



Public Document Pack
**FINANCE AND RESOURCES
OVERVIEW AND SCRUTINY
AGENDA**

Scrutiny making a positive difference: Member led and independent, Overview & Scrutiny Committees promote service improvements, influence policy development & hold Executive to account for the benefit of the Community of Dacorum.

TUESDAY 6 NOVEMBER 2018 AT 7.30 PM

CONFERENCE ROOM 2 - THE FORUM

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Howard
Councillor Herbert Chapman (Chair)
Councillor Douris
Councillor E Collins
Councillor Fethney
Councillor Silwal
Councillor Taylor

Councillor Tindall
Councillor Adeleke
Councillor Armytage
Councillor McLean
Councillor Banks (Vice-Chairman)
Councillor Barrett

Substitute Members:

Councillors Anderson, Brown, Guest, Ransley, W Wyatt-Lowe, England, Matthews and Pringle

For further information, please contact Corporate and Democratic Support

AGENDA

13. NEW NORMAL (Pages 2 - 7)

Agenda Item 13



Report for:	Finance and Resources Overview and Scrutiny Committee
Date of meeting:	6th November 2018
Part:	1
If Part II, reason:	

Title of report:	New Normal Programme
Contact:	David Collins, Portfolio Holder for Corporate and Contracted Services Linda Roberts, Assistant Director People, Performance and Innovation
Purpose of report:	1. To brief members on the New Normal Programme which is a council wide approach to continuous improvement and change management
Recommendations	1. That Members note the report and provide feedback on the programme
Corporate objectives:	Delivering an efficient and modern Council
Implications: 'Value for money' implications	<u>Financial</u> There is no direct financial impact on the council in developing this programme. However, any projects developed through the work-streams will be supported by a full business case subsequently taken to CMT for approval within existing resources. <u>Value for money</u> The Chief Executive is the Programme Sponsor and the Assistant Director People, Performance and Innovation is the Programme Director. Specialist external support may be required, and will be funded by the Facilitation of Change Budget. The project business cases will need to demonstrate how they support the Medium Term Financial Strategy (MTFS), Corporate and Local Plans.
Risk implications	Risk assessment completed on 26 th October 2018. The main risk for this type of activity is that it is a programme

	of work that has to be managed. This has been mitigated by the development of a programme structure with clear sponsorship and direction, using existing approval mechanisms and will be widely communicated going forward.
Consultees:	
Background papers:	<ul style="list-style-type: none"> • Leadership Event August 2016 - Background to New Normal Strategy
Historical background <i>(please give a brief background to this report to enable it to be considered in the right context).</i>	In order for DBC to continue to deliver the key priorities of the Corporate Plan and meet the requirements of the MTFS the Council must continue to improve performance and potentially identify new ways of working to achieve them. During facilitated workshops of Members and Officers together with feedback from the Local Government Association (LGA) Peer Review, some key areas have been identified for further development to enable DBC to be able to continue to deliver excellent services in such a challenging and changing environment.
Glossary of acronyms and any other abbreviations used in this report:	<p>MTFS – Medium Term Financial Strategy</p> <p>LGA - Local Government Association</p> <p>PID - Project Initiation Document</p> <p>PMO – Programme Management Office</p>

Background

1. During facilitated workshops of the Cabinet and Corporate Management Team together with feedback from an LGA Corporate Peer Review, some key areas were identified for further development to enable DBC to continue to deliver quality services in such a constantly challenging and changing environment.
2. The areas explored were:
 - Does the Council have the right number, and appropriately skilled people to deliver quality services to its residents and businesses?
 - Leadership
 - Partnerships and relationships
 - Systems and processes
3. Much has already been achieved by DBC in previous years that has included the successful move into The Forum with the adoption of remote and flexible working, organisation reviews and restructures, and continued service improvements. DBC is a lean and efficient organisation, and further savings and opportunities to both improve and innovate in service provision may only be achieved through more of a transformational change. In terms of service provision, supporting systems, ways of working as well as how we lead the Council going forward.

4. Achieving transformational change is notoriously difficult, as articulated in a recent report by McKinsey¹ looking at transformational programme delivery across public and private sector clients in over 70 countries.
5. In order to mitigate against failure, it is recommended that change management is executed through an overarching change programme and the programme should mitigate risk of failure by ensuring the following principles are embedded within the programme design and governance:
 - Committed leadership
 - Clear purpose and priorities
 - Deliver the change in a timely fashion with regular milestones (avoid one huge megaproject which never seems to end)
 - Compelling communications to engage all stakeholders
 - Ensure there is capability for change
6. The proposed DBC change programme is described as New Normal. As change is constant, particularly in the context of increasing demand for services, pressure on resources, shifting community expectations, and changing demographics. This paper outlines the approach to the overall change programme, its objectives, scope, constraints, approach, likely timescale and outline costs.

New Normal Programme Objectives

7. The overall objectives of the programme give the context to the work-streams as to what we are seeking to achieve. The projects will, by their nature, be specific to those areas identified as needing improvement, but the outcomes of the project must support these overall objectives as well as aligning to the MTFS, Corporate and Local Plans. To continue to improve DBC's service provision and ways of working by:
 - Better understanding what our customers' need
 - Improving decision making in the Council by making better use and analysis of data
 - Continuously improving our services, based on data and evidence
 - Developing the right skills and culture among our people and leaders to support the process of continuous improvement

Scope

8. The scope of the New Normal change programme will be across all areas of the Council. There will be some specific locally led initiatives but in order to achieve the maximum benefit DBC will also need to achieve cross-directorate opportunities for improvement.
9. The change programme will also encompass how to further enhance and develop ways of working between Officers, the Leader and Cabinet and all Members of the Council. It should also extend to working with third parties as we continue to develop our partnership working in the commissioning and delivery of certain services.

¹ McKinsey Centre for Government, "Delivering for Citizens – How to Triple the Success Rate of Government Transformations", June 2018

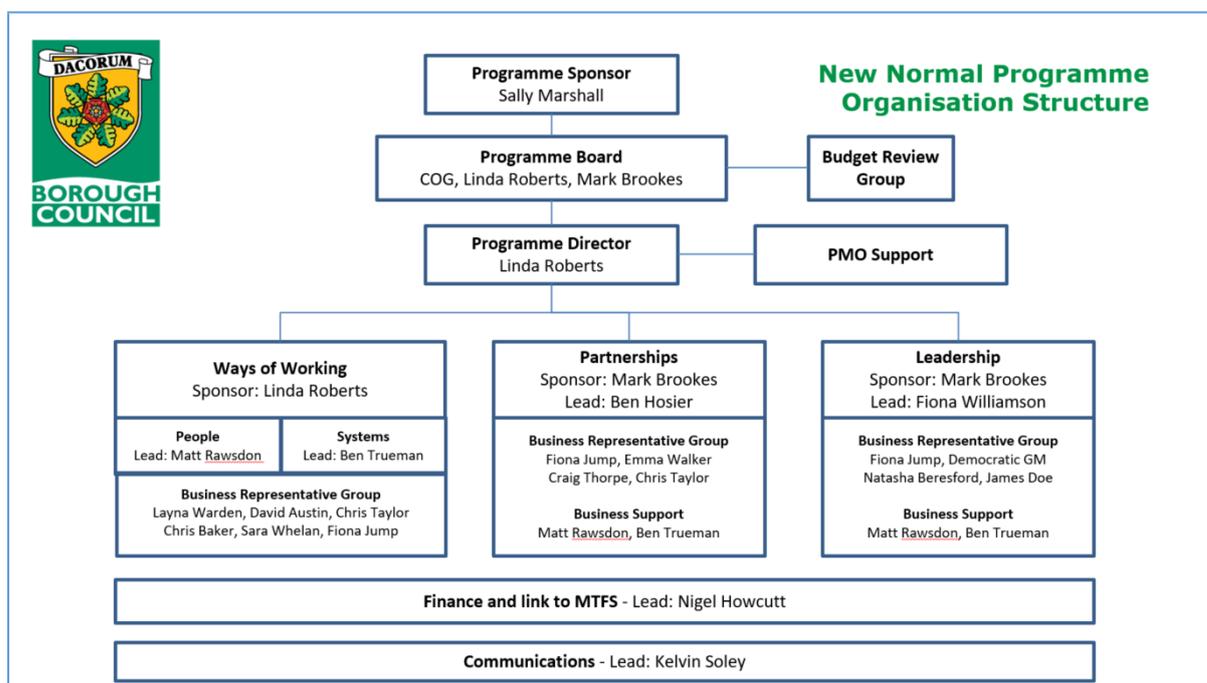
Constraints

10. The change programme will support the efficiency savings identified in the MTFS as well as embedded in the continued delivery of “Business as Usual”. There will be input from across the business to both deliver the change required and obtain buy in and support of the potential benefits.
11. There will need to be a small budget, funded by Facilitation of Change Budget managed by the Chief Executive, to enable the management of the programme. Bringing in any external specialist resource will be kept to a minimum, and there will be a prioritisation of the use of funds through the approval process built into the programme.

Approach

Proposed Programme Structure

12. The following diagram shows the proposed programme structure:

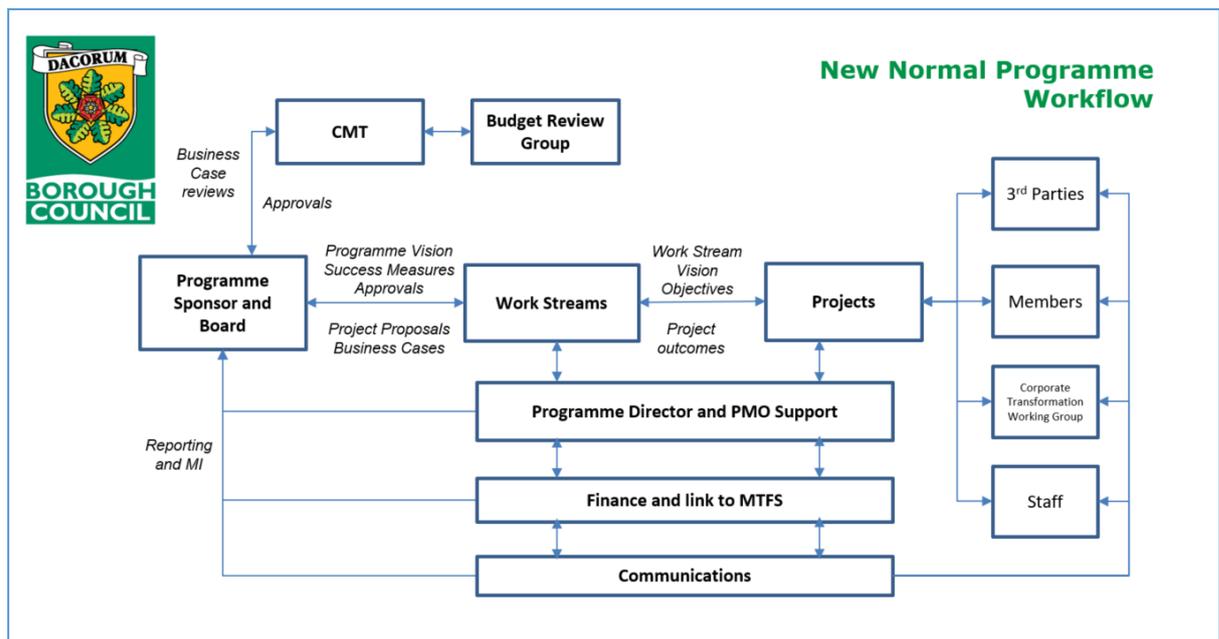


13. The structure has been designed to address some of the common failures of transformation programmes identified in the McKinsey report:

Requirement	Mitigation
Committed leadership	<ul style="list-style-type: none"> Chief Executive is Programme Sponsor COG forms basis of Programme Board Work-streams have AD sponsors Leadership team embedded in work-streams
Clear purpose and priorities	<ul style="list-style-type: none"> Programme and work-streams will have visions, objectives with clear and transparent understanding of roles and responsibilities
Deliver in a timely fashion	<ul style="list-style-type: none"> Work-streams will generate individual change initiatives that will be assessed and approved by the Programme Board. Will look to deliver change regularly in manageable chunks rather than planning a single large project

Requirement	Mitigation
	<ul style="list-style-type: none"> Overall view will be pulled together by Programme Director into a Portfolio of Change Projects
Compelling communications	<ul style="list-style-type: none"> A communication stream is embedded in the design and will provide a plan to address all stakeholder groups
Capability for change	<ul style="list-style-type: none"> Having a Programme Board and approval process will enable the programme to identify when it is essential to bring in any external capability to achieve the required change

14. The following diagram shows the anticipated workflow of the programme, and reporting lines. It is also anticipated that the Corporate Transformation Working Group will also be used to test the opinion of the wider DBC staff on the value of the change initiatives and their relative prioritisation



15. The Programme Objectives and associated Success Measures should set the context for the works streams to develop their own objectives and specific change initiatives in the form of projects. The projects will be scoped and defined using a Project Initiation Document (PID) and reviewed by the Programme Board for approval to proceed to delivery. At this stage, there will also be a supporting business case, which will be reviewed by the Budget Review Group, as required, which has Chief Officer Group and Member representation. Approval will be based on the projects ability to deliver against the programme’s vision and objectives and other strategic aims contained in the MTFS, Corporate Plan and Local Plan.

16. Progress will be tracked against desired outcomes and these will be reported and collated at the organisation level by the Programme Director and Programme Management Office (PMO). Finance will support the development of the business cases, and evaluate how they align to support the MTFS.

17. Excellent communications will also be required to support the delivery of the programme and associated projects. Internal communications will support the Programme Director in ensuring that we promote the activity that is taking place and promote the desired outcomes. The communications will be

tailored for the range of stakeholders including officers, Members and the wider community. The Corporate Transformation Working Group will also be used to understand the support and relevance of different initiatives across the Council.

Resources

18. For change to be successful, it is important that it is owned and driven by the organisation itself. Hence, the Programme Structure is making use of resource that already exists within the Council, and is already budgeted.
19. When there is competing demand for resources between any change initiative and “business as usual”, the programme will have to consider this when looking at the realistic timescales for delivery. The PMO support will sit in the Performance team, now part of the ICT and Technology team.

Governance and Reporting

20. Each project within the programme will have its own Sponsor and Project Manager, and will report progress to the Programme Director. The Programme Director supported by a PMO, Finance and Internal Communications will look at the impact and timing of the projects across the whole Council. This will enable the programme to identify interdependencies and make any necessary adjustments to the delivery timetables to mitigate any risks and maximise the value of the projects.
21. The New Normal Programme will replace the Modern Efficient Council Programme, and will report into CMT, at the Programme Board and Programme Management Meetings. Appropriate scrutiny committee meetings will review any specific projects where there is anticipated significant impact, and, if necessary, they will be taken to Cabinet and Council in the same way as other projects in the Council.

Next steps

22. The approach to the programme was considered by CMT on 25th September 2018. The Leadership Team (CMT plus Group Managers) were briefed on 27th September, and support the approach.
23. The programme will be launched to staff at the Staff Conference on 21st November. Their involvement in the development of the projects will be essential to the success, and ultimate improvement of the provision of services.
24. Members will be engaged in specific projects through relevant work-streams.
25. Following the launch at the staff conference, the work-streams will be convened, workshop held, where they will formulate their objectives and develop outline plans to creating projects to support the development of the work-stream and overall New Normal programme.