Change Strategy 2019-2023

Introduction

Change is inevitable and is in fact necessary to ensure that the council and its services can continue to operate in the landscape of local government, which in itselfhas changed dramatically in recent years and will continue to do so.

When drafted in early 2016, the Medium Term Financial Strategy 2016-17 to 2019-20 identified that whilst the council was able to draw on its Working Balances to fund its annual revenue budget initially, a residual funding gap of £2.5m would emerge in 2019-20 were the Council to take no action. The Strategy also set out the action to be taken by the council to bridge the funding gap.

The funding gap, and therefore action required by the council, increased by £0.4m to £2.9m when setting the budget for 2017-18, primarily driven by the changes to the design of the New Homes Bonus Scheme. The funding gap was widened by at leasta further £1m at budget setting 2018-19 due to the financial impact of low housebuilding rates in the borough, the higher than anticipated staff pay award and lower than expected interest rates.

Given the financial pressures that have been placed on councils in recent years, there has been a drive for local authorities to consider the way in which they operateand provide their services. Therefore, ensuring the council has a strategic approachto identifying and managing change is critical to ensuring service delivery.

The council has recognised this and in its new Corporate Plan sets out a clearcorporate objective for the 2019-23 period as follows:

> *3 - Progress: an entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment.*

It is therefore critical that the council is using its finite resources in the most effective and efficient way, in order to continue to provide good services to the community. Toaddress the challenges this raises, the council is committed to make financial efficiencies by reviewing and, where necessary, changing the way it delivers its services to the residents and businesses in the borough. There is a need for the council to take a strategic view of the council's finances moving forward taking on thedifficult balancing act of saving money whilst ensuring sufficient resources are in place to carry out council activities.

The council's Medium Term Financial Strategy (MTFS) is a key part of the Council's Budget and Policy Framework and sets out the high-level strategy for how the councilwill ensure revenue resources are directed towards delivery of the Council's vision and priorities. The Change Strategy is a key supporting document for the over- arching MTFS.

To ensure that the council makes these changes in the right way and in fact, makesthe right changes this strategy intends to set out three key areas of change activity:

- **Content** –how the council will identify what needs to be changed.

- **Processes** –how change will be planned and implemented.

- **People** – how to address the human dynamics of change in terms ofengagement and commitment to change.

Change can mean different things to different people; some see change as an exciting

opportunity whereas others see it as a threat to their position and working practices. By taking an open and transparent approach to change, the council will implement any changes in an inclusive manner, ensuring all staff and Members arepart of the change process.

Change Programme

The council's Change Activities are made up of several strands of work:

- Review of specific processes and ways in which the council currently operatesin order to identify service efficiencies and potential improvements for the customer and officers of the council.
- Implementation of budget saving initiatives as identified by council officersand, where required, endorsed by Cabinet.
- Exploration and implementation of shared working arrangements where it issuitable to do so.
- Expansion and implementation of commercial initiatives identified.
- The work of the Digital Team in promoting the use of technology as a meansof interacting and communicating with our customers.

Review of specific processes

- This work stream will be driven by the council's Management Team and Members through identification of areas of council services that may benefit from a review of the way in which the service is being delivers. This will focuson the internal processes undertaken by officers but will also include the customer aspect in terms of how the customer receives and access the services.

- In each case, a fundamental review of service delivery, specific to the relevantprocess, will take place. This will involve a 'start to finish' approach, looking atthe way in which the council currently delivers services, identifying what isn't working or where efficiencies can be made and then implementing these changes.

- Any changes that have been identified that require a fundamental change tothe service will be agreed not only by the council's Management Team but with the council's Cabinet as required.

Implementation of budget saving initiatives

- Both Members and officers are continually reviewing the council's services inorder to identify potential budget saving and/or income generation initiatives.Most recent, in 2018, the council's Cabinet approved a suite of initiatives, totalling just under £1.3m which are in the process of being delivered.

- In addition, there are a number of options from the previous Service ReviewProcess which are in the process if being implemented which will drive changes to the way in which the council operates.

Exploration and implementation of shared working arrangements

- The council has taken a very pragmatic approach to the implementation of shared services. There is no 'one size fits all' approach and as such, potential shared service arrangements have always been considered when an appropriate opportunity has arisen and where the benefits to both authorities outweigh any potential negative impacts. The driver for shared services is not

necessarily financial; added resilience, experience and knowledge are also key factors in deciding if the council should pursue shared working arrangements.

- The council's Working in Partnership Framework 2019 sets out the process for exploring shared working opportunities in more detail, ensuring engagement with key officers and Members at all stages of the process.

Expansion and implementation of commercial initiatives identified

- The council has a clear ambition to become an entrepreneurial local authority; putting in place a package of new ways of working in order to implement a commercial culture to finance the council's expanded frontline offer and a social return on investment.

- Specifically, this includes the formation of a local authority trading company and the council is actively pursuing the formation of a company in order to deliver services to the public. Services to be delivered will be in the areas of vehicle works, private housing delivery and repairs and maintenance.

- Delivering services to the public present a number of challenges for the council and specifically changes to the way that both officers and Members undertake their roles. Therefore this is a key aspect of the council's overall l Change Strategy.

The work of the Digital Team

- The council's Digital Strategy sets out the way in which the council aims to expand the service delivery options by providing and encouraging customers to use the most convenient and cost-effective digital contact channels, where appropriate.

- Making the most of the technology available to the council and driving customers towards self-help and alternative means of communication will support the council in becoming more efficient both in terms of service delivery and financial viability.

- Transform how we deliver digital services, working in agile teams capable of redesigning services end-to-end, ensuring that our user's needs are considered and met throughout the whole process.

- Supporting our staff to work more efficiently by providing them with the necessary tools and digital skills, helping them to deliver excellent service to our residents as efficiently as possible and freeing up more of their time for frontline services.

Process

All change activities will be discussed and agreed with the council's Management Team and where applicable, Members, prior to commencement. This will ensure thatthe following aspects of any change activities are agreed at a senior

management level:

- *Sponsor* – identification of who the lead officer at a senior management levelis to ensure accountability, regular project reporting and support.

- *Scope* – the scope of any change activity will be agreed to ensure that all officers involved are clear on the service elements and/or processes that aredue to be reviewed/changed.

- *Timeframe* – a realistic timeframe for the change activity will be agreed. This will ensure again, that all officers involved know the deadline they are workingto in terms of undertaking reviews and/or implementing changes required.

- *Project Team* – identifying who will form part of the team to undertake the review and implement change. These officers will be led by the Corporate Change Manager (as required) and will be from the relevant service, althoughit is also likely that a 'critical friend' from an independent service area will alsobe involved where appropriate. Officer time will be freed up to ensure they are able to commit to the review whilst it is underway.

- *Decision-making process* – clarification on the process for making decisionsabout the changes to be made. This will be dependent on the nature of the change that is required and whether or not it has previously been identified through previous reporting processes.

- *Communication* – agreement on how the process/review will be communicated to officers directly affected by the process as well as the widercouncil community. Again, the method used may be dependent on the natureof the review or change that is being implemented.
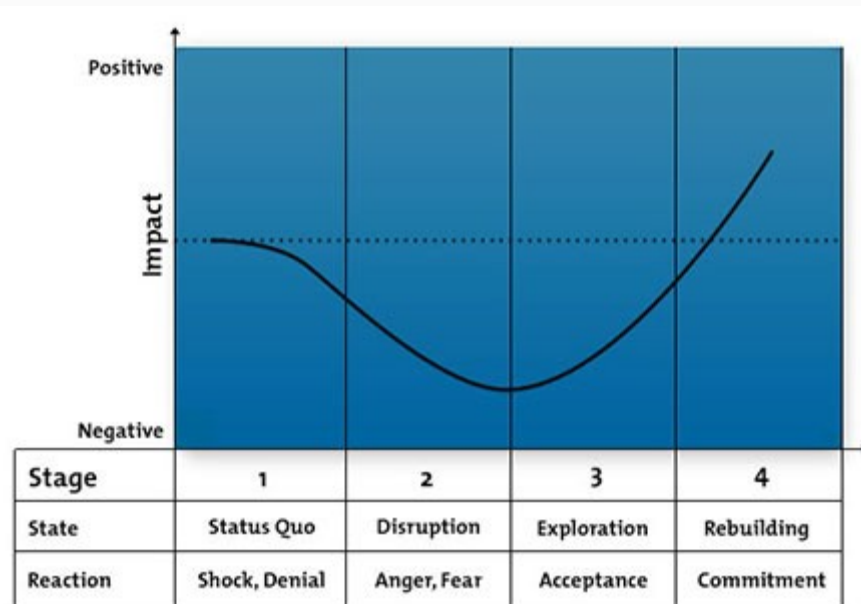
The above is a summary of the types of activities that will need to be considered once change activities have been identified. Other specific details will be confirmedwith the Corporate Change Manager as required and all change activities will be underpinned with a detailed project plan to enable proper monitoring of progress of the project.

People

The most critical part of the Change Strategy and its associated activities is People.All people react differently to change and it is therefore important that officers are supported through any changes that are made.

Typically, people go through four stages of change and these are most commonlydepicted in The Change Curve (figure 1)':

Figure 1 – The Change Curve

Stage	1	2	3	4
State	Status Quo	Disruption	Exploration	Rebuilding
Reaction	Shock, Denial	Anger, Fear	Acceptance	Commitment

Understanding the various ways that people react to change, helps in minimising thepotential negative impact the change could have and can help people adapt to it more quickly. Identifying where people are along this spectrum will enable any change activities to be managed and progressed effectively.

The Corporate Change Team will have a key role to play in working with people through the transitional period to ensure the change is managed and implementedeffectively and will be supported by the council's HR team throughout the process.

In ensuring that communication with all those involved is conducted effectively, thefollowing will take place:

- Identification of service stakeholders i.e. those who will be affected by the changes. This will focus not only on internal officers but others who may notnecessarily need to be involved in the specific review, but will need to be informed of any changes taking place.

- Early interaction with service stakeholders to ensure that they fully understandthe case for change (why this is happening) and the vision (where making the change will take us).

- Officers who will be involved in the actual review process (as detailed underthe 'Process' stage above). The implementation of reviews or change activities will be undertaken with the officers who will be affected by the change.

- The service stakeholders will be a fundamental element of all change activities; it is recognised that without them change will be very difficult to implement and as such, they will be kept up-to-date on progress throughout the process.

Stakeholder engagement

Elected Members

- The council's Members will play a fundamental role in ensuring that the council workstowards meeting the budget gap set out in the introduction of this strategy.

- From a consultative point of view, Members will be an invaluable source of information both in terms of their own personal opinions and experience, but also those of the constituents they represent. Members will be invited to be involved inchange activities and provide their input into the process.

- Cabinet Members will be tasked with making decisions about council services movingforward. Cabinet Members will need to review any the potential savings change activities may generate and balance this with the financial position of the council and the impact on the customer and decide the best course of action. There will undoubtedly be tough decisions for both officers and Members moving forward.

Trade Union

- Where any changes that are taking place impact on officers of the council, the TradeUnion Branch Secretary will be kept up-to-date with the implications of any changes and will be consulted as required.

- The council will endeavour to identify redeployment opportunities for staff where it isappropriate to do so and will fulfil any statutory consultations that are required as a result of any suggested changes that impact on staff.

Measuring Success

Success is measured in different ways, depending on the change that is being madeand the service or process involved.

At the start of each review of change activity, a set of measures will be agreed with the relevant Director and responsible manager in order to be able to determine if thechange has been a success. These measures will cover the following:

- Service performance – measuring how the change has impacted on overallperformance of the service/process.

- Financial performance – measuring how the change has impacted on thecosts of the service/process.

These measures of success will be agreed and reported to Management Team aspart of the Performance Management Framework of the council.

Ultimately, the success of implementing the changes activities set out within this Strategy will result in the overall delivery of the objectives set out within the council'sCorporate Plan 2019-23. Updates against these objectives will be reported to Cabinet Members on a regular basis.