

**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.**

Progress Comment	Progress RAG	A	Outcome RAG	G
<p>Chief Officers in post and settled in to new roles. Reviewing portfolio structures to support chief officers; Social Services, Planning &amp; Environment and Transportation and Streetscene as revised structures have been endorsed by Cabinet with Social Services close to full implementation.</p> <p>Transitional risk register monitored regularly by the Chief Executive. Risks effectively managed to plan to date. No discernable direct impacts on service performance, Council governance or organisational change plans.</p> <p>The benefits of the new model have been tested externally by the WAO corporate assessment with positive informal feedback; subjective feedback within the Council and from external partners has also been positive.</p>				
<p><b>Achievement will be measured through:</b></p> <ul style="list-style-type: none"> <li>▪ Successful transition into the new operating model</li> <li>▪ Streamlining the organisation</li> </ul> <p><b>Achievement Milestones for strategy and action plans:</b></p> <ul style="list-style-type: none"> <li>▪ Implementation of senior management structure phase 1 operating model on time and on budget by June 2014</li> <li>▪ Agreement of senior management phase 2 proposals for implementation throughout 2014-15 by September 2014</li> </ul>				

Achievement Measures	Lead Officer	2013/14 Baseline Data	2014/15 Target	2016/17 Aspirational Target	Q2 Outturn	Performance RAG	Outcome Performance Predictive RAG
Minimising service disruption and failure, which affects performance targets, during the transition phase of the new model	Chief Executive	65% Improvement plan targets met	75%	100%	58%	A	A
Overall annual efficiency savings from a combination of the achievement milestones above		N/A	£1.450m	£2.000m	£0.613m	A	A

## 2. Integrate business units and consider alternative models

Progress Comment	Progress RAG	G	Outcome RAG	A
<p>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.</p> <p>The Council has developed a new approach to business planning for the longer term that proposes 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:-</p> <ul style="list-style-type: none"> <li>Plan contents/proposals have been risk assessed for sensitivity of delivery. Members have been engaged in considering the Amber and Red proposals for 2015/16.</li> <li>Equality Impact Assessments have been scoped and on-going full assessments are being undertaken for all Amber and Red RAG assessments. These will be reported as part of the budget considerations.</li> <li>Decisions to support proposals in 2016/17 and beyond are being considered to reduce the impact of delay of implementation.</li> <li>A programme of consultation and engagement for service change proposals is under development</li> <li>Internal Audit have completed a review of the renewed business planning process to examine the rigour and robustness of the approach; findings generally satisfactory.</li> <li>A programme approach to the alternative delivery models has been introduced with a first phase of proposals under development alongside the business planning and budget processes.</li> </ul>				

The Amber RAG status for outcome reflects the collective concern that despite the fast pace the options may not deliver the required efficiencies in the time available due to the scale of the budget challenge.

**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	Q2 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	Premature at Q2 stage pending completion of ongoing organisational change plans	N/A	N/A
Number of sustainable models agreed for transformation		N/A	Between 3 and 5	Between 3 and 5	N/A – Annual Measure	N/A	N/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	Target Date
(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 to win support for change based on evidence based models.</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	Mar' 15

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	Target Date
(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.	Chief Executive	↔	L	L	G	Mar '15