

APPENDIX 2

Priority: Modern and Efficient Council
Sub-Priority: Organisational Change
Impact: Managing services well to achieve our priorities

What we said we would do in 2013/14 – Agree an organisational change programme that will: -

1. Establish a future ‘operating model’ for a modern Council

Progress Comment	Progress RAG	A	Outcome RAG	A
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The development and adoption of a sustainable business and operating model is a key to organisational change planning. The business and operating model will set the principles and values, objectives, and framework for corporate organisational change, service priorities, service models, and deliverable efficiency targets for a four year period to 2017.

The four change programmes in development to design the model are Corporate Efficiency, Organisational Design, Workforce Efficiency and Functional Efficiency.

Achievement will be measured through:

- The development of a “politically” agreed and sustainable “social business model” for the Council

Achievement Milestones for strategy and action plans: (Lead Officer – Chief Executive)

Development and adoption of a “politically” agreed and sustainable “social business model” for the Council – December 2013

2. Integrate business units and consider alternative models

Progress Comment

Progress RAG

A

Outcome RAG

A

This objective is central to the development of a social business and operating model for the Council and the two change programmes of Organisational Design and Functional Efficiency. These programmes are under development.

Achievement will be measured through:

- Agreeing a model to support the future operating model

Achievement Milestones for strategy and action plans: (Lead Officer – Chief Executive)

Agreement of a model to support the future operating model – December 2013

Risk to be managed – Gaining political agreement to the future operating model. (Links to activities 1 and 2)

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)			(L)	(I)	(LxI)	
H	H	R	<p>The demanding timescales for the completion of the design programmes are being met through prioritisation of activity</p> <p>Capacity and capability to produce effective designs and plans is being met by prioritisation and the use of external support</p> <p>The organisational reaction to ambitious and radical plans is being met by work to build consensus</p>	M	M	A	<p>Continued prioritisation of professional and political leadership capacity</p> <p>Appointment of expert external advisors for specific change programmes</p> <p>Planning of organisational briefing and decision-making paths for the adoption and implementation of change programmes</p>	Chief Executive		L	L	G

3. Streamlining the organisation

Progress Comment	Progress RAG	A	Outcome RAG	A
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This objective is central to the development of a social business and operating model for the Council and the two change programmes of Organisational Design and Workforce scaling. These programmes are under development. The current plans for workforce scaling can only be measured by the cumulative targets of workforce reduction through service reviews and vacancy management. This approach will be replaced by a single corporate programme for workforce scaling and reduction under the social business and operating model.

Achievement will be measured through:

- The changing organisational hierarchy, workforce numbers and costs

Achievement Milestones for strategy and action plans: (Lead Officer – Head of HR and OD)

Measures for the percentage change in workforce numbers and the paybill to be established as part of the workforce scaling programme – from February 2014

Achievement Measures	Lead Officer	2012/13 Baseline Data	2013/14 Target	2016/17 Aspirational Target	Current Outturn	Performance RAG	Outcome Performance Predictive RAG
Number of planned service reviews which have been completed. <i>(2013/14 target may change dependent on the identification of priorities as part of Change Programme)</i>	Head of HR and OD	19 completed to date	15	N/A Now overtaken by Value for Money	5 reviews completed	A	A

4. Modernise working practices

Progress Comment	Progress RAG	A	Outcome RAG	G
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Flintshire Futures is about maximising savings from changing the way we do things rather than making choices about doing things less or not at all. It's also about improving things for our customers and communities and providing better services. As a large complex organisation everything we do is underpinned by processes. We have to ensure these processes are focussed on the customer and not designed around organisational structure. Work has been on-going to simplify, standardise and often automate processes through the use of technology.

Significant progress has been made in the standardisation of procurement processes and the implementation of an e-procurement solution which automates the purchase to pay (P2P) element of the procurement life cycle The project is on target to complete the full implementation of the P2P system by March 2014.

An additional e-sourcing solution is currently being implemented with a target date of January, 2014. This system will handle all tendering activities, contract and supplier management, select lists and includes a full contract register and e-auction facilities. We have also participated in a national e-invoicing pilot which although successful we have decided not to proceed with at the moment pending completion of an options appraisal for an e-invoicing solution which will best meet our needs going forward. Opportunities for joint development and support have been investigated with Wrexham and Denbighshire who are using the same e-procurement solution, we are currently working jointly with Denbighshire in the implementation of the e-sourcing solution.

Achievement will be measured through:

- Process and cost efficiencies

Achievement Measures	Lead Officer	2012/13 Baseline Data	2013/14 Target	2016/17 Aspirational Target	Current Outturn	Performance RAG	Outcome Performance Predictive RAG
Procurement process efficiencies achieved	Head of ICT and Customer Services	£24,000	£102,000	£267,000	£161,000	G	G
Procurement cost efficiencies achieved	Head of ICT and Customer Services	N/A	£1.723m	£2.673m	£450,000	G	G
iTrent process efficiencies achieved <i>(Will be achieved through the Organisation Admin Review. These savings relate to the introduction of automated expenses and based on the assumption that roll out across the whole organisation is completed before April 2014. Future development work will release comparable process efficiencies)</i>	Head of HR and OD	£3,211	£6,427	£11,780	£3,200	G	G

Risk to be managed – Gaining workforce and Trade Union agreement and acceptance of the organisational changes. (Links to activities 1 - 4)

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)				(L)	(I)	(LxI)
H	H	R	Regular and on-going dialogue with trade unions via FJTUC, Employee/Directorate liaison meetings and individual briefing. Employee communications via InfoNet, staff conferences, change exchange and as part of project communication plans.	M	M	A	Early and full engagement with employees and trade unions on the developing Organisational Change Strategy and plans.	Chief Executive		L	L	G

Risk to be managed – Keeping up workforce motivation and morale to prevent resistance to organisational change and minimise service disruption such as industrial action. (Links to activities 1 - 4)

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)				(L)	(I)	(LxI)
H	H	R	Employee communications via manager, InfoNet, staff conferences, change exchange and as part of project communication plans.	M	M	A	Early engagement and involvement of employees in change programmes and projects.	Directors and Heads of Service		L	L	G

5. Provide capability and capacity to manage a reduced sized organisation

Progress Comment	Progress RAG	A	Outcome RAG	A
<p>The scale, complexity and urgency of the development and implementation of a new social business and operating model and the four supporting work programmes is a major organisational challenge. The Council is undergoing a change development phase and will move into transition and completion phase following agreement of major change plans. The Council requires internal and external capacity and capability for the planning and transition phases as a priority. Internal professional capability is being used to its maximum and external support is being sought and appointed for specific work programmes. Like all organisations, the Council has limited change capability and can be restricted in its ambition and planning by the limitations of its own experience and traditionalism.</p>				
<p>Achievement will be measured through:</p> <ul style="list-style-type: none"> • The development of a “politically” agreed “social business model” • Agreeing a model to support the future operating model • The changing organisational hierarchy, workforce numbers and costs. <p>Achievement Milestones for strategy and action plans: (Lead Officer – Chief Executive) See the measures for activities 1 – 3 above.</p>				

Risk to be managed – Ensuring organisational capability to make the changes happen and sustain the model. (Links to activities 1-5)

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)				(L)	(I)	(LxI)
H	H	R	Management Development Framework, Lean Academy, Managing Change Successfully (Regional Programme). Personal Develop Plans arising from appraisals. HR support for coaching and mentoring opportunities.	M	M	A	Influencing and changing skills and behaviours by the introduction of the new competency framework with an emphasis on change and innovation. This will be achieved via appraisals and identification of development needs. External advice and support providing skills and expertise (Skills Transfer). Learning from other organisation and their approach to implementing major change programmes.	Head of HR & OD		L	L	G

Risk to be managed – How we can fund the necessary investment costs to create change. (Links to activities 1 -5)

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)				(L)	(I)	(LxI)
H	H	R	To date a contingency fund has been available on invest to save basis to support change and priorities.	M	M	A	Consider future funding requirements to invest in future change programme, explore options of engagement of external partners on a results/outcome basis.	Chief Executive / Head of Finance		L	L	G