know that a single service approach to this review is not sustainable.

4.4 Passenger Transport

Overall status is **Green**

The Passenger Transport team are in one of their busiest periods of the year and the team are heavily burdened with immediate pressures. However, they have engaged with systems thinking with increasing ambition, and following training workshops (May) and a service review workshops (June and July), they are developing a clear improvement plan, initially on a small scale (quick wins) and subsequently for substantial improvements with substantial benefits.

The overall status is green because we have a growing scope and good engagement with partner departments (eg Finance and Customer Services), tangible benefits to realise, momentum and strong management support.

4.5 Housing repairs

Overall status is **Amber**

This review is now in the second major stage, where the team create and test new ways of working. So far, the new process has had excellent early results, both for response time and for productivity. This work has been delayed due to the time taken to rack vans and to provide purchasing cards. The team have also worked with the telephony team to implement a new way of call handling to improve the customer experience – call volumes are down and connection rates are up; again, we are monitoring this to see that it is sustained.

The overall status is amber because although the performance of the new processes/ways of working is markedly better than the current ways (nb pilot), the scope is tightly restricted and the intervention team does not yet have the preferred level of management engagement and support it believes is necessary to ensure full roll out.

4.6 Premises and Place as a system

Overall status is **Green**

This review has been prioritised by the Transformation Programme Director following discussion at CLT and the Resilient Communities Board and co-sponsors have been identified: Jacqui White and Lucy Murray-Brown for Premises and Niki Lewis and Lucy Murray Brown for Place. Work has begun to mobilise this review (see under next steps below). The Resilient Communities Board identified Corsham, Melksham and Salisbury as three areas where we would focus on place.

4.7 Benefits realisation

Overall status is **Red**

We have made progress on agreeing the approach and roles/responsibilities with the business and with finance, and have confirmed the Benefits Realisation Manager. Finance has provided the figures for the budget spend in scope of the reviews. On the basis of these figures, we have provided an indicative figure for realisable savings *from the services* undertaking systems thinking reviews, of approximately £23.5m, with £13m in 2012/13. These figures are based on a “% of spend estimate” and have not been validated by the reviews or by finance. Note that savings are achieved by budget holders using systems thinking, not from the programme, which is the enabler and has no budget of its own to deliver a saving from.

The overall status is red because: there is a substantial shortfall, the figures for savings have not been validated, and the timescale to provide validated figures is now very short. At this time, there is a significant shortfall in total savings identified and verified.

4.8 Learning and development activities

Overall status is **Green**

Development will continue to be the means by which we resource the programme and ensure its success. Work is under way with the Head of Organisation Development to develop a programme which will enable the adoption of systems thinking as the way we manage and improve the services to customers and communities. This programme has to be fast and large scale in order to support the pace and scale of service reviews that the business needs.

4.9 Shaping the future

Overall status is **Green**

The Shaping the Future Board is overseeing a wide-ranging culture change programme including developing our values, behaviours, organisation development and HR management approach.

The overall status is green because the programme is delivering the right things on schedule, and is resourced and its cultural aspects are being embraced across the transformation programme.

5. Plans for the next three months (August-October 2011)

5.1 Delivery

We will start the following reviews:

- how we operate our premises (including buildings, estate operations, ICT, consumables, security, and front desk)
- place – starting with Melksham, Corsham and Salisbury
- fleet (subject to baselining)
- parking (subject to baselining)
- start work with planning /DC and public protection as part of the DPIT implementation.

We will also continue all the reviews already under way.

We will apply what we have learned to:

- how the reviews are scoped – working with the business to extend the best practice we have learned on H2L@H so we address whole systems properly and not just a service;
- changing the culture – focusing externally on communities and customers, not internally on our management structures.

We will complete the integration of this workstream with the rest of the programme, piloting the community direction of customer-focused services in Corsham, Melksham and Salisbury.

5.2 Developing capability

We have never had so many people with systems thinking skills in the council; however, these are still a small group by comparison with the total workforce, and the scale and pace of reviews we are doing or planning.

We will continue to build our capability to deliver service reviews with the business through intensive learning and development:

- Structured programme for all staff across the council, developed and delivered jointly with the Organisation Development team.
- Coaching and support from our systems thinking experts, including knowledge transfer from externals focused on delivering a step change in internal capacity.
- Develop skills on the reviews already under way, especially the small and medium reviews.

5.3 Benefits realisation

Create robust benefits realisation plans for all the reviews, which will be part of the budgeting process for 2012/13. Baseline reviews, and monitor and report on benefits achieved. Pace has significantly

increased in this key area in recent weeks and is being directly supported by the Transformation Programme Director and Section 151 Officer.

6. Key risks

6.1 Unable to identify or realise enough benefits to meet our financial needs.

6.2 Unable to deliver fast enough, either because the business cannot do so, or because we don't have enough people with systems thinking expertise.

6.3 Continuation of service specific approaches to the release of cashable savings rather than adoption of full system based ones.

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