

Shepway District Council

Future Operating Model Blueprint

December 2018



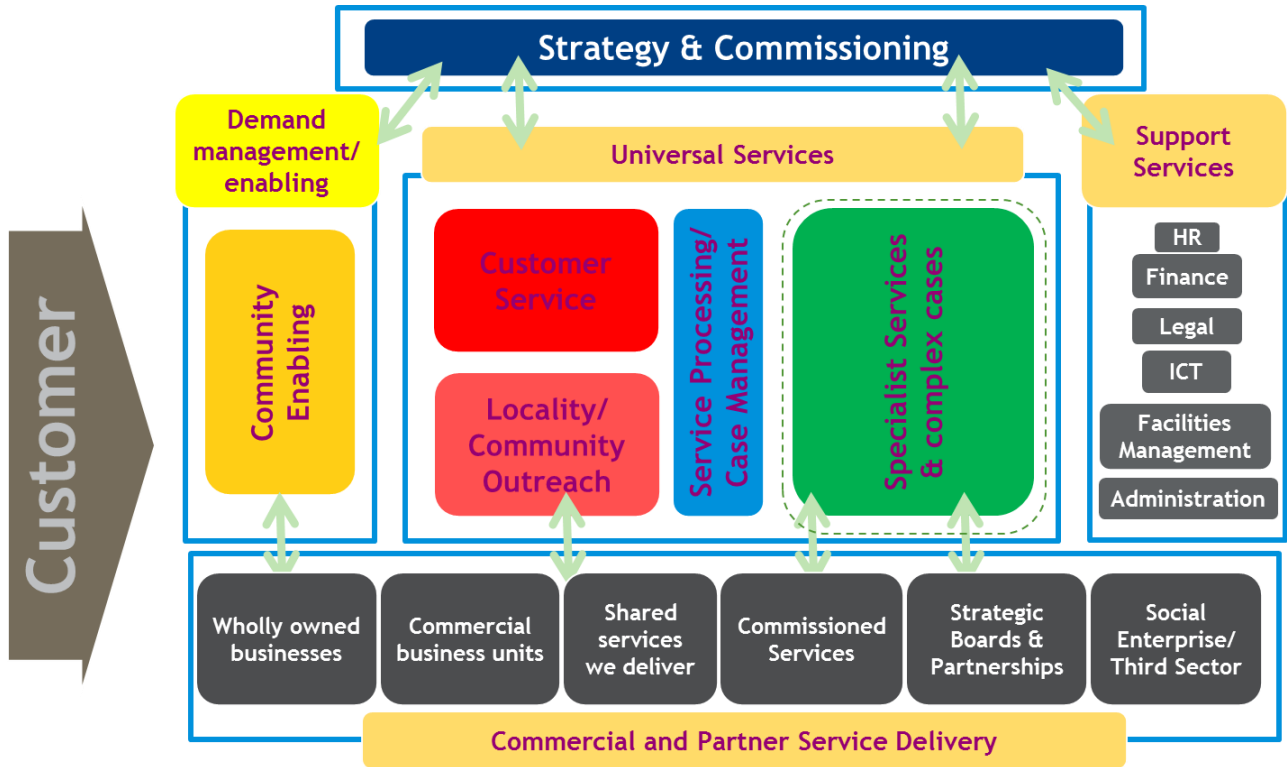
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1. Summary

This document provides the ‘blueprint’ for the delivery of the Future Operating Model (FOM) for Shepway District Council (SDC). It includes a refined business case, an organisational design and an implementation approach and plan.

A revised operating model for the council has been developed. This operating model focuses on the types of activity that are performed, unconstrained by current organisational models:



Shepway District Council Future Operating Model

Using this model, all activity across the council has been mapped, identifying the roles and level of cost involved. This activity analysis describes activity types and the cost to deliver particular services to customers. A number of saving areas have been identified across the council in line with the Future Operating Model (FOM). At this stage, the numbers are indicative and will be refined further in the detailed design.

A total of 269.4FTEs (full time equivalents) were identified as being in scope at a fully loaded cost of £10.8M. As a result of the blueprinting exercise, this business case proposes the following position, while simultaneously enhancing customer service delivery. Cost savings relate are broken down by General Fund and Other (including HRA, grants and other potentially ring-fenced funding).

	FTEs	General Fund	Other
Current	269.4	£10,415,656	£381,662
Future Operating Model	218.9	£8,614,520	£323,169
Saving	50.4	£1,801,135	£58,494

Summary of key saving areas

From this, a recommended organisational design is set out with specific implications for each area of the operating model.

The existing Corporate Management Team would see a reduction from 4 to 3 FTE staff roles, establishing three new directorates: Strategy; Place and Commercial, and: Customer, Support and Specialist Services in order to deliver the proposed design and operating model.

Beyond the structural changes, this business case identifies a range of further opportunities to improve effectiveness above and beyond the financial efficiencies described above. These are summarised below:

- Improve customer service and experience while achieving genuine channel shift
- Enhance the focus, capacity and capability in strategy, performance and programmes to make the council more effective at delivering member ambitions
- Better focus on commissioning and the commercial opportunities for SDC

The Blueprint also has implications for the implementation plan, of which a more detailed version is provided as a separate document. A high level 18-month outline implementation plan is shown below highlighting the key work-packages of the programme:

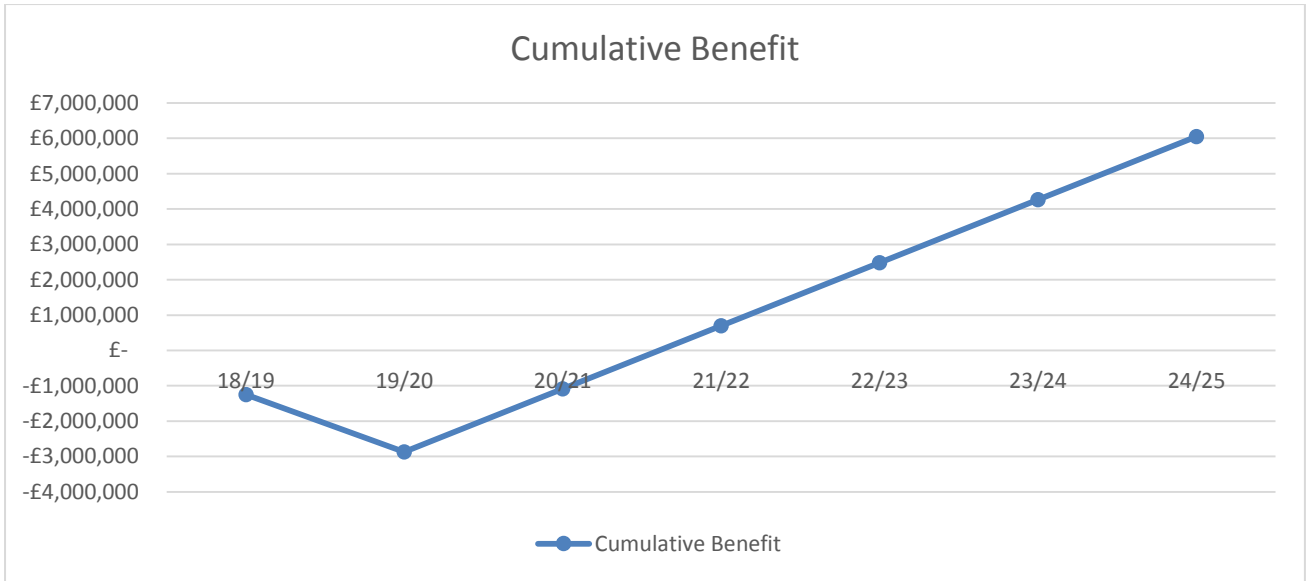
Benefit Phasing																																				
Phase	Activity	2017			2018												2019						2020													
Activity		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
Mobilisation	Blueprint published																																			
Mobilisation	Leadership team recruitment																																			
Mobilisation	Programme set up																																			
Mobilisation	Technology baseline procurement/implementation																																			
Phase 1A	Leadership & management																																			
Phase 1B	Strategy & commissioning																																			
Phase 1C	Support services																																			
Phase 1D	Strategic & core programmes																																			
Phase 2A	Customer services & locality working																																			
Phase 2B	Case management & specialist services																																			
Phase 3	Delivery units & commercial teams																																			
Phase 4	Data cleansing & migration																																			

Draft high-level implementation plan

Over the period of the implementation the high-level costs of the programme are expected to be:

Item	Investment
External IT procurement	£2.0m
Implementation costs, including redundancy	£4.6m
Total	£6.6m

The expected cumulative payback on this investment is show in the graph below:



Cumulative saving against the technology and implementation investment costs

2. Introduction

a. Background

During the last 10 years, the public sector has gone through unprecedented change following the global financial crisis and the subsequent introduction of a fiscal austerity programme by the UK Government in 2010. Local Authorities have been very much at the centre of the austerity programme, bearing a greater share of financial savings than any other part of the public sector. Concurrently, expectations of the public for the nature of services Councils provide and the ability to access those services in different ways have similarly changed beyond recognition. This has left councils with difficult choices about reducing levels of service, changing or reducing the ambitions they have for local communities or attempting to innovate and change what they do.

It needs to be recognised that advances in technology and changes in customer and resident behaviour mean different forms of service delivery organisation are now possible and customer's expectations of different types and levels of service are changing significantly. The business sector (e.g. retailers and banks) have started to embrace different ways of working, and provide services through different routes and this has been embraced by parts of local and central government (e.g. DVLA). The key lesson from the business sector is that benefits cannot be bolted on to existing business models and service delivery; the whole business and operating model needs to be reviewed and transformed.

Officers from Shepway have worked with Ignite over the last four months to analyse and understand the activities it does and to identify where the opportunities for a new and different operating model are. This work has involved a mixture of employees from across all service areas participating in workshops; undertaking detailed analysis of activities completed and a review of the processes and systems that are routinely used. This analysis is the basis of this Business Case.

b. Objectives and scope

Shepway District Council has a clear, concise corporate plan which is understood and drives the council's activity. Its ambition 'Investing for the next generation, delivering more of what matters' has been central to driving the council's key strategic objectives and priorities for delivery. The Council has worked to transform and change the way it is internally organised and has explored and implemented a range of different improvements to the work it delivers.

The 'ways of working' transformation programme was delivered and attempted to introduce wholesale changes to put the customer first, make efficiency savings, improve performance and have a positive customer service impact whilst taking into account that the Council had to provide efficiencies. Some key processes and shifted practice in some areas of the council, but its success was mixed, and its impact has been very variable.

As part of this Blueprint phase Shepway's Corporate Management Team (CMT) built on this previous work to clarify the vision of this programme, exploring what was important for the organisation to focus on as part of this work and to develop the potential for a vision to succinctly describe the programme. Given the whole-organisation focus, CMT decided to adopt 'Transforming Shepway' as the vision for the programme as a whole, while retaining the current corporate plan.

This Blueprint comprises the following areas which are have been included in this work:

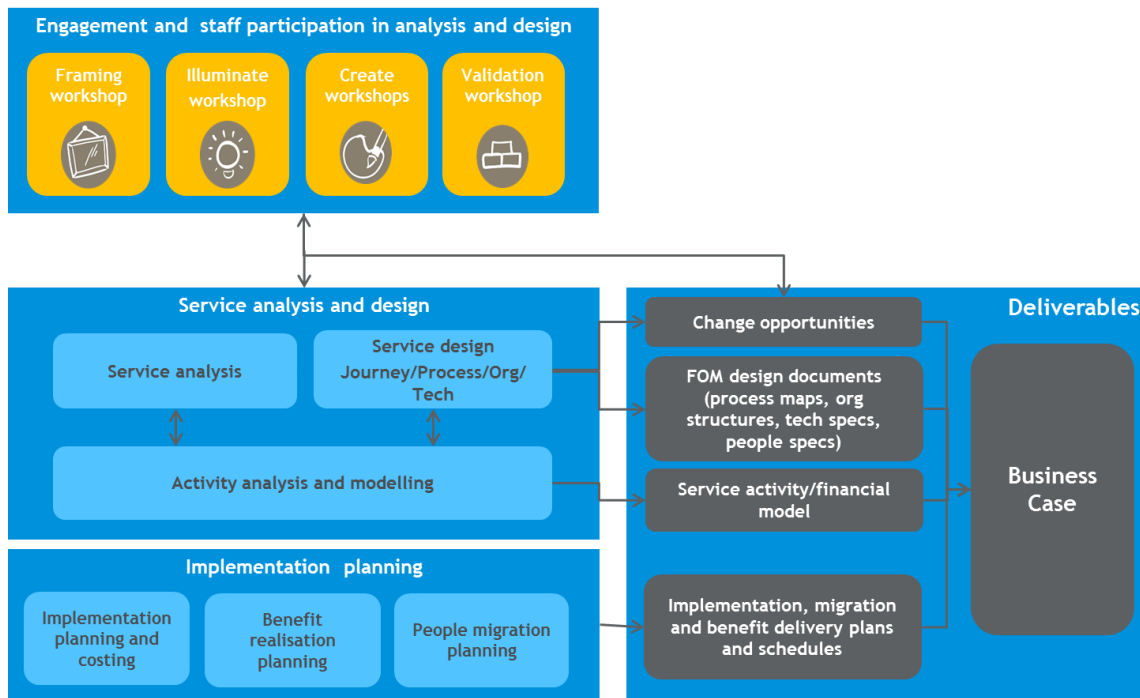
Team	FTE	Comments
Accountants	16.45	
Building Control	4.00	
Business Support	22.82	
Business Support - Systems	11.04	
CMT	4.00	
Communications	5.14	
Community Services	6.70	
Corporate Contracts	5.00	Hythe Pool operatives out of scope
Corporate Debt	10.30	
Customer Services	37.53	
Democratic Services	5.50	
Development Management	16.41	
Economic Development	5.00	
Electoral Services	2.00	
Engineers	5.00	Internal Maintenance Officers out of scope
Environmental Health	8.00	
Environmental Protection	7.00	
Grounds Maintenance - Other	3.49	
Housing Options	11.02	
Housing Strategy	6.60	
HR, OD & Payroll	7.92	
Land & Property	4.00	
Leadership Support	5.81	
Legal Services	6.00	
Planning Policy	8.61	
Revs & Bens	24.73	
Strategic Development	9.00	
Technical & Commercial Services	4.81	Manager posts (including Lifeline)
Transportation	2.00	
Waste Contract	3.49	Waste Management team out of scope
Total	269.37	

Summary of scope of the business case

The funding source for each of these full-time equivalents needs to be considered so that officers and Members can interpret how savings identified in transitioning to the new ways of working can be realised.

c. Approach

The following sets of engagements, analysis and design, implementation planning activities were undertaken to produce this Blueprint:



Components of the blueprint activity

This 'Blueprinting' phase builds on the initial business case work and delivers:

- A revised business case (based on detailed service by service activity analysis, refined maturity assessment and cost analysis, including technology)
- A costed Target Operating Model for Shepway, aligned to the Future Model, including initial organisational design, role descriptions and technology model
- High level plan for implementation

Our approach to developing this Blueprint has focused on three areas. Firstly, refining the activity analysis detail from the initial business case phase, by analysing the activity of all service areas in scope, using data provided by approximately 35 service area representatives working with colleagues from across the council. Secondly, we have run a range of workshops to support the wider workforce's engagement and understanding with the general principles and approach that the FOM takes, enabling those participants to grow their own understanding and provide challenge and thought to the implementation of the model in Shepway. Finally, we have focused on key areas with smaller working groups set out in the first Create session, some of which were explored in more detail in small working groups:

1. Locality and mobile working
2. Customer enabling
3. Leadership & management
4. Support services
5. Managing performance
6. Values and behaviours
7. Themes not teams
8. Strategy and commissioning

The Blueprint business case validates some of the assumptions made in the initial business case and has involved a wider group of council staff in identifying the opportunity for savings. The analysis activity engaged that wider group in identifying areas that could work more effectively and efficiently through the FOM and the use of new technology.

Assumptions based on the key drivers of efficiency can then be made to identify potential savings by each part of the FOM. These drivers are explained later.

The combination of the output from the business case and the work in the workshops has developed potential options for how each area of the FOM could be structured. These options have then been refined in light of constraints (people, organisational or political) and opportunities, to provide a proposed initial organisational design. We have populated the organisational design with initial draft FTE numbers from the business case to refine management levels and spans of control, organisational anomalies (e.g. small functions combining) and any geographic requirements. FTE numbers will be revised in detailed design stages of implementation to reflect more involved design considerations engaging more of the organisation.

3. Future Operating Model

a. Operating Model v Organisational Model

The Future Operating Model (FOM) provides a model of how the council delivers services to customers and how the customer will interact with the council. This provides the rationale for how the work is done and what types of roles are required to deliver the work. The business case generates the required numbers for each role to deliver the services required.

The organisational model provides an internal framework for how the council organises itself to deliver the operating model. This organisational model sets out where the work gets done, and by how many of each role. This drives considerations on spans of control, levels of seniority within role families and management structures required.

Inherently there will be choices the council will need to make within the organisational model that will require iteration during implementation. The Blueprint analysis provides an initial view of the numbers against each area of the model. Based on the choices made, the organisational model will develop through detailed design aligned with the agreed design principles, local constraints and corporate ambition.

b. Design Principles

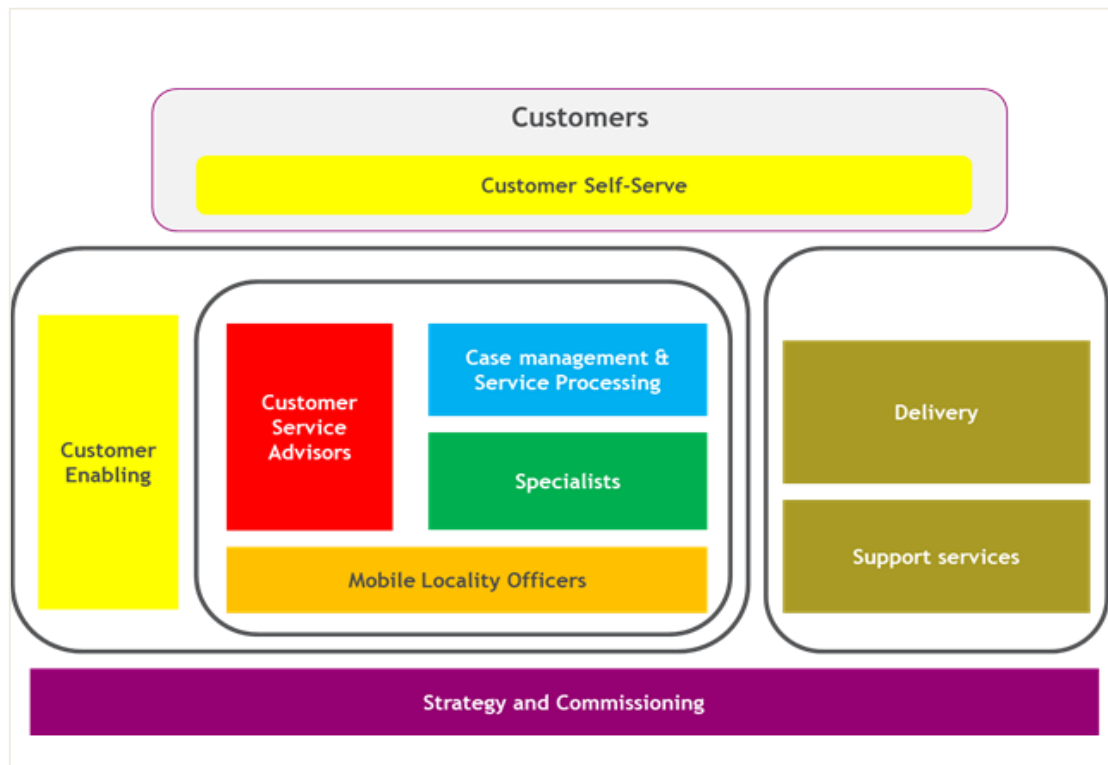
In the development of the operating model, a number of “ground rules” or design principles were discussed to articulate how the new model would operate. These were reviewed in conjunction with the wider participation group to:

1. Focus on the customer experience
2. Fewest steps for the customer
3. Keep customers informed
4. Digital by default
5. Resolve first time
6. Collect less and tell us once
7. Use skills and expertise effectively
8. Efficient working
9. Use technology to ensure compliance
10. Real-time measurement to improve
11. Supporting customers to do more
12. Proactively prevent and shape demand

These design principles enabled people to understand where the council is heading and how things might work if they are embraced. They will be used throughout the proposed implementation to support decision making.

c. Overview of the Future Operating Model

The Blueprint activity started with a conceptual model of the framework:



Conceptual Future Operating Model

This conceptual framework has been established in a number of local authorities. This framework forms a starting point for the design of FOM; challenges and considerations specific to SDC have been addressed through the Blueprint. As a reminder, the key components are:

- **Customers:** different customer groups access services in different ways. Some groups can be encouraged to self-serve online or draw on support from customer service staff only, whereas others may need to access the support of specialist staff more quickly
- **Strategy and Commissioning:** translates community/customer intelligence and political will and ambition into strategic direction, and commissions what's required to deliver this
- **Customer Enabling:** helps the community and customers to help themselves so as to address aims and reduce demand for services
- **Universal Customer Contact:** all activity associated with customer contact, customer service, managing cases, resolving questions and issues (simple and complex), and scheduling input from others where required
- **Delivery:** delivery of core services e.g. waste collection, street cleaning, etc.
- **Support Services:** non-customer facing back office functions, much of which is transactional but some requiring organisational specific intelligence

It should be noted that Shepway District Council has reviewed the Future Operating Model concept and has tailored the key components to be bespoke for its internal and external facing needs as outlined in the table below.

d. Key elements of the Shepway District Council FOM

Key element	Description
Strategy	To be the 'single brain' of the organisation responding to political will and ambition, and ensuring this is turned in to evidence based strategy. Planned services, actions and projects will ensure political ambitions are delivered effectively and efficiently "on the ground".
Place and Commercial	To deliver efficient and professional services through a range of delivery vehicles, aligning to the council's ambitions and managing performance to meet desired outcomes.
Customer, Support and Specialist Services	To provide seamless customer services/support to both customers and teams across the council, improving performance and supporting them in delivering the council's ambitions.

4. Business Case

a. Staffing cost reductions

On the basis of the revised activity analysis, the table below sets out the 'As Is' staffing and staffing costs compared to a 'To Be' or future state following implementation of FOM opportunities.

ToBe Activity	AsIs FTEs	ToBe FTEs	Saving	% Saving	AsIs FTE Costs	ToBe FTE Costs	Saving	% Saving
Leadership, management & supervision	22.4	17.1	5.3	24%	£1,471,153	£1,131,225	£339,928	23%
S&C - strategic cycle, change, corporate governance	17.3	16.8	0.5	3%	£969,372	£940,291	£29,081	3%
S&C - democratic support	4.9	4.6	0.3	6%	£189,710	£178,327	£11,383	6%
S&C - communications, marketing, media	7.0	6.8	0.2	3%	£251,886	£244,330	£7,557	3%
Corporate programmes and projects	12.5	11.7	0.7	6%	£684,908	£643,813	£41,094	6%
Community/ customer enabling	4.5	4.3	0.1	3%	£195,595	£189,727	£5,868	3%
Triage	47.7	32.4	15.4	32%	£1,295,817	£878,723	£417,094	32%
Mobile / locality working	11.8	9.3	2.4	21%	£427,956	£338,952	£89,004	21%
Service processing (rule based cases and accounts)	46.6	36.0	10.6	23%	£1,453,270	£1,122,239	£331,031	23%
Specialist	35.6	30.6	5.0	14%	£1,508,156	£1,294,024	£214,132	14%
Corporate support - triage	4.3	3.4	0.9	22%	£145,726	£114,243	£31,483	22%
Corporate support - service processing, admin	18.1	13.8	4.3	24%	£598,391	£455,504	£142,887	24%
Corporate support- complex advice/cases	18.9	16.3	2.6	14%	£881,561	£760,517	£121,043	14%
Corporate support- governance/compliance	3.1	3.0	0.1	3%	£153,073	£148,480	£4,592	3%
Service delivery	5.7	5.0	0.7	12%	£250,507	£220,446	£30,061	12%
Facilities management	1.1	0.9	0.1	14%	£25,719	£22,234	£3,485	14%
Asset management	8.0	6.9	1.1	14%	£294,521	£254,613	£39,908	14%
Totals	269.4	218.9	50.4	19%	£10,797,318	£8,937,689	£1,859,629	17%

Summary analysis of activities showing 'as-is' and 'to-be' effort and cost

The current FTEs were mapped from the activity analysis spreadsheets and the finance reconciliation of establishment and actual FTEs. As a result of this proposed transition to the FOM, the number of FTEs is reduced by 50.4 (19%) with a corresponding reduction of £1.86M (17%) of fully loaded salary cost per annum (across all funding sources).

The savings identified in the table above are based on a number of drivers which have been applied to the existing services and their mapping of activities to the FOM areas. By structuring the activities of the council into the Future Model activity areas, we can assess the likely benefit that can be achieved in each area from each driver. These drivers were:

- **Demand management (customer enabling);** reducing or shaping demand to reduce the level of service required from customers
- **Channel shift (self-serve);** enabling customers to do more for themselves and reducing council workload in the process
- **Remodelling (new structures and ways of working);** improving productivity and releasing capacity in the organisation through the reallocation of work, workforce optimisation and better workforce practices. This will be achieved by shifting work and knowledge closer to the customer and embedding rule based ‘knowledge’ into processes and scripts, developing agile working and customer centric attitudes and behaviours.
- **Efficiency (technology and process improvement);** stripping out waste and ‘non-value added’ activity from journeys and processes

b. Priority areas for savings

Key areas for savings are aligned with the proposed implementation plan and are summarised below:

Phase	Description	AsIs FTEs	ToBe FTEs	AsIs FTE Costs	ToBe FTE Costs	Saving (FTE)	Saving (£)
1A	Leadership	36.4	31.0	£2,635,811	£2,238,188	5.4	£397,623
1B	Strategy & Commissioning	21.3	19.7	£784,930	£728,875	1.6	£56,055
1C	Support Services	47.4	39.3	£1,897,280	£1,592,752	8.1	£304,528
1D	Strategic Programmes	11.0	10.1	£591,505	£545,632	0.9	£45,873
2A	Customer & Localities	109.5	84.3	£3,375,602	£2,628,653	25.2	£746,949
2B	Case & Specialist	43.8	34.7	£1,512,190	£1,203,591	9.2	£308,599
		269.4	218.9	£10,797,318	£8,937,689	50.4	£1,859,629

Summary analysis of activities showing 'as-is' and 'to-be' effort and cost

i) Phase 1A: Remodel leadership and management activity (£398k)

To support the implementation of the new ways of working, there is a proposed change to leadership and management structure. This new structure delivers leadership, management and supervision across the council through simplifying the organisational structure and embedding matrix management of functional and operational components.

The proposed scope of Phase 1A comprises any role across the organisation down to tier 4 and will therefore allow activities in phase 2 to largely report to the new leadership team as they are intended in the Future Operating Model. In doing this, key specialist knowledge will also be in scope, allowing Functional and Specialist Leads to be appointed.

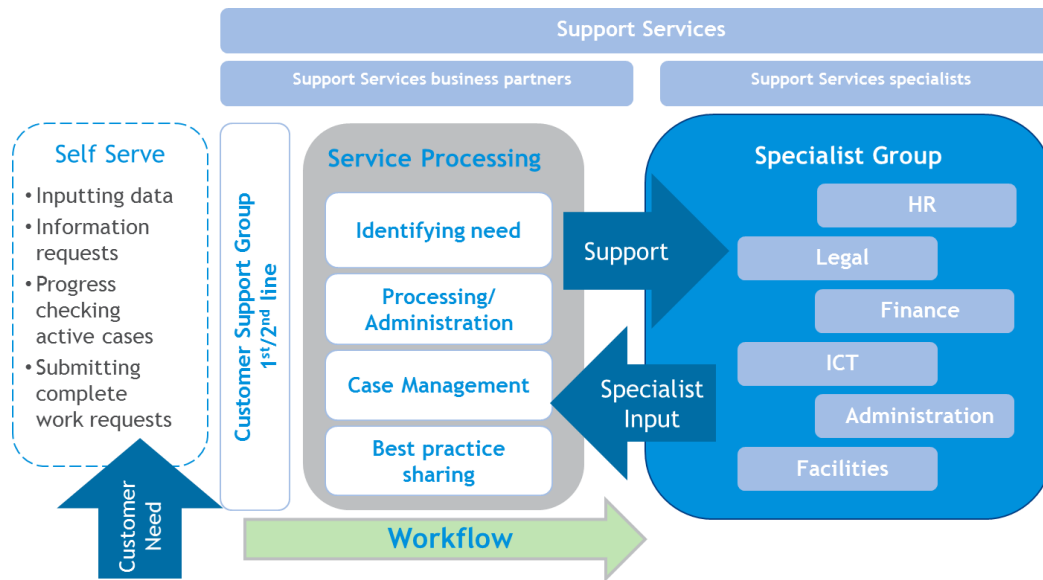
ii) Phase 1B: Co-ordination of strategy & commissioning (£56k)

Strategy & commissioning is currently dispersed throughout the council’s existing structures and while it contains some significant good practice, it is acknowledged that there is some variability and as such, there are opportunities to better co-ordinate and improve.

By centralising a critical mass of this activity, the Council has the opportunity to create a stronger ‘corporate core’. This will operate as the ‘brain’ of the organisation, supporting Members directly to deliver their ambitions for Shepway and providing the evidence-based strategic framework

which can drive all council activity. As part of the first phase of work, the creation of this central ‘hub’ will deliver savings through more effective, consolidated capacity.

iii) Phase 1C: New Operating Model for Support Services (£305k)



New Operating Model for Support Services

The above chart shows the proposed new Operating Model for Support Services; the size of the support services function is large enough to adopt the same approach as in the wider service delivery model.

A number of fundamental changes will need to be implemented in order to successfully deliver this new operating model for Support Services and the full amount of associated savings:

- Elimination and simplification of policies and procedures across the full range of Support Services provided in order to significantly reduce activity in this area where possible
- Capturing significant amounts of information currently held by specialists across Support Services into online portals and self-serve systems, improving information, advice and guidance to enable staff to self-serve easily and effectively
- Expecting managers and staff to self-serve for a large number of simpler support service enquiries and activities that will be embedded into the council’s intranet and automated, giving them enough guidance and support to ensure it becomes genuinely self-serve
- Introducing generalist business partners from Support Services for teams across the council to better direct support activity for these customers

Specific opportunities to reduce the cost of Support Services in a selection of these teams (identified in Illuminate and create sessions) are highlighted in the table below.

Procurement	Improved specifications, improved supplier engagement, greater self-service, 'how to' information advice and guidance
HR, OD & Payroll	Recruitment process - increase automation and self-service significantly; payroll automation and course bookings move to self-service, encourage more self-service around non-complex processes particularly those which are based on information, advice and guidance ('how to?' enquiries for example.
Finance	Manager self-service for budget management and forecasting, automation and simplification of reconciliation processes, budget monitoring, banking, accounts and the management of assets.
Legal Services	Online information, advice and guidance, simplification of key routine processes to minimise the expert input required
Corporate Contracts	Supplier set-up, purchase order and receipting processes automation to increase self-service
Others	Simplify and potentially automate elements of the FOI and complaints management process, reporting timelines and sign off/commenting processes and the booking of training and conferences

[Example opportunities for saving across Support Services](#)

iv) Phase 1D: Co-ordination of strategic & core programmes (£46k)

Strategic and core programmes are currently dispersed throughout the council's operation and normally sit within the most appropriate service area. By bringing these together in one place and drawing in the specialist expertise there is an opportunity for the council to benefit from some economies of scale and deliver benefits by creating greater project and programme management experience and skill, creating a centre of excellence for delivery. The proposed high-level structure would require that the programmes and projects would be delivered by this centre of excellence, drawing on resources from other parts of the organisation as required. The nature and direction of the projects and programmes would be determined through the strategy and commissioning function.

v) Phase 2A: Technology enabled customer service and locality working (£747k)

This significant saving is a core outcome of implementing the future operating model and many of the functional requirements that are specified for the integrated technology solution enable this saving. It is delivered by:

- Centralising a single customer service team for the vast majority of activity - effectively creating a single 'front door' into the council for all customers
- Providing access to a single integrated customer record
- Implementing better scripts to enable more activity to be "one and done"
- Better integrated advice, workflow and data to drive customer service efficiency and effectiveness in leaner processes

Those teams with notable customer service activity that may be able to be scripted and centralised are shown in the table below:

Team	Customer Services FTE (To Be)
Corporate Debt	0.6
Business Support	2.9
Democratic Services	0.3
Electoral Services	0.2
Corporate Contracts	0.1
Customer Services	21.8
Environmental Health	0.5
Environmental Protection	0.3
Revs & Bens	2.1
Waste Contract	0.2
Transportation	0.1
Economic Development	0.1
Land & Property	0.3
Building Control	0.4
Development Management	0.5
Planning Policy	0.3
Housing Strategy	0.2
Housing Options	1.4
Community Services	0.2
Total	32.4

Teams with Customer Services activity that could be centralised

vi) Phase 2B: Technology enabled, centralised case management & service redesign across specialists (£309k)

As with the centralised customer services, this significant saving is a core outcome of implementing the future operating model. It is delivered by:

- Centralising a case management for all activity
- Redesigning processes to deliver majority of cases in a rules-based approach
- Implementing a standardised workflow system across all rules-based processes
- More integrated advice, workflow and data to drive customer service efficiency and effectiveness through leaner processes
- Better utilisation of specialists to manage challenging cases and sign off case work
- Developing professionals with the skillset to deliver high volume throughput of case management activity
- More effective operational management to drive the performance of the case management team

Those teams with notable case management/rules based activity that may be able to be scripted and centralised are shown in the table below:

Team	Case Management FTE (To Be)
Corporate Debt	3.7
Business Support	13.0
Democratic Services	0.4
Corporate Contracts	0.5
Environmental Health	2.2
Environmental Protection	1.0
Revs & Bens	6.3
Waste Contract	0.6
Transportation	0.2
Building Control	0.2
Development Management	4.5
Housing Strategy	0.7
Housing Options	2.5
Community Services	0.1
Total	36.0

Teams with Case Management activity that could be centralised

Components of the new ways of working that will contribute to driving savings across the ‘specialist’ population of Shepway District Council include:

- Separating out the operational (including utilisation) and functional (including professional governance) leadership and management activities
- Providing clearer more co-ordinated strategy, direction and priorities to better harness the efforts of the specialists in the council
- Breaking down the current silos in specialist teams, forming communities of practice to encourage multi-disciplined teams to come together to address the priorities of the council
- Redesigning processes to further reduce the burden on the specialist and focus on eliminating, simplifying, standardising and automating activity
- Joining up and clustering processes to enable significant efficiency to be realised

Several specific benefits from new technology will also be realised including:

- Simpler access to data needed to perform jobs
- More intuitive workflows and systems
- Better integrated technology providing a ‘joined up’ experience
- Better access to systems including through mobile devices where appropriate
- Using the right systems for the right job
- Removing duplication between teams and with delivery partners
- Enabling the right governance and checking environment and ‘right sizing’ compliance type activities

Specific opportunities to reduce the cost of specialist services in a selection of teams (identified by the participants in the illuminate workshops) are shown in the table below. These are examples, not exhaustive, of the areas of work and processes that the detailed design work in implementation would redesign.

Team	Example opportunities
Licensing and environmental protection	Improving the levels of self-service through better information, advice and guidance, shifting some checks and enforcement activity to the locality and mobile teams; freeing up specialists to be focused on the highly complex cases, linking to strategy and commissioning teams and/or community and customer enabling to support behaviour change programmes.
Development Management	Locality and mobile teams picking up placing the planning notices; customer self-service to upload scanned documents; potential automatic (swifter) decision making where possible.
Housing Options	Linking to the community/customer enabling teams to seek preventative action and to work differently with people at risk of homelessness; enabling self-service to be maximised through all aspects (eg offer of property - could all be online) enabling specialists to focus on the truly complex cases which are likely to be creating additional cost for Shepway and other parts of the public sector
Building Control	Increase self-service through additional easy to use tools for the customer, including automatic fee calculator, payment and progress chaser; enabling the specialists to focus on potential income generation and/or the more complex cases
Corporate Debt	Take a joined up, coordinated approach to individual debtors, providing less guidance while being more robust about the shift in behaviour, enabling specialists to focus on the highly complex cases while supporting strategy and commissioning to design preventative campaigns

Example opportunities for saving across specialist activity

Those teams with the highest concentration of specialists in them are shown in the table below with an estimate of the number of specialist FTEs associated with the team's activities in the new model:

Team	Specialist FTE (To Be)
Corporate Debt	2.8
Business Support	0.2
Environmental Health	2.8
Environmental Protection	2.0
Revs & Bens	7.2
Waste Contract	0.6
Transportation	0.7
Economic Development	0.7
Building Control	2.6
Development Management	4.7
Planning Policy	0.3
Housing Strategy	2.8
Housing Options	2.8
Community Services	0.6
Total	30.6

Teams with the highest concentration of specialist activity

c. Phasing of the benefits

Realisation of the benefits has been mapped against the high-level implementation plan to show estimated in year and annualised savings. This phasing approach provides an indication of when benefit is likely to drop based on headcount release. This assumes benefit is not released until the end of the relevant phase, whereas in reality some may be delivered earlier on in the phase.

The high-level implementation plan groups the transformation into three phases which informs the timing of the benefit release:

Phase	Description
1A	Leadership & Management
1B	Strategy & Commissioning
1C	Support Services
1D	Strategic and Core Programmes
2A	Customer Services and Locality Working
2B	Case Management and Specialist Services
3	Commercial and Delivery Units

It is recommended that this order is followed with leadership, management and strategy moving quickly to enable the rest of the programme's implementation at a quicker pace and with more engagement.

- By having leadership and management in place early on in the transformation, they are able to inform key decision regarding their teams during the detailed design
- The transition of leadership and management and strategy is less dependent on the full implementation of technology relative to other areas of the model
- The benefits to be released by transitioning these two areas of the model are significant, which will assist in the immediate budget pressures facing Shepway

The annualised benefit from transforming the areas in phase 1A and 1B is £454k.

The rationale for additionally including support services in the first phase is similar.

- A significant proportion of the annualised benefit of £305k can be realised in 2018/19, helping with the budget pressures.
- These areas are 'back office' to a certain extent so should be a useful test bed for transition which should not impact significantly on the external customer

Overall, we anticipate that the three main components of phase one will deliver an in-year saving of £201k in 2018/19 and an annualised saving of £804k during the year 2019/20.

The following table demonstrates the potential benefits and the timing of them being realised for the full programme.

Benefit Phasing		2017				2018												2019												2020					
Phase	Activity	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Mobilisation	Blueprint published																																		
Mobilisation	Leadership team recruitment																																		
Mobilisation	Programme set up																																		
Mobilisation	Technology baseline procurement/implementation																																		
Phase 1A	Leadership & management																																		
Phase 1B	Strategy & commissioning																																		
Phase 1C	Support services																																		
Phase 1D	Strategic & core programmes																																		
Phase 2A	Customer services & locality working																																		
Phase 2B	Case management & specialist services																																		
Phase 3	Delivery units & commercial teams																																		
Phase 4	Data cleansing & migration																																		

Phase	Activity	FY 17/18		FY 18/19				FY 19/20				FY 20/21			
In year savings		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase 1A	Leadership & management					£397,629									
Phase 1B	Strategy & commissioning					£56,055									
Phase 1C	Support services					£304,528									
Phase 1D	Strategic & core programmes					£45,873									
Phase 2A	Customer services & locality working							£746,949							
Phase 2B	Case management & specialist services								£308,599						
Phase 3	Delivery units & commercial teams														
						In year saving 18/19	£201,020			In year saving 18/19	£1,518,592			In year saving 18/19	£1,859,629
						Cumulative annualised saving	£804,080			Cumulative annualised saving	£1,859,629			Cumulative annualised saving	£1,859,629

Proposed implementation and benefits phasing

d. Implementation Investment

In order to deliver these savings, Shepway Council will have to invest in the transformation. The costs are broadly in two areas: technology and implementation delivery.

Technology Investment

The primary technology investment required to implement the FOM is in the integrated, customer focused technology solution that will underpin and enable new ways of working. Appendix 1 describes the work underway as part of this Blueprint by the council team in order to define the design and cost of the new Information and Technology Solution for the council.

Our work to date in respect of the technology in use and potential areas for focus has suggested that the likely priority areas for investment. The technology cost estimates below are based on our experience of procurements carried out by other councils implementing the model. It will be necessary to undertake market testing followed by a procurement exercise to confirm these costs. It should be noted that the costs below are all implementation (i.e. capital) costs and there will be annual support, maintenance and possibly hosting costs as well (i.e. revenue costs). It is also worth highlighting that the council’s ICT strategy, adopted in December 2017, establishes a ‘Cloud First’ approach, meaning that systems which can be hosted in the cloud will be favoured over traditional on-premise solutions. This could result in lower initial software purchase costs than estimated below but higher annual costs.

Future Model Component	Recommendation	Cost Estimate
A. Website	Retain content management system and improve/redesign website to optimise takeup of digital services, which will largely be provided through B. Customer Portal	£25,000
B. Customer Portal/Forms	Replace multiple systems with one corporate solution	£50,000
C. Telephony	Replace telephony system with new solution plus contact centre management	£100,000
D. Customer Contact Management	Replace Northgate CRM with new solution, integrated with telephony system	£75,000

E/F. Scanning and Document Management	New corporate solution, either part of or integrated with D and G	£100,000
G. Workflow/Case Management	New corporate solution, either part of or integrated with D, E and F	£50,000
H. GIS	Retain ESRI, potentially some additional modules/integrations required	£25,000
I. Back Office	Retain existing systems but integrate better and invest in self-serve for HR/Financials	£100,000
J. Mobile	New corporate solution	£30,000
K. Diary management/bookings	New corporate solution	£20,000
L. Payments	Retain Capita ePay (possible need for new modules/upgrade)	£25,000
Subtotal		£600,000
Supplier Implementation Costs	These typically vary between 100% and 150% of the cost of the software	£900,000
Infrastructure Costs	Currently unknown but potential costs for additional bandwidth/backup circuit for cloud based systems, enhanced security for mobile systems and Sopra Steria services	£250,000
ICT systems, supplier and infrastructure	Suggested contingency	£250,000
Total		£2,000,000

Breakdown of the estimated IT costs

The recommendations above reflect priorities agreed during the discussions and workshops with the council. It should be noted that there is also a strong desire to look at new back office systems and review the website content management system. However, consideration has been given to the council's budget and capability to deliver additional technology change in the timeframe and it has been agreed that the priorities are the telephony, customer contact management, workflow and portal/forms solutions.

Implementation delivery

To deliver this scale of change, there is a need for a range of internal and external expertise to support the successful implementation of this new operating model and technology solution. An initial assessment is described in the table below.

The investment figures are subject to review by the Council and may change.

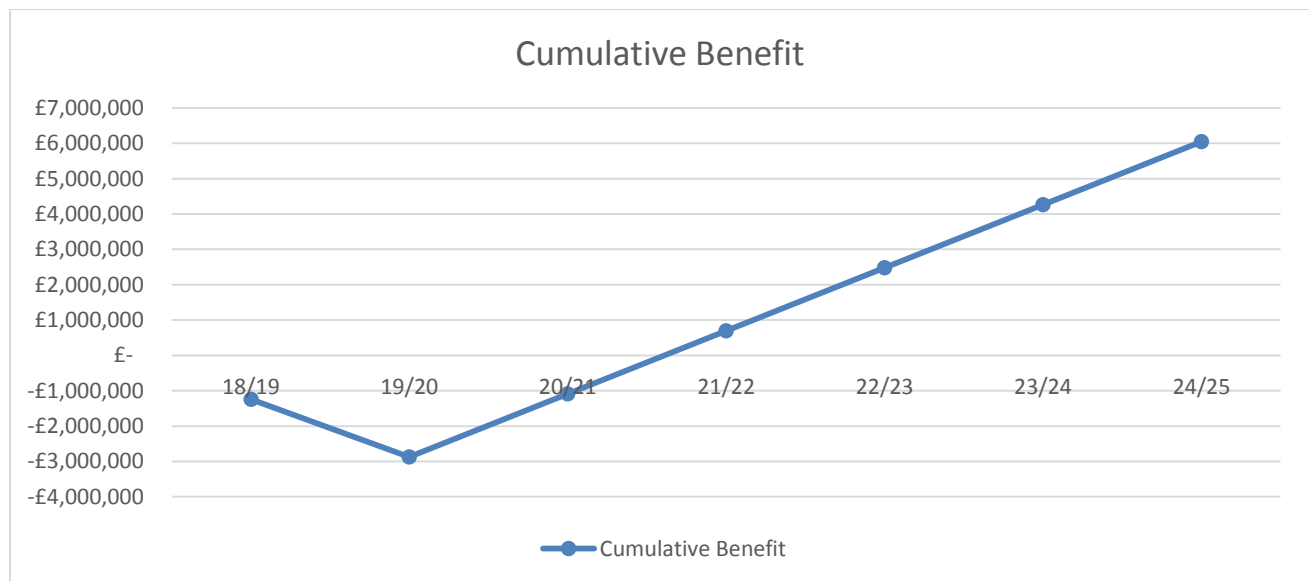
Title	Investment	Description
Shepway District Council resource	£1.25M	<ul style="list-style-type: none"> Business and technology analysts to map processes and develop scripts Functional experts from across the council to specify services policy and ensure that these policies are embedded in the new ways of working HR, change and communications support to ensure the change processes are implemented and the workforce is supported through the change Technology team to support the transition to and integration of the new systems - the shape of which is yet to be confirmed Use of temporary staff to support Business as Usual during phasing <i>N.B. this net investment assumes additional capacity is freed up from the internal workforce in order to support the delivery of this transformation programme</i>
Ignite Change	£0.55M	<ul style="list-style-type: none"> Design oversight to ensure that the aspirations and principles of the Blueprint

and Implementation expertise		<p>are achieved</p> <ul style="list-style-type: none"> • Change management expertise to bring best practice approach to implementing such a complex multi-faceted change programme • Expertise to train, develop and support the wider team in technology implementation • Leadership of the process design, build and test sprint cycles • Business analysis expertise and experience working with other Councils to implement similar transitions
Functional support	£0.35M	<ul style="list-style-type: none"> • Additional HR support including recruitment and selection support to perform internal and external selection • Additional IT capacity to support the implementation and change to systems • Additional leadership and development support
Training	£0.15M	<ul style="list-style-type: none"> • Training and development to transition to new ways of working and to support the adoption of new technology
Technology	£2.0m	<ul style="list-style-type: none"> • To develop and implement appropriate systems
Redundancy Costs	£2.3m	<ul style="list-style-type: none"> • Costs associated with transitioning from the current position of 269 FTE to 219 FTE (to be updated with the pension strain information when available)
Total	£6.6m	

Implementation costs

e. Benefit realisation

The work that has been undertaken has demonstrated that there is opportunity for significant benefits to be delivered should the operating model be delivered in full. To enable this delivery, Shepway Council will need to invest in both the implementation and technology. The return on this investment is shown in the table below; however, the technology costs are yet to be confirmed and will be in addition to the costs presented here.

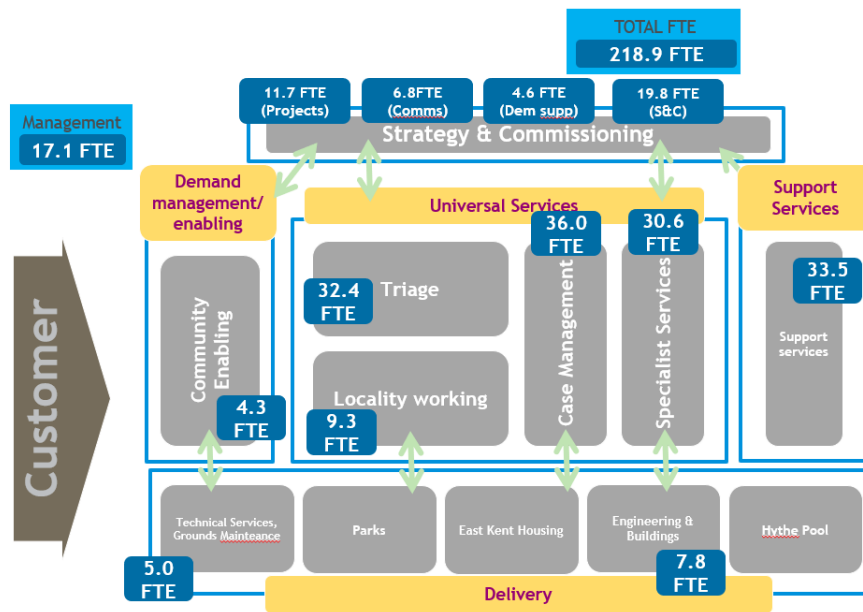


Cumulative saving against the technology and implementation investment costs

5. Organisational Framework

1. Populating the Future Operating Model

The *indicative* FTE requirement for each of the FOM areas is based on the combined requirements of all services and functions. These numbers come directly from the activity analysis undertaken by service teams and are mapped indicatively across to the FOM below:



FOM with estimated FTE of activity

The FOM populated with FTEs now provides the baseline for the development of the organisational model or design. As stated earlier the organisational model provides an internal framework for how the council organises itself to deliver the operating model. There are a number of design considerations, including design principles, how management and supervision is incorporated (i.e. how we embed functional and operational responsibility and accountability), and how we enable further locality based work. These design considerations are included in Appendix 2.

2. Organisational design

As described above, the organisational model is the practical implementation of the operating model to meet the needs of customers and adhere to the design principles. In conjunction with the business case, the assumptions made against each of the considerations above create the rationale for each element of the design including sizing and work type, as well as giving initial indications of spans of control and management.

The requirement for senior management roles can be derived from the overall organisational design and will need to be further developed in detailed design.

The activity analysis by service areas identified the number of FTEs doing management type work. (Note - this does not equate to roles as many roles have multiple responsibilities). At this stage of the design the management roles identified within the FOM have been distributed across the key areas of the model. These will need to be further refined in detailed design.

Potential components of the proposed management structure

Management roles	Description
Executive Director	Executive Director positions providing directorate leadership as well as external relationship role functional leadership (including head of paid service, regulatory compliance and statutory accountabilities). These Directors would make up the Senior Leadership of the council.
Assistant Directors	Providing the strategic, operational and functional management of a delivery area of the council
Manager	Operational management roles where the functional leadership has been explicitly removed under a lead specialist
Lead (specialist)	These roles primarily provide functional/technical leadership for the council in particular areas
Team leader	A supervisor role, managing teams of 8-12 officers

The above proposed structure will be subject to the detailed design process and may see management roles being added or deleted, depending on the Council's business needs and financial demands.

The proposed directorates and underlying functions suggested below are again subject to being considered as part of the detailed design process. Therefore, they are subject to change and must not be treated as final.

Strategy

Strategy:

To be the 'single brain' of the organisation responding to political will and ambition, and ensuring this is turned in to evidence based strategy, and planned services, actions and projects, to ensure political ambitions are delivered effectively and efficiently "on the ground".

Strategy & Insight: To set the corporate strategy and priorities, ensuring these are based on evidence (what the district needs and what residents want). Ensuring services, programmes, projects and employees are working towards a common set of outcomes as specified in the Corporate Plan. Building a sound evidence base of data, analysis and interpretation to support the wider work of the council.

Communications, Engagement & Marketing: To keep internal and external customers informed about Council priorities, services and campaigns, lead the engagement of our customers, provide a corporate marketing function to the council including customer data and trends and promotion of commercial and income generating services, and place based marketing to support inward investment and economic ambitions.

Performance & Governance: To provide member support and working to ensure that the council's governance and democratic processes are efficient, work effectively and support the ambitions of the council. Set the Constitution and governance of the council, ensuring that the council is efficient, transparent and accountable to local people.

Customer & Support Services

Customer Contact:

To deliver efficient, professional and commercially-minded services to the council's customers that are aligned to the council's ambitions, managing performance to meet the desired outcomes.

Customer Services: To resolve a significant proportion of customer queries at the first point of contact, providing accurate advice and guidance; and to proactively seek to provide additional services to customers where appropriate, in support of the council's ambitions.

Case Management: To ensure the council provides integrated services to customers focussed on their needs by acting as a single point of contact to the customer throughout the complete customer journey, and by managing and resolving the vast majority of cases.

Specialist Services: To input in to the design and specification of the Corporate Strategy and associated policies and plans. To ensure professional service delivery in their area of expertise across all parts of the organisation. To resolve complex cases and deliver relevant Council programmes.

Locality Services and Community/Customer enabling: To act as ambassadors for the Council in the community, dealing with customer and business issues, resolving these on initial contact as far as possible or referring to other teams. They work collaboratively with others to improve customer service, develop and maintain deep understanding of an assigned geographic area. They can also gather and record information, place orders, complete applications, undertake site visits/inspections and carry out investigations and enforcement. By helping people help themselves, this team is enabling efficiencies in the rest of the model.

Support Services:

To provide business like and efficient support and advice to teams across the council, in order to support them in delivering the council's ambitions.

Business partnering and Case Management: To act as the first point of contact to internal customers providing a business partnering service across the entire scope of Support Services, managing and resolving the vast majority of cases.

Lead Specialists: To input to Corporate Strategy, specifying the council's policies and accountable for ensuring professional service delivery in their area of expertise across all parts of the organisation. Resolve complex cases and deliver relevant Council programmes.

Some assumptions have been made in terms of designing the Support Services element:

- Organisationally the intention is to match universal customer contact as closely as possible. This will build-in efficiencies for internal customers in the same way as the model does for external customers, which will additionally help embed the same values and behaviours across the whole organisation.
- Once created, this team will perform a thorough review of all administration activity in the Council to build on the business support review, to simplify, standardise and automate where appropriate.

The relationship between locality and mobile team and the customer and community enabling function is vital. They will need to work closely, together with others from within the Strategy function (intelligence/insight, strategic planning) to develop and implement strategies to:

- Reduce demand for services by preventing problems occurring in the first place eg encouraging community mediation, providing better guidance to enable right first-time applications
- Generate and support cultural change across the Council's customer groups and communities so as to help people help themselves where possible, using and applying behaviour insights and behaviour change techniques to shape demand
- Align campaigns, events and programmes of preventative work to make maximum impact

- Encourage and enable customers to use new self-service options - developing programmes to shift access channel use, tracks this shift and to understand what really works to secure the more efficient working practices.

Commercial Services

Commercial Services:

To drive commercial thinking in practice and delivery throughout the council's services, taking lead responsibility for the successful delivery of core and strategic programmes of work as specified by Strategy. Responsible too for the standalone delivery units that deliver core Council services.

Commercial : To build the council's capability and capacity to drive more commercial practice, exploiting the asset base the authority holds to drive up income generation and successfully trade where it is appropriate to do so, as directed by the Strategy function to deliver the core priorities of the Council.

Strategic and Core Programmes: To ensure the council delivers its core and strategic programmes of work successfully as determined by the Strategy function, drawing on specialists from within other parts of the operating model to secure the appropriate levels of subject matter expertise.

Delivery Units: each delivery unit will have a commissioning and performance management relationship with Strategy function, and will be supported through support services. As standalone delivery units, each delivery area will be able to develop opportunities for revenue generation built on a solid business case to create increased self-sufficiency. Delivery units will be required to ensure that commercial and customer focus is embedded in their strategy, optimising revenue and grant opportunities aligned to the Corporate Plan.

Organisational design considerations

The following areas of design are highlighted for consideration in the programme set up phase to inform the detail of the organisational design.

Key design area 1 - Specialist Services

As described in Appendix 3 the FOM is primarily based on the Operational Efficiency value driver. As a service based organisation, the council is also balancing the need to be customer focused against the traditional approach of being organised by service/profession, i.e. product led. How to best structure the teams of specialists will be developed during the detailed design phase in response to the evolving strategic priorities of the council, whilst embedding the matrix management approach adopted throughout the rest of the organisational design. Where this model has been used elsewhere, the arrangements within specialist services have been driven by the concept of 'themes not teams' and are organised around a variation of customer types, corporate outcomes and functional leadership.

Key design area 2 - Local Delivery

Locality and mobile working are a key component of the operating model that is popular with local people and supports a vital link into communities for the Council. It provides a very positive opportunity to build and maintain a strong reputation in all parts of the District and enables local members to feel that they have a clear route into the organisation and support to get things done in their locality. It could be an element of change which is brought forward in the implementation phasing, subject to the technology being available and understanding the implications for other parts of the change phasing.

The opportunity to consolidate and change practice is considerable - but there are some key issues which the detailed design will need to fully understand and addressed. In the create workshops, participants considered these and started to develop a set of 'criteria' to help determine how the teams will work on the ground. These considerations included factors such as:

- How the relationship between the community enabling initiatives that will be 'spotted' on the ground by mobile teams and those that will be delivered as a consequence of interpretation of the data within Strategy teams will work
- Whether or not the community and customer enabling function should be completely integrated into the locality and mobile teams
- How the insight and intelligence gathered 'on the ground' by the mobile teams is shared efficiently with the Strategy team to inform broader service delivery, strategic partnerships and performance management
- Whether or not the model is fully exploiting the opportunity presented and if everything that can be in scope is - some aspect of waste contract delivery, building control and grounds maintenance could be key to building a highly effective team of people working out in the community.

Key design area 3 - Commercial Services

While we have identified a potential structure and approach to this component of the model, it is clear that there are a range of existing programmes and partnership arrangements currently underway which have not yet been explored in full against the new operating model. The key decision is how the council can ensure best, most efficient practice while it also ensures high quality successful programme delivery, enhanced commercial practice and more effective strategic partnerships in the future. Relevant streams of activity include:

- Oportunitas
- LATC
- CLLD
- Temporary Accommodation project
- Development projects
- 'Core' and 'strategic' project delivery
- HRA delivery

The appropriate operating model for delivery of Commercial services, and their relationship with the other parts of the operating model will be explored during the detailed design work of implementation and will consider in detail the outputs from all of these activities. The detailed design will be affected by the nature and longevity of existing programmes of work, relevant commercial opportunities, risk appetite and strategic importance of any given activity, as well as providing the incoming Director the opportunity to participate in the detailed design.

Job Families

Appendix 4 includes a summary of proposed job families that could underpin the delivery of the Future Model. These job families form the basis of all job descriptions and role specifications used in detailed design - ensuring commonality of activity types across the FOM.

6. Implementation Plan

a. Proposed structure of the implementation plan

Key considerations from the Future Operating Model, organisational design and technology specification have been used to build the implementation plan. These considerations drive the proposed high-level phasing of implementation as shown in the summary plan below:

Benefit Phasing																																			
Phase	Activity	2017			2018												2019						2020												
Activity		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Mobilisation	Blueprint published				■	■																													
Mobilisation	Leadership team recruitment				■	■	■																												
Mobilisation	Programme set up				■	■	■	■	■	■	■	■	■	■	■																				
Mobilisation	Technology baseline procurement/implementation				■	■	■	■	■	■	■	■	■	■	■	■																			
Phase 1A	Leadership & management				■	■	■	■	■	■	■	■	■	■	■	■																			
Phase 1B	Strategy & commissioning				■	■	■	■	■	■	■	■	■	■	■	■																			
Phase 1C	Support services				■	■	■	■	■	■	■	■	■	■	■	■																			
Phase 1D	Strategic & core programmes				■	■	■	■	■	■	■	■	■	■	■	■																			
Phase 2A	Customer services & locality working																■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Phase 2B	Case management & specialist services																■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Phase 3	Delivery units & commercial teams																																		
Phase 4	Data cleansing & migration																																		

Draft high-level implementation plan

The implementation plan has been designed to run major phases in parallel. This approach is intended to drive standardisation across components within the phases with a common set of deliverables. Phasing in this way will also ensure a smooth transition to ways of working in customer service, case management and locality working.

Phases 1A, 1B and 1C will focus on preparing the council for the wider transformation, while 1D is designed to better understand the nature of strategic and core programmes and their relationships with other parts of the operating model. This is followed by phases 2A and 2B which focus on transforming end-end customer-facing services, and finally phase 3, which will focus on those areas which are currently autonomous delivery units, or contained within outsourced contracts.

The ordering of the phases in this way provides a number of benefits:

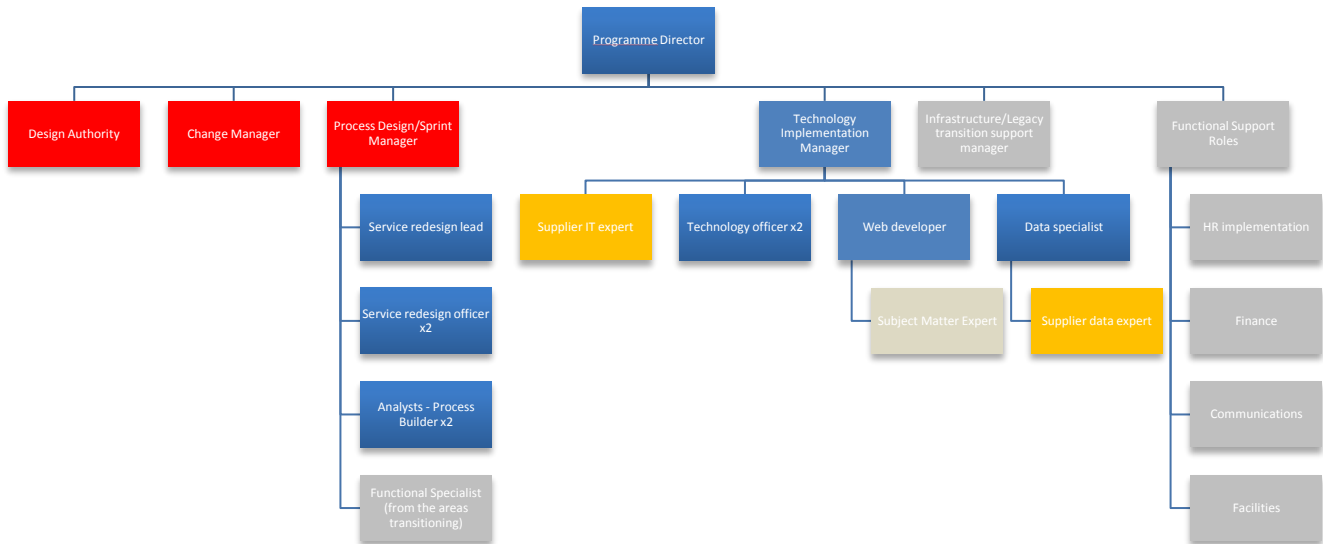
- Reduces reputational risks by transforming services that interact with the internal customer first, learning lessons for these phases before moving onto areas of the council that impact directly on the customer
- Early appointment of senior management roles will provide a team that can drive the change throughout the organisation and act as change champions for the programme
- Transformed Strategy and Support Service functions will be better equipped to support the remainder of the organisation as it moves through its own transformation
- Delivers key technology components and allows concepts to be thoroughly proven before they are deployed across the wider organisation
- Builds the structures around customer interaction that will support the later phases of the programme in delivering the on-the-ground presence and customer enabling functions required to drive efficiencies and channel shift

b. The implementation team

Significant additional resource for implementation has been built into the business case. An initial assessment of what is needed is described below, however, the internal team is likely to be

drawn from a mixture of existing staff that have been seconded, but the council should expect to have to recruit externally for some or most roles to obtain skills it may not currently have in-house.

- Internal programme team to include:
 - Programme management
 - Technology team to support the transition to and integration of the new systems
 - Business and technology analysts to map processes and develop scripts
 - Functional experts from across the council to specify service policy and ensure that these policies are appropriately embedded in the new way of operating
- External organisational design, change and transition support to include:
 - Design oversight to ensure the aspirations and principles of the Blueprint are achieved
 - Change management expertise to bring best practice approach to implementing such a complex, multi-faceted change programme
 - Expertise to train, develop and support the wider team in technology, process and new ways of operating
 - Business analysis expertise and experience working with other Councils to implement similar transitions



Proposed Implementation Team structure

Based on previous experience, the chart above shows a proposed programme organisation diagram that shows the specific roles and teams required to successfully implement the Future Operating Model at Shepway District Council. This will obviously depend on the technology partner(s) appointed as well as the level of internal capacity within the Council, so numbers and focus of roles may change.

c. Core implementation activities

The implementation is phased to last over a period of 24 months. Following the establishment of the implementation team and initial programme set up (detailed in Appendix 3), there will follow a series of phases where the Council will move through a defined and common set of activities to enable the detailed design and implementation for different elements of the operating model.

A summary of an example phase plan is shown below, as well as further detail of the key activities within a phase:

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Phase 1 - Example Plan											
Agree Stage			■								
Detailed Design			■								
Consultation			■	■							
Recruitment - Staff					■	■					
Transition Planning			■	■	■						
Transition Management				■	■	■	■	■	■	■	
Detailed process and User journeys			■	■	■	■	■				
Process re-design (pre-sprint)				■	■	■	■	■			
Technology implementation (build/test sprints)					■	■	■	■	■		
Training - identify requirements & providers					■	■					
Training delivery						■	■	■	■		
Accommodation implementation									■	■	
Phase Sign-off											■

Example phase plan

The detailed design activity involves key stakeholders in the planning of the phase and achieve agreement on key deliverables that are taken to the programme management board for approval before the phase commences. A summary of the typical deliverables is shown below:

Components of Detailed Design			
User requirement definition for phase (what does the outcome of the phase look like?)	Detailed Organisational design	Iterate overall blueprint picture	Key design considerations
First pass at transition planning	Prioritise and cluster processes	Detailed IT Components and deliverables	Sprint plan for phase
Detailed plan for phase	Detailed risk and opportunity log for phase	Detailed budget for phase	Recommendations

Components of Detailed Design

Other implementation considerations are:

- Process and design. Detailed design needs to focus on synergies from across the council in particular:
 - The activity analysis and process mapping undertaken during the Blueprint phase by each service now needs to be refined to ensure the processes are mapped to the FOM rather than 'as-is'
 - Using the detailed process mapping to agree responsibilities and accountabilities
 - Ensuing a common data set
- People and change
 - Developing the organisational designs within the FOM alongside the role specifications to establish and refine person specifications/management levels etc.
 - Embedding the behaviour required to drive the new ways of working
 - Developing the performance management approach to support the embedding of these behaviours
 - Building on the engagement developed in the Blueprint phase to include the wider workforce, creating communication and consultation approaches, obtaining trades union engagement and agreement
 - Creating the management of change framework to support the implementation
- Customer
 - Creating a compelling message for communities and customers to understand and respond to the changes
 - Starting to build resilience and reduce demand
- Accommodation
 - Mapping the organisational design to local requirements and building capability to support mobile and flexible working

Appendix 1 - Technology Solution summary

During the Blueprint process, Officers at Shepway have been developing the new strategic approach for IT for the Council. This work has reached a recent conclusion, allowing us to focus on the business systems that the council currently uses.

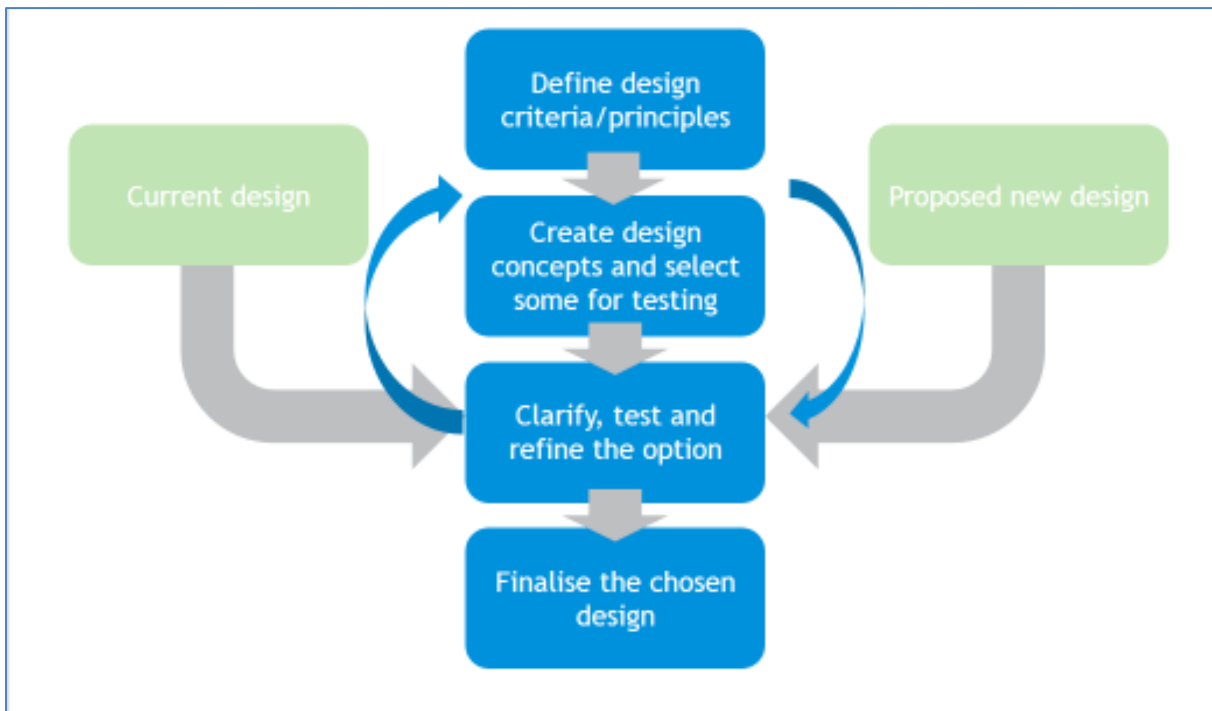
A four-stage technology assessment has been started [Note: at this stage, only stages one and two are complete, this section will be updated once stages three and four are complete] to ascertain the current state of SDC ICT systems, the scope of technology change required to enable the FOM, the potential suppliers and procurement routes and the estimate costs. Final costs will not be known until after the business case has been approved and procurement has been completed.

The four stages are:

- Stage One: How technology enables the model
- Stage Two: Assessment of current systems, infrastructure and capacity, considering what it is that you have against the key components set out below.
- Stage Three: Strategy, resources and constraints
- Stage Four: Agree priorities, market engagement and cost estimates

Appendix 2 - Design Concepts

The following section sets out how the organisational model is developed and explains the key concepts in developing that model. Creating the organisational model is a process of refinement:



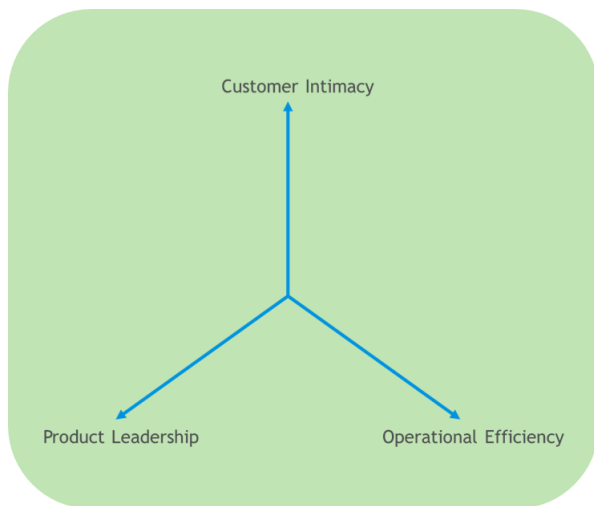
Design Concepts

- **Organisational Principles.** As with the FOM we used a number of principles to articulate how the organisation needed to be designed and delivered:
 - Roles will be as generalist as possible - people are prepared to be, and trained to be able to cover as wide a range of knowledge as possible
 - The right people in the right roles - no compromises or hidden agendas in appointing people with the right skills and behaviours to roles in the new way of working
 - Limit roles specifications to as few as possible, i.e. roles as broad as possible - not 'planner' but specialist
 - Role descriptions and performance management processes should encourage self-management
 - The workforce is flexible to meet changing levels of demand - adaptable to short term needs
 - Customer response is as close as possible to the customer, i.e. their need is met as early as possible in the process
 - The specialist role retains responsibility for:

- Knowledge sharing - ensuring all staff know enough for their role with an embedded process for knowledge sharing
 - The quality and outcomes of the end to end customer journeys/processes across all the universal customer contact teams
- People management and technical/specialist supervision are explicitly separated
- Process improvement is a continuous process and needs to be adequately resourced to ensure customer focus, demand shift and demand management
- **Management/Supervision.** In order to develop the management and leadership structure within the organisational design there needs to be recognition of the different elements of management to be addressed. These are:
 - Generic/pastoral - Pastoral management, performance management, development, career, discipline
 - Technical development - mentoring, quality assurance
 - Resource allocation - scheduling, capacity, priorities, workflow
 - Business performance management - Leadership, overall direction and delivery of objectives and outcomes, FOM development
 - Personal and peer management - Empowerment (to self-manage), time management, priorities, workload, development

The organisational management structure needs to reflect the difference between people management and technical supervision, e.g. a senior specialist (with expertise in licensing) might manage a group of specialists who focus mainly on business customers, but some of these specialists (e.g. planners) might get their technical supervision from elsewhere. Where possible line management roles will incorporate generic/pastoral, resource allocation and business performance, whilst leading on the area of personal and peer management. The organisational design will also provide for functional/technical and professional leadership providing the lead on specialist activity as well as mentoring and quality assurance across the universal customer contact and support services as appropriate. This functional role will also include responsibility for the end to end processes and continuous improvement, particularly in terms of ensuring personnel closer to the customer have the required knowledge and process capability to deliver the customer needs. It will work closely with the line management role to support personal and peer management.

- **Embedding Functional Responsibility.** Complex service provision and advice will be provided by the specialist group, as well as the end to end process responsibility across the universal customer contact and support services. Whilst this line of responsibility isn't explicit within the FOM, the capability needs to be designed into the model.
- A key component of organisation design is how the organisation derives value - the value drivers:



Source: *The Discipline of Market Leaders*, M Treacy, F Wiersama

Customer Intimacy (CI) reflects organisations that focus absolutely on what their customers want (e.g. Amazon) so a customer will come because they get what they need.

Operationally efficient (OE) organisations produce a product or service at the cheapest cost so customers will buy purely because its cheap (e.g. Easyjet).

Product leaders (PL) can charge what they want because their product is in so much demand (e.g. Apple). Although derived on product based organisations, there are

implications for service based organisations as well. Decisions will be based on what is the relationships with the customer, and their expectations of service.

The FOM is primarily focused on the OE discipline, but understanding the potential implications of the other axis will inform suitable options for the organisational design, in particular how to integrate front to back roles across a service based operating model. There will be tension between the three disciplines - for this to be positive it needs to be open and explicit.

Our options for the development of the model will look at how we build in customer centricity (CI) i.e. locality, customer type (e.g. business, high need, place, people) etc., or product focus/service areas (PL), in addition to the OE discipline.

Responsibility for the delivery of functional/service strategy will remain with the specialist areas, rather than be centralised although it is envisaged that there will be considerable overlap and discussion between senior specialist advisers and the Strategy and Commissioning team who will own and co-ordinate the development of functional and service strategy. Detailed design will explore how this overlap works and will define the boundaries.

- **Communities of Practice.** Communities of practice are groups of people who share a concern or a passion for something they do and learn how to do it better as they interact regularly. They can be internal or external to an organisation, formal or informal. Critically they share 3 common characteristics in that they constitute a group of *active practitioners* with a *shared competence* joining together to create an *active learning community*. We will look to adapt this model of communities of practice to provide an option around functional supervision and career progression, as well as incorporating the requirement to supervise the end to end processes.
- **Geographic Locations.** Each of the three geographical areas have different needs and may need to be addressed differently in organisational design. Options will also be explored in the detailed design for how the delivery units will map delivery to these localities and how other partners, community groups and agencies map to the geographical locations.

Appendix 3 - Implementation Preparation, Team, Detailed Design and Risk Management

Starting well

The process of moving from this Blueprint to full implementation is complex and there is significant preparation that has to be completed. This Appendix sets out some of the key early implementation work and preparation that should be completed.

Programme set up phase

This phase puts in place the main structures that will oversee and manage the delivery of the deliverables and benefits. During the development of this Blueprint, the Ignite team have given officers in Shepway guidance about this work to support them making early progress.

The key deliverables of this phase are explained in brief below:

- **Confirm governance arrangements**
- **Recruit implementation team**
- **All employee briefings on the proposed change programme** - effective communications with staff throughout the programme will be essential in embedding the new organisational culture and preparing staff for the phase in which they will be affected. The briefings will form the initiation of the communications plan for implementation
- **Support for staff through change** - implementing the mechanisms for supporting staff during the programme, which may include internal and external counselling resources that staff can access
- **Training needs for leaders and implementation team** - new or updated skills will be required for the leadership and implementation teams to manage the process of change in the organisation. This activity will include a training needs assessment that looks at organisational knowledge, skills, and abilities, to identify any gaps or areas of need that should be addressed before commencing the main phases of the programme
- **Training plan for the new organisation** - following the training needs assessment, a plan to deliver the required training will be developed, which will also include an overview of wider training needs for staff in the transformed organisation
- **Accommodation and Ways of Working Plan** - The cultural changes required to embed the new Ways of Working will require a plan for transition and cutover, and the impact of each phase on the wider accommodation strategy will be planned out at a high level

Technology 'no brainer' phase

This phase deals with the technology changes, procurement, installation and development that can be carried out early in the programme to embed some of the core functionality required for the early phases and infrastructure required to support the wider technology implementation around the core software products that enable the transformed organisation to operate effectively and efficiently. The key deliverables of this phase are explained in brief below:

- ✓ **Detailed technology blueprint** - this document will outline the required software and hardware specifications and functionality required to be procured or developed during the phases of the programme to support the transformed organisations and operating model.

The document will be utilised in the procurement of technology to support the phases that will follow

- ✓ **Review major application roadmaps and agree plan** - a review and implementation plan for any upgrades to existing software applications, which will be required to support the transformed organisation and in light of Shepway's newly agreed Technology Strategy
- ✓ **On-board missing technology resource** - source and procure any additional skills required to develop and implement elements of the technology set specified in the technology blueprint
- ✓ **Implement suite of infrastructure improvements to support new council structure and functions** - new technology and operating model will require underpinning technical infrastructure to support it and this will deliver the procurement and/or upgrades identified in the technology blueprint
- ✓ **Improve website to promote external self-service model** - the website structure and architecture will be examined and amended to ensure that it is able to support the forthcoming external self-service portal and fully promote the channel-shift objectives. Quick wins will be identified and implemented early to free up capacity
- ✓ **Improve intranet to promote internal self-service model** - the website structure and architecture will be examined and amended to ensure that it is able to support the forthcoming internal self-service portal and fully promote the channel-shift objectives by providing the right platform for high quality information, advice and guidance. Quick wins will be identified and implemented early to free up capacity
- ✓ **Design and build key system integrations** - certain key systems are already in place and therefore work can commence on defining, building and testing integrations between these core systems prior to process redesign work commencing in later phases
- ✓ **Implement integrated quick wins** - procurement or the upgrade to key systems that will support the core technology blueprint can be implemented to create the capability before moving into process redesign. These specifically might include the booking engine, payment engine and the councils Geographical Information System (GIS) software
- ✓ **Design and proof-of-concept for all new end-user software** - this will examine and pilot the options for delivering agile working across the transformed organisation around the areas of user hardware; specifically the use of laptops, tablets, mobile devices and hybrid technology for each set of role families across all phases

Customer Portal and Locality Delivery phase

This phase has two objectives. At first, the Customer Portal is designed to create outputs that will allow the early realisation of programme benefits and free up capacity within the organisation that will aid the transformation journey.

The detailed design process for this phase will identify clusters of high priority processes in phases 2A and 2B where significant early benefits can be realised by:

- Creating front-end customer forms, web site content and access to key customer account information that will promote self-service and channel shift whilst reducing demand through the Contact Centre and face-to-face outlets and into the wider organisation
- Creating scripting and knowledgebase material for Customer Service Advisors that will allow a greater volume and breadth of enquiries to be answered at first point of contact

Identified processes will not have significant technology workflows and system integrations built behind them in this phase, although rules-based work routing will ensure that service requests arrive with the correct department. Service requests will be carried out using existing back office processes until the wider organisation is transformed in Phase 2; when further process re-design will take place and the remainder of the benefit of the process transformation is realised.

Team Roles

Role	Responsibility	Interactions
Design Authority	<ul style="list-style-type: none"> Provides design oversight to ensure that the aspirations and principles of the Blueprint are achieved Executive team and Implementation team coaching 	<ul style="list-style-type: none"> Works with Programme Sponsor to agree scope and vision for each phase Works with Programme manager to shape milestones and delivery Works with CMT and Programme Board, providing advice and coaching to ensure success
Change Manager	<ul style="list-style-type: none"> Change management expertise to bring best practice approach to implementing a complex multi-faceted change programme Expertise to train, develop and support the wider team in aspects of change management and transition planning 	<ul style="list-style-type: none"> Works with Programme Director and Functional Leads to drive a joined-up approach to change Builds and supports the create & construct approach to technology implementation Trains, coaches and develops the Implementation Team Leaders and Analysts
Process Design & Sprint Manager	<ul style="list-style-type: none"> Leads process redesign sprints to effectively transition all council process from old ways of working to new ways of working Train team members in agile development and the sprint process 	<ul style="list-style-type: none"> Leads the process redesign and build teams Works with suppliers to ensure most effective implementation of processes across the integrated systems Supports council teams in adopting new technology and ways of working
Business Analysts	<ul style="list-style-type: none"> Business analysis expertise and experience working with other councils to implement similar transformation programmes 	<ul style="list-style-type: none"> Works with suppliers and other analysts to bring across best practice from other delivery programmes
Additional Support	<ul style="list-style-type: none"> Where there are particular skills gaps in the council, there may be a requirement to draw in additional, specialist support. This could include: <ul style="list-style-type: none"> HR practice Customer and user-led design Technology Engagement - internally and externally 	

External team roles

Team preparation

Training requirements for Implementation Team

Prior to Phase 1, training will be required for key staff in the implementation team to prepare them for the approach that will be taken to process redesign and technology builds. Depending on existing skill and experience, training may include:

- Process mapping approach and use of mapping tools
- Information gathering and script building
- Creating User Cases and Technology requirements for use by the build team
- Building test scripts and User Acceptance test plans
- Roles and responsibilities of agile implementation teams

The full matrix for training and development across roles in the implementation team is shown below:

Who?	Techniques	Tools	Behaviours/skills
Business Analysts	Process mapping Information gathering	Microsoft Visio Software awareness Scripting guide User requirements Technical requirements Website Architecture	Facilitation Challenge Team ethos Positivity Future Model Champion
Technology Builders	Agile approach	Workflow build guide Requirements lists Software training Version control	Team Ethos Attention to detail Accuracy Technology skills
Technology Testers	Building test scripts Edge Cases	User requirements Internal test scripts User test scripts Software training	Attention to detail Persistence Tenacity Team Ethos
Process People		Knowledge of Future Model Workshop rules Software training	Ownership Change Champion

Training and development across roles

Phase implementation - Detailed information

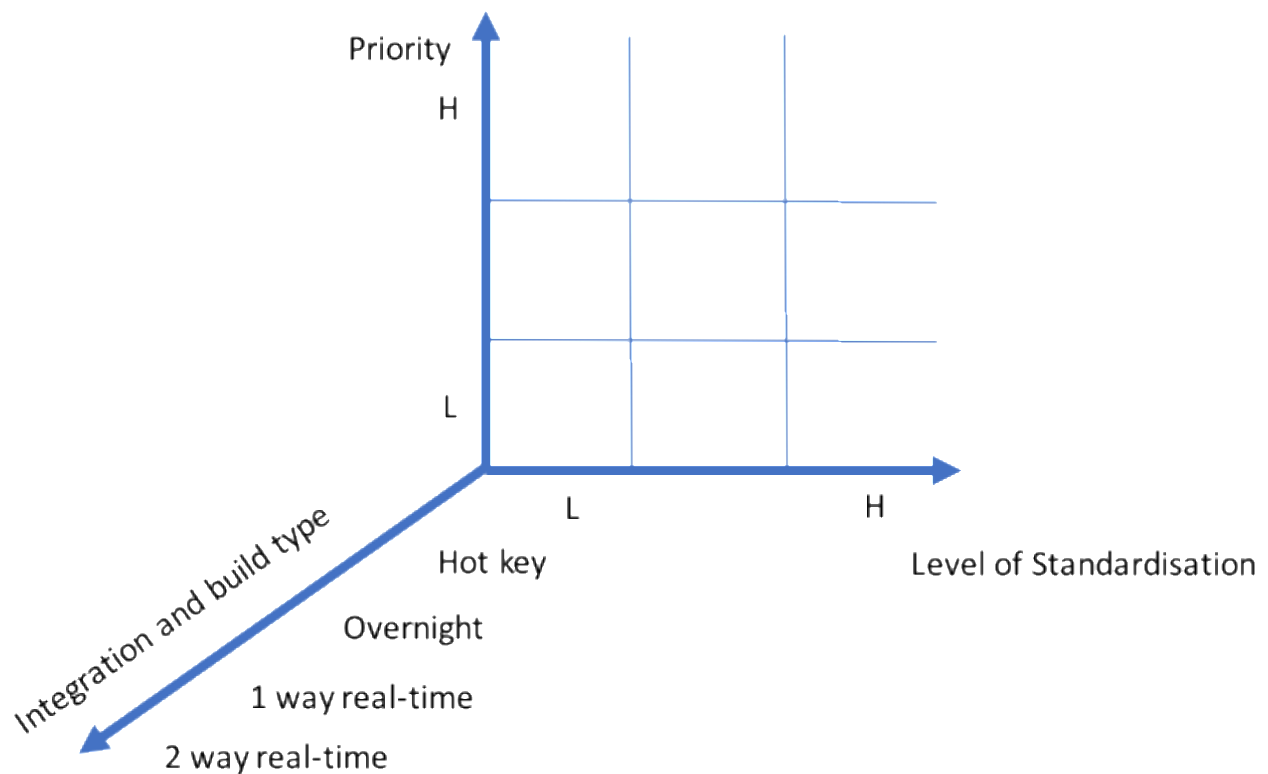
The following information sets out key elements of the implementation phase which will be followed. This is guidance - the approach and content is one that will be agreed with Shepway following the formal agreement to proceed.

Process Prioritisation and Clustering

A key element of successful implementation is the prioritising and clustering of processes that each phase will transform.

Prioritising processes will ensure that those transformed activities that have high levels of benefit associated with outcomes, cost and volume are created early in the phase, allowing phase benefits to be realised.

Clustering processes will ensure a consistent approach to delivery of services in line with the design principles of the programme and also deliver standardised components of technology and ways of working that can be re-used throughout the programme. An example set of 6 core processes that will be used across numerous process are shown in Appendix 5.



Process Prioritisation & Standardisation matrix

Transition management & training

A crucial element of any successful wide-ranging transformation programme is the planning and delivery of transition from the current to future state.

Ignite recognises that a failure to place great importance on transition activities will inevitably cause delays in implementation and result in an organisation that is not ready to fully embrace the change.

The twelve elements of transition management that require planning and delivery during each phase of the programme are briefly described below:

1. **Change readiness assessment** - understanding the current position of the organisation's readiness for change, from the perspective of the staff within the organisation will garner a greater understanding of the challenges, mentoring, awareness and training that will be required to transform the subset of the organisation within the phase
2. **Training** - the creation of a comprehensive set of training plans that cover the areas of process, system and ways of working that will ensure that individuals are able to transition smoothly into the transformed organisation
3. **Knowledge and succession management** - gaining a detailed understanding of the knowledge profiles of existing individuals in the organisation and ensuring that specialist or crucial historic or knowledge is not lost during transition

4. **Ways of working** - building a deep understanding for individuals of the ways of working that will be required from staff in the transformed organisation throughout the phase to prepare them for operating effectively in the transformed organisation
5. **Mobilisation of new teams** - once staff are placed in their new teams, carrying out a number of team building activities to embed the new ways of working in the new environment
6. **Consideration of Parallel running** - during any transformation activity, consideration must be given to the cutover from the old ways of working to the new that will ensure that business-as-usual activities can continue and performance maintained whilst piloting and introducing new technology and ways of working
7. **Launch & Communication** - careful planning and consideration of the launch of the phase will be required along with internal and external communication plans and activities
8. **Go -Live support** - planning of and ensuring that, staff have the support and lines of communication that will be required during the period on and shortly after any go-live activity for systems and ways of working
9. **Lesson learning and review** - after each phase is completed, a comprehensive review of the performance of all elements of the phase plan will be reviewed for effectiveness and any lessons learned taken forward into subsequent phases of the programme
10. **Management of historic/existing cases** - during cutover, consideration will need to be given to cases that are being managed within systems that will be decommissioned and the retention or migration of historic data in a manner that can allow retrieval by staff until it is no longer required to be held
11. **Processes and activities to stop** - as a result of detailed design, some processes and activities will be identified as appropriate to cease completely. These processes and activities will need to be stopped in a controlled manner and monitoring carried out to ensure that cessation does not have an unplanned adverse effect on the organisation or stakeholders
12. **Managing the impact of the rollout plan** - gaining a complete understanding of the impacts of the transition plan and taking the appropriate remedial actions to ensure any impacts are monitored and where appropriate, flagged up and managed to reduce any effect on the overall programme

Detailed Process and User Journeys

Throughout detailed design and implementation, a rich picture of the operation and roles of new processes will be created and shared with the organisation.

These process and user journeys will both inform the emerging organisational design, any refinements to budgets, programme risks and the key design considerations for the phase.

Process and user journeys will be further created and refined within process re-design and these products will be used by the build teams within the sprint cycles for software development and will also provide key information that will be used to form the training requirements for staff.

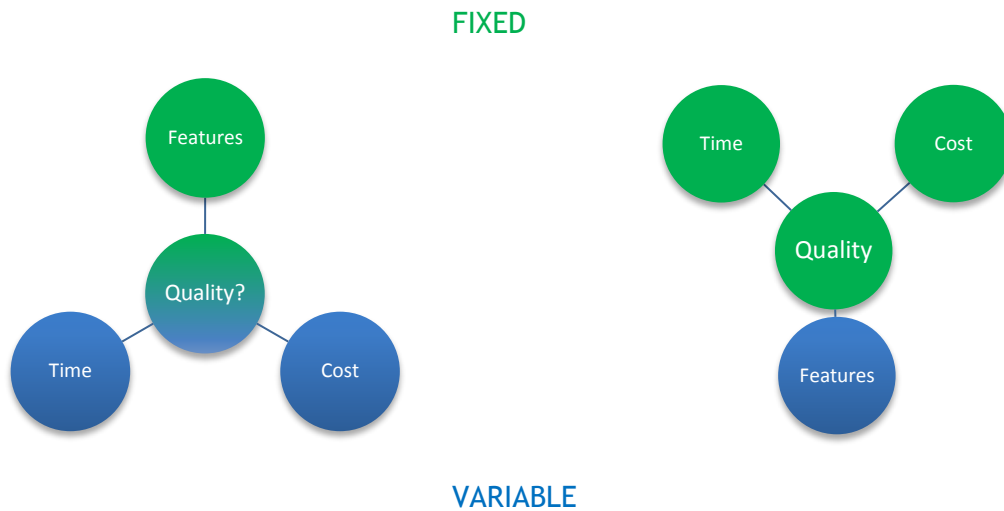
Process redesign and Technology implementation

The correct control of the process redesign and build is an essential element of ensuring that each phase delivers processes and technology that is fit for purpose and delivers the benefits associated with the phase. In order to avoid obstacles that are encountered by traditional

development methodologies, an agile approach will be taken. A summary of the agile approach is shown below:

Traditional/Waterfall Development

Agile Development



Agile versus traditional development approaches

In traditional development, time is spent on gathering and building a full list of user requirements and is fixed, along with elements of the customer's quality expectations. In order to ameliorate delays during development, any one of the other dependencies of Time, Cost or Quality has to be augmented or compromised in order to meet development deadlines.

In an agile development cycle, Time, Cost and Quality are fixed by the breaking down of development into defined periods of build, which are known as sprints.

In an agile build model, requirements/features are the variable factor in any sprint cycle. Controlling the requirements for a releasable product is what keeps development time or costs from escalating, or quality from being compromised. The prioritisation matrix is known as MoSCoW and is formed as follows:

- **Must Have**
- **Should Have**
- **Could Have**
- **Would like to have**

In any sprint cycle:

All of the **Must Have** requirements are completed in the initial development order to have a usable product that can be released into the live environment (this is also known as the **Minimum Useable Subset**).

Should Have requirements are important in realising the full benefits of the technology within the process but not necessary for delivery in the initial development sprint. While these requirements can be as important as Must Have's they are often not as time-critical or there may be another way to satisfy the requirement. They may be held back until after the process is

released into the live environment and included in a future sprint cycle, where the process is iterated and enhanced to release any remaining benefits

Could Have requirements are desirable but not necessary, and could improve user experience or customer satisfaction for little additional development cost. These requirements will typically be included in subsequent sprint cycles if time and resources permit.

Would like to have requirements have been agreed by stakeholders as the least-critical, lowest-payback items or not appropriate for implementation at that time. These requirements are not even planned into the schedule for the initial development sprint. These requirements are either dropped or reconsidered for inclusion in later sprints.

Risk Management

In creating the implementation plan for this significant change programme, risks have started to be considered at both the programme and service level. There is in place a risk-register for the programme which identifies the key risks and their mitigations. It includes:

- Delay in programme implementation timetable
- Not meeting the financial efficiency savings
- IT delays
- Disruption to staff
- Disruption to customers and business as usual

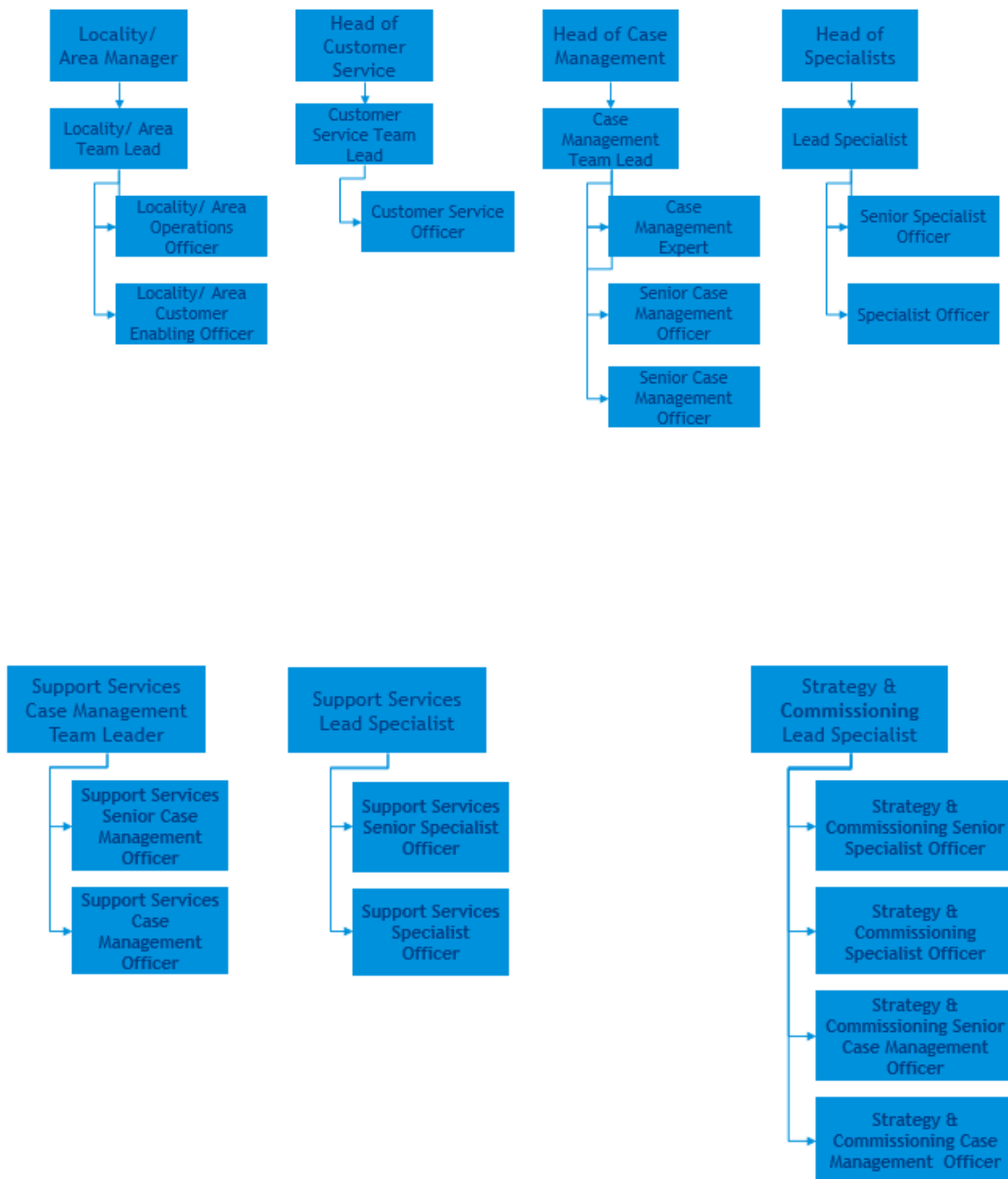
In addition to these, there are a number of other key risks, summarised in the table below:

Risk	Mitigation(s)
Loss of key people and organisational knowledge	Talent management plan that identifies key people and knowledge and puts measures in place to retain these key people
Reduced performance in key services	Department risk registers to identify and manage specific service transition risk are being developed These risks will be discussed and iterated with Members and will drive key considerations in the implementation plan
The organisation will have less capacity to deliver post implementation	New approach to delivery supported by technology, simplified processes and more self-service enables the council to deliver ‘more for less’ Introduction of more generalist customer service, local delivery and case management teams gives a more flexible capacity to deliver current priorities We expect this will enable greater focus on the priorities of the council and to ensure that we are measure and manage performance focussed on these priorities
Programme costs will exceed the current forecasts	Programme costs vs forecasts will be monitored by the programme board on a monthly basis Where appropriate fixed price delivery contracts will be negotiated with suppliers

Each of the phases shown in the implementation plan will monitor and report workstream specific risks at monthly programme management meetings and where appropriate these will be escalated to the programme board.

Appendix 4 - Role Families

The following are examples of how the role families might be constructed and the type of roles there may be developed when undertaking detailed design. However, Shepway District Council is reviewing the proposed role families to ensure they reflect local business needs going forward.



Appendix 5 - Generic Future Model Processes

As part of the Blueprint process a number of generic, technology agnostic future processes have been articulated. The purpose of these processes is to demonstrate how key sets of activities that appear in multiple customer journeys at present can be simplified, standardised, and where appropriate automated. Furthermore, these sets of activities are fully integrated into wider workflow and customer contact management systems.

The processes selected cover a range of customer driven processes such as:

- Apply for it
- Enquiries
- Report it
- Pay for it
- Book and pay

as well as a standardised “Inspect it” process covering all council inspection activities.

