

**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 2014/15 – Agree an organisational change programme that will: -**

**1. Implement the proposed future operating model for the Council.**

<b>Progress Comment</b>	<b>Progress RAG</b>	<b>A</b>	<b>Outcome RAG</b>	<b>G</b>
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The Council has completed phase 1 to implement a new business model (approved by Council at the end of March 2013), by successfully recruiting 9 Chief Officer posts (plus the Chief Executive) to manage functional portfolios of services. Work is on schedule to set new service structures to support the model in addition to further progressing organisational modernisation and service reform. A recent assessment of the transitional risks into the new model has shown that good progress has been made in a relatively short period of time and that the risks are being successfully managed.

**Achievement will be measured through:**

- Successful transition into the new operating model
- Streamlining the organisation

**Achievement Milestones for strategy and action plans:**

- Implementation of senior management structure phase 1 operating model on time and on budget by June 2014
- Agreement of senior management phase 2 proposals for implementation throughout 2014-15 by September 2014

Achievement Measures	Lead Officer	2013/14 Baseline Data	2014/15 Target	2016/17 Aspirational Target	Q1 Outturn	Performance RAG	Outcome Performance Predictive RAG
Minimising service disruption and failure, which affects performance targets, during the transition phase of the new mode;	Chief Executive	65% Improvement plan targets met	75%	100%	57%	A	A
Overall annual efficiency savings from a combination of the achievement milestones above		N/A	£1.450m	£2.000m	£0.613m	A	A

\* this figure will be provided based on targets that can be measured quarterly and once the analysis has been completed.

**2. Integrate business units and consider alternative models**

<b>Progress Comment</b>	<b>Progress RAG</b>	<b>G</b>	<b>Outcome RAG</b>	<b>A</b>
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As part of the new operating model business units have been integrated to simplify and align service delivery points with the intent of streamlining business and delivering efficiencies.

The Council is currently developing a new approach to business planning for the longer term that will propose alternative service delivery models where appropriate based on the aims of protecting services and being cost efficient. This has been progressing at a fast pace: -

- The number and content of plans have been determined at a high level for strategic and portfolio fit.
- Plans are being developed with options for the longer term for service delivery.

The consideration of alternative models is also supported by a major piece of phased public engagement taking place between August and November. The first phase is intended to raise public awareness of the deteriorating national positions and local consequences as well as build expectation ready for difficult choices ahead.

The Amber RAG status for outcome reflects the concern that despite the fast pace the options may not deliver the required efficiencies in the time available.

**Achievement will be measured through:**

- Agreement of internal service functional mergers and re-alignments as a follow through of the operating model and senior management review implementation
- Agreed proposals for sustainable models for each of the services/functions listed for transformation
- Overall annual efficiency savings from combination of the above

Achievement Measures	Lead Officer	2013/14 Baseline Data	2014/15 Target	2016/17 Aspirational Target	Q1 Outturn	Performance RAG	Outcome Performance Predictive RAG
Number of mergers/re-alignments achieved in functional areas	Chief Executive	N/A	Between 5 and 8	Between 8 and 10	Under review	A	A
Number of sustainable models agreed for transformation		N/A	Between 3 and 5	Between 3 and 5	N/A – Annual Measure	A	A
Overall annual efficiency savings from a combination of the above		N/A	£1.450m	£2.000m	£0.613m	A	A

**Risk to be managed – Gaining workforce and trade union agreement and acceptance of the transition into the new operating model**

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 organisational reaction to ambitious and radical plans is being met by work to build consensus.</p> <p>The demanding timescales for the completion of the design programmes are being met through prioritisation of activity and the new approach to business planning.</p> <p>Capacity and capability to produce effective designs and plans is being met by prioritisation and the use of external support where required.</p>	L	M	G	<p>Continued prioritisation of professional and political leadership capacity.</p> <p>Appointment of expert external advisors for specific change programmes as required.</p> <p>Planning of organisational briefings and decision-making paths for the adoption and successful implementation of continuing change programmes.</p> <p>Continued development of the new approach to business planning along with the development and delivery of a Communications Strategy (including employee communications via InfoNet, staff conferences, change exchange and as part of project communication plans).</p> <p>Regular dialogue with trade unions via FJTUC and Service liaison meetings.</p>	Chief Executive	↔	L	L	G

Risk to be managed – Transitional risks of the operating model

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	Transitional risk register is in place and frequently monitored to ensure risks are being managed.	L	M	G	Continued monitoring and update of the transitional risk register.		↔	L	L	G