



Design Principles

Design and functions of the 'Core'

1 What is the recommendation?

The core of the Council should be re-shaped around the outcomes of the Council's long term vision, and not around traditional service delivery silos. The operating model of the future will require significantly reduced central support services.

2 Why is this proposal recommended?

The A2020 programme and the report of the Growth Commission have both identified huge gaps between the capability which is required to achieve the Council's long term vision and the current state. They point to an organisation that is designed around the outcomes demanded by the Council's vision and less one that is designed around traditional professional service delivery silos.

We need an organisation which is designed to challenge ourselves and others in the pursuit of excellence. A cultural imperative, both within the Council and without, is to ask how we can improve, and to set aspirations and expectations which are consistently high.

To achieve that, we need to make much more effective use of data, intelligence and insight, and constantly to look to the ideas of others as part of the day to day running of the Council, improving our ability to develop evidence-based strategies and plans that apply not just to Council services but those of public, private and voluntary sector partners.

It also requires a new approach to planning and performance, based on consistent, outcome-focused long term goals, which inform the development of five year commissioning plans for each key goal, and clear service delivery agreements and annual service plans with in-house and any arm's length delivery functions.

Other service proposals specifically address the proposed future size and shape of the Council's service delivery functions.

Our people-based services (Adults and Children's Services with key aspects of Housing, Regeneration and Revenues and Benefits) are too fragmented. They are insufficiently focused on increasing self-sufficiency/resilience either by addressing root causes and/or by being designed to leverage the growth that will be coming to the Borough now and in the future. This fragmentation is not just reflected in the Council but within its strategic partners as well.

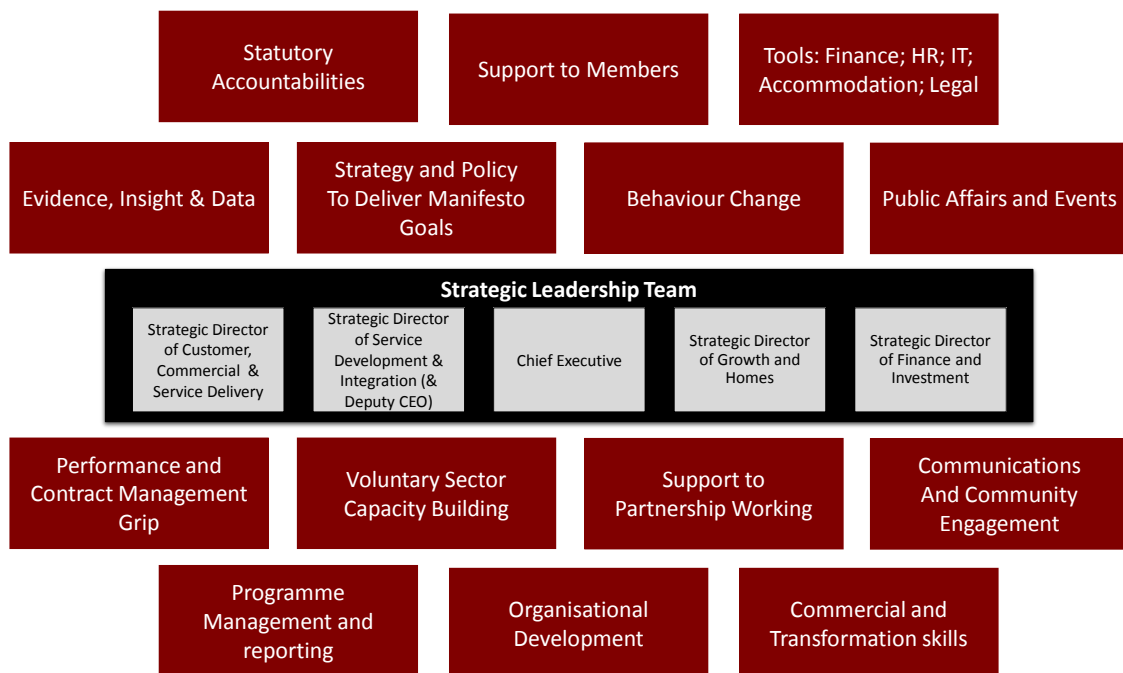
Our place-shaping and place-making services are not joined up. In some cases they are significantly under-resourced e.g. Regeneration. In other cases services do not currently see themselves as integral to our growth/place-shaping agenda.

Our capacity for partnership working is weak and most developed in specific service areas (e.g. Health and Social Care). There is a need to invest money, capacity and leadership time in the development of partnerships across the public, private, business and voluntary sectors and with the community more generally.

We recommend a re-shaping of the core functions to ensure that services are commissioned in a way that is evidence-led, informed by better strategic planning and decision-making, and configured to provide improved services for the Council and its residents and customers.

At the same time, the central support services can be significantly reduced commensurate with the changing size and shape of the service delivery functions, while maintaining the essential statutory functions.

3 What does the future service look like?



The diagram shows the key functions which will comprise the core of the Council. Strategic leadership and service delivery are distinct.

4 What will the service deliver?

The core will:

- Support and maintain the Council as a robust democratic institution with good governance, accountability and transparency
- Ensure that all the Council's statutory duties are met, including sound financial management
- Enable - but not provide - the delivery of services under the proposed models set out in A2020
- Assure that the quality and cost of all services meet required standards by understanding better the needs of residents, strong commissioning and contract management.

5 What are the constituent parts?

The core will include:

- A significant element of ‘irreducible’ service and costs that are required to meet the Council’s statutory obligations and ensure its financial health.
- Enhanced/new services designed to support the new operating model and ensure real value from all aspects of the mixed economy of delivery vehicles. These services include stronger commercial and commissioning expertise to act as a robust client to all services. It also includes an enhanced data and intelligence function to understand and influence customer behaviour, to manage demand and inform service design.
- Those services that currently make up the Council’s enabling functions, such as Finance, Facilities, and HR that are scaleable to reflect the size and shape of the service delivery functions.

6 What will be different for the customer?

Most of the core functions will not be dealing directly with the public. The key ‘customers’ – Members, partners and external stakeholders, and service delivery functions – should see a more efficient and productive core, supporting and enabling better services for the public.

7 What will need to change in the service(s)?

New structures, systems and services will create a more commercial and analytical approach to service design and delivery. Commissioning of services will be an integral way of doing business. There will be a new planning and performance cycle, drawing on a better evidential and analytical base, that will focus on achieving the outcomes of the Council’s long term vision.

8 What will be the impact on the workforce?

Some new capabilities and skills will be required. Alongside this investment the ‘reducible’ elements of the support services will be challenged on their appropriateness to the new operating model (service mix, size, structure, method, etc.). Their overall efficacy and value for money. There will a proportionate reduction in the core workforce in line with the changing operating model.

9 When will the changes take effect?

Year	2016/17				2017/18				2018/19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Develop new core capabilities	■											
Changes to support services					■							

In general the changes in the core will follow the design of the new models of delivery across the Council. Early changes in 2016/17 will largely be focused on building the new capability, systems and structures required to deliver the Ambition 2020 programme.

Support services will then be tested against the new requirements from service delivery functions to minimise the cost to new delivery vehicles and the Council as a whole. This will take the form of proportionate reductions in current services and/or more efficient structures and delivery models to meet new requirements. These changes are therefore likely to take effect from 2018/19 onwards.

10 When will customer outcomes be seen?

Incremental and investment changes will begin to take effect immediately, with the full effect of changes to support services following after.

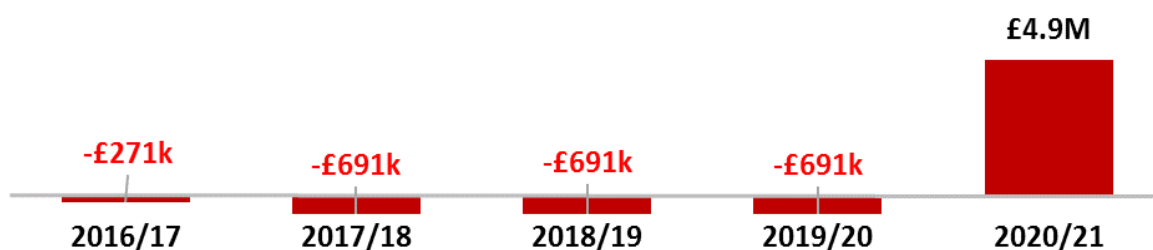
11 What savings will be made from the changes?

The programme envisages that savings of £5M are possible from a net budget of £45M. Given the proportion of net budget that is considered to be 'irreducible', 11% is considered to be an aggressive savings target.

12 When will the savings be realised?

Full savings will not be realised until 2020, as the redesign of the support services will depend on the implementation of other aspects of Ambition 2020. Savings are likely to accrue from 2018/19 onwards as the new operating model is embedded and support changes become possible.

Irreducible Core Benefits After Ongoing Costs



These projected savings equate to a reduction of 135 FTE posts.