

APPENDIX 1

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	Outcome RAG
	G	G

What we did in 2014/15:-

- Implemented a new corporate operating model on time and on budget by June 2014.
- Reviews of portfolio structures are progressing in support of the operating model.

What went well:-

- Chief Officers in post and new portfolios established.
- Transitional risk register periodically monitored. Risks effectively managed with no discernable direct impacts on service performance because of the operating model itself, Council governance or organisational change plans.
- The benefits of the new model have been tested externally by the WAO corporate assessment with positive feedback; subjective feedback within the Council and from external partners has also been positive.

What did not go so well:-

- Progress of phase 2 - structural changes are being phased over a longer period in line with available capacity.

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 - Complete
- Agreement of senior management phase 2 proposals in part, for implementation throughout 2014-15 by September 2014

Achievement Measures	Lead Officer	2013/14 Baseline Data	2014/15 Target	2016/17 Aspirational Target	2014/15 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%	67%	A	A
Overall annual efficiency savings from the implementation of the senior management structure (phase 1) of the operating model.		N/A	£0.460m	£0.600m	£0.392m	A	A

2. Integrate business units and consider alternative models

Progress Comment	Progress RAG	G	Outcome RAG	A
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What we did in 2014/15:-

- As part of the new operating model business units have been integrated to simplify and align service delivery points to facilitate streamlining of the business and delivery of efficiencies.
- The Council 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:-
 - A proportion of the budget for 2015/16 is based on changes to / integration of service teams as part of the new business plan approach.
 - A two phase alternative delivery model (ADM) programme has been produced. Business cases have been prepared for the 12 prioritised services.
 - Feasibility studies are currently being prepared, 7 of which will be reported in June/July 2015 and the remaining 5 during the Autumn.

What went well:-

- The pace of progress in developing business plans to meet the 2015/16 funding gap.
- Business cases prepared for each of the 12 prioritised services. Feasibility of completion will be considered in June/July 2015 for 7 services with the remainder considered in the Autumn.

What did not go so well:-

- 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 budget challenge; and
 - that limited organisational capacity and capability will mean the programme will need to be staged so as to balance pace with a manageable scale of change.

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	2014/15 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	11	G	G
Number of sustainable models agreed for transformation (alternative delivery models)		N/A	Between 3 and 5	Between 3 and 5	12 are in development	A	A
Overall annual efficiency savings from senior management phase 2 proposals (employees)		N/A	N/A	2015/16 £1.400m	£1.123m	N/A	N/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>Organisational briefings and decision-making paths for the adoption and successful implementation of continuing change programmes.</p> <p>Capacity and capability to produce effective designs and plans is being met by prioritisation and the use of external support/ expert advisors where required.</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 a variety of mechanisms).</p> <p>Regular dialogue with trade unions via FJTUC and Service liaison meetings. Agreement to the 2015/16 budget proposals by Council (February 2015).</p>	L	M	G	<p>Agreement to commitments to alternative delivery models past the feasibility stage.</p> <p>Long-term decisions for services for 2016/17 onwards based on business plans.</p>	Chief Executive	↔	L	L	G	Jan 15

Risk Progress Summary for 2014/15

- As part of the new operating model business units have been integrated to simplify and align service delivery points to facilitate streamlining of the business and delivery of efficiencies.
- The Council developed a new approach to business planning involving for the longer term that proposes alternative service delivery models where appropriate based on the aims of protecting services and being cost efficient. A proportion of the budget for 2015/16 is based on changes to / integration of service teams as part of the new business plan approach.
- Employees have received regular progress updates on the financial position of the Council for the next few years and have been consulted with to help identify options for change and subsequently the proposals for change.
- A full consultation exercise was undertaken with Members prior to the 2015/16 budget being approved.
- Consultation has been undertaken with the Trade Unions via Flintshire's Joint Trade Union's Committee (FJTUC) and service liaison meetings.

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	L	G	No future actions.	Chief Executive	↔	L	L	G	Jul '14

Risk Progress Summary for 2014/15

- Transitional risk register periodically monitored. Risks effectively managed with no discernible direct impacts on service performance because of the operating model itself, Council governance or organisational change plans.
- Effective management of transitional risks have been confirmed through our regulators and particularly the Corporate Assessment undertaken by Wales Audit Office.
- This risk is now closed.