



Commissioning Review Report Stage 5 Business Support Review

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1 EXECUTIVE SUMMARY

Review	Key Points
Scope	All Business Support functions across the Council (eg: Customer Services, Finance, HR, IT, Legal, Policy etc)
Defining Outcomes	<p>The Outcomes Statement for Business Support reflects:</p> <ul style="list-style-type: none"> • The corporate client role • The need for Outcomes to be delivered in different ways (in particular, self-service) given the challenges we face • The “sub-outcomes” that the major service areas have developed within the overall framework
Service Assessment	<ul style="list-style-type: none"> • Insufficient current understanding of customer needs and expectations • Importance of consolidation & standardisation of similar functions – a whole Council approach • Too many variations in how support is provided; too many different processes etc • Gaps in how we capture transaction costs and how we measure performance
Comparison	<ul style="list-style-type: none"> • Need to strengthen the statutory, governance and stewardship role that has to be undertaken for the Council as “corporate client • Centrality of ICT and digital to delivery of business support outcomes and to drive innovation • Developing a strong strategy and policy function and business intelligence capability • Benefits of collaboration, 95% of councils in England have some form of shared service arrangement • Good performance across corporate services as whole and on an all-Wales basis we compare favourably • A mixed picture on comparative costs, which requires further analysis as we redesign business support
Options Appraisal	<ul style="list-style-type: none"> • We have developed design principles for business support to provide a clear, consistent and integrated framework for service redesign • The new model will drive down transactional costs, drive up value and reduce or divert the demand for services • The best Councils have a Digital business strategy with investment • We found a strong preference for In House Transformation to deliver the new model • But we need to be confident we have the will, skills and resources to implement this • And we need to continue to factor shared services into our planning and have an eye to future income from trading
Proposals	<ul style="list-style-type: none"> • The adoption of a radical new model for business support that has 3 distinct but inter-related components: <ul style="list-style-type: none"> ○ a strong strategic centre (for the Council not for

	<p>corporate services)</p> <ul style="list-style-type: none"> ○ a small corporate advisory unit ○ an integrated business hub, covering all Council functions <ul style="list-style-type: none"> • Transformation of existing business support in line with the common design principles to provide a clear, consistent and integrated framework for service redesign • The transfer of all business support functions, staff and budgets to the new structure, wherever they lie and whatever service they notionally support – quite simply the model is not viable and savings will not be achieved unless this happens • A strong preference for the in house transformed model to deliver this, at least as a first phase, but “keeping the door open” for collaboration/shared services; however, the new model will need to address culture, identity and branding, we will need to think like a business, even if we are still an in house service • Whole system change across the Council, we will not simply transfer the current work to services, rather we will change the way processes currently operate as set out in the design principles, including the introduction of new systems to reduce/divert demand and support the change • Agree a change plan and engagement strategy with strong messages about the future and branding for the new model, demonstrating the benefits to residents, the Council, Services and employees • Establishment of a transition team to develop the new model, work with each Service Area and Schools on customer needs and to support and develop managers’ capabilities to fulfil their responsibilities and to self-serve • Adoption of a digital business strategy: this must be the central driver for our future strategy as a Council and, therefore, for business support • Produce a business case which will describe the benefits, investment in systems/ICT, process change and training, key milestones and inform the detailed service redesign • A workforce development plan setting out the skills, competencies and behaviours required for the new model and a training/development plan to support managers and staff • A phased approach to delivery • Reductions in costs and staffing: £12.5m and 380 FTE • A pragmatic, benefits driven approach about the future development of the model, including opportunities for shared services/collaboration, right sourcing and trading
Implementation	<ul style="list-style-type: none"> • The proposed approach to implementation is set out in the Review Report, phased over 3/4 years

2.0 OVERVIEW AND SCOPE

2.1 This report:

- Summarises the outcomes from the Commissioning Review for Business Support
- Provides evidence that the Review has completed all relevant tasks as part of each Stage of the commissioning process
- Sets out the recommendations from the Review for approval by Cabinet
- Outlines the implementation process for Stage 6

2.2 The scope of the Review was **ALL** business support functions across the Council ie: not just those in the Corporate Services Directorate. See **Appendix A**.

2.3 The Review is important because:

- Corporate Services have to reduce their budget by 50% over the next 3 years
- The current model of delivery is unsustainable, fragmented and in need of investment and modernisation
- The future model needs to change to support the Council as a whole and the delivery of frontline services

2.4 Corporate Services have four main roles in supporting the Council in delivering its priorities for Swansea:

- **Direct delivery** of services to residents, eg: contact centre, benefits
- **Business support** to services across the Council to do their jobs eg: finance, HR, ICT
- **Delivering specific projects** eg: revamping the Council's Website, ICT infrastructure programme
- **Developing the organisation** eg: leading the Council's Innovation Programme

2.5 Ahead of the Commissioning Review, Corporate Services had been working on a new model based on key design principles, which were evaluated as part of the Commissioning Review process.

3.0 STAGE 1 – DEFINE OUTCOMES

3.1 Purpose of Stage 1

Stage 1 of the Commissioning Review process is about defining outcomes:

What are the outcomes that we want to deliver and for whom?

A Stage 1 Workshop with stakeholders took place on the 23 April 2015 (reported in full as part of the Gateway report)

3.2 Stage 1 Questions

The Review has addressed the Stage 1 questions set out in the agreed process. The assessment for each of the 5 main service blocks under review and the overall conclusions were reported in the gateway report.

Key conclusions are set out in Table 1 below.

An **Outcomes Statement** has been produced for Business Support and is attached as **Appendix B**. The Outcomes reflect:

- The corporate client role
- The need for Outcomes to be delivered in different ways (in particular, self-service) given the challenges we face
- The “sub-outcomes” that the major service areas have developed within the overall framework

4.0 STAGE 2 – SERVICE ASSESSMENT

4.1 Stage 2 of the Commissioning Review process is about how good we are at delivering the Outcomes:

*How is the current service delivering against the outcomes?
This is about the current performance and effectiveness of the service*

4.2 The Review has addressed the Stage 2 questions set out in the agreed process. The assessment for each of the 5 main service blocks under review and the overall conclusions were reported in the Gateway report.

4.3 Key conclusions are set out in Table 1 below.

Table 1 – Stage 2: Conclusions

Issue	Comments
Stopping Functions	<ul style="list-style-type: none"> • So far, customers and service providers have not identified any functions that should be stopped altogether (albeit the level can be reduced, the service needs to change etc) • This needs to be tested further during the next stages
Corporate Client	<ul style="list-style-type: none"> • It needs to be understood that corporate services have a statutory, governance and stewardship role that has to be undertaken for the Council as “corporate client” • The way in which this is delivered can, of course, be different
Alignment of change	<ul style="list-style-type: none"> • We need to ensure that the changes made in Business support are built around the future shape of the Council and aligned with the changes taking place in service areas - but this is a “moving target” • This will require more detailed discussions with customers and alignment with other commissioning reviews
Impact on customers	<ul style="list-style-type: none"> • As business support resources are reduced significantly, an impact on customers is inevitable • There is a concern that changes to Business Support will result in “shunting” of work and/or costs to services • The intention is to support services via self-service, training, toolkits etc, so the process will need to be managed to avoid this risk • It needs to be clear that customer “behaviour” and expectations will need to change as part of any new model,
Level of Support	<ul style="list-style-type: none"> • There is a concern that changes to Business Support will result in insufficient levels of services being provided, thus impacting on frontline services

	<ul style="list-style-type: none"> • Close discussions will be required with services to develop an understanding of the minimum level of support required so this can be documented and monitored
Affordability	<ul style="list-style-type: none"> • Linked to the last point, the MTFP proposes significant cuts to business support, but we must retain a minimum level • So solutions will need to be radical to square this circle
Customer Relationships	<ul style="list-style-type: none"> • There are gaps in how customer feedback is captured and how it is used to plan, change services and manage demand • However, we also need honest feedback so this can be achieved
Whole Council Approach	<ul style="list-style-type: none"> • In line with the existing agreed policy, consolidation of similar functions will be required – a whole Council approach • Part of this will need to be an acknowledgement that there will be “one way” of doing things ie: this is the way we transact business • We will need to work through this as part of the next stages but this will required the transfer of staff and functions
Performance & VFM	<ul style="list-style-type: none"> • There are gaps in how we capture transaction costs and how we measure performance measures in some areas • This will be addressed at the next stage
Change Plan	<ul style="list-style-type: none"> • It needs to be acknowledged that the changes will take time, they will need investment (people and money) and there will be risks • We also need to acknowledge that we are “on a journey” and need to change culture as well as systems and processes • We need to think now about will we plan, measure and evaluate the success of the changes we make • This will be built in to Stage 5

- 4.4 A service workshop took place to review the Gateway report and key issues. The Gateway Report was agreed by the Budget Review Steering Group on 16 July 2015.

5.0 STAGE 3 – SERVICE COMPARISON

5.1 Purpose of Stage 3

Stage 3 of the Commissioning Review process is about comparing the current service:

*Compare the current service model, outputs, cost performance with others
This is about assessing whether there are better ways to deliver the outcomes*

5.2 Approach to Stage 3

A Stage 3 Workshop took place on 14 July 2015 to discuss the outcome of the comparison stage undertaken by each Service (reported in full as part of the Gateway report).

Comparative data was obtained from a wide range of sources, some across business support, some specific to each Service. The key sources included:

- Welsh Government Administrative Review (KPMG): a summary of the key points from this is set out in **Appendix C**
- Advice from Improvement and Efficiency Social Enterprise (IESE): who have extensive experience of working with local authorities on transformation and efficiency
- Case studies from the Local Government Association (eg: Local Government Shared Service Guide) and Welsh LGA
- Data from professional associations such as CIPFA
- Comparison data from a range of other local authorities, including Nottingham City Council as a similar unitary council to establish an English context
- Research and opinion pieces from organisations such as Gartner, NLGN, Deloitte, Localis etc.

The Review addressed the Stage 3 questions set out in the agreed process (reported in full as part of the Gateway report)

5.3 Key Findings & Summary

The key conclusions, or insights, from Stage 3 are set out in Table 2 below:

Table 2 – Stage 3: Conclusions

Theme	Insight
Corporate Client	<ul style="list-style-type: none"> • Benchmarking has reinforced the Stage 1/2 Outcome about the importance of the “corporate client” • Business support/corporate services have a statutory, governance and stewardship role that has to be undertaken for the Council as “corporate client” • This has been reflected in the design of new models elsewhere
Shadow Services	<ul style="list-style-type: none"> • Returns submitted for the KPMG review show around £6.5m of spend on business support outside of the Corporate Services

	<p>Directorate</p> <ul style="list-style-type: none"> • The scope of this Commissioning Review was defined to include ALL business support functions • Further analysis is taking place on this to identify all posts and associated budgets across all support functions and services (including support for the HRA)
Delivery of Outcomes	<ul style="list-style-type: none"> • The overwhelming conclusion from benchmarking was the centrality of ICT and digital to delivery of business support outcomes • ICT and digital led change will need to underpin the new business support model and the whole organisation • The second insight was the importance of developing a strong strategy and policy function to align organisational thinking and action, we are currently weak in this area • Linked to this is the consolidation of business intelligence to inform service improvement and business change
Market Assessment	<ul style="list-style-type: none"> • There is a strong and diverse market for business support services, both as a package (Business Process Outsourcing) or as function eg: legal • Having agreed to exit the Cap Gemini contract it is not likely that we will wish to enter into a new outsource arrangement in the medium term, but this is explored as part of Stage 4 (eg: “Right Sourcing”, working with the market flexibly where it makes sense, may be the optimum solution) • Comparison with English councils highlighted dramatically the benefits of collaboration, particularly as resources have diminished; 95% of councils in England have some form of shared service arrangement • This has to be part of our thinking if we are to deliver outcomes in a sustainable way and as a potential vehicle for income
Innovation	<ul style="list-style-type: none"> • The most significant and transformational area of innovation is digital; many organisations have adopted digital as a business (not ICT) strategy • Benchmarking has also shown that there is innovation in most areas of business support, led as, would be expected, by customer insight, business intelligence, process change, self-service • There are few areas that Swansea is not already thinking about or doing, for example, we are at the forefront of change in revenues and benefits and ICT developments are underway as the transition to in-house gathers pace, but we need to go further and faster • To achieve the full benefits from innovation, we need to establish

	a common business unit and processes
Evidence	<ul style="list-style-type: none"> • Shared Services: the experience of England underlines the importance of shared services in the future; as well as the potential for income through trading • Investment: the Council will need to be prepared to make significant investment in new technology on a ROI basis – or lever this in from a delivery partner • Mixed Models: there is no ‘one size fits all’ and each function could be handled in a different way • Whole Council: case studies also evidence that importance of leadership and adopting a whole Council approach involving all services, including support for the HRA
Performance	<ul style="list-style-type: none"> • The recent WAO Corporate assessment found good performance across corporate services as whole and on an all-Wales basis we compare favourably • Benchmarking has confirmed the importance of delivering our current plans to invest in and change the delivery model for ICT and customer contact
Costs	<ul style="list-style-type: none"> • Conclusions from the KPMG review need to be treated with caution but should nevertheless be a driver for improvement • The assessment has shown a mixed picture but needs to be the start of further analysis as we redesign business support • Some of our above average costs are due to non-compliance or a lack of standardisation eg: ISIS should be the ONLY method of purchasing within CCS but we still have around 50% of purchases by value outside of this
Change Management	<ul style="list-style-type: none"> • Stage 3 has also provided some insight into change management • Organisational Maturity: there has to be acceptance that a different model for business support is required and will be supported • Value Proposition: linked to this is the importance of describing the new model in terms of value to the customer (corporate and service) • Resources: the change has to be properly resourced, planned and monitored

5.4 Recommendations (*taken forward to Stage 4*)

- **Adopt digital as a business (not ICT) strategy:** digital innovation for people, service delivery, business improvement etc must be the central driver for our future strategy as a Council and, therefore, for business support
- **Assesses opportunities for shared services:** build joint working and collaboration into the future design of business support (cross sector)

- **Assess what a mixed model could look like** for different business support functions
- **Ensure all business support is in scope for Stage 4:** rationalisation of business support must take place across the Council, including support for HRA and trading activities
- **Develop Strategy and Policy Capability:** a stronger central focus on strategy and policy as part of redesigning corporate services; to align organisational thinking and action on strategic planning and policy development as a new “value added” function for the new “strategic centre” eg: to include other areas where policy development is being undertaken
- **Develop Business Intelligence Capability:** adopt the use of insight to inform service improvement and business change as a new “value added” function for the new “strategic centre”
- **Consolidation of transactional services:** develop a new model based upon the integration of business support functions and processes from across all parts of the Council, including support for the HRA and business units; this will drive the greatest benefits and cost savings
- **Property & Asset Management:** consider the relationship between the property function and the “centre” as part of strategic resource management (assets) and business support (facilities management)
- **Develop a value proposition for the new model:** as part of the change management process we need to set out why the new model will be better – even if we have to reduce significantly what we spend; meaningful engagement with customers will be vital to success
- **Further Benchmarking:** explore in more detail the approach adopted, the benefits and learning from the business support models in England eg: Kent, Buckinghamshire, Nottingham

6.0 STAGE 4 – OPTIONS APPRAISAL

6.1 Purpose of Stage 4

Stage 4 of the Commissioning process is about future options for business support. The central question to be asked at Stage 4 is:

What are the different options for delivering the outcomes we have agreed for business support?

6.2 Approach to Stage 4

Each Service Area worked on Stage 4 and the different perspectives were then brought together to ensure a common approach for the final recommendations.

The work for Stage 4 involved:

- Review and assess **different options** for delivering the outcomes
- This needs to cover **service design and innovation** as well as **service provider**

A Stage 4 Workshop took place on 4 August 2015 to discuss the draft future Operating Model for Business Support and options for the future delivery of the new model (reported in full as part of the Gateway report).

6.3 Response to Stage 4 Questions

The Review addressed the Stage 3 questions set out in the agreed process (reported in full as part of the Gateway report).

Key points from the assessment are set out in Table 3 below:

Table 3 – Stage 4: Conclusions

Theme	Insight
Service Redesign	<ul style="list-style-type: none"> • A number of design principles have been developed for business support which will provide a clear, consistent and integrated framework for service redesign. These are set out in Appendix C with a brief explanation of what they mean • The benefits of this approach are also described below • A fundamental aim of the new model is to drive down transactional costs and to drive up value as illustrated in Appendix C • The potential shape of the model and the range (not exhaustive) of functions in the “transactional” and “valued added” category is set out in Appendix C
Demand Management	<ul style="list-style-type: none"> • A central objective of many of the design principles for business support is to reduce or divert the demand for services. This will be achieved as set out in Appendix C
Digital Technology	<ul style="list-style-type: none"> • The work on Stage 4 has reinforced the centrality of digital for business support change AND as a central driver for our future

	<p>strategy as a Council. There are a number of aspects to this for business support:</p> <ul style="list-style-type: none"> ○ Digital innovation for people: agile working, mobile working, within buildings, in the community and at home ○ Digital innovation for service delivery: the internet of things, social media, customer transactions; cloud technology ○ Digital innovation for business improvement: automation of basic processes, customer insight, mobile apps to increase customer and staff engagement <ul style="list-style-type: none"> • There are wider and far more significant implication for the City and the Council that need to be explored as part of our future digital strategy that are beyond the scope of this Review. • Clearly there will be investment requirements here which will need to be set out in a business case, showing return on investment
Cost Reduction and Efficiencies	<ul style="list-style-type: none"> • Reductions in cost and improvements in efficiencies can be achieved by applying the proposed design principles through a new model for business support • The key drivers for this are set out in Appendix C • Each Service Area has produced proposals for the implementation of this approach across their functions. These are set out (in high level) in Appendix D – note that there are already a number of examples of this approach across business support. These case studies will be used to demonstrate the potential benefits of the new model
Alternative Delivery Models	<ul style="list-style-type: none"> • See section 4.4 below

6.4 Alternative Delivery Models

6.4.1 Assessment Process

The new delivery model matrix was completed and scored based on the following options and criteria:

Model	Criteria
<ul style="list-style-type: none"> • Transformed In House • Shared Service • Out Sourced • Traded Agency 	<ul style="list-style-type: none"> • Outcomes • Fit with priorities • Financial impact • Sustainability and viability • Deliverability

(NB: some Services have also assessed “as is” as a baseline for other options)

This has been undertaken by each of the 5 Service Areas within the Review and, in most cases, has also been broken down into broad functional blocks within each Service.

6.4.2 Comments on the Approach

- One form of delivery may deliver better outcomes for one service but not for others. The Council could, therefore, decide to go for a “best of breed” approach for HR, Finance, Legal etc, or go for the best fit for all.
- Similarly, the delivery models are not mutually exclusive.
- Finally, the best model of delivery may change over time

6.4.3 Outcome of Assessment

A summary of the outcome for each Service Area/Block is set out in table 4 below:

Table 4 – Evaluation of Delivery Models – Summary Scores

New Delivery Models Scoring Matrix - Overview of Business Support Functions							
Business support services		(Option 1) As Is	Option 2 (Transformed In House)	Option 3 (Private Company)	Option 4 (NFPDB/Arms Length/Other)	Option 5 Outsource	Option 6 Shared Services/ Collaboration
Service	Functions	Weighted	Weighted	Weighted	Weighted	Weighted	Weighted
Information & Business Change	Business Change	4.2	4.8	3.6	2.3	0	4.3
	ICT	4.3	4.4	0	2.5	2.7	0
	Strategy and Information	3.1	3.7	1.7	1.6	0	2.9
Legal	Legal (excluding Democratic Servi	0	4.4	0	3.6	1.4	3.3
Finance	Revenues & Benefits	3.9	3.2	0	0	2.7	3.3
	Finance (Transactional)	3.6	4.1	0	0	3	3.3
	Finance (Int Audit)	3.5	4.0	0	0	3.5	3.9
	Finance (Core Financial Service)	3.6	4.8	0	0	3.1	3.3
Communications & Marketing	Web Development	0	4.1	0	0.9	1.2	2.9
	Communications	0	4.1	0	1.7	1.4	3.4
	Access to Services	0	4.0	0	2.4	0.0	5.6
	Complaints	0	4.1	0	2.8	0.0	3.7
	Executive Board Pas	0	3.6	0	1.7	1.3	2.7
HR & OD	HR Operations	3.1	7.0	0	5.2	2.5	0
	Organisation Development	4.2	4.8	0	1.7	1.0	0
	Employee Services	4.4	4.8	0	1.7	1.0	0
TOTAL		37.9	69.9	5.3	28.1	24.8	42.6

The **overall assessment** of the four models for Business Support as a whole was reported in full as part of the Gateway Report.

6.4.4 Commentary on the Outcome of the Assessment

Taking into account the Service and overall assessment of the options for delivery set out above and the points from the Commercial assessment, the following **key points** emerge:

- There is a very strong preference for the In House Transformed model: this was also the outcome of the Workshop on 4 August 2015. **But we need to be clear that the rationale for this is equally strong and objective and that we have the capability to deliver this**
- Service transformation to achieve the desired outcomes requires far more than good processes and effective management, it requires a far more radical approach. **We need to be satisfied that our approach is radical enough**
- The reason shared service centres in the private sector radically reduce costs is because they offer a different service, not just a more 'efficient' or 'consolidated' one. **We need to be confident that we are able to make this level of transformation**

- Councils that have transformed business support services have not achieved the efficiencies to the level that we require in the medium term. **Therefore, other options must be kept in play**
- The scale of shared service arrangements in England (involving 95% of councils) demands that we factor this into our future thinking, albeit the appetite in Wales for this appears low and overshadowed by potential LGR. **We need to agree how best to pursue this**
- There is no commonality over services which are bundled as support services, and there are case studies which cover a range of support services as a package. **We need to have a clear rationale for the business support package that we are putting forward**
- There are income opportunities within the scope of the commissioning review, but the challenge is to understand how these should be taken forward and the optimum time for this. **We need to understand the future income potential of services, as we implement the new model and increase the attractiveness of our offer**

6.4.5 Gateway Report

The second Gateway report, setting out the conclusions from Stages 3 & 4 and the key recommendations was agreed by the Budget Review Steering Group on 25 August 2015

7.0 STAGE 5 – FINAL REPORT AND RECOMMENDATIONS

7.1 Purpose of Stage 5

Stage 5 of the Commissioning Review process is about the final conclusions and recommendations:

*Bring all the stages together into a report for final decision on the way forward
This needs to set out the rationale for the decision, the change plan to deliver this and the monitoring process*

7.2 Stage 5 Questions

The response to the Stage 5 questions is set out in Table 5 below:

Table 5 – Response to Stage 5 Questions

1. Has the Review completed all the Stages effectively?
Yes, two Gateway reports have been produced and agreed by the Budget Review Steering Group
2. Who has been engaged and how have their views been taken into account?
<p>As reported in the Gateway reports, workshop have taken place at each stage.</p> <p>We have sought to engage employees in the service, service managers from outside corporate services, Members and Trade Union representatives</p> <p>Reports have been considered by the Executive Board and the Leadership Team</p> <p>The engagement has shaped the Outcome Statement, design principles and approach to implementation</p>
3. Is there a clear and persuasive case for the recommendations?
<p>The benefits of the proposed model are as follows:</p> <ul style="list-style-type: none"> • Customer: better delivery of the agreed outcomes, including greater focus on “added value” services and advice (including the corporate client) • Cost: significant reduction of costs through the elimination of waste and unnecessary processes, reduction in headcount; capable of meeting the 50% savings target • Efficiency: simpler and standardised transactions that will produce quicker and consistent results • Workforce: the tools (ICT and training) to do the job and empowerment to resolve problems leading to an increase in job satisfaction • Capability: increasing the capability of managers to manage • Governance: clear statement of respective roles and responsibilities, increasing accountability and the ability to improve performance • Continuous Improvement: a virtuous circle of better customer engagement,

focus on better outcomes and innovation from staff to improve service delivery

4. What needs to be done to deliver the change?

An outline implementation plan is set out in section 6 below and Appendix E

5. What confidence do we have that we can make the change?

The assessment of our ability to deliver the change is based on a number of assumptions as follows:

- **Organisational ownership:** Directors and HoS will agree and support the new model
- **One Model:** we will transfer ALL functions/staff/budgets within scope from other Services to the new operation, including those that support HRA and business/trading units
- **One way:** there will be one way of doing things across the Council to drive out waste, standardise and optimise processes, with action for non-compliance
- **Bi-modal:** we will need to work on the basis of all areas having a dual role of running day to day operations and striving for continuous improvement and innovation
- **Strategic Thinking:** the Leadership Team/SMG will make a leadership and creative contribution to the strategic centre (ie: we are all part of the strategic centre of the Council)
- **Change Plan:** the new model also needs key cultural change to be realised eg: Swansea Manager, innovation
- **Resources:** we will put in place sufficient interim resources to design and implement the changes at the pace required (eg: secondments, use of external subject matter expertise); we will have the resources/skills to implement new systems successfully

6. How will we realise the benefits, who will be accountable for this?

There will be a Project Board and Transition Team to oversee delivery and this will include a transition plan with benefits realisation methodology

Accountability for delivery will be at different levels:

- Strategic Leadership: Leadership Team
- Senior Responsible Owner: Director of Corporate Services
- Project Director: Head of Legal and Democratic Services
- Senior Users: Heads of Service

7.3 Conclusions and Recommendations

The conclusions from the Commissioning Review for Business Support are as follows:

The scale of savings we need to make cannot be achieved solely by greater efficiencies, better systems and integration (although all of this is still required).

A solution that is capable of delivering the required outcomes for business support and is sustainable demands a radical model that:

- ***Transforms business support in line with the new design principles, so that there is one way of doing things***
- ***Challenges and changes business support delivery ACROSS THE COUNCIL***
- ***Transforms our systems around a new digital strategy and platform***
- ***Targets a significant and planned reduction in headcount over the next 3 years***
- ***Adopts a pragmatic and benefits driven approach to future delivery options***

The recommended model to deliver the agreed Outcomes for Business Support is set out in **Table 6** below:

Table 6 - New Model of Business Support

Key Features and Actions

- The adoption of a **radical new model** for business support that has 3 distinct but inter-related components (see further **Appendix C**):
 - a strong **strategic centre** (for the Council not for corporate services)
 - a small **corporate advisory unit**
 - an **integrated business hub**, covering all Council functions including HRA and business/trading activities
- Transformation of existing business support in line with the **common design principles** (see Appendix C and examples of service change in Appendix D) to provide a clear, consistent and integrated framework for service redesign; this will need to be undertaken with discipline and rigour to ensure a consistent approach to service redesign and to avoid variations in the degree of risk and innovation
- The **transfer of all business support functions**, staff and budgets to the new structure, wherever they lie and whatever service they notionally support – quite simply we are better together and the model is not viable and savings will not be achieved unless this happens *NB: there will be further discussion about the links between the new model and property/assets*
- Adopt a **digital business strategy for the Council**: digital innovation for people, service delivery, business improvement etc must be the central driver for our future strategy as a Council and, therefore, for business support
- A strong preference for the **in house transformed model** to deliver this, at least as a first phase, but “keeping the door open” for collaboration/shared services; however, the new model will need to address culture, identity and branding, we will

need to think like a business, even if we are still an in house service

- **Whole system change across the Council**, we will not simply transfer the current work to services, rather we will change the way processes currently operate as set out in the design principles, including the introduction of new systems to reduce/divert demand and support the change
- Agree a **change plan and engagement strategy** with strong messages about the future and branding for the new model; this would include the “value proposition” for the new model, demonstrating the benefits to residents, the Council, Services and employees, alongside the delivery of the new outcomes we have set
- Establishment of a **transition team** to develop the new model, work with each Service Area and Schools on customer needs for new service standards and to support and develop managers’ capabilities to fulfil their responsibilities and to self-serve (the transition resources will be reduced in a planned way over the 3 years)
- Produce a **business case** which will describe the benefits, investment in systems/ICT, process change and training, key milestones and inform the detailed service redesign
- A **workforce development plan** setting out the skills, competencies and behaviours required for the new model and a training/development plan to support managers and staff
- A **phased approach to delivery** (see Appendix E - indicative only at this stage):
- **Reductions in costs and staffing** as follows (an indicative working assumption):

Year	Reduction	£000	FTE	Achieved By
2016/17	15%	3,750	115	Consolidation/rationalisation Standardisation Reduced demand/ increased self service
2017/18	20%	5,000	150	Reduced demand/prevention Common operating model New technology
2018/19	15%	3,750	115	New technology Improved performance Collaboration
Total	50%	12,500	380	

*Note: This assessment is based, at this stage, on the Budget and staffing for the Corporate Services Directorate only. The actual transformation and changes will need to be made across **ALL** business support functions, as stated in this report*

- A **pragmatic, benefits driven approach about the future development of the model**, including opportunities for shared services/collaboration, right sourcing and

trading (there is a clear requirement and scope for increasing income); consequently we need to continue work on alternative options alongside the internal transformation, including working with existing local authority business support providers

- As part of this, we should **assess the future potential market for the Council's support services to trade** as a "package" either as part of the overall model or a separate, later venture; this could include, for example, HR advice, training, workforce planning, business change, commercial/business development advice (provided that we have the right skills and there is a clear market opportunity)

7.4 Alternative Options

The following alternative option(s) have been considered but rejected as unviable and contrary to the one Council approach we are aiming to deliver:

Alternative Delivery Model

- The only potentially viable alternative is a form of federated business support. Key features would be:
 - Retain a minimal "centre" ie: just the statutory minimum, with the Corporate Services Directorate all but disappearing
 - The remaining Directorates/Service Areas would provide their own business support
 - Very few whole Council processes would be retained, with services free to run their own "business"
 - Services would be free to balance spend on frontline and back office to deliver their outcomes

Alternative Delivery Vehicle

- If transformed in-house is not supported then a "best of breed" approach could be considered eg: ICT in partnership with NPT, an ABS for legal
- Or a stepped approach could be adopted, based on order of preference eg:
 - establish a shared service with NPT for those functions where there is agreement
 - establish a trading arrangement for remaining services where there is a market
 - purchase services from an existing local government provider such as Local Government Services Ltd
 - right source other functions
 - retain a small in house strategic core for control and statutory functions

7.5 Legal Implications

7.3.1 There are no legal implications under the preferred option of Transformed in-House

7.3.2 The Council has powers under the Local Government Act 1972 to enter into a range of joint arrangements with other councils if a shared services solution is pursued for some aspects of business support.

7.3.3 The Council has powers to trade to generate additional income and to create alternative business structures for the delivery of its functions.

7.4 Financial Implications

7.4.1 The Medium Term Financial Plan includes a target reduction of 50% over the next 3 years for Corporate Services as follows:

2015/16 Budget	3 year reduction	Savings Required
£25.1m	50%	£12.5m

7.4.2 Current planned savings for Corporate Services and the additional requirement in the MTFP are as follows:

[this needs to be reconciled to the £12.5m target]

	2016/17 £000	2017/18 £000	2018/19 £000
Planned savings	3,176	1,210	-
Additional Requirement	2,441	2,566	4,047
Total	5,617	3,776	4,047

7.4.3 The proposed model would need to achieve these levels of savings (net of any additional income generated) over the 3 years as described above. The table below models how this **might** be achieved, based on assumptions around transformation, future shared services etc implicit in the model:

Year	Reduction	£000	FTE*
2016/17	15%	3,750	115
2017/18	20%	5,000	150
2018/19	15%	3,750	115
Total over 3 years	50%	12,500	380

* *FTEs are an estimate based on an average cost of £25k plus on costs FTEs are based at this stage on CSD staff only, but will include business support posts across the Council.*

7.4.4 As stated throughout this report, the savings will need to be achieved across **ALL** business support costs. Not just from the £25.1m CSD budget. Further work is required to assess these costs, but they are currently estimated to be at least £6.5m.

7.5 HR Implications

7.5.1 Because of the financial targets that need to be met, there will be a significant reduction in posts at some stage under any option.

7.5.2 In relation to the preferred option of In House Transformation:

- Significant staff reductions will need to be made over the next 3 years to deliver the savings requirement
- This is estimated (high level only) to be 380 FTE for Corporate Services Directorate, but will also include staff who are delivering business support across the Council
- ER/VR opportunities will need to be explore
- New job descriptions will be required for all posts within the new model

7.5.3 Under all options, consultation with staff and unions will need to take place and HR procedures followed to ensure that all staff have an opportunity to comment on the new model and structure and understand the process for assessment, appointments and the out placement support for those who are not successful.

7.6 Consultation

7.6.1 The Review has sought to engage stakeholders and obtain views from experience elsewhere as follows:

- *Updates to staff in corporate services*
- *Senior Manager workshops at each stage*
- *Stakeholder Workshops on outcomes and alternative models, including Trade Union representatives and Scrutiny Members*
- *Consultation with the Leadership Team on proposed Outcomes*
- *External advice and challenge from Gartner and Improvement & Efficiency Social Enterprise (IESE)*
- *Report to the Executive Board*
- *Presentation to Leadership Team*

7.6.2 The Communications Plan for implementation will cover all aspects of communication, engagement and involvement, including:

- Stakeholder map
- Key messages
- FAQs
- Engagement opportunities
- Staff Reference Group

7.6.3 A key objective will be to provide opportunities for staff to help to shape and design the new model in accordance with the design principles

7.7 Equalities

7.7.1 An EIA Screening Form has been completed and a full EIA report will be required

7.7.2 Although it is not possible to assess the precise impact on particular groups until the detailed design of the new model is available, it is clear that there may be a potential impact inside and outside the Council. For example: engagement with specific groups, e.g. those organisations that Finance work with on Welfare Reform, benefit recipients, contact and call centre users, equality forums co-ordinated by Communications.

8 STAGE 6 – DELIVERY PLANNING

8.1 Purpose of Stage 6

Stage 6 of the Commissioning Review process is about the final conclusions and recommendations:

Delivery of the agreed change plan
This needs to be undertaken as a project to ensure that it happens

8.2 Stage 6 Questions

The (initial) response to the Stage 6 questions is set out in **Table 7** below:

Table 7 – Response to Stage 6 Questions

1. Is there a delivery plan with clear actions, milestones and accountable officers?
<p>Outline plan is set out in Appendix E.</p> <p>Overall accountability rests with the Director of Corporate Services.</p> <p>There will be accountabilities within the project for Heads of Service and Service Managers across Corporate Services and other parts of the Council</p>
2. What resources are needed from the service or otherwise to implement?
<p>A Transition Team is being established to deliver the plan on a full time basis with roles being backfilled.</p> <p>This will be led by the Head of Legal and Democratic Services</p> <p>Each Service will be represented on the Team</p> <p>Project, change management and business analysis resources will be brought in from the Business Change Team</p> <p>External support will be sought from IESE and Gartner under existing arrangements</p>
3. Where there is a procurement or other new model, what is the strategy for putting this in place?
<p>Not applicable</p>
4. Where there is an internal transformation, do we have the necessary skills or do we need help?
<p>Project, change management and business analysis resources will be brought in from the Business Change Team</p> <p>External support will be sought from IESE and Gartner under existing arrangements</p> <p>We will also use the learning and knowledge from other Councils who have or are adopting this model eg: Kent, Buckinghamshire, Birmingham</p>

5. What are the risks, who owns these and what is the mitigation?

The top risks and mitigation are set out below:

Risk	Mitigation	Risk Owner
<ul style="list-style-type: none"> Capacity: we don't have the resources to implement the change 	<ul style="list-style-type: none"> Identify resources requirements in the project plan 	Director
<ul style="list-style-type: none"> Capability: we don't have the skills and knowledge to implement the change 	<ul style="list-style-type: none"> Identify skills and knowledge in the project plan and retain from IESE/Gartner 	Director
<ul style="list-style-type: none"> Systems: we fail to invest in or implement the right systems and technology to operate such a radical model 	<ul style="list-style-type: none"> Business case to be produced for digital technology, training etc 	Head of Information & Business Change
<ul style="list-style-type: none"> Processes: we fail to stop or change processes that reinforce old ways of working 	<ul style="list-style-type: none"> Redesign blueprint will set out changes required 	Transition Lead Heads of Service
<ul style="list-style-type: none"> Savings: we don't deliver the savings in total or in time 	<ul style="list-style-type: none"> Project Plan and benefits Realisation plan will map when savings will be achieved, regular monitoring will be in place 	Director Transition Lead
<ul style="list-style-type: none"> Resistance: the new model is not supported in the Council and by staff and is not delivered or delivered too late 	<ul style="list-style-type: none"> Stakeholder management plan will focus on the key stakeholders and sell the benefits Leadership Team to contribute to this through DMTs etc 	Head of Comms and Customer Engagement Transition Lead Leadership Team
<ul style="list-style-type: none"> Engagement: we fail to undertake sufficient engagement with customers about the changes and so fail to secure ownership and meet expectations 	<ul style="list-style-type: none"> Communication and engagement plan will set out a programme of activities to communicate, engage and involve staff in the change 	Head of Comms and Customer Engagement Transition Lead
<ul style="list-style-type: none"> LGR: we become distracted by LGR and changes are delayed or derailed 	<ul style="list-style-type: none"> Strong messages about the need to make changes now Joint working with NPT CBC where this is agreed 	Executive Board

<ul style="list-style-type: none"> • Sustainability: the new model is unable to adapt to the changing environment and changes to other services and their support requirements 	<ul style="list-style-type: none"> • New model design to include future proofing and build in capacity for continuous improvement and regular review points • Process for regular dialogue with customers about future or changing requirements 	Director Transition Lead
<ul style="list-style-type: none"> • Accountabilities: the transfer of business support for frontline services to the new model could confuse accountability when things go wrong 	<ul style="list-style-type: none"> • Working Together Agreements will set out respective roles and responsibilities • Process for regular dialogue with customers about respective roles 	Heads of Service Transition Lead Leadership Team
<p><i>As part of the implementation planning we need to learn from why previous decisions to standardise approaches across the Council have not been successful</i></p>		
<p>6. What needs to be in the communication plan, who will do this?</p>		
<p>The Communications Plan will cover all aspects of communication, engagement and involvement, including:</p> <ul style="list-style-type: none"> • Stakeholder map • Key messages • FAQs • Engagement opportunities • Staff Reference Group <p>The Plan owner will be the Head of Communications and Customer Engagement</p> <p>A key objective will be to provide opportunities for staff to help to shape and design the new model in accordance with the design principles</p>		

APPENDICES

Appendix A – Business Support Scope

Appendix B – Business Support Outcome Statement

Appendix C – Outline of the New Business Support Model

Appendix D – Examples of Service Change

Appendix E – Outline Implementation Plan

BUSINESS SUPPORT SCOPE

Business Support		Budget £25.1m (plus)
What is the Scope of the Review?	Why Do the Review?	What are the Key Issues?
<p>All business support service functions across the Council (ie: not just within Corporate Services Directorate). Including:</p> <p>HR function: strategy, OD/training workforce planning, recruitment; pensions, payroll, employee relations</p> <p>Finance function: accountancy, internal audit, treasury management, revenues and benefits</p> <p>Legal Services: all litigation, child care, social services, education, commercial and property services etc</p> <p>Customer Services: all channels of customer contact (face to face, phone, web, e-mail etc)</p> <p>ICT: all internal and contracted information management and technology systems, processes and people, including SLAs</p> <p>Other support services: including communications, policy and performance, research and intelligence, project management</p> <p><u>Excludes:</u> Democratic Services/Member Support/Statutory Officer (Governance Review)</p>	<p>Significant budget reductions (50% over 3 years) are required</p> <p>Existing service model is unsustainable</p> <p>Existing model is in need of modernising and innovation</p> <p>Existing support is fragmented across the Council</p> <p>New approach to the use of systems is required</p> <p>Market exists for other providers</p> <p>Corporate support must enable wider change and support frontline services</p>	<p>Agreeing CCS core requirements for support services</p> <p>Establishing the optimum balance between savings and effective support to frontline services</p> <p>Increasing our capability</p> <p>Demand management</p> <p>Establishing a whole Council approach to delivery</p> <p>Change and investment in ICT</p> <p>Opportunities for collaboration (across all sectors)</p>

Budgets and Staffing

The budgets for each Service in Corporate Services are as follows:

CORPORATE SERVICES DIRECTORATE BUDGET*	£000
Communications & Customer Engagement	2,374
Director of Corporate Services	158
Information & Business Change	8,636
HR & OD	2,925
Legal Services	1,860
Finance & Delivery	4,800
Total	22,753

**NB: Excludes budgets in Corporate Services that are outside the scope of the Review and budgets in other services that undertake business support – to be assessed as part of the implementation process*

The staff numbers for each Service in Corporate Services are as follows:

CORPORATE SERVICES DIRECTORATE STAFFING*	FTE
Communications & Customer Engagement	57.57
Director of Corporate Services	1
Information & Business Change	69.59
HR & OD	114.35
Legal Services	82.68
Finance & Delivery	265.42
Total	590.61

**NB: Excludes staff in Corporate Services that are outside the scope of the Review and staff in other services that undertake business support – to be assessed as part of the implementation process*

BUSINESS SUPPORT OUTCOMES STATEMENT

(Produced at Stage 1 following a Stakeholder workshop and subsequent consultation with Heads of Service)

VISION STATEMENT

Business Support Vision

To provide professional and sustainable business support to our customers, to enable the delivery of Council services to the residents of Swansea.

OUTCOMES FOR BUSINESS SUPPORT

The following Outcomes are proposed for Business Support.

There are 3 overall Outcomes and a number of Outcomes for different domains

Business Support Overall Outcomes

1. Customers are supported to deliver their objectives, where possible by enabling self-service
2. Demand for business support is reduced by adding value, innovation and system change
3. Business support supports good governance, sound stewardship and local accountability
4. Business support is effective, efficient, value for money and sustainable

Right Culture

- **Outcomes**
- Business support is focused on Customer needs
- Business support staff are supported and valued
- Business support and customers have shared objectives and a relationship of trust and confidence

Right People

- **Outcomes**
- Business support staff have a positive, can do approach and take personal responsibility
- Business support staff are creative, business like and proud of their service
- Workforce planning and development ensures that the right business support staff are in place at the right time with the right skills and behaviours

Right Services

- **Outcomes**
- Business support services are clearly defined and performance managed against standards agreed with customer
- Business support is right first time, accessible and flexible to meet customer needs
- Business support services are proactive and support customer objectives, through self service where possible

Right Processes

- **Outcomes**
- Business support processes are simple, lean and efficient
- Business support processes are standardised, shared and consistent
- Business support processes enable customer self-service

Right Systems

- **Outcomes**
- Business support systems are in place to manage and reduce demand
- Business support systems are integrated and promote easy data sharing
- Business support systems enable remote working by employees and 24x7 access

NB: There are also a number of draft outcome statements for the different functions in business support, which have been developed following a “core purpose” review by each Service area

OUTLINE OF THE NEW BUSINESS SUPPORT MODEL

The new model is described and illustrated by a number of charts and diagrams set out below:

1. **The Design Principles**... *providing a common and consistent framework against which the current way of doing things is fundamentally challenges and all aspects of the new model are developed and redesigned.*

PRINCIPLE	WHAT THIS MEANS
Right first time	<ul style="list-style-type: none"> • Resolution of service requests at first point of contact • Reduction in repeat queries and failure demand
Channel shift	<ul style="list-style-type: none"> • “80%” of queries/transactions delivered on line • User friendly and intuitive portal for self-service
Empowerment	<ul style="list-style-type: none"> • Service managers empowered to manage their budget • Staff given the tools and training to the do the job
Predict and prevent	<ul style="list-style-type: none"> • Upstream working and planning with services • Stopping problems arising in the first place
Clear accountabilities	<ul style="list-style-type: none"> • Clear, best practice and up to date policy framework • Clarity about areas of compliance and areas of discretion
Business partner	<ul style="list-style-type: none"> • Understanding customer needs and adding value • “Working Together Agreements” in place and monitored
Standardise, simplify, share	<ul style="list-style-type: none"> • Systems aligned and processes redesigned • Processes are integrated, consistent and repeatable
Workforce redesign	<ul style="list-style-type: none"> • Staff savings are planned as demand is reduced • Staff are trained and given the tools to do the job

- 2 **Demand Management**... *vital to achieving a sustainable model, as opposed to just one that is cheaper, is to place reducing and diverting demand at the centre of all that we do. Four Principles in particular will be used to ensure this happens*

Principle	Impact	Example
<i>Right first time</i>	Reduce failure demand	Integrated service desk
<i>Channel Shift</i>	Customer self service	Low level procurement
<i>Predict and Prevent</i>	Prevent the need for service arising	Child care legal work
<i>Standardise, simplify and share</i>	Fewer but simpler processes	Streamlining Delegated Power Reports

Each Service has developed proposals for how this can be achieved – see **Appendix D**. The impact of this needs to be modelled so we are clear about, for every function:

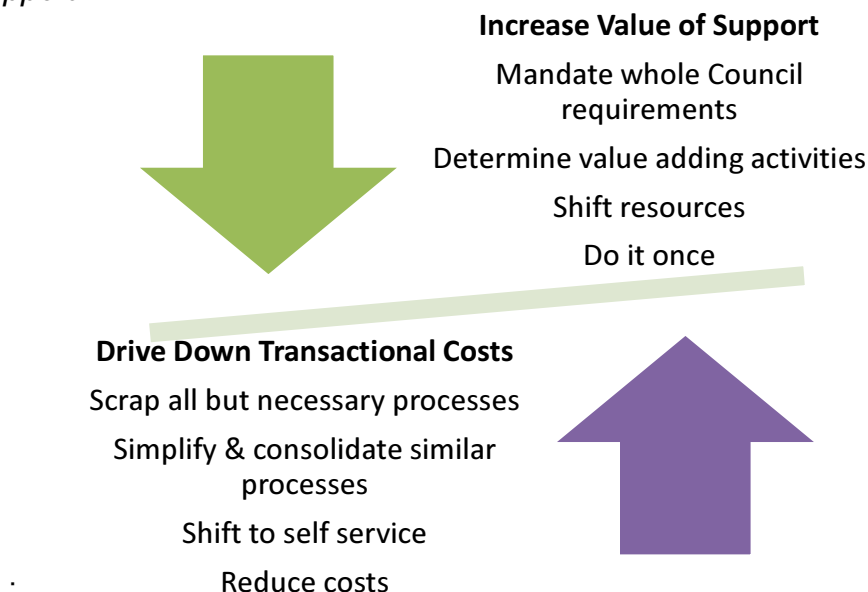
- Current and new volumes
- Time saved
- FTE equivalent savings
- Other non-cashable benefits

3 An integrated model... *the new business support model will be designed on the basis of looking at existing services and processes horizontally, not vertically within service silos. The following cross cutting approaches provide a “lens” through which business support is redesigned and managed differently in the future.*

Self Service	<ul style="list-style-type: none"> ✓ Optimising ISIS for self service ✓ E-forms, real time budget control, employee life cycle ✓ Managers toolkits, training
Process change	<ul style="list-style-type: none"> ✓ Cutting out, simplifying, sharing processes - lean ✓ Stopping waste, freeing up resources, reducing time
Consolidation	<ul style="list-style-type: none"> ✓ Grouping common support functions across the Council ✓ Managing peaks and troughs ✓ Hub and spoke model
Transactional Model	<ul style="list-style-type: none"> ✓ Standardised processes/templates ✓ Help desk ✓ Business partner for strategic advice
Service Levels	<ul style="list-style-type: none"> ✓ Clear service levels for customers ✓ Managing expectations ✓ Relationship management and control
Collaboration	<ul style="list-style-type: none"> ✓ Sharing/integrating support services with others ✓ Reducing costs, increasing resilience, sharing expertise ✓ Common business support unit for the Directorate
Right sourcing	<ul style="list-style-type: none"> ✓ Buying in support services from the market where it makes sense

Each Service has developed proposals for how this can be achieved – see Appendix D.

4 Functional building blocks... *the design principles are further illustrated in the diagram below... a central aim is to drive down transactional costs and to drive up value from business support.*



5 Functional allocation... *applying this basic principle to current functions leads to a broad reallocation of current Service area functions between the 2 areas, as follows (illustrative and not exhaustive of all functions at this stage)*

Value added

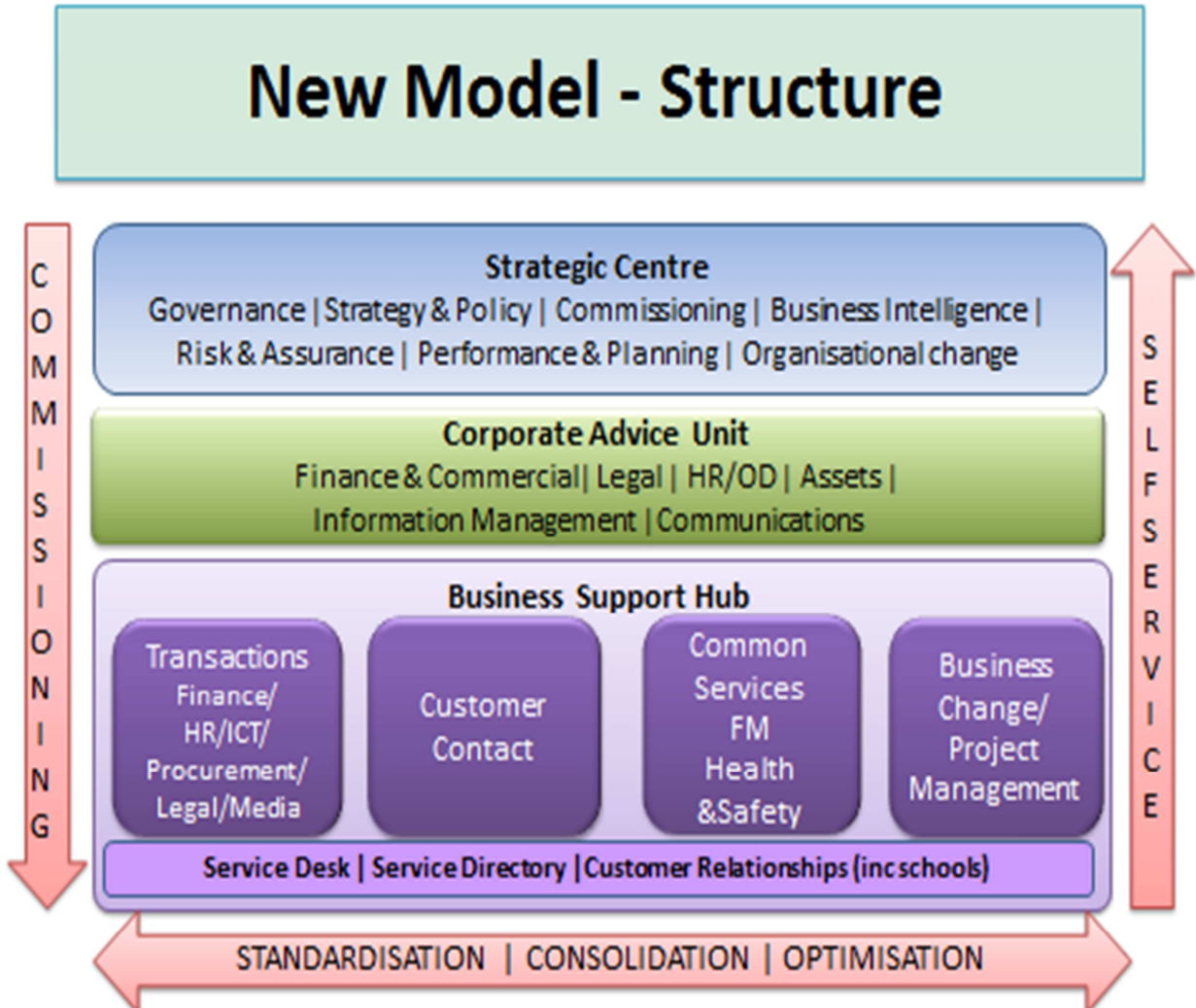
- Corporate Client: governance, financial stewardship, reputation management, partnerships
- Strategy & Policy: horizon scanning, corporate/business planning
- Strategic advice: finance, HR, legal, IMT, commissioning
- Understanding Swansea: social/economic data, needs,
- Understanding customers: segmentation & insight, demand management/channel shift
- Business Intelligence: research, performance data etc
- Commissioning: planning, delivery, collaboration
- Commercialism: market management, business development (income), trading models etc
- Organisational Development: Innovation, cultural change,
- Asset management: corporate landlord, property strategy

Transactional

- Paying: payroll, invoices in/out, benefits
- Resourcing: recruitment, ICT desktop/devices, training (delivery)
- Customer contact: web, phone, face to face
- Legal: casework, prosecutions
- Business change: BPR, project management
- Procurement: e-procurement, P2P, contracts
- Monitoring: budget, workforce data, customer, PIs
- Facilities management: building services, enabling agile working, printing
- Regulatory: IT systems, health & safety, HR policies, prosecutions

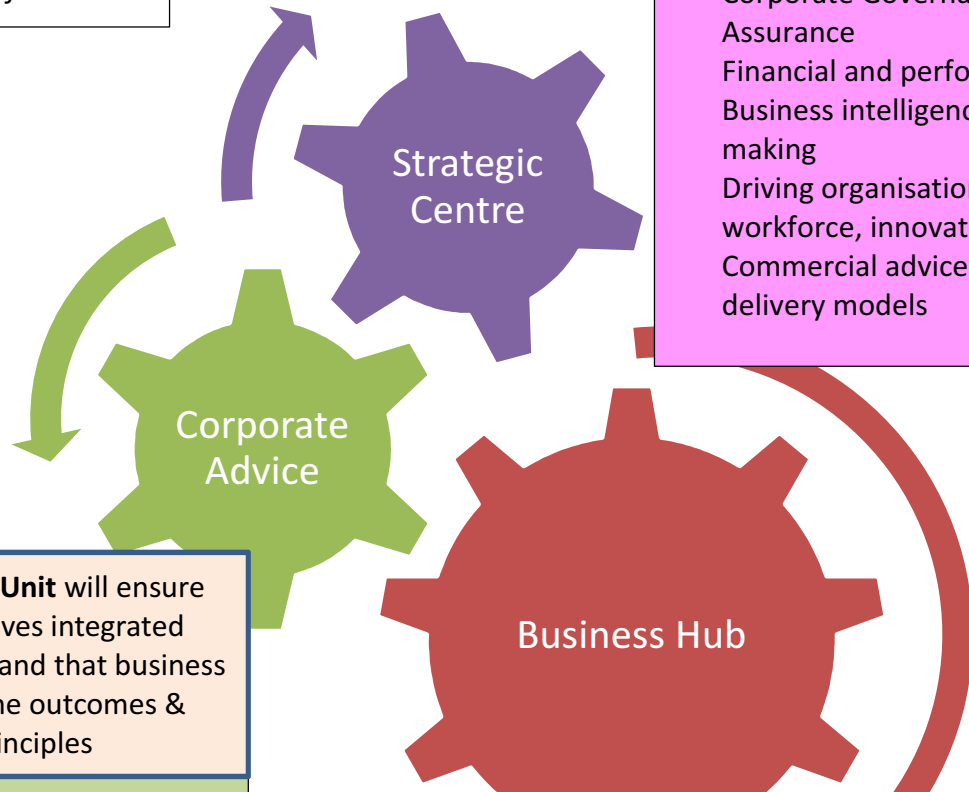
Note: *as made clear in the proposals and throughout the report, this model requires the transfer of all business support functions in scope in order to deliver the change, savings and other benefits required and to be sustainable. All business support functions, staff and budgets across the Council will need to be fed into this functional redesign process.*

6 New Model Outline Structure... *the broad functional allocation can be developed further into an outline new model, which reflects the innovation found during the Review process (this is the starting point for detailed work – not exhaustive)*



7 Purpose and Key Features of the New Model... *there are 3 components of the new model, each with distinct role but the benefits can only be achieved if they work together as illustrated in the diagram below:*

Note: the 3 components have distinct roles but also have inter dependencies that will need to be defined



The **Strategic Centre** will provide leadership for a ONE Council approach to everything we do, working with Heads of Service across the Council

Strategic policy & future direction of the Council
 Corporate Governance, Risk & Assurance
 Financial and performance “grip”
 Business intelligence for decision making
 Driving organisational change: workforce, innovation, digital
 Commercial advice and new delivery models

Corporate Advice Unit will ensure the Council receives integrated professional advice and that business support meets the outcomes & design principles

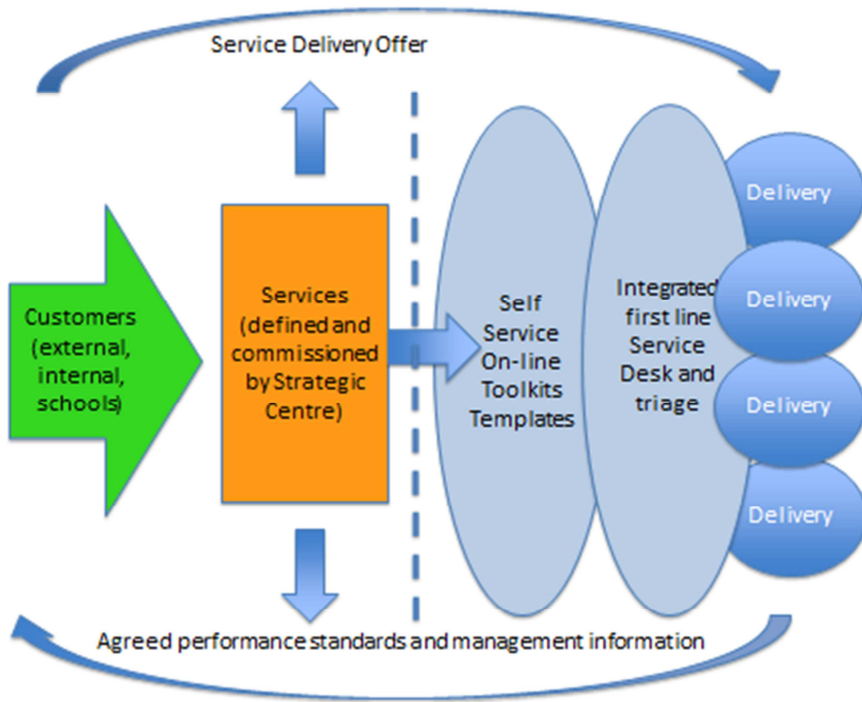
Commissioning Business Support from the “hub”
 Integrated resource management:
 § Workforce
 § Finance
 § Assets
 Digital/IT/Information Management advice
 Corporate Legal Advice
 Monitoring Officer
 Reputation management
 Transition support to Services

The **Business Hub** will manage customer contact and provide a unified support service to all frontline services in the Council, driving self-service for all

Customer Contact/Benefits Service
 One internal service desk
 One on-line directory
 Standard and integrated transactions:
 § Finance/HR
 § Procurement/Contract Management
 § ICT delivery
 § Legal
 § Media/Comms
 Business Change/project delivery

8 Business Hub Service Model... all customers (residents, schools and services) will receive support from the business hub in line with the defined service offer. Service fulfilment will be based on the levels set out in section 3 above ie: self-service first with subsequent helpdesk and triage to more specialist support if required. This is illustrated in the “customer flow” in the first diagram below and the “tiered” design approach in the following table:

BUSINESS HUB SERVICE MODEL – CUSTOMER FLOW



BUSINESS HUB – SERVICE DELIVERY TIERS

TIER	TYPE	FUNCTIONS
Tier 1	Self Service – Knowledge Hub	FAQs Toolkits Decision trees Standard forms e-forms and workflow
Tier 2	Service Desk - Generic	First line telephone enquiry Routine queries and signposting
Tier 3	Service Desk - Specialist	Functional advice Case management
Tier 4	Business Partners	Anticipating and reducing demand Agreeing resourcing of new requirements Negotiating and monitoring Working Together Agreements Added Value Services (to be agreed)

9 Support and Transition... *the proposals are clear that customers, including managers, will need to be supported in order to achieve a step change in reducing demand, through resetting expectations and supported behaviour change.*

This will need to include:

- *Customer engagement on the proposed changes and design*
- *Development of toolkits and on-line templates*
- *Process changes within services including new systems (the aim is not simply to shift the same work to services, rather it is to change the whole system for everyone)*
- *Defining the role and expectations of managers in key areas*
- *Training*
- *Escalation processes*
- *Review points*

BUSINESS SUPPORT

CHANGES TO THE DELIVERY MODEL (EXAMPLES)

Service/ Function	Ceasing or reducing services	Self Service	Process change & transactions:	Consolidation:	Changing service levels	Collaboration
Comms & Customer Engagement	Reduce Equalities support. Stop PR support to things not considered a priority. Reduce the number of websites and social media accounts Reduce printed materials and adverts	StaffNet – content forums, WebChat, Skype Website – digital by default, prioritising online forms and payments. Automated telephony. e-Zone. Cash machines to replace cashier staff. Social media Web to print facility	e>Returns to avoid double-punching Better information on the web to reduce customer contact/FOI requests. Scripting in call and contact centres to free-up back-office and professional staff. More online forms and payments. CRM – single view of the customer. Triage in contact centre Replace/augment printed comms with digital – eg Swansea Leader Inserter in DesignPrint with bulk mail function Change to a more digitally focused 'print on demand'	New call centre model New face-to-face model New model for web editors New communications plan and sharing resources with C&T Single brand across the council New CRM Customer and complaints insight Reduce MFD fleet	Communications SLAs with schools. Communications to focus on agreed priorities only – everything else isn't a priority Complaints support for services. Following team review, further define Access to Services support for: Service areas (e.g., possible integrated approach) Forums and groups that represent the interest of protected groups Members of the public who contact, (e.g. older people or carers) Regulators and commissions (e.g., reporting).	DVLA on customer services. Work with neighbouring LAs on Stage 2 social services complaints. Exec Board Support and HOS support to be shared Partner contributions to LSB support Regional Equality Group on reviewing Strategic Equality Plan & Equality Objectives, e.g., undertaking joint engagement (although WLGA unit in its existing form who facilitated this work will cease to operate at the end of March). Any regional

			<p>service Increased digital and online comms. Annual comms plan – behaviour change Scripting in customer contact areas. Design templates for recurring publications/items in DesignPrint. Standardised KPIs across customer services. Standardised customer services quality testing processes across all contact areas including digital, face to face, phone. Template messages for Welsh social media. LiveChat Online mapping Automated telephone</p>			<p>arrangements for implementing the Ageing Well Programme. Possible collaboration on engagement through LSB engagement group . RIGHT SOURCING Web hosting Design and print</p>
Finance	Automation of Customer contact wherever possible together with development of e-payment options.	Development of financial management training Further development and roll out of financial reports	Lean Systems Thinking / Streamline Processes Reducing low level sign-off	Consolidation of Council wide common services Hub and spoke model for all staff involved in financial activities Sharing of	Full cost recovery Menu/Directory of services SLA for services with clear expectations/accoun	

	<p>Maximising payment of suppliers through consolidate invoicing and automated payments</p> <p>Increased use of self-assessment toolkits to aid financial control</p>		<p>requirements for finance officers commensurate with maintaining a level of financial integrity</p> <p>Business Partner model for strategic advice</p> <p>Further review of Financial procedure rules</p> <p>Development of common functions and multi skilling of finance staff</p>	<p>business support across Directorate</p> <p>Development of shared services with neighbouring Authorities where appropriate</p>	<p>tabilities</p>	
HR/OD	<p>Reduce HR advice for lower level issues</p> <p>Cease certain Training</p> <p>Cease Supply Teacher Register</p> <p>Cease accreditations</p> <p>Cease the weekly payroll</p>	<p>Improvement of Employee Handbook & Website</p> <p>Further roll out of Employee & Manager Self Service via ISIS</p> <p>iRecruitment</p> <p>eLearning</p> <p>OLM/Talent Management</p>	<p>Lean Systems Thinking / Streamline Processes</p> <p>Reducing admin functions that HR Officers undertake</p> <p>Business Partner model for strategic advice</p> <p>Employee Services Help Desk</p> <p>Further HR Policy Review</p>	<p>Helpdesk in Employee Services</p> <p>Merging of 3 Payroll Teams</p> <p>Training & Development Review</p> <p>Sharing of business support across Directorate</p>	<p>Full cost recovery</p> <p>Menu/Directory of services</p> <p>SLA for services with clear expectations/accountabilities</p>	
Information & Business Change	<p>Project / programme clerical support</p>	<p>New model ICT Service desk / helpdesk: Move</p>	<p>Knowledge hub, e.g. change , project management etc</p>	<p>Merge corporate and schools ICT</p> <p>Review systems</p>	<p>ICT SLA with schools</p> <p>Increase commercial</p>	<p>Strategy & Information: - Regional street</p>

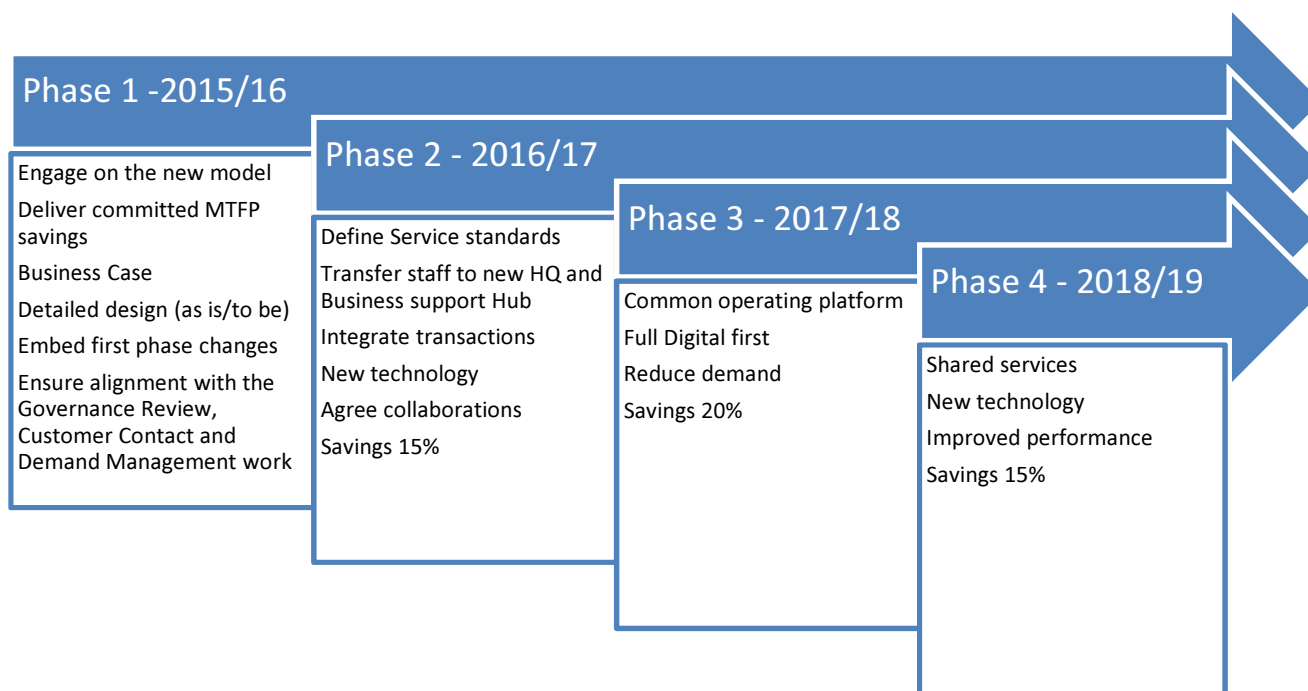
		<p>from all telephone and face-to-face support to tiered approach as per corporate services model, with greater self-service, e.g. password changes, incident logging etc New model for street naming and numbering: Move some processes to self-service for customers Model for delivering projects and new developments. Move from delivering the resource to self-service knowledge hub</p>	<p>StaffNet FAQs ICT service desk LiveChat</p>	<p>administration corporately and reduce beyond previous savings Review project management corporately and reduce beyond previous savings System rationalisation moving from a silo procurement approach to a smaller number of corporate systems – take this beyond those already in existing savings Consolidate Strategy and Information and ICT Services – one manager</p>	<p>opportunities: Business Change, Research and Information All Wales ICT systems, e.g. Hwb (Education) and CCIS (Health and Social Care) Corporate development – cross-cutting benefits, reduce silo bespoke work Supporting mobile / agile working – remote support less ‘at desk’ IM&T governance</p>	<p>naming and numbering back office - Regional GIS / LLPG development team - Regional research / information service ICT: - Create regional applications development pool - Merge parts of the service with NPT - Regional systems developed for services and hosted by partners - Data Centres / disaster recovery / business continuity, e.g. DVLA, NPT, Microsoft</p>
<p>Legal</p>	<p>There is no appetite for us to stop providing the service in any of our current areas of law but we will have no choice other than to ensure</p>	<p>We are developing a website which will include the following for each area of law we cover:</p>	<p>We are reviewing all of our processes over time and cutting out waste We will work on an electronic basis</p>	<p>Develop the “expert client” which could be achieved by means of training. This in turn will give</p>	<p>We will need to engender more of a business partner approach to lead to early intervention upstream which will</p>	<p>Continued collaboration through the Shared Legal Services</p>

	<p>that we only carry out legal work Further budget cuts will mean a reduction in qualified legal staff</p>	<p>Frequently asked questions together with legal guidance notes</p> <p>Customer self-serve area with standard documents such as indemnities, licences</p> <p>Introduction of standard documents wherever possible</p> <p>Standard contractual terms</p>	<p>wherever possible which will include</p> <p>Introduction of a secure legal portal to enable safe document exchange</p> <p>Introduction of service level description</p> <p>Setting up of case flows and standardised / automatic documents</p>	<p>officers confidence to take action in appropriate circumstances without necessarily having recourse to legal advice</p>	<p>have an effect on demand management. We will provide a service level description to set out what we can do and to what standard.</p>	
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OUTLINE IMPLEMENTATION PLAN

A PHASING

The new model will need to be implemented over (initially) 3 years, with associated planned cost and headcount reductions. The broad phasing is as follows:



B NEW MODEL IMPLEMENTATION REQUIREMENTS

1. Function Analysis	Map and document all corporate services functions (Council wide, not just those undertaken in the Directorate)
2. Commissioning Plan	The organisation needs to say what it wants and the areas of added value it needs corporate services to focus on and what is "retained" by Services
3. New operating model	Design the new TOM, top down and bottom up, describe the management structure eg: a single operations manager, with corporate advisers for each main function
4. Process redesign	Review all major processes to understand and reduce or divert demand, use lean to simplify etc and move to on-line, e-forms, workflow etc
5. ICT requirements	Assess what current ICT systems we can exploit, any new systems, any integration requirements
6. Telephony	Design a common service desk for those functions where this fits the model and customer need
7. Workforce Redesign	Assess the number of staff we need and the skills and behaviours we need to train for and performance manage

8. Information Management	Design a Knowledge Hub (eg: content of the new managers' toolkits etc; produce staff scripts and guides)
9. Performance Management	Agree content of Working Together Agreements with Service areas, KPIs, balanced scorecard reporting
10. Change Management Plan	Produce a plan for implementation, including staff training, customer engagement and education

C NEW MODEL SHARED REQUIREMENTS

NEW MODEL SHARED REQUIREMENTS	
Self- service	<ul style="list-style-type: none"> • One team that drives the change in behaviour • One portal for business support • Common look and feel to toolkits, templates, FAQs
Help Desk	<ul style="list-style-type: none"> • One help desk • Generic training • Specialists
Process change	<ul style="list-style-type: none"> • One team that leads innovation in process and system change
System improvements	<ul style="list-style-type: none"> • One delivery platform: CRM etc
Project Office	<ul style="list-style-type: none"> • One project management function • Change control process for new requests/projects
Service Levels (customers)	<ul style="list-style-type: none"> • One approach to defining service levels and issue resolution • Unit to monitor performance and issue reports • Unit to survey customers for satisfaction, gain insight and push service improvement
Investment	<ul style="list-style-type: none"> • Single plan for investment in system, process change, training • Business case for this
Marketing & Income	<ul style="list-style-type: none"> • Single team to develop our commercial offer • Market intelligence • Marketing materials • Sales/ income generation • Income/invoicing etc
Workforce Plan and	<ul style="list-style-type: none"> • One workforce plan

Development	<ul style="list-style-type: none"> • New structure • Skills and training plan • Approach to flexible working across services, project teams
Change management	<ul style="list-style-type: none"> • Influencing customer behaviour • Risk management • Service development

D INDICATIVE HIGH LEVEL TIMELINE

DATE	KEY ACTIVITIES
September 2015	<p>Staff/Trade Union engagement on the new model eg: staff forum Leadership Team and Service engagement on the new model</p> <p>Agree implementation team and requirements for external support, including learning from other Councils with this model</p> <p>Begin due diligence on the model, testing assumptions etc with external partners and agencies eg: Gartner, IESE, WAO, DWP</p> <p>Begin the transition and identify service redesign priorities within and across each service area</p>
October	<p>Complete final comparison and options appraisal work, including commercial opportunities</p> <p>Change Plan: stakeholder management, engagement and marketing/branding</p> <p>Complete the analysis of functions/staff/budgets in scope from other Services</p>
November	<p>“Value proposition” for the new model, including EIA</p> <p>Business case for the new model and investment required</p> <p>Workforce development and training and development plan</p>
December	<p>Change Plan: transition and service redesign blueprint, including modelling demand reduction/diversion</p> <p>Agree new detailed structure and roles</p>
January – March	<p>Appoint to new roles</p> <p>Commence integration Phase 1</p> <p>Develop service levels and performance framework</p>
April 2016	<p>Go Live with the new structure</p> <p>Implement system changes</p> <p>Implement new governance arrangements</p>
April 2017	<p>Review</p> <p>Integration Phase 2</p> <p>Implement system changes</p>
April 2018	<p>Review</p> <p>Integration Phase 3</p>

Notes:

1. Market testing may be required for elements of the model
2. The model doesn't preclude joint working/collaboration at any stage
3. The business hub could, in time, spin out as a trading vehicle for CCS or with a partner