

Task and Finish Group – T18

The task and finish group were requested by the O&S Internal to undertake an interim review of the T18 programme and were asked to focus on:

- Timescales of the programme and the reasons for these
- Capacity during transition
- Leadership and continuity from 2014 until present
- Approach to project management
- Impact on service delivery; and
- what went well and what could have been done better, does not allocate blame but provides a report that is based on lessons learnt and how those lessons are being applied.

The T18 project was described by many of those interviewed as 'the most challenging project ever taken on by the Council' and involved a complete transformation of roles, responsibilities and processes. Introduced principally to save money (largely by reducing headcount) it demanded complex management in order to undertake fundamental change while maintaining output (services to the public).

Governance

There was a positive response by the SLT Members particularly regarding the improvement in service delivery. The latest Performance Indicators, the improving Call Centre response times and the increasing breadth of enquiry that they are dealing with on 'the front line' and the increasing success of Case Management activities are all encouraging. It was also noted that the financial targets had all been achieved throughout the T18 programme other than the cost of additional resourcing agreed in June last year. The turnaround of planning applications continues to improve but work is still required in this area. There was also some concern regarding the Agile Working arrangements which may require attention and are to be reviewed. The original handover of responsibilities to the newly appointed Officers was clearly poor. A number of references indicated the departing Director had much of the T18 Blueprint details "in her head". The handover was carried out immediately the new Directors started. A better arrangement would have been to allow the new Directors to settle in before any form of T18 handover. The IT development clearly caused problems particularly with service delivery. The failure of Civica to deliver on time and the relevant contractual failing are still subject to ongoing negotiation as outlined in the IT section. The near total changeover at a senior management level clearly caused a major issue in terms of continuity. The added pressures of elections and the Boundary Change requirements all resulted in a very challenging time for senior officers. The lack of project management procedures and associated disciplines must be addressed in any future major development or activity of this nature.

Project Ownership & Management

The project was conceived by the Senior Management Team (SMT) and according to interviewees it was anticipated that several of the SMT would remain to own the project and drive it through to conclusion. In the event, only two (of 8) of the SMT remained in the Council's employment. There were many factors responsible for this exodus but one significant one was the decision taken to require everyone (including the SMT) to apply for new posts or take redundancy. The consequence of the SMT's departure was that for key stages of the T18 implementation senior leadership was not in place to exercise the necessary control.

Possibly as a result of the above exodus, many of the expected aspects of project management were not put in place to ensure the project could be monitored effectively. This coupled with the less than satisfactory oversight by the Steering Group resulted in the drop in performance of the Council's outputs not being adequately understood of mitigating actions being put in place as soon as they should have been.

We concluded that more should have been done to understand and mitigate the impact of the T18 methodology on the SMT in order for core staff to be retained until the project was stable in terms of delivery. Additionally, adherence to more formal project reporting, particularly of issues caused by under-resourcing or late IT delivery, would have enabled members to better understand the program and assist the SLT to resolve issues.

Information Technology

A key requirement and dependency of the T18 programme has been the implementation of new IT systems. These in turn have been dependent on contracts with outside bodies including Civica, Ignite (responsible for the T18 Blueprint) and IESE. Delivery of the new systems was typically 6 – 9 months late but contracts lacked relevant penalty clauses, therefore the overall timetable was consequently disrupted. Council Tax and Housing Benefits modules were both delivered very late. Although the Council adopted the 'Eastbourne Model' much of the development was carried out 'inhouse'. An absence of project management and resources resulted in further delays in the provision of the new IT systems. The early staff reduction was driven by a financial imperative but the consequence of these reductions particularly the impact on service levels was not identified. IT development was also affected by unexpected staff losses in that area. The delayed implementation of new systems and the poor performance of the Website resulted in significant delays to seeing the benefits of 'Channel Shift' where transactions and enquiries are processed online.

It was severely underestimated how much work was needed to add additional features to the basic package. There was also a question with members as to the ability of Civica to deliver.

We concluded that there was insufficient due diligence on the maturity of the intended IT solution prior to commencing the program. That there

is a clear need for all contracts with outside bodies to be comprehensive and identify all deliverables, penalty clauses etc. with professional scrutiny of the draft contract recommended. The T18 Programme report to Full Council dated 4th November (4.15) recommended that “the governance (of the programme) should use existing structures”. This clearly resulted in a complete lack of Project Management disciplines for the duration of the programme which in turn had a particularly detrimental impact on the delivery of the new IT systems. The need for such disciplines needs to be recognised for all such future exercises coupled with clear Terms of Reference identifying Objectives, Timescales, Responsibilities and Resources.

Reporting (Member to Member)

A Joint Steering Group, made of members from both South Hams and West Devon, was established and the terms of reference called for monthly meetings. From the interviews we conducted it was clear that effectiveness of the T18 Joint Steering Group in terms of reporting to members was varied. The JSG met formally twice, however, they continued to meet informally with their meetings being unrecorded and the outcomes unreported. This resulted in a lack of clarity and consistency in information being reported to members which impacted on their understanding of the cause behind the lack of service delivery.

We concluded that the JSG should have operated on a more formal basis and had a higher profile among members with a well-defined reporting structure.

Reporting (Officer to Member)

Six members of the SMT, left the Council under redundancy terms. This included those who were the instigators of the T18 concept. Our research has identified that there was no clear blueprint to the project, limited mapping, no handover notes or written processes. This made it extremely challenging for the new Senior Leadership Team (SLT) to pick up and get to grips with T18 and its consequences. In the absence of established management metrics to monitor against, there was an inconsistency in the types of reports submitted to members. This, in conjunction with new members being elected who had limited background knowledge of the concept, resulted in weakened scrutiny.

We concluded that a project as comprehensive as T18 should have clear, written, procedures in place to minimise disruption in the event of any significant changes and provide a consistent baseline for reporting against.

Finance

Actual T18 spend is predicted to be £2.794 million by completion, while the budget was £2.83 million (set in December 2014). Therefore the actual cost is £36,000 less than budget.

The most difficult to predict costs at the outset were the Redundancy and Pension strain costs. The budget allowed was £1,520,000 (54% of all costs), with the actual cost being £1,478,954 – £41,000 less than budget, however the contingency costs of £175,000 were taken up by Redundancy and pension strain costs and transition costs.

Overall ICT costs over ran by £72,062 which equates to 10.2%. £780,052 against a budget of £708,000. This was made up of:

- ICT technology implementation, workstream development and project management actual cost £656,052 against a budget of £615,750. To be noted that the element of the overspend which relates to project management costs is £83,782 (overspend of £13.7%) and there were therefore underspends on the contract elements of the ICT.
- ICT software actual cost of £124,000 against a budget of £92,250. 34.4% overspend.

Budget areas Training/Accommodation and Design of the Model actual costs were materially below budget.

Finance reports were provided quarterly to the T18 Monitoring Group in line with Staff redundancy process and external information on Pension strain. Monthly updates were supplied to the T18 Senior Leadership Team.

In any future large scale financial projects monthly reporting should be mandatory to Member and officer managing groups. Also for further investigation into the overspend on IT development and software costs.

HR

Staff numbers were reduced primarily through voluntary redundancies, with a small number not offered alternative employment after going through the behaviour assessment process. Morale was found to be low due to a number of factors and it became evident that more staff should have been retained through the transition stage. This was especially noticed in planning where several experienced officers left with a national shortage of officers. New ways of working take time to settle in and staff seem to be adapting to the agile working.

The impact of not having the systems in place before large scale staff reductions continue to have a large effect on services and customer satisfaction.

Project Performance - Given the size and complexity (especially around IT) of the issues outlined above it would be surprising had the project proceeded smoothly. While we have some sympathy for the SMT put in place to deliver the project we concluded that they should have shared their difficulties with Members earlier in order to negotiate increased resources to mitigate service degradation. For too long Members were advised to 'hold their breath as we are just about to turn the corner' when in truth some areas within the project were not in good shape.

We concluded that the SMT were in an unenviable position but should have been more willing to share difficulties with Members in order to secure the necessary resource to maintain reasonable service delivery. The group acknowledges the effort from all staff that have helped to deliver this project against difficult circumstances.