

South Hams District Council and West Devon Borough Council

High level business case

29 August 2013 v2.03



SMT have reviewed the high level business case and judge that the anticipated outcomes are both significant and achievable.

We are therefore confident to invest further resources to proceed with the next phase of the work to enable Members to make a decision later this autumn.

Whilst recognising that further detailed work may modify the currently predicted financial benefits, the business case is so strong that the impact on both the scale and the timescale for delivering the savings will not undermine our preliminary conclusions.

SMT believe that implementation of the Future Model is the appropriate way forward to meet our financial challenges.

Senior Management Team
September 2013

Contents

1. Summary
2. Background, scope and approach
3. Detailed findings/ proposals
 - a) Future Model overall
 - b) Strategy and commissioning
 - c) Universal customer contact
 - d) Delivery (including corporate support)
4. Enablers and costs
5. Implementation approach

1. Summary

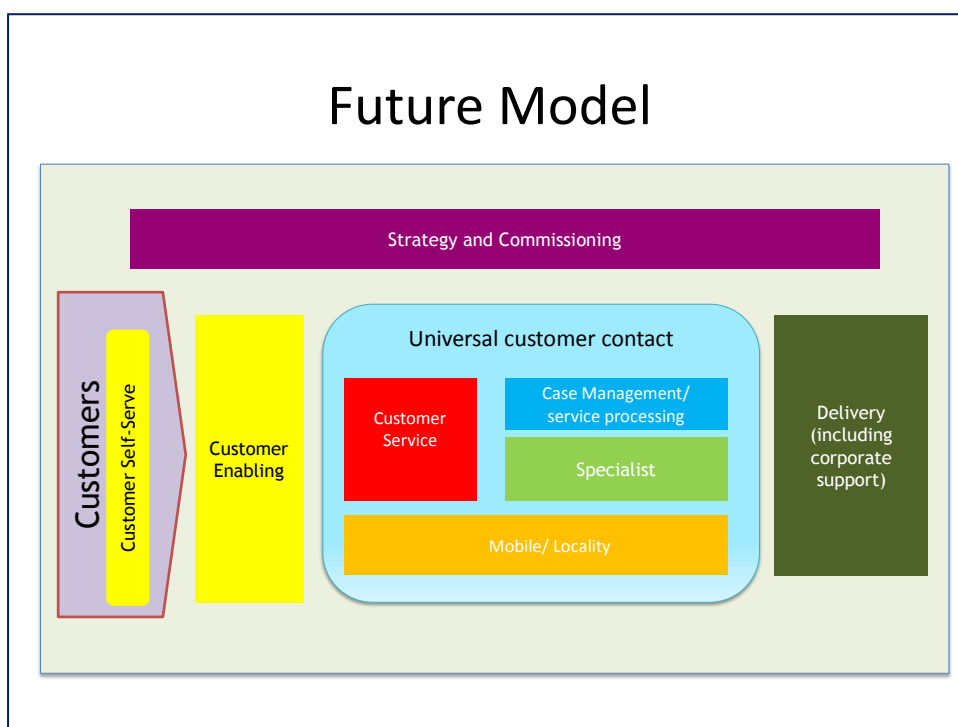
This document sets out the findings of a review to test the Future Model thinking and principles in South Hams and West Devon Councils (SHWD). The purpose of the review was to assess whether there is a business case for implementing the Future Model across both Councils and whether the business case makes sufficient contribution to the overall savings targets of the Councils to be taken forward as a programme of change. The proof of concept work was based on a detailed review of four key service areas (benefits development management, legal, and revenues) in tandem with a general view of all other services within the scope of the review. The business case will need to be further refined over the autumn to enable members to make a formal decision by November 2013 on whether to proceed with the Transformation programme.

The Future Model provides an approach to thinking about the way the Councils operate including:

- The relationship with customers and the wider community
- Staff roles and structures
- Technology and processes
- Culture and ways of working
- Costs
- Outcomes

Key principles of the Future Model include:

- Managing and reducing customer demand
- Delivering as much customer service as possible through a universal contact method
- Drawing on expert skills and knowledge only where appropriate
- Managing the organisation in an efficient and streamlined way.



The baseline staff cost in scope for the review is £10.4M (412 FTEs). The head line costs and financial benefits from applying the Future Model are shown below. The annual financial saving is £3.5M (97 FTEs).

This represents a saving of 24% on staff numbers without undermining the provision of key elements of existing services.

The financial costs are estimated at £4.7million. Taking account of the phasing of benefits and costs it is expected that the payback on the initial investment will be just under 2 years but this assumption is partly dependent on a range of variables to be subsequently determined by elected members in the two Councils.

In addition to the potential annual saving of £3.5M, a range of customer and staff related benefits are described below:

Customer and community related benefits:

- Implementation of the change described in this business case will allow the Councils a single view of customers across all services, so that all the information held about a customer can be seen together, for example information about council tax, benefits and arrears. This single view supports a number of benefits for the customer including more streamlined customer journeys, issues resolved more quickly and fewer hand offs/ touch points
- Greater resilience across services
- A larger, integrated mobile/locality team highly visible across the community
- Customers will have a wider choice of channels (web (self serve), phone, SMS, face to face) and will be able to track progress on queries
- Potential for faster processing of applications and cases.

Staff related benefits:

- More flexible and empowered roles
- Senior specialised staff able to focus on those areas that genuinely require their expertise.

Strategic benefits

- Enhanced strategic capacity and capability to support the transformation of the organisation and the delivery of outcomes
- Opportunity to respond to externally driven funding reductions while retaining key services, delivered in a new way
- Potentially enhanced capacity and capability to manage and deliver key corporate projects and corporate plan outcomes.

The delivery of the benefits case will be underpinned by two key enablers:

- Technology
- People and cultural change

Technology is the key enabler of the implementation of the Future Model. It is proposed that SHWD take the opportunity to introduce and replace technology so that a fully integrated suite of packages are in place to support fully integrated working.

The integrated suite of packages will support critical elements of the Future Model business case: customer and community enabling; customer self serve; single view of the customer; automated workflow; document management; mobile solutions; single software platform.

The Future Model design is aimed at delivering excellent customer service at a considerably lower cost, from an organisation that is designed around the customer, staffed by people that are customer centric in behaviours and attitudes using slick and efficient business processes. The Future Model will have a range of impacts on the staff and significant people and cultural change will be required.

The implementation would be approached in two distinct phases with Phase 1 being focussed on property related services, e.g. planning, waste administration, environmental health, licensing etc and with Phase 2 focussed on people related services, e.g. housing, revenues and benefits etc. Individual support services would be scheduled in line with most appropriate fit with Phase 1 and 2. It is expected that implementation will commence in November 2013 and could be completed by April 2016, subject to sufficient capacity to manage the significant change being available within the two organisations.

The outline implementation plan would enable the phased delivery of benefits with quick wins being delivered in Q4 of 2013/14 and Phase 1 and 2 benefits being delivered in Q4 of 2014/15 and 2015/6 respectively.

Full launch of the programme is dependent on three key things:

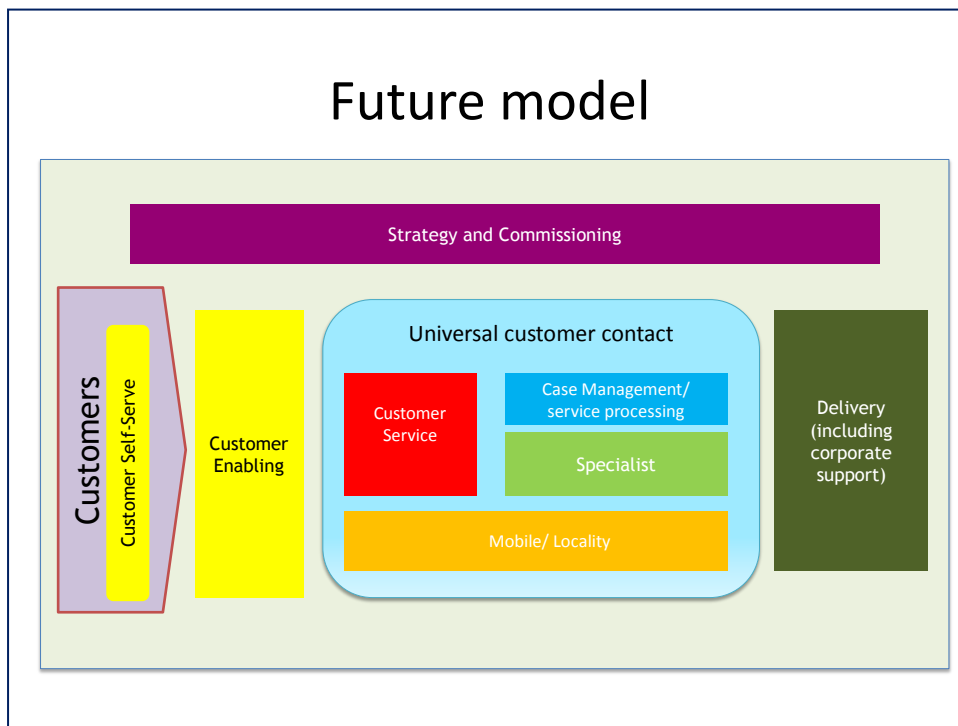
- Formal council approvals from both councils (scheduled for early November)
- Formal procurement of a technology solution – including the potential use of template prompts, diagnostics and processes. The pre work leading to a procurement process is scheduled to start in August 2013
- A more comprehensive blueprint design for the organisation and a comprehensive programme plan needs to be produced ideally the Blueprint phase would start as soon as possible to be ready for programme launch in early Q4)
- The level of savings identified in this document assume that the majority of the two councils' staff are based in one shared location however this is subject to the outcome of work being undertaken on the future accommodation strategy.

In conclusion the initial proof of concept work demonstrates that there is a clear business case to further refine the work to date and to develop a more detailed business case and implementation blue print for formal consideration by the two Councils during the autumn. It should be noted that the diagrams in this document illustrate the future operating model. Further work needs to be undertaken to populate the model with an appropriate organisational structure.

2. Background, scope and approach

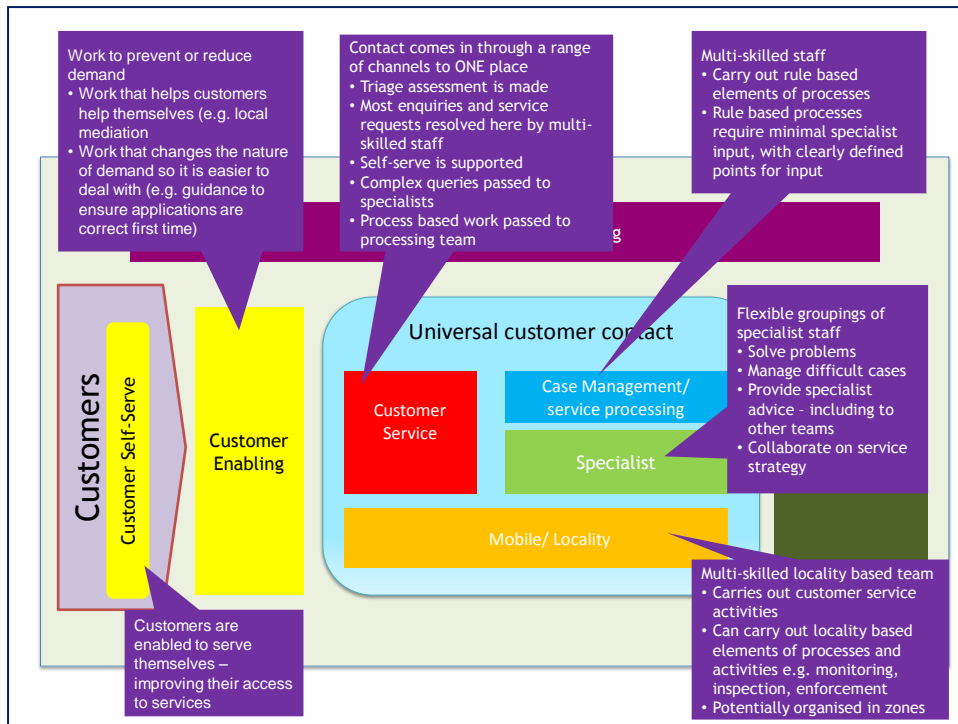
Background

The Future Model highlights core elements of Council activity:



- **Customers** – different customer groups access services in different ways. Some groups can be encouraged to self serve on line or draw on support from customer service staff only, whereas others may need to access the support of specialist staff more quickly
- **Strategy & commissioning** – translates community/ customer intelligence and political will and ambition into strategic direction, and commissions what's required to deliver this
- **Customer enabling** – helps the community and customers to help themselves so as to address aims and reduce demand for services
- **Universal customer contact** - all activity associated with customer contact, customer service, managing cases, resolving questions and issues (simple and complex), and scheduling input from others where required
- **Delivery and corporate support** – delivery of core services e.g. waste collection, street cleaning, leisure, culture etc; corporate support – non-customer facing back office functions, much transactional but some requiring organisational specific intelligence.

The diagram below shows how different elements of the Future Model work.



Key design principles include:

- Prevention and reduction of demand through enabling customers and communities where appropriate
- Improved access to services and information for customers
- Earliest possible resolution of customer enquiries
- Shifting work forwards in the organisation towards customer facing staff
- A modern, streamlined and efficient approach including common technology, processes and roles
- Empowered staff with attitudes and behaviours that support the model
- A sustainable level and quality of services.

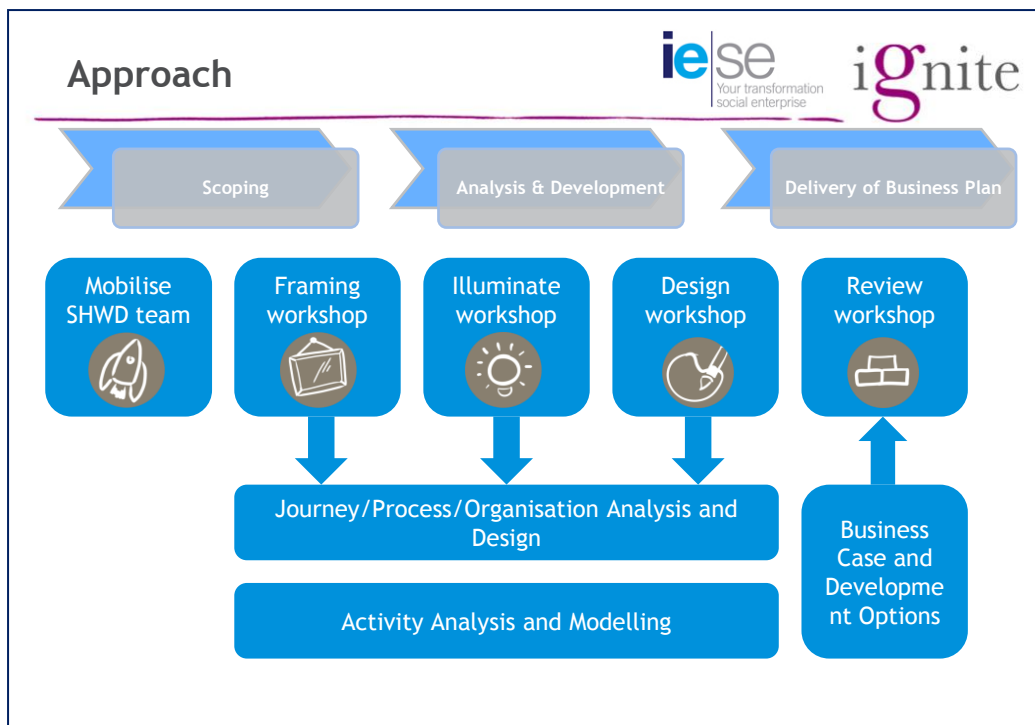
Scope

The scope of the review includes all Council services other than building control and the core delivery elements of waste and recycling, street cleansing and grounds maintenance. Building control has been excluded because it is already part of a wider shared service arrangement.

The services in scope provide a baseline of £10.4M staff costs excluding on costs (412 FTEs).

Approach

Our approach to the review has included a number of key strands:



- A series of workshops involving and engaging Council staff and Members so as to understand the challenges the Councils face and develop opportunities for change and improvement
- Activity analysis and modelling, so as to understand how current Council activity maps to the Future Model and how it might be modelled differently in the future
- Process and customer journey analysis, so as to understand how core processes map to the Future Model and how they might be modelled differently in the future
- Additional interviews and discussion with staff so as to understand current and potential technology, performance data and analysis, and existing improvement initiatives and plans.

As part of the review we looked at a small number of services (development management, legal, revenues and benefits) – “core” in greater detail. Other services – “non-core” were reviewed at a higher level.

The improvement opportunities identified in the detailed review of core services established a pattern of improvement drivers and savings. This pattern was selectively applied to the non-core services using information gathered in workshops, in meetings with service heads and from experience elsewhere to arrive at the specific improvements and savings.

3. Detailed findings and proposals

Future Model

Overall the number of FTEs and the FTE cost are reduced by 24% in the future operating model. The largest reductions occur in the specialist, senior management and corporate support areas. This is because specialist staff currently carry out some non specialist activity e.g. taking customer calls, and routine processing. Within the Future Model this activity is shifted into other teams e.g. taking customer calls is shifted into the customer service team, and routine cases are shifted into the case management/ service processing team. However it should be noted that within the case management team there will be a requirement for some staff defined in the current model as professional officers to fill some of these roles. Reductions in corporate support services take into account the shared services savings yet to be fully realised in this area particularly in financial services. The senior management reduction reflects the smaller organisation that would result from implementation of the model but does require further consideration of the strategic requirements of the councils. The only area with an increase in resource is customer enabling/ self serve. This is so as to invest in activity to help customers help themselves, where appropriate.

Although teams such as customer service and case management/ service processing take on additional activity e.g. from specialists, there is a net reduction as a result of other efficiencies, e.g. customer self serve, automation, process improvement and organisational remodelling.

Assumptions

The savings figures described here are based on a number of assumptions about potential changes. Overall the causes of change to FTEs and FTE costs are summarised in the table and described in more detail in the paragraphs below:

	Cause of change						Total
	Customer	Customer self	Internal	Technology or	Change skill	Agile	
Savings (£)	£199,969	£683,400	£956,978	£225,435	£38,775	£413,962	£2,518,520
%	8%	27%	38%	9%	2%	16%	100%
Savings (FTE)	8	30	34	9	0	16	97
%	9%	31%	35%	9%	0%	16%	100%

Savings associated with customer enabling include:

- Activity that is avoided or reduced through prevention or through customers helping themselves in other ways (9% of saving). Examples include better information on the web about planning requirements so as to reduce the number of appeals; proactive work to prevent arrears and to encourage payments by direct debit; allowing customers to view their own accounts/ records so as to reduce calls and queries. Internal opportunities also exist e.g. giving staff better access to financial information so as to reduce non complex queries to finance specialists.

Savings associated with customer self service include:

- Customers serving themselves fully or partly online (31% of saving) removing or reducing the need for input from Council staff, for example, a customer completing an application on line; making a booking or payment directly; reporting an issue e.g. a missed bin or a council tax change in circumstance.

Improvements to productivity include:

- Smoother customer journeys supported by improved technology and processes, with fewer hand offs between staff, fewer iterative contacts with the customer and automation where possible (9% of savings). Examples include the customer journeys associated with core council processes such as planning and benefits applications, and reporting changes of circumstance for council tax
- Remodelling so as streamline management and supervision around the model and to bring groups of staff together to work in a multi skilled way so that people can do more themselves, there are fewer hand offs between staff, there are flexible roles so people can cover for each other more easily and there is less duplication (35% of saving). Examples include staff working together to maintain and update databases e.g. council tax and electoral roll; staff working together on a range of applications e.g. benefits, grants and loans; customer service staff working across a range of services, for example housing advice, revenues and benefits enquiries; a single finance team
- Agile working (16% of saving). Agile working means not working from a fixed location, at a fixed time, all the time. Agile workers have the flexibility to work from a variety of places, without necessarily needing to have a fixed base to return to on a regular basis. Office savings related to agile working are not included here but we have made an assumption that the flexibility associated with agile working will generate a productivity saving linked to improved work/ life balance, lower sickness absence and staff turnover.

Skill mix savings arising from moving activity within the model include:

- Activity that is currently carried out by specialists that could in future be carried out within customer service, for example, enquiries
- Activity currently carried out by specialists that could in future be carried out by service processing/case management e.g. straightforward planning applications and debt recovery.

a) Strategy and commissioning

This strategy and commissioning area of the model is the 'brain' or 'sovereign' element. It is the core element of the Council that needs to be retained under any scenario. It includes senior management activity, support for the strategic cycle and corporate projects, and democratic support.

The resource for strategy and commissioning comes from a number of 'To Be' pots in the activity analysis, including senior management, strategy/ commissioning and democratic support.

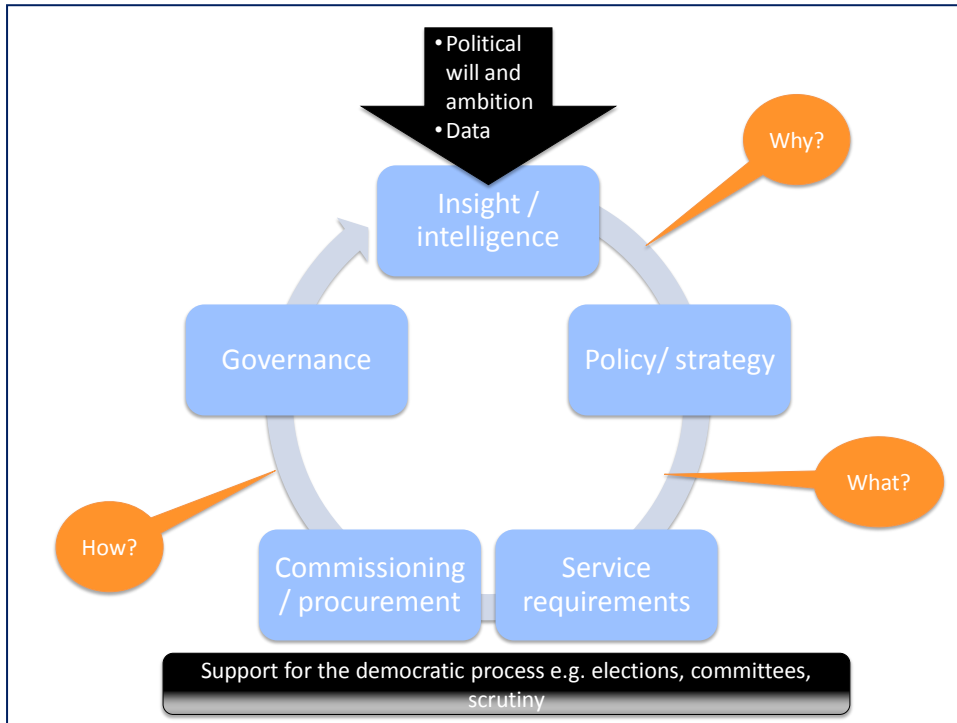
Principles

The strategy and commissioning element of the Future Model is the activity and resource required to translate political will and ambition to a range of actions taking place across the operating model. The approach ensures that the Councils retain their local identity, and remain democratically accountable and sustainable in the long term.

In more detail:

- The strategy and commissioning element contains those activities and resources that ensure the Councils remain unique accountable and capable public authorities
- This involves translating political will, data, insight and intelligence into policy, strategy and service requirements

- It also requires the development of strategy and approaches for commissioning services, and effective governance of these
- The strategy and commissioning element is accountable for service outcomes
- This is all underpinned by activity to support the democratic process.



Key principles are:

- Clear definition of and accountability for outcomes
- Effective collaboration and team work between strategy and commissioning and other elements of the model so that what is designed is deliverable, and what is delivered achieves the right outcome
- Recognition that whilst one team or role will be accountable for a service outcome, many others across the model will have a responsibility
- Focus on working together to deliver single outcomes rather than working in parallel or at odds to deliver multiple outcomes
- Strong interrelationship with specialists who develop service strategy. Strategy & commissioning has a role in facilitating, supporting and ensuring cohesion, alignment, and focus
- Planned/ proactive rather than emergent/ reactive approach, where possible
- A key role of strategy and commissioning is to protect the uniqueness of the Councils
- The resource required within strategy and commissioning will change depending on the balance of service that is in house/ external.

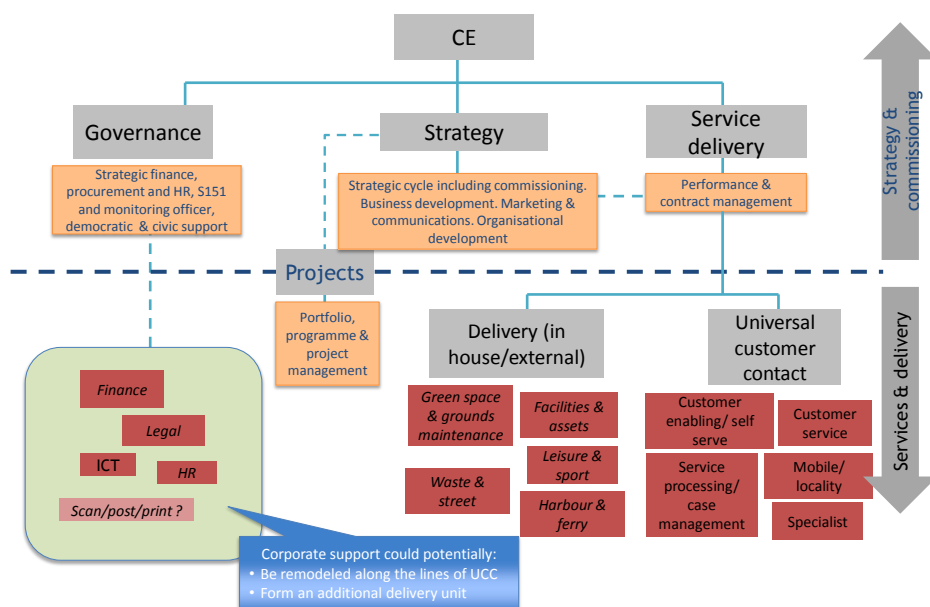
In organisational terms the following activity is included within strategy and commissioning:

- Senior management team
- The strategic cycle incorporating community engagement, strategy development, service design and commissioning, strategic performance and contract management (working with service specialists)
- Corporate project management through a programme management office (if required)
- Democratic support (including the management of elections).

Management and SMT

A potential structure for the Councils as a whole is shown below, with those in strategy and commissioning shown above the grey dotted line.

Future model structure



The model is offered merely as a starting point for discussion and factors to consider include:

- What senior/ manager roles do we need:
 - To secure the right level of senior capacity and capabilities
 - To symbolise the relative importance of different areas
 - To interface effectively with Members?

Consideration also needs to be given to:

- What roles make up SMT e.g. is it just the roles above the line, or also some of those below?
- How do senior roles and SMT interface with Members e.g. given that SMT as a whole is accountable for outcomes could each SMT role take on an account management role in relation to specific strategic themes and the interface with specific Member portfolio and shadow portfolio holders?

The As Is and To Be FTE and FTE costs for senior management and for management and supervision across services are shown below. The 'management' numbers here are currently an estimate and cannot be finalised until the target organisational design is further developed:

Senior management	FTEs AS IS	FTEs TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	10.0	6.6	-34%	£693,000	£455,994	-34%

Service management & supervision	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	23.7	17.4	-27%	£639,589	£470,098	-27%

Strategy

The purpose of this team is to provide capacity and capability across the broad areas of:

- Community and customer engagement, insight and intelligence
- Strategy and policy development
- Designing and commissioning how outcomes should get delivered
- Seeking resources - partnerships, funding etc
- Strategic performance and contract management.

It is not intended that this team develop service strategy – which remains within universal customer contact specialist roles, and within delivery units. This team does have a role, however, in facilitating, supporting and ensuring cohesion, alignment, and focus.

Members of the team would have different skills and strengths. Across the team the following are examples of the skills and activities which may be required:

- Community engagement
- Political, partner, stakeholder engagement
- Commercial acumen
- Risk management
- Entrepreneurial thinking
- Designing systems, models and partnership vehicles
- Securing resources – including partners, fundraising, shared services models etc
- Change management
- Workforce development
- Relationship management – partners
- Strategic contract management
- Strategic thinking/ development
- Research & analysis
- Performance management
- Communication/ PR.

This team would need to work closely with other areas, in particular with specialists in universal customer contact and those in delivery units who develop service strategy and manage service related partner relationships.

Project Management Office

The purpose of a project management office (PMO) is to improve the way a Council manages corporate projects, including strategy development and enhances project outcomes.

The role of a PMO could be to:

- Develop and maintain project management guidance, approaches, tools and templates to be used across the Councils
- Check compliance with the agreed project management approach
- Provide support and guidance so as to develop project management capability across the Councils

- Ensure that appropriate governance structures and processes are in place for each corporate project and support the effective functioning of project and programme boards
- Develop an approach to regular reporting and monitoring including against corporate plans – looking ahead and responding to issues e.g. resourcing
- Provide expert trouble shooting advice to specific projects as required.

Consideration needs to be given to the resource required to deliver key corporate projects across the Councils. The output from this would support a decision on whether a dedicated PMO should be developed.

Democratic Support

The purpose of the democratic support team is to provide specialist input on managing elections and the democratic process, and to provide admin and other support to Members and SMT.

As Is and To Be FTEs and FTE costs

The As Is and To Be resource for strategy and commissioning is set out below:

- The figures exclude senior management which is shown separately above
- The figures also exclude service related strategy and commissioning , which is included in the ‘specialist’ area
- A core of staff would form the strategy team
- There might additionally be a small number of project roles
- The resource to support the democratic process (including administration support to SMT and Members) is also included in these figures.

Strategy & commissioning	FTEs AS IS	FTEs TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	16.8	14.2	-16%	£413,557	£350,373	-15%

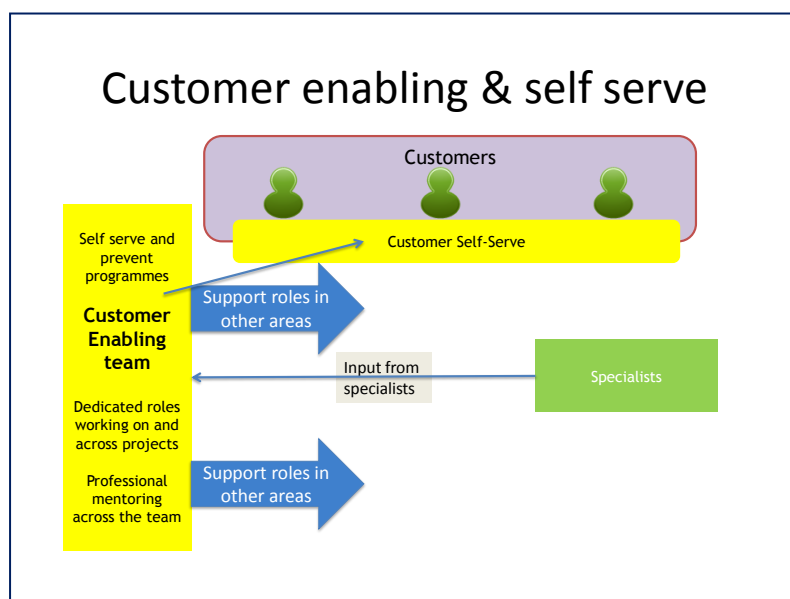
The cause of change is as follows:

- A limited level of efficiency has been applied to this area. Rather the emphasis is on refocusing the existing resource
- There is an efficiency associated with agile working of up to 6%
- There are customer self serve and technology efficiencies within democratic support associated with encouraging Members to self serve and developing ‘paperless’ committees
- Corporate admin resource has been reduced in line with the senior management resource.

b) Universal Customer Contact

Universal customer contact encompasses all the activity associated with customer contact, customer service, managing cases, resolving questions and issues (simple and complex), and scheduling input from others where required. The following sections provide detail on how each element of universal customer contact would be shaped in South Hams and West Devon.

Customer enabling



The purpose of this area of the Future Model is to help the community and customers to help themselves so as to address aims and reduce demand for services. It is a critical element of the Future Model as it enables efficiencies in other areas of the model.

The focus is on:

- Reducing demand for services by preventing problems occurring in the first place e.g. encouraging community mediation, providing better guidance to enable right first time applications
- Generating and supporting culture change across South Hams and West Devon customer groups and communities so as to help people help themselves where possible
- Aligning campaigns and programmes of preventative work so as to make the most of the resource available
- Encouraging customers to choose the new self-service options – developing a channel shift programme that models channel shift, tracks shift and potential resource saving, promotes digital inclusion etc.

Geodemographic information such as the CACI profile of rural communities suggests that whilst residents are not dominated by modern technology, they will use on-line services several times a week, for example, managing bank accounts, purchasing groceries. Online services are seen as particularly helpful given the remote nature of some communities

Examples of how customer enabling and self serve might work in South Hams and West Devon

- On line information about benefits claims including next payment date and the payment amount. Also the ability to report a change of circumstance
- Better online information including self help, FAQs and guidance relating to legal, HR, finance services – so as to reduce simple and easy to solve queries, Council tax and business rates customers able to complete online notification of occupation and vacation and attach supporting documentation

- Online benefit claim applications
- Further use of Gov Portal for on line planning applications and improved data capture e.g. photos, plans and payments. Also access to customers opened up so they can obtain information directly online, upload information directly etc
- Online access to legal related information for internal services (including Members) and external customers e.g. private law practices
- On line payments for additional environmental services e.g. pay for a container, order a container, report a missed bin, pay a parking fine
- Environmental Health - greater use of web to self-report issues and potential use of a smart app to allow digital sound recordings as evidence for noise complaints. Improved information on the web - with self-help options and standard letters to assist with neighbour disputes
-

The AS IS and TO BE resources for the customer enabling area are set out below. Our mapping of existing activity to the Future Model shows there is 14 FTE worth of enabling and preventative activity currently. Once we apply modelling drivers so as to create the 'To Be' resource, the resource in this area is enhanced. It would also be refocused – working much more clearly as a Council team to an agreed customer enabling strategy and programme of work.

Community & customer enabling	FTEs AS IS	FTEs TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	13.9	15.5	11%	£360,344	£403,647	12%

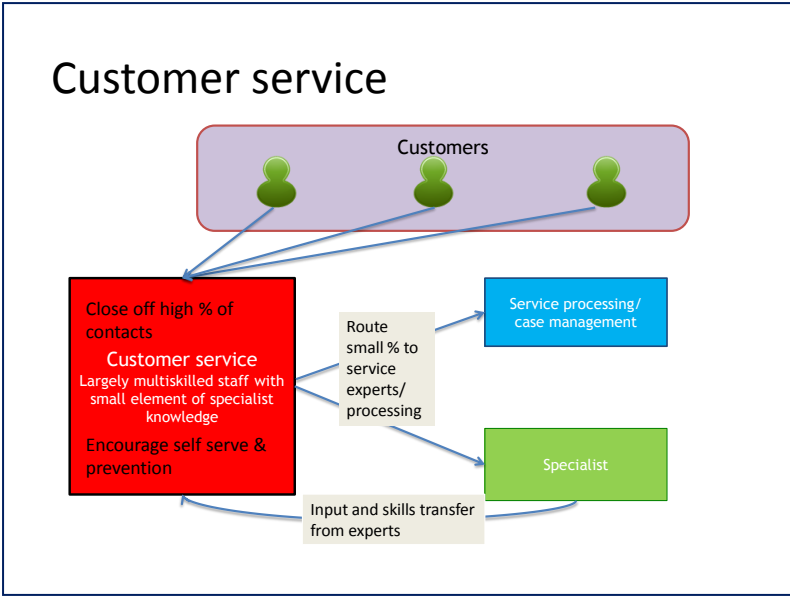
Cause of change/ assumptions:

- There is a shift forward of work from specialists into this area in some services e.g. development management and benefits
- There is an efficiency associated with agile working (6%)

Impact and benefits:

- Aligned programmes and campaigns focused on customer enabling and prevention
- Best use of limited resource in this area.
- Customers and communities more able to help themselves - preventing and reducing current and future demand.

Customer Service



The purpose of this area of the Future Model is to provide a multi-skilled customer service team where individuals exhibit a broad range of skills, a comprehensive knowledge of council services, and are able to support customers to access services across a range of different channels. Drawing on prompts, diagnostics, single customer records and work flow technology staff are able to close off enquiries or route them quickly to the right team.

Examples of how customer service might work in South Hams and West Devon

- For service such as revenues, benefits and planning - online applications and uploaded documents cross-checked against prompts and checklists automatically generating customer notifications and identifying and requesting any more information required. At this point more specialised cases would transfer to a case manager or specialist
- With relevant prompts, diagnostics and training, all form filling / information collecting for revenues might be completed by the customer service team. This team could also action changes and validations
- With access to appropriate records the customer service team could inform and update customers on the current status of cases and input customer updates to some types of case
- Housing needs advice and assessment could largely be undertaken by this team reducing the level of specialist input

The AS IS and TO BE resources for the customer service area are set out below. Our mapping of existing activity to the Future Model shows there is 57.5 FTE worth of customer service activity currently. Once we apply modelling drivers so as to create the 'To Be' resource, the resource in this area is reduced by 22%.

Customer service		% change		FTE Cost AS IS	FTE Cost TO BE	% change
Total	57.7	44.9	-22%	£1,235,654	£959,063	-22%

Cause of change/ assumptions:

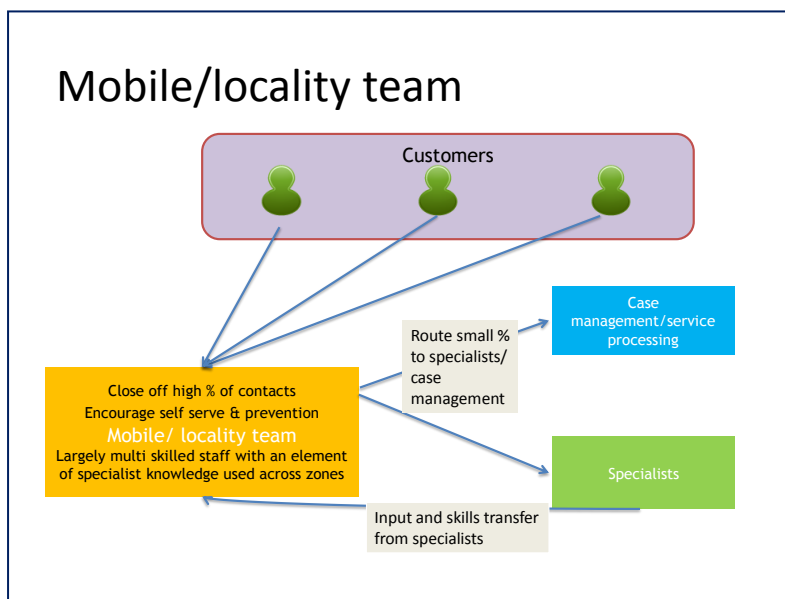
- There is a target resource saving of 20% as a result of customer self serve

- There is a shift forward of customer service type activity from service processing and specialist areas into customer service in some services e.g. development management, housing options advice, revenues and benefits
- There is a remodelling efficiency of 10% associated with flexible multi skilled roles
- There is a 5% technology/ process efficiency arising from the impact of prompts, diagnostics and workflow improvements
- There is an efficiency associated with agile working of 3%. A lower savings assumption (than for other areas of the Future Model) has been made on agile working because of the wide range of other cost drivers that are also relevant to this area.

Impact and benefits:

- Single view of the customer enables more streamlined customer journeys
- Higher customer satisfaction with more calls resolved quickly, fewer hand offs and customers able to track progress
- Higher staff satisfaction – more empowered staff in more flexible roles.

Mobile/locality team



The purpose of the mobile/ locality team/officers is to act as ambassadors for the Councils in the community, dealing with customer and business issues, resolving these on initial contact as far as possible or referring to other teams. A further key element of the role is to support the ward members to carry out their roles more effectively. They work collaboratively to improve customer service, develop and maintain deep understanding of an assigned geographic zone including expected standards, take ownership of the zone carrying out a range of work to maintain and improve standards, and work in partnerships with local members, other agencies and the community so as to achieve aims and outcomes. They can also gather and record information, place orders, complete applications, undertake site visits/ inspections, and carry out investigations and enforcement.

Examples of how mobile/ locality officer might work in South Hams and West Devon

- Form filling / information collecting when a visit is required e.g. for revenues, benefits, housing
- Supporting self serve and online applications whilst out in the field
- Acting as the local eyes and ears for other services and reporting issues
- Monitoring environmental standards in an area
- Putting up planning notices
- Liaison with ward members

The AS IS and TO BE resources for the mobile/ locality area are set out below. Our mapping of existing activity to the Future Model shows there is 30.7 FTE worth of activity currently. Once we apply modelling drivers so as to create the 'To Be' resource, the resource in this area is reduced by 26%.

Mobile/ locality	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	30.6	22.7	-26%	£692,607	£506,834	-27%

Cause of change/ assumptions:

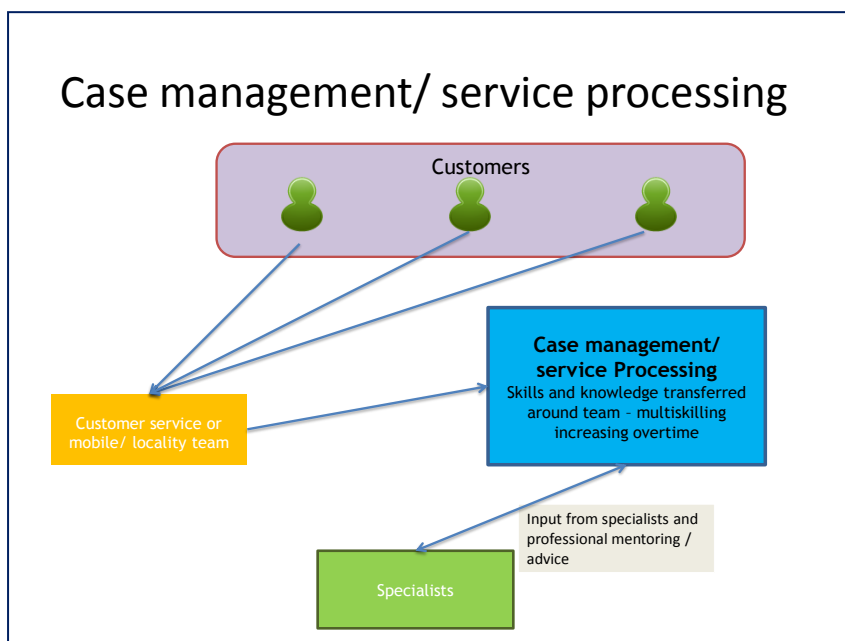
- There is a saving of up to 5% from enabling customers to help themselves. In a small number of services this efficiency is higher e.g. 10% in waste and recycling and civil enforcement/ street scene
- There is a saving from customer self serve of up to 10% in some services (e.g. recycling and waste),
- There is a shift forward of work from case management/service processing into the mobile/locality team in some services (e.g. in revenues)
- There is a remodelling saving, arising from bringing mobile activity together, of 5%
- There is a saving from improved technology and processes, including mobile technology, of up to 5%. In a small number of services this efficiency is higher e.g. 10% in environmental health
- Agile savings are 6%

There may also be an opportunity for further 'economies of scale' savings from partnership working with other locality based teams (e.g. Housing Associations) but these have not been explored.

Impact and benefits:

- A larger, integrated mobile team, highly visible in the community and providing greater resilience
- Higher customer satisfaction – local and knowledgeable staff able to resolve enquiries and issues
- Higher staff satisfaction – more empowered staff in more flexible roles.

Case management/ service processing



The focus of this area of the model is on fast, technology enabled and customer focused processing of applications and cases. The team would deal with straightforward application, cases, reports/ complaints and associated activity e.g. enforcement, site visits. They would also assist with more complex and contentious cases. Additionally, they might undertake a range of administrative activities e.g. consultation processing and analysis, and data collation.

Some of the team might initially focus on a particular area e.g. planning, benefits, and debt recovery. Over a period time the level of multi skilling would rise with knowledge and skills transferred around the team.

Examples of how case management/ service processing might work in South Hams and West Devon

- All routine applications (that can't be closed off by customer service staff) e.g. minor planning applications, licensing applications, more complex council tax and housing benefit cases and homeless applications.
- Elements of inspection programmes across development and environment (where these can't be completed by the mobile/ locality team)
- Routine enforcement, complaints, and appeals
- Recovery of payments (e.g. council tax, NNDR, housing benefit overpayments, sundry debts)

The AS IS and TO BE resources for the case management/ service processing area are set out below. Our mapping of existing activity to the Future Model shows there is 70.4 FTE worth of activity currently. Once we apply modelling drivers so as to create the 'To Be' resource, the resource in this area is reduced by 12%.

Case management/service processing	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	70.1	61.7	-12%	£1,512,325	£1,368,014	-10%

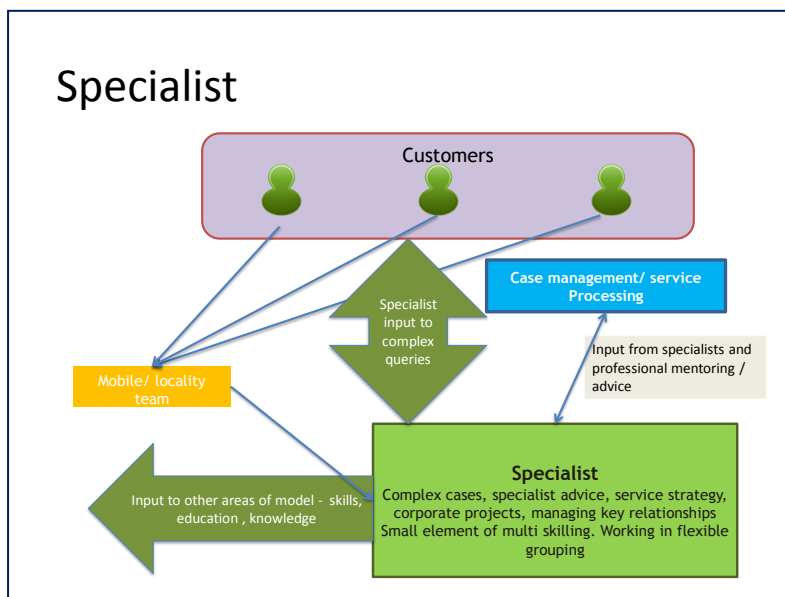
Cause of change/assumptions:

- There is a saving of up to 10% flowing from customer enabling and self serve. The saving is higher at 20% in some services, in particular revenues and benefits
- There is a shift forward of work from specialist areas into case management/ service processing e.g. in development management, environmental health, benefits and across housing services. There is also a shift from case management/ service processing forward into customer service and mobile/ locality teams e.g. in revenues and benefits
- There is a remodelling saving, arising from bringing case management/ service processing activity together, of 5%
- There is a saving from improved technology and processes, including automation, of 5%. In a small number of services this efficiency is higher e.g. 10% in environmental health and private sector housing
- Agile savings are 6%.

Impact and benefits:

- Greater resilience across services
- Faster processing of applications and cases – higher customer satisfaction
- Higher staff satisfaction – more empowered staff in more flexible roles.

Specialist



The purpose of this team is to provide flexible groupings of expert staff to solve problems, manage difficult cases, provide specialist advice (including to customer service and case management/service processing teams), collaborate on corporate projects and service strategy, and manage and influence key relationships (e.g. with businesses, partners and members, raising profile and reputation). Specialists might work in flexible teams organised around customer groups e.g. businesses, people (high need) and property/ place or around geography. There would be a very small but developing element of multi skilling (where specialists would develop new skills so that they can provide an element of cover for each other, respond to demand and extend capacity) but this team is largely made up of staff with specialist skills and experience.

The AS IS and TO BE resources for the specialist area are set out below. Our mapping of existing activity to the Future Model shows there is 94 FTE worth of activity currently. Once we apply modelling drivers so as to create the 'To Be' resource, the resource in this area is reduced by 37%.

Specialist	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	94.0	59.1	-37%	£2,517,429	£1,603,714	-36%

Cause of change/ assumptions

- There is a saving of up to 5% from enabling customers to help themselves. In a small number of services this efficiency is higher e.g. 20% in waste and recycling
- There is a limited saving from customer self serve other than in a few services where there is more scope for an impact on specialist work e.g. development management and housing options advice
- There is a significant shift forward of work into case management/service processing and customer service in many services. Some of the current expertise in these areas would likewise shift with the work, e.g. environmental health, development management, housing, revenues and benefits, and fraud
- There is a remodelling saving, arising from bringing specialist activity together, of 5%. This is higher in some small strategic services e.g. strategic planning and economic development
- There is a saving from improved technology and processes (including integration between different services) , including mobile technology, of 10% in one or two services (e.g. environmental health and private sector housing
- Agile savings are 6%

There may be scope for 'specialist' staff to generate additional income by selling expertise, for example, expert Environmental Health customer education opportunities. In addition there maybe opportunities for specialist staff to develop their expertise so that work that is currently contracted out to private providers can be provided in house.

c) Delivery (including corporate support)

The delivery area of the Future Model is made up of standalone delivery units that deliver core Council services and corporate support services.

The Councils will need to decide how to configure delivery units and decide which are to be provided in house and which provided in other ways.

There is a critical interconnection between each delivery unit and strategy and commissioning. Strategy and commissioning sets out the strategy for the service and parameters for commissioning, and also carries out strategic or high level contract and performance management.

The following are potential delivery units for South Hams and West Devon Councils:

Service delivery units

- Waste and street
- Green space and grounds maintenance
- Leisure & sport
- Harbour and ferry
- Asset and facilities management

Corporate support delivery units

- Finance
- HR
- Legal
- ICT
- Print/ scan/ post

Each delivery unit is made up of a number of components drawn from the following list - not all delivery units include all components. The Councils will need to decide where they want these components to sit in the model/ organisation. For example is customer management to be delivered through the universal customer contact team or by a delivery unit itself?

- Core service - processes/ customer journey/ delivery
- Strategy
- Governance/ performance management
- Proactive/ enabling/ marketing
- Customer contact/ management
- Asset management
- Facilities management
- Back office - IT, finance, HR, legal etc
- Contract management/monitoring.

The AS IS and TO BE resource for the delivery areas are set out separately below for each of corporate support, asset and facilities management and delivery (Note - delivery for the purposes of this report is mainly the ferry and harbour services as other delivery e.g. waste collection is not in scope).

Corporate support	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	56.2	39.4	-30%	£1,498,889	£1,052,710	-30%
Asset & facilities management						
	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	15.5	12.2	-21%	£401,525	£314,077	-22%
Delivery						
	FTE AS IS	FTE TO BE	% change	FTE Cost AS IS	FTE Cost TO BE	% change
Total	23.3	21.1	-10%	£393,421	£355,296	-10%

Cause of change/ assumptions - corporate support

- There are a similar levels of savings to those applied to universal customer contact but in the corporate context (i.e. customer service, case management/ service processing and specialist areas become corporate customer service, corporate case management/ service processing and specialist corporate work). Specific variations include:
 - There is a higher level of remodelling savings within the specialist ICT and finance resource through bringing respective teams across the two Councils together (20%)
 - There is a higher level of savings related to customer enabling and self serve within finance and HR (up to 20%)

- There are opportunities for a higher level of savings through technology and process improvement across finance and legal services (10%)
- There is a shift forward of work in legal services in particular from more specialist staff into case management/service processing and customer service.

Cause of change/ assumptions - asset and facilities management, and delivery

- For the activity remaining in scope, specific service related efficiencies have been applied across the drivers resulting in an overall efficiency in the order of 20% for asset and facilities management, and 10% for service delivery.

4. Enablers and costs

The delivery of the benefits case will be underpinned by two key enablers:

- Technology
- People and cultural change

Technology

Technology is the key enabler of the implementation of the Future Model. It is proposed that SHWD take the opportunity to introduce and replace technology so that a fully integrated suite of packages are in place to support fully integrated working.

The integrated suite of packages will support critical elements of the Future Model business case:

- Customer enabling; providing better information on the web
- Customer self serve; providing fully automated transaction processing, accessible through a customer portal
- Single view of the customer; enabling seamless customer service and the basis for moving work forwards closer to the customer. This also enables service advisors to see a customer's full transaction history with the council, which the customer could also see if they have registered an account on-line
- Automated workflow; supporting efficient business processes and Future Model working
- Document management; enabling agile working and improved use of premises
- Mobile solutions; enabling remote working
- Single software platform; enabling the integration of service delivery across the two councils

There will be a range of factors that will be considered in deciding on the final technology investment and implementation:

1. Scope of software to be implemented. The major packages that are considered in the business case are:
 - Implementation of full suite of integrated customer service software
 - Implementation of back office packages
2. Adoption of template prompts, diagnostics and processes. This will reduce the implementation cost considerably
3. Use of internal resources for IT implementation and Business Change implementation

People and cultural change

The Future Model design is aimed at delivering excellent customer service at lower cost, from an organisation that is designed around the customer, staffed by people that are customer centric in behaviours and attitudes using slick and efficient business processes.

The Future Model will have a range of impacts on the staff. People will:

- be more multi-skilled
- be given access to a wider range of information to enable them to serve customers
- be given greater empowerment and accountability; encouraging people to take greater responsibility and ownership of a customer's problem
- generally work closer to the customer and will need to have more comprehensive customer service skills and capabilities
- be required (and given the opportunity) to take on a wider range of service functions working across the old service boundaries
- work to tighter business processes, making it clear where judgements are to be made
- be more collaborative, particularly Specialists, who, even though they will be less multi-skilled will work in mixed teams of specialists
- work in larger, multi-skilled teams, with more broadly defined roles with less hierarchical management structures.

This will mean that staff will need to adapt both in terms of their skills and knowledge as well as mind-set.

Significant investment will be required in the development of people and in the management of change. In addition to the programme and project management cost included in the technology section of the business case (appendix removed as commercially sensitive) an additional sum is being provisioned for training and development, for example, in relation to customer service training, performance management training.

Considerable change to the profile of the workforce will also be required. It is not yet clear which staff would leave the organisation. We have therefore calculated a redundancy provision on a reasonable estimate of average redundancy costs. Given the potential for loss through natural wastage over the implementation period it is anticipated that this figure represents the top of the range.

In addition, there is an accommodation strategy review in progress. The business case makes an assumption that a refit of one of the offices will be required to create a shared working space.

5. Implementation approach

It is expected that implementation will commence in November 2013 and could be completed by April 2016.

The implementation would be approached in two distinct phases with Phase 1 being focussed on property related services, e.g. planning, waste, environmental health, licensing and with Phase 2 focussed on people related services, e.g. housing, revenues and benefits. Support services would be scheduled in both phases.

Full launch of the programme is dependent on three key things:

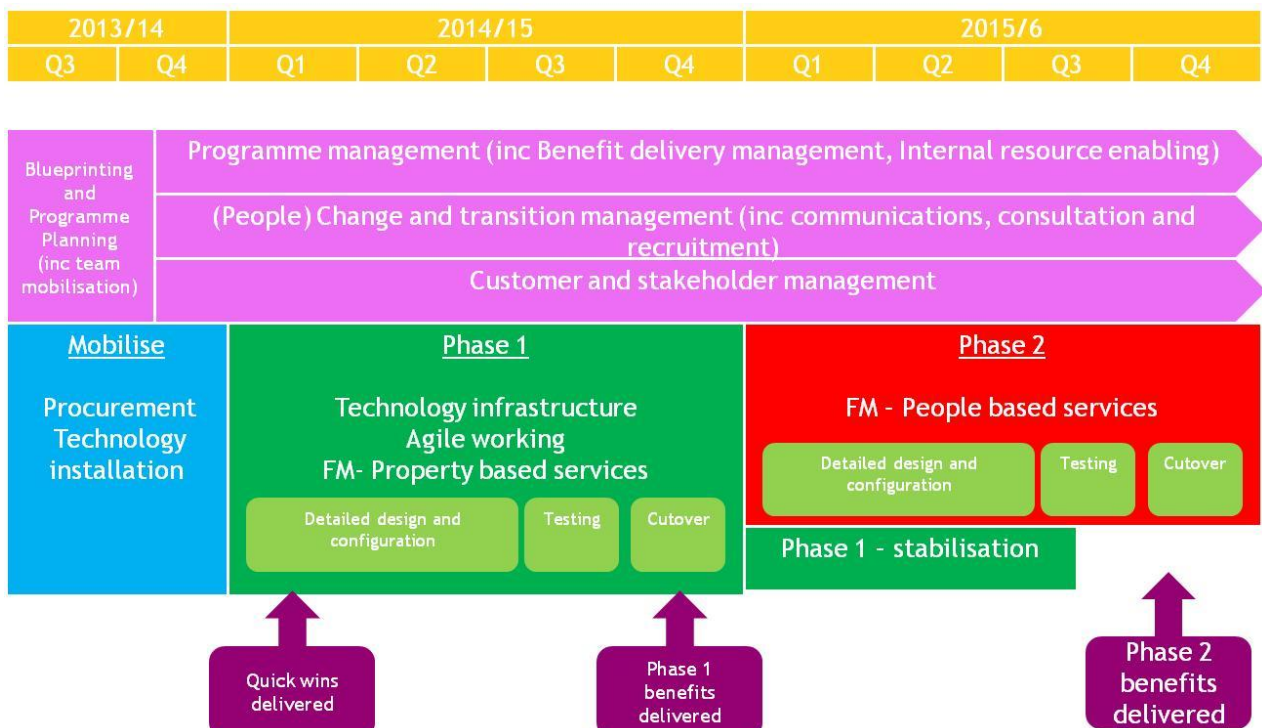
- Formal council approvals from both councils (scheduled for early November)
- Formal procurement of a technology solution – including the potential use of template prompts, diagnostics and processes. (The pre work to the procurement process is scheduled to start in August 2013)
- A more comprehensive blueprint design for the organisation and a comprehensive programme plan (Ideally the Blueprint phase would start in September to be ready for programme launch in early Q4).

The Blueprinting phase would extend the Proof of Concept work and deliver:

- A revised business case (having undertaken detailed activity analysis of the services not covered in the Proof of Concept)
- A Target Operating Model
- Standard Journey designs for the core processes; enquiries, reports, applications, bookings, payments, inspections
- Programme plans - having answered key implementation questions;
 - Detailed scope and scheduling
 - Use of template prompts, diagnostics and processes
 - Big bang vs phased implementation
 - Implications of property on customer access and location of people
 - HR, consultation, recruitment, redundancy strategy.

Implementation plan

The diagram below illustrates at a high level the outline implementation plan.



The programme would be comprised of four core work streams

Programme management - focussing on the overall management of the programme and in particular on developing and maintaining the business case, the Target Operating Model, the management of benefit delivery, transition management and communications. Any property related changes will be managed in this stream although it is expected that there will be a separate project to manage major changes in property and infrastructure.

People – focussing on the management of change in the organisation. In particular this would include the definition of detailed role and people specifications, consultation, recruitment into roles, preparation for people in role – including training, cultural change and performance management.

Customer – focussing on engagement of customers in detailed design, the development of a portfolio of projects and interventions for enabling (demand management), channel shift strategy and management, engagement of community in change.

Process and technology – focussing on the detailed design of customer journeys and processes and the implementation of technology to support those journeys and processes. The business case is assuming that the organisation will use template prompts, diagnostics and processes as a basis for implementation. In this case the task will be to adapt these templates to the local needs with minimal modification. This will become a significant change management challenge.