KPMG

BCP Council Organisation Design: Summary Report

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5 November 2019

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5 November 2019

Dear Directors,

Organisation Design Summary Report

I'm pleased to provide you with the report which summarises the Organisation Design work that we've undertaken with you over the past four months. This work has been developed with Officers to provide an outline future operating model for the Council.

This report has been prepared based on the scope and approach agreed in our contract dated 12 July 2019.

Please do contact me if further information is required in relation to this work.

Yours faithfully

Ruth Morgan

Director

Contents

Strategic context and approach

Strategic context and objectives

## BCP Council's transformation journey to date

The Dorset Local Government Reorganisation (LGR) process began back in 2014, with the development of the Local Partnerships report. The Case for Change (2016) then resulted in a decision to establish two new authorities; Dorset Council and Bournemouth, Christchurch and Poole Council (BCP Council).

Since its legal formation on 1 April 2019, BCP Council has been balancing the need to integrate teams and ways of working with the need to maintain service standards.

Progress has been made with a Corporate Plan being developed which sets out the Council's values, priorities and key actions. At the service level, a series of base budget reviews have been undertaken which analyse current services and consider future options for integration and improvement.

However, there is a clear recognition that a more fundamental transformation is required in order to fully realise the opportunities that local government reorganisation can bring.

BCP Council recognises that it needs to optimise these opportunities to meet it's current financial predicted shortfall. £22.8m of savings need to be delivered in the medium term, with £15m currently predicted for the next financial year.

BCP Council's transformation journey
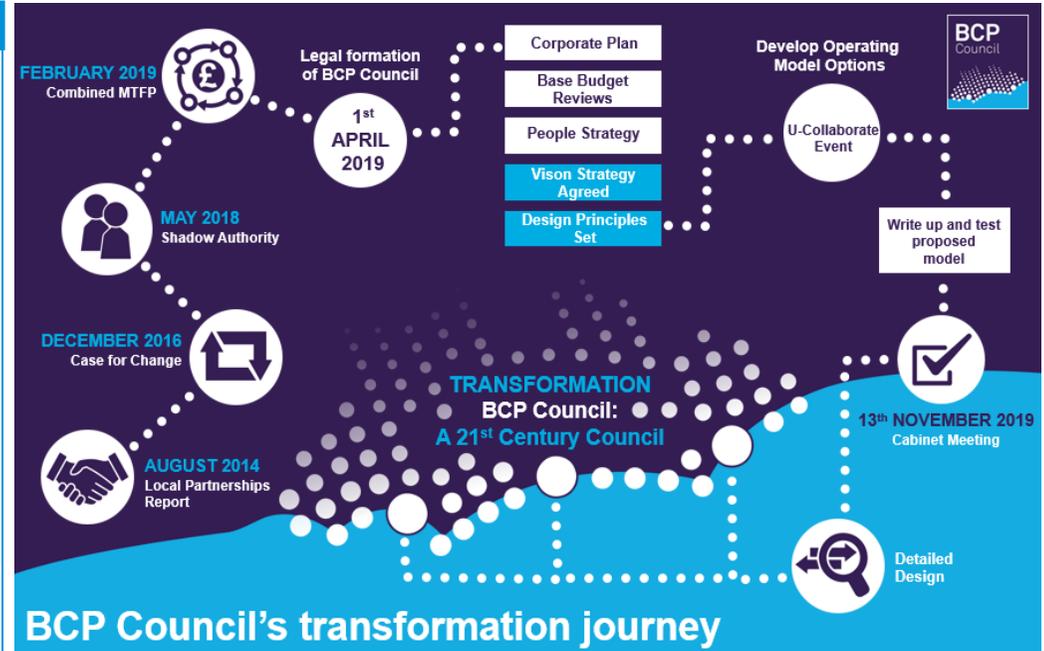
The need to transform – Commissioning this report

Throughout local government reorganisation it was recognised that further transformation would be required.

With this in mind, BCP Council commissioned support to:

— Articulate and outline opportunities for transforming the Council.

— Undertake activity analysis on current Council activity to understand current costs and working practices.

— Provide options for the future of BCP Council including operating model, ways of working and technology architecture.

— Identify a recommended operating model design and develop a high level implementation approach.

Overview of the approach

The programme of work agreed between BCP Council and KPMG was broken down into four milestones, carried out over a period of four months.

Key principles of the approach were to:

— **Carry out significant engagement with BCP Council Officers and Cabinet Members. This was done from the initial development of design principles through to the development of the proposed operating model.**

— **Be open to examples of best practice working from both the public and private sector.**

1. Vision and Ambition

Initial engagement
One-to-one engagement with directors to understand context, current state challenges and initial views on key requirements for future design.

Maturity assessment
Survey completed by senior managers across BCP Council to provide high level analysis of current maturity and future ambition.

Design principles
Principles setting out the core requirements of the future operating model initially developed by the Senior Manager Network and refined at the Director Strategy Group before being tested with Cabinet.

2. Current state analysis

Activity analysis
Individual staff time was mapped to the whole Council framework to establish a baseline of overall activity and associated cost, as well as a view of current systems and change programmes.

Third party spend
Analysis of historic third party spend to better understand opportunities for future savings.

Income and cost recovery
Analysis of historic Revenue Outturn data against other unitary authorities to identify potential opportunities

3. Developing the proposed model

Design workshops
Workshops held across all five directorates to analyse current state customer journeys and pain points and consider how design principles should be applied to future state processes.

U-Collaborate Event
Two day immersive event held to co-develop the operating model with Officers and Cabinet members, with external speakers providing best practice inputs. The Event considered key topics such as voice of the customer and use of data and digital. These support development of options for the future model.

Financial impact analysis
Consideration of the benefits and costs associated with the proposed model.

4. Implementation Planning

Implementation approach
An approach was developed to implement the proposed operating model, outlining the different phases and workstreams required.

Implementation costs and phasing
Consideration of the costs of implementation for the proposed model and consideration of the phasing of benefit against these costs.

What is an operating model?

An operating model describes how an organisation organises and governs its capabilities and assets to deliver its strategy.

The operating model ensures that an organisation is able to turn strategy into reality by defining how the organisation will operate to met its strategic ambition.

The operating model drives explicit choices about the best deployment of an organisation's capabilities and assets to achieve its strategic ambition and enact its business model. It describes how an organisation operates across services delivery model, process, technology, people, data and governance.

Elements of an operating model

Governance – The controls in place to govern decision-making and manage risks, including committees and roles and responsibilties. This also includes council-based compliance and regulatory obligations

Data and Reporting – The data and reporting required by BCP to support the execution of processes and inform decision making

People – Describes the skillsets and capabilities required in the BCP workforce, structure and lines of reporting
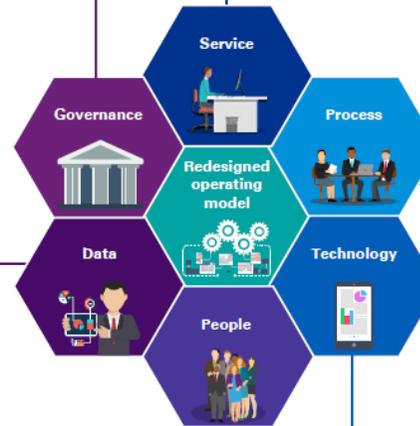
Service – Defines what and how services are delivered in BCP. Describes who delivers the services, whether these are managed internally or externally

Process – The processes and interdependencies of BCP by which work is carried out

Technology – How the BCP IT solution will manage information/data and support the execution of processes
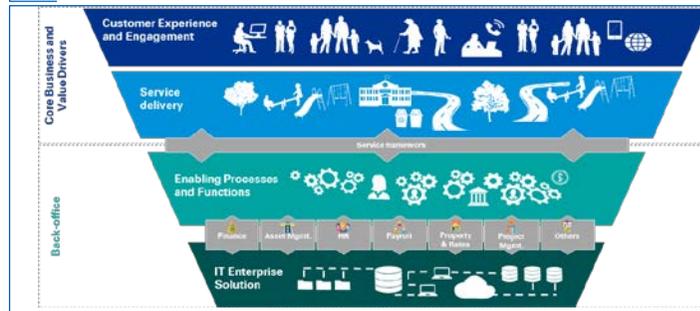
Whole Council Framework

In this report two key tools have been used which support organisations to understand their current operating model and consider their future.

They are the Whole Council Framework, and the operating model framework, based on the six design layers above, both of which are explained in greater detail later in this section of the report.

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The Whole Council Framework

The Whole Council Framework is the structure within which BCP Council's activity have been mapped and analysed.

The framework splits the Council's activities into three core layers Customer Experience & Engagement, Service Delivery and Enabling Processes and Functions.

Within these three layers, there are 19 processes which together capture all of the activities carried out across a Council.

The Whole Council Framework has been used to carry out activity analysis across BCP Council, enabling more informed decisions to be made regarding how activity levels may change within the proposed future operating model.
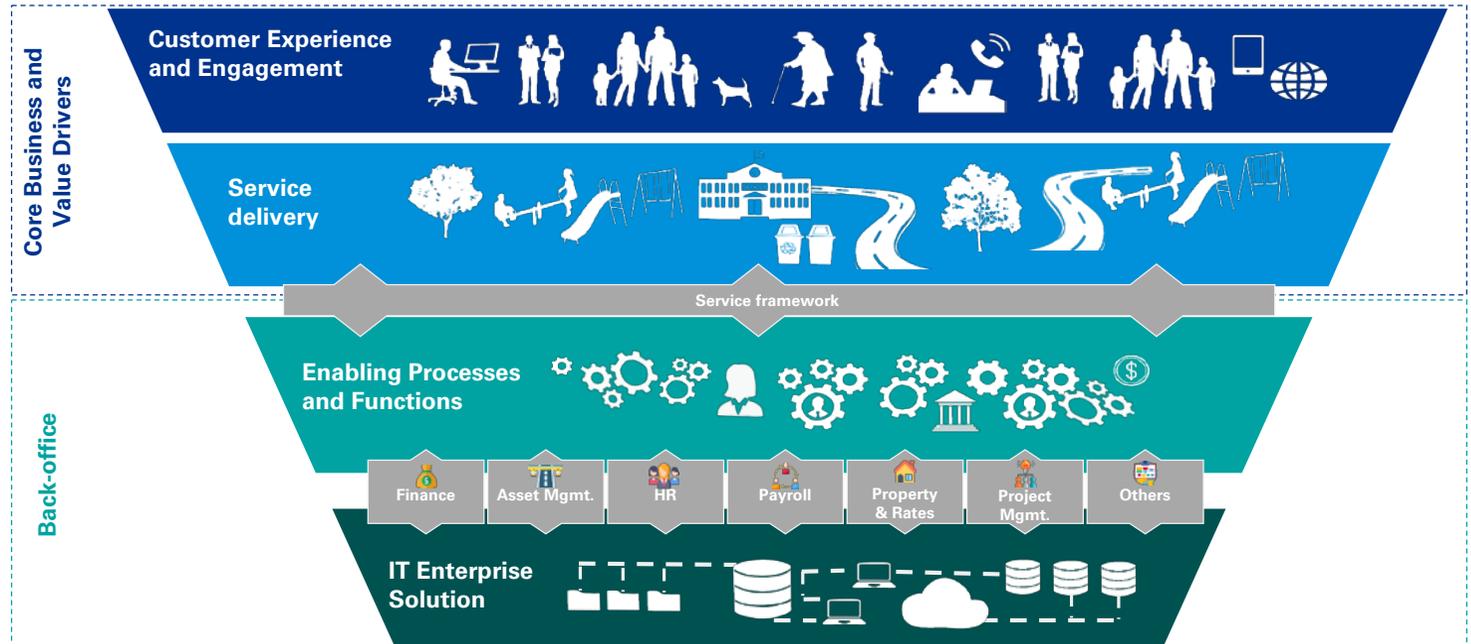
Layer	Description
Citizen experience and engagement	Often described as the front office; this is all activity that supports any citizen engagement, including assessing and planning for direct service delivery.
Service delivery	Activity that provides a direct service to citizens and/or customers. This includes statutory and non-statutory services as well as those commercial services, which generate commercial income for the Council.
Enabling processes and functions	Often described as the back office; this is all processes and functions carried out which enable and support service delivery and the front office.

The operating model framework

The KPMG Operating Model Framework has six design layers. These ensure that a holistic operating model is built that considers all aspects of an organisation.

In this report the design layers provide a standard framework for analysis which is used to set out both the current state and proposed future model for BCP Council.

This has been applied at a whole Council level for this report, but is equally relevant at a directorate or service level.

	Design layer overview	Considerations for BCP Council
Service delivery model	Defines what and how services are delivered in BCP Council. Describes who delivers the services, whether these are managed internally or externally	— How and where will services be delivered? — Where do people need to be based or located to best deliver services? — How should BCP Council work with partners to deliver services? — What focus should there be on commercial services?
Process	The processes and interdependencies of BCP Council by which work is carried out	— How effective are BCP Council's current processes? — How do processes need to change to meet customer expectations? — What level of standardisation is needed across the Council? — How much automation should be applied across the Council? — How will BCP Council continuously develop and improve processes?
Technology	How the BCP Council IT solution will manage information/data and support the execution of processes	— What technology is needed to leverage the workforce of the future? — What should be the key elements of BCP Council's IT strategy? — What platforms are required to effectively integrate systems across functions and with partners? — How can technology be leveraged to respond to customer demands?
People	Describes the skillsets and capabilities required in the BCP Council workforce, structure and lines of reporting	— How do BCP Council align to the People Strategy? — How should people interact with each other across the organisation? — What skills do BCP Council need to develop or acquire across the organisation? — What can be digitised, augmented and automated to release capacity?
Data	The data and reporting required by BCP Council to support the execution of processes and inform decision making	— What insights and information do BCP Council require to support forward-thinking decision making? — How can data be used to understand customers and personalise services? — How do BCP Council embed use of data in ways of working? — How do BCP Council use data to measure performance and track goals?
Governance	The controls in place to govern decision-making and manage risks, including committees and roles and responsibilities. This also includes council-based compliance and regulatory obligations	— How should BCP Council be structured to enable effective governance? — How can governance be more agile and responsive? — How can BCP Council better identify and mitigate risk? — What is BCP Council's decision making framework?

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Setting design principles

Setting design principles is a fundamental element of organisational design work.

The eight design principles agreed by BCP Council as part of this project have allowed the leadership team to align around a common vision for what BCP Council will be in the future, and have informed the development of the operating model presented in this report.
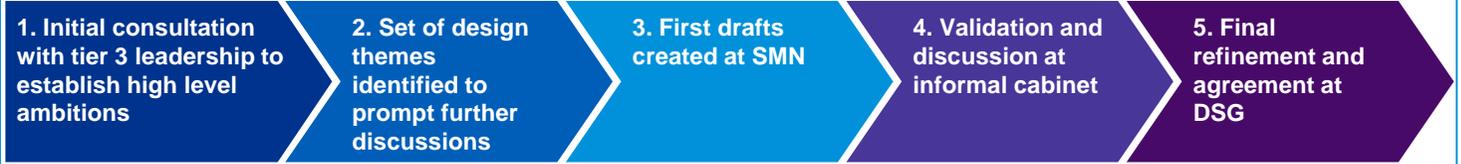
The purpose of design principles

Design principles are the blueprint of operating model design, intended to focus the efforts of the organisation on the core competencies it needs to achieve its goals. The principles aim to provide a clear and common understanding to staff and wider stakeholders of what the organisation aspires to be. Alongside the vision and mission statement, the principles provide a set of criteria by which to guide both collective and individual decision making.

We will deliver our corporate strategy by:

Design Principle 1
Empowering communities to co-design and deliver services, with citizens taking responsibility for their own outcomes

Design Principle 2
Putting the customer at the heart of our thinking to provide timely and responsive services

Design Principle 3
Creating a culture and estate that support our work being done in the best place and time

Design Principle 4
Intervening as early as possible to manage demand and improve outcomes

Design Principle 5
Constructing strategically integrated systems and digital tools, using data to create knowledge and insight

Design Principle 6
Building and resourcing an environment for innovation, learning and leadership

Design Principle 7
Choosing the most appropriate delivery model for each service

Design Principle 8
Leading and collaborating with partners to deliver better outcomes and efficiencies

Approach to agreeing design principles

The design principles have been co-developed, reviewed, challenged and iterated in order to reach agreement. Through initial high level conversations with directors a set of themes emerged. These themes formed the basis of an exercise during a Senior Manager Network (SMN) in which senior managers created first draft principles and challenged each other refine further. The principles were validated during informal cabinet and prior to final agreement through Director Strategy Group (DSG)

| 1. Initial consultation with tier 3 leadership to establish high level ambitions | 2. Set of design themes identified to prompt further discussions | 3. First drafts created at SMN | 4. Validation and discussion at informal cabinet | 5. Final refinement and agreement at DSG |

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Additional areas of focus

During the high level organisation design, a number of specific topics have been identified which merit additional focus.

Two key additional areas of focus are:

— **Estates: The work on BCP Council's future estate has significant interdependencies with the overall operating model, which is set out within this report.**

— **Adult Social Care: The ongoing Adult Social Care analysis and design work is being aligned to this overall organisation design work, but with an understanding that individual directorates will need to make operational decisions in the short term.**

These focus areas are still being developed and the results of this work will be reported separately.

1 Estates

Additional analysis regarding Estates is closely linked to the Organisational Design work. The analysis aims to support the Council in agreeing a strategic direction for the future Estate. This work is focusing on:

— Assessing the current 'state of the estate' looking primarily at key office accommodation sites and using utilisation data, building data and site visits.

— Performing a more detailed assessment on the three key sites at Bournemouth Town Hall, Poole Civic Centre and Christchurch Civic Centre.

— Considering how the operating model changes impact the future estates requirements (and vice versa).

— Analysing the potential space required for a new hub site, using a range of assumptions developed and agreed with BCP Council.

— Defining the key criteria for assessing the hub options, with the broader operating model and BCP Council Corporate Plan in mind.

— Performing a high level options analysis for the future hub site using financial and non-financial information.

— Considering a potential space layout for the preferred option.

— Assessing potential risks and next steps.

2 Adult Social Care Front Door

Additional analysis relating to the re-design of the Adult Social Care front door operating model has commenced alongside the core organisation design work. This work is focusing on:

— Identifying the current "front doors" to Adult Social Care across BCP Council and understanding the current processes and ways of working within these teams, taking into consideration the different services that operate the front doors.

— Analysing how the common drivers of social care cost are currently being managed within their teams. This includes the use of demand management and early intervention methods.

— Understanding best practice from other social care and integrated care systems, and considering the implications of this best practice within the new operating model for BCP Council.

— Ensuring the council has a uniform approach to key statutory interdependencies such as safeguarding.

— Designing a preferred option for BCP Council's Adult Social Care front door that links the Council's operating model to a new approach for dealing with presenting need. The preferred option will take into consideration the impact of changes to demand, cost, staff skill set and performance. It will also consider the impact on service users and referrers.

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Vision and ambition

Maturity assessment high level results

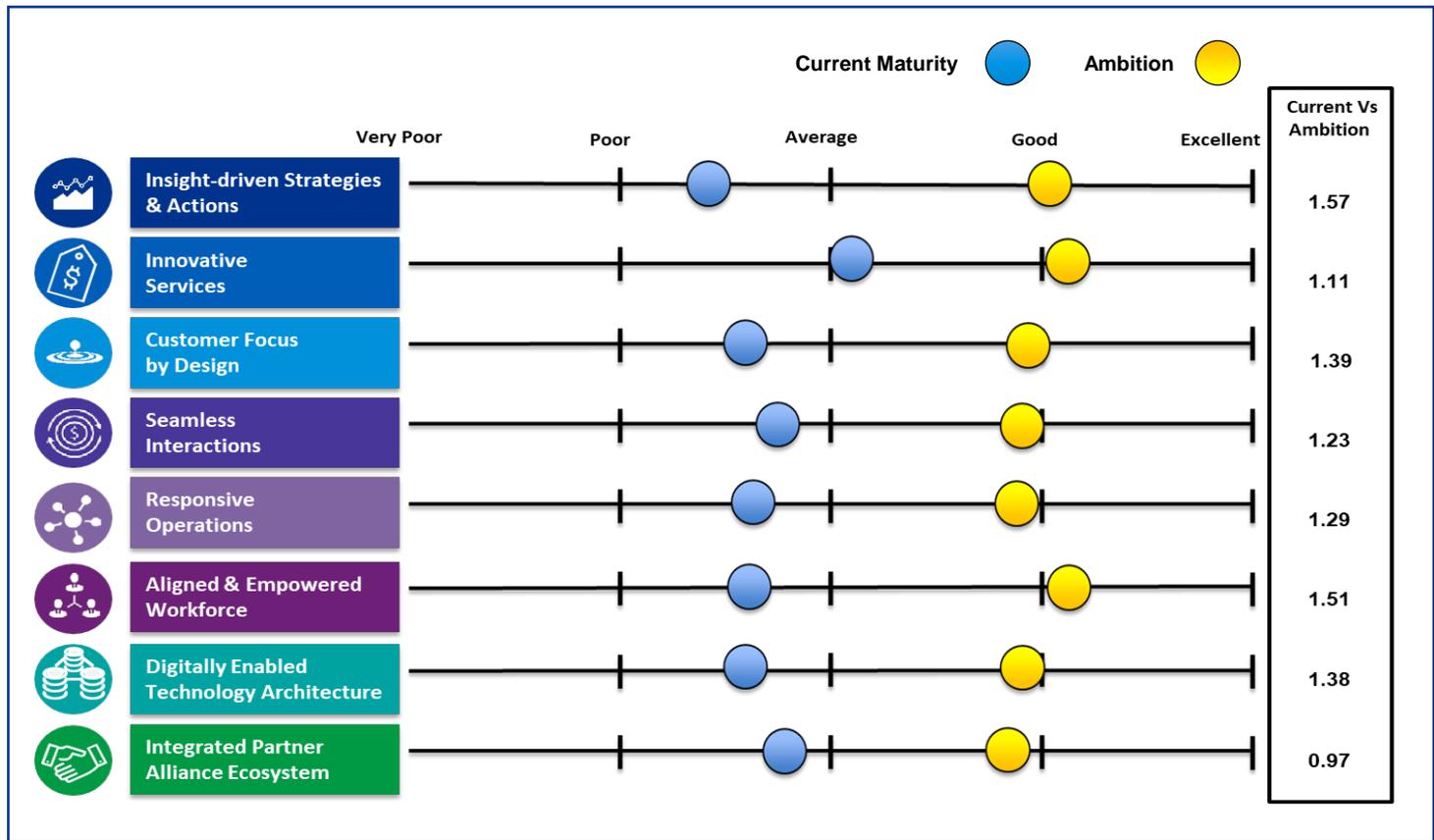Three activities were undertaken to consider and develop the Councils' vision and ambition:

1. A maturity assessment against eight capabilities for high performing public sector organisations.

2. Corporate plan developed by the Council to set its strategic direction.

3. Design principles for organisational design to set the parameters of the operating model design.

The first activity completed was the maturity assessment. It consists of eight capability groups with five sub capabilities in each group. It is used to assess how an organisation is currently performing and how it would like to perform.

To understand this a survey was released to attendees of the Senior Managers Network. Each officer was required to answer a series of questions across the capabilities and sub-capabilities.

These responses enabled an overview of BCP Council's current state and future ambition to be created, providing a high level view of priority areas and largest capability gaps.

The analysis opposite outlines the survey results, with the table on the right illustrating the gap between the current position and the future ambition.

	Current Vs Ambition
Insight-driven Strategies & Actions	1.57
Innovative Services	1.11
Customer Focus by Design	1.39
Seamless Interactions	1.23
Responsive Operations	1.29
Aligned & Empowered Workforce	1.51
Digitally Enabled Technology Architecture	1.38
Integrated Partner Alliance Ecosystem	0.97

Legend: Current Maturity (blue), Ambition (yellow). Scale: Very Poor, Poor, Average, Good, Excellent.

BCP Council's Plan on a page

The second activity that provides the Vision and Ambition for BCP Council is their Corporate Plan. The Council developed this and it has fed in to this organisation design work.

The BCP Council Corporate Plan outlines what is most important to BCP Council as an entity and underpins how it chooses to function across all services to reach these goals.

Whilst designing the future operating model, this plan has been at the heart of decision making.

BCP Council's Plan on a page 2019

We are passionate about our communities • We have integrity

VALUES · · · · PRIORITIES

Sustainable Environment
Leading our communities towards a cleaner, sustainable future that preserves our outstanding environment for generations to come

Fulfilled Lives
Helping people lead active, healthy and independent lives, adding years to life and life to years

Sustainability

Vibrant communities
with outstanding quality of life where everyone plays an active role

Dynamic Region
Supporting an innovative, digital economy in a great place to live, learn, work and visit

Wellbeing · Investment

Brighter Futures
Caring for our children and young people; providing a nurturing environment, high quality education and great opportunities to grow and flourish

Connected Communities
Empowering our communities so everyone feels safe, engaged and included

We treat everyone with respect • We embrace innovation • We take pride in what we do

We are a modern, accessible and accountable council committed to providing effective community leadership

BCP Council

▶ ACTIONS

Sustainable Environment
- sustainability underpins our planning policies
- protect and enhance our outstanding natural environment
- develop an eco-friendly and active transport network
- tackle the climate change emergency
- promote sustainable resource management
- maximise access to our high quality parks and open spaces

Dynamic Region
- revitalise our highstreets
- create a sustainable, vibrant and inclusive economy
- invest in the homes our communities need
- develop sustainable infrastructure
- support our businesses to operate more creatively
- create a 21st century digital infrastructure

Connected Communities
- strengthen the cultural identity of our towns and places
- encourage intergenerational interactions
- reduce loneliness and isolation
- ensure our communities feel safe
- engage with our communities
- respect and appreciate the diversity of our communities

Brighter Futures
- invest in our children and young people
- enable access to high quality education
- be aspirational for our children in care
- support parents and guardians to care for their children well
- prevent harm through early intervention

Fulfilled Lives
- support people to live safe and independent lives
- promote happy, active and healthy lifestyles
- develop age-friendly communities
- value and support carers
- enable people to live well through quality social care
- tackle homelessness and prevent rough sleeping
- promote lifelong learning for all

Policy and Performance Team v3.0

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Design principles

The third activity has been the development of organisational design principles.

Design principles are the blueprint of operating model design, intended to focus the efforts of the organisation on the core competencies it needs to achieve its goals. The principles aim to provide a clear and common understanding to staff and wider stakeholders of what the organisation aspires to be.

The eight design principles agreed by BCP Council as part of this project have allowed the leadership team to align around a common vision for how BCP Council will operate in the future as well as inform the development of the operating model presented in this report.

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We will deliver our corporate strategy by:

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Design Principle 7

Choosing the most appropriate delivery model for each service

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Current state analysis

Overview of current state analysis

With BCP Council only being legally formed on 1st April 2019, from the three preceding Councils and part of Dorset County Council, it adds significant complexity to current state analysis.

By applying a number of lenses to the overall current state, insight has been gained which has informed options for the future as well as the implementation considerations.

Additional work was completed to understand current and future customer journeys, i.e. what do customers experience now and what is preferable to experience in the future. This supported the qualitative information to inform the future operating model.

What is covered in this section

Maturity assessment		As set out in the previous section, the maturity assessment completed by the BCP Council Senior Management Team included an assessment of the current state, as well as ambitions for the future.
Activity analysis		The activity analysis was undertaken across BCP Council by using the whole Council framework. The activity analysis was used to gather data on all of the activities being undertaken by BCP Council employees across the whole organisation, mapped to the 19 processes boxes outlined in the framework. This analysis has been used to understand the distribution and focus of effort and outline key areas for further discussion in the future state design. The data collected has also enabled analysis of the current costs to perform these activities.
Current system architecture		Alongside analysing employee activities, data was collected on the IT systems used to support these activities, this allowed the current technology architecture to be identified. Also the change programmes in progress that will impact how these activities are undertaken.
Third party spend analysis		FY18/19 actual third party spend from the three preceding councils has been categorised and analysed, with a particular focus on "controllable spend". By profiling spend per category and spend per supplier it has presented a picture of current costs which has informed the future opportunities.
Estate		Estate analysis has been undertaken alongside the core organisation design work, with the headlines from the current state analysis included here.
Current operating model overview		Using the six elements of the standard operating model the way BCP Council is currently operating has been described, bringing together a consolidated view of all of the observations and implications of analysis completed.

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Activity analysis results (1)

The activity analysis was gathered across the whole Council and the diagram opposite shows the high level results.

Activity is mapped by directorate across the three process layers in the Whole Council Framework. The high level view of the organisation reveals that:

— Social care directorates (Adults' and Children's) have the most activity in Citizen Experience and Engagement.

— Place based directorates (Regeneration and Economy and Environment and Communities) have the most activities in Service Delivery.

— Resources directorate has the most activity in Enabling Processes and Functions.

Overall there are comparatively high levels of Citizen Engagement & Experience and Service Delivery across all directorates. These layers are the largest two in all of the directorates, except for Resources, which as expected is predominantly Enabling Processes & Functions.

There is a higher level of Enabling Processes and Functions activity taking place within directorates outside of Resources than would be expected. Equally, there is a significant level of Citizen Experience and Engagement activity across all directorates. In both cases this suggests a fragmented and/or decentralised model of support.

BCP Council current FTEs by directorate and process layer

Citizen Experience & Engagement

Service Delivery

Enabling Processes & Functions

Adult Social Care — 408, 121, 81

Children's Services — 453, 331, 135

Environment & Communities — 319, 536, 180

Regeneration & Economy — 284, 313, 169

Resources — 200, 90, 382

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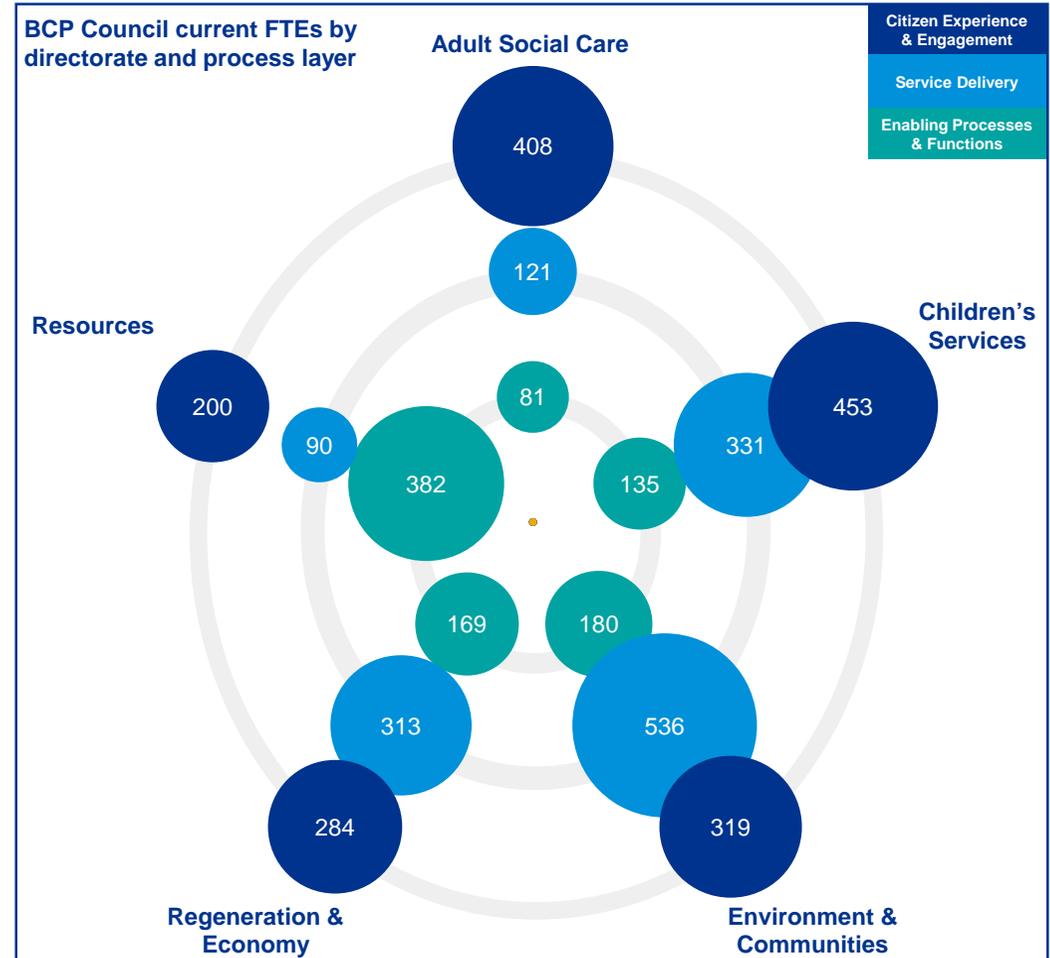
Activity analysis results (2)

Activity analysis can be cut in a number of ways, and when combined with HR data can be used to understand the cost of activity.

The exercise also collected information on IT systems currently in use across each process layer as well as the number of change programmes ongoing.

The table below shows where full-time equivalents operate across the whole Council Framework layers, their cost, IT systems they are using and change programmes they are currently managing.

Activity analysis results by process layer

Activity	FTEs	Total salary cost	Total salary cost including on-costs	IT systems	Change programmes
Community Experience & Engagement	1,664	£48.9m	£60.2m	216	59
Service Delivery	1,391	£34.7m	£42.7m	142	44
Enabling Functions & Processes	947	£33.4m	£41.0m	254	118
TOTAL	**4,001**	**£117.0m**	**£144.0m**	**392**	**192**

Cost of current activities

The cost associated with each activity within the whole council framework has been calculated using the activity analysis results and HR data..

The total salary cost of £117.0m has been increased by 23% to £144.0m to include on-costs.

This total cost of employment was taken forward to support quantification of financial benefits from implementing the future model.

1,095 employees with zero hours contracts have been excluded from the activity analysis due to difficulty in accurately quantifying levels of employment and costs. There is also a degree of duplication due to some individuals being employed on multiple separate contracts across various roles. 962 of these employees mapped more than 50% of their time within the Service Delivery layer, and 833 of the employees work within Regeneration & Economy.

IT systems

There are 392 different systems and applications in use across BCP Council. This includes a large number of systems to undertake specific activities, for example 99 in Referral and Assessment. This would imply large variety in how this specific activity is being undertaken.

Further to this, the large usage across the majority of activities undertaken by the Council suggests that the IT architecture is overly complex and fragmented , it's likely that there is duplication of systems and applications.

Change programmes

There are 192 change programmes currently ongoing that have a direct impact on activities being undertaken.

It is clear that many activities are undergoing significant change, in line with the significant change seen across the whole organisation.

Current systems architecture

As identified in the activity analysis on the previous page, 392 individual IT systems were identified in operation, with the number of active users for each application varying dramatically.

The current state technology architecture is naturally fragmented considering the context of BCP Council's recent formation from three preceding councils with an ageing estate and multiple legacy systems.

This diagram presents a high level view of the architecture and a selection of systems that have the greatest breadth of use in the organisation, i.e. the systems that were identified most often by different teams completing the activity analysis. Even within the widely used systems, there are examples of duplication, suggesting that low volume systems could also be consolidated to streamline the IT estate and better manage costs going forward.

Applications

Enterprise Resource Planning

- Oracle Fusion
- VisionHR (Employee First) (x2)
- ProContract
- Intranet x3
- Vision Expenses
- Recruit v5
- CIVICA Financials
- Authorities Financial System
- CPD Online
- Vision Payroll
- e5 (online accounting system)

Customer Relationship / Case Management

- CareDirector
- MOSAIC
- RIO
- Servelec Synergy
- Academy Revs & Bens
- ENVOY
- Locata
- E-CINS
- OPENRevenues
- Electronic Patient Record
- Microsoft Dynamics
- Firmstep
- Sostenuto (@ssist)
- Uniform

Service & Analytics Tooling

- AutoCAD
- MapInfo
- Information at Work
- Stratmap Earthlight
- Card Payment Portal
- QGIS
- Victoria Forms
- IDOX
- CIVICA APP

Infrastructure

Cloud

Hybrid

On-Premise

Data

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Third party spend analysis: controllable spend categories and suppliers

In addition to activity analysis, the third party spend was considered.

Firstly, the third party spend returns from the three preceding councils that make up BCP Council were recognised.

Transactions were grouped into 15 cost categories, of which 11 were identified as being addressable. Non-addressable spend included education, inter-council payments, pensions and capital expenditure. These are not easily addressed through procurement processes or are not repeated each year so do not impact the Council's revenue spend.

Addressable spend categories

The diagram opposite outlines the 11 categories of addressable spend.

As would be expected, social care is the largest spend category accounting for over half of the addressable spend for third party outgoings.

There is significant opportunity to address over £300m of spend through contract consolidation, contract renegotiation and overall economies of scale.

Annual spend level by supplier

The diagram opposite shows the suppliers by amount spent:

— For 25% of suppliers, less than £1k
— For 60% of suppliers, less than £60k
— The Council spends £126.4m with 37 suppliers
— The Council spends £6.4m with 3,539 suppliers

This is unlikely to be a financially effective approach given the time to set up and verify a supplier, and the inability to take advantage of volume discounts.

Total third party spend: £404.1m
Total addressable spend: £293.5m
Total suppliers: 4,002

Social Care
Total Spend: £161.1 million
No. of providers: 1,457

Construction, Engineering & Industrial Services
Total Spend: £33.2 million
No. of providers: 483

Other
Total Spend: £21.8 million
No. of providers: 395

Estates
Total Spend: £21.1 million
No. of providers: 916

Transport Services, Fleet and Logistics
Total Spend: £15.9 million
No. of providers: 212

Waste Management
Total Spend: £7.9 million
No. of providers: 39

ICT
Total Spend £6 million
No. of providers: 130

Energy and Utilities
Total Spend: £4.7 million
No. of providers: 88

Community Assets Management
Total Spend: £3 million
No. of providers: 175

Agency staff
Total Spend: £2.1 million
No. of providers: 40

Corporate Services
Total Spend: £16.7 million
No. of providers: 659

4,002 suppliers

£0 - £100	125
£100- £1k	812
£1k - £10k	1,438
£10k - £100k	1,164
£100k - £1m	426
£1m +	37

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Estates

It was identified that understanding the current estate of the Council would aid the future operating model decisions. Analysis was completed to understand the make-up of the estate sites, capacity limitation within the current estate and current ways of working.

The BCP estate includes a broad spectrum of site types ranging from offices, community centres, carparks, leisure facilities, parks, land, industrial, infrastructure and public space / facilities spread across 852 unique locations.

Approximately 226 sites are within a classification considered to be particularly relevant to the organisation design work, as highlighted in the table opposite.

The combined BCP Council estate database includes 2,842 unique building IDs located on 852 unique sites. The sites highlighted below are within classifications considered to be particularly relevant to the organisation design and so have been designated as 'priority sites' (see table opposite). These are sites from which services to the community are primarily delivered and include office and administration (64 unique IDs) and sites supporting direct service delivery: adult centres (84), youth centres (15), children and family centres (38) and libraries (25).

Map of 'Priority' sites

Source: BCP data and KPMG analysis

Poole Civic Centre

Bournemouth Town Hall Complex

Christchurch Civic Centre
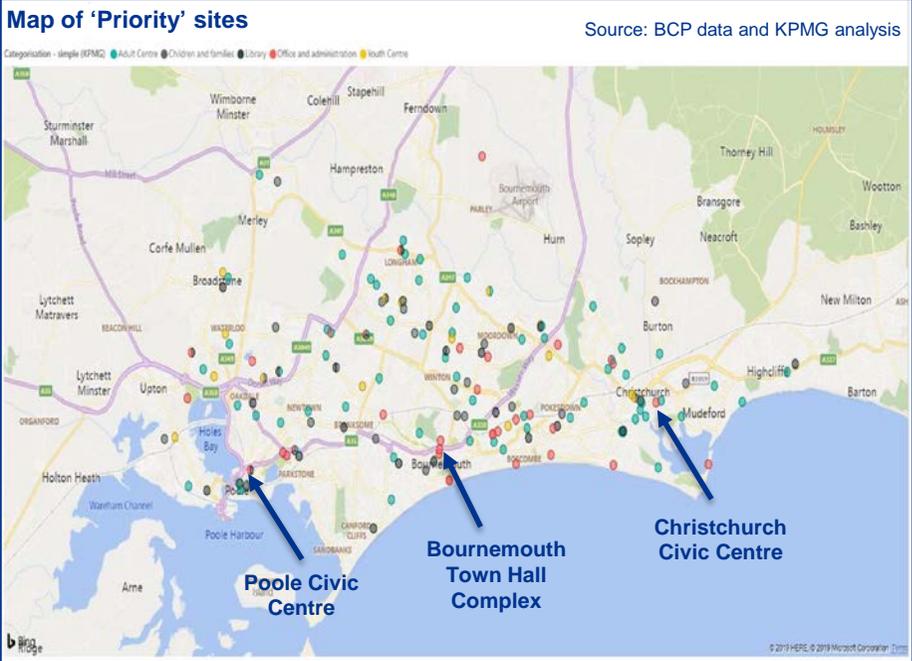
Breakdown of BCP Council estate types

Site classification	No. of unique building IDs
Office and administration	🔴 64
Adult Centre	🟢 84
Youth Centre	🟡 15
Children and families	⚫ 38
Library	🟣 25
Priority sites	**226**
Seafront estate	740
Infrastructure and utilities	585
Sports and leisure	208
Open spaces and reserves	172
School	170
Land and agricultural	156
Carpark	136
Residential and housing	106
Storage	86
Public conveniences	70
Retail and commercial	56
Other	44
Crematorium, Chapel, Cemetery	29
Industrial	28
Cultural sites	16
Depot	14
Total	**2,842**

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Estates

Having identified and understood the current site mix, site visits, interviews and data analysis was undertaken to gain an understanding of current capacity and ways of working.

There appears to be significant excess capacity across the estate, with the opportunity to implement smarter ways of working. There are consolidation opportunities for the potential ability to realise capital receipts.

Outlined opposite is a high level view of current ways of working and accommodation capacity.

Excess accommodation space

— Based on Council occupancy audits undertaken in 2018 across 16 primary office and accommodation sites, the average proportion of desks in use each day was 41%.

— This translates into c. 2,100 of 3,700 desks free on average each day.

— The audits were undertaken by BCP twice daily (mid morning/mid afternoon over two days in September 2018 apart from Christchurch Civic offices which were surveyed on nine occasions in August 2019).

Primary office and accommodation sites - 2018 Council utilisation study
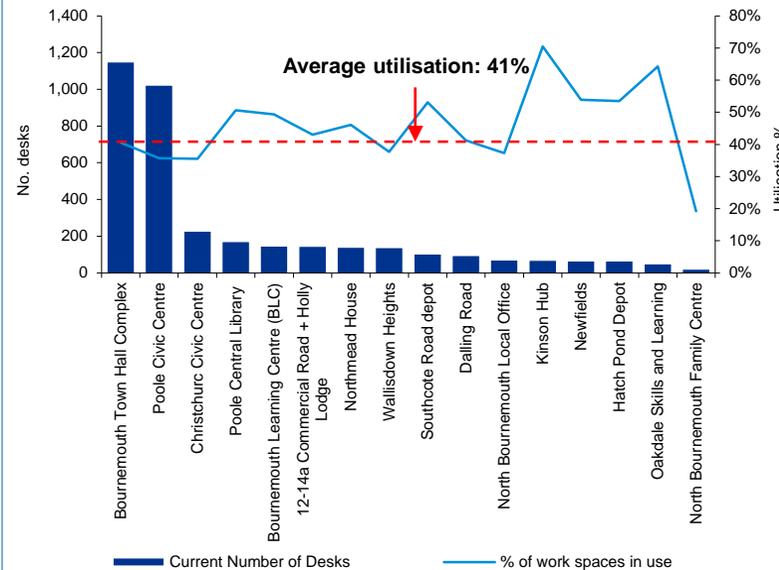
Source: BCP occupancy audits dated October 2018 and KPMG analysis

Mixed ways of working

— Anecdotally, 'Smart ways of working' has been agreed as the direction of travel across the estate by senior leadership but this does not appear to be consistently embraced across the organisation.

— Christchurch Civic Centre is held up as an example of an office that enables 'Smarter Ways of Working' but many other office accommodation sites represent much more traditional ways of working.

— Across BCP's office accommodation, most people appear to have their own desk, limiting the flexible use of office space.

— There is a significant amount of paper and storage in offices as many staff and teams currently rely heavily on paper-based processes.

— Of those offices where condition surveys have been completed, many have a multi million pound maintenance backlog. Investment is required to improve the quality of these sites and create a consistent look and feel across the estate.

Working styles observed in BCP Council include:

— All staff have an assigned desk

— Cellular meeting rooms

— Fixed IT (e.g. desktop computers)

— Separate kitchens

— Most work performed from office location

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Current operating model overview (1)

Using the operating model framework introduced in the approach section, findings from across the current state analysis activities have been collated, including interactions with Officers and review of documentation.

Greater emphasis is deliberately placed on areas where there are opportunities. Additionally, many of these observations are natural consequences of the creation of a new council from three legacy organisations with different operating models and cultures.

Some common themes identified include a lack of integration, duplication of effort, siloed working and frustrations with current technology and systems.

	Observations: future operating model opportunities	Key implications

Service delivery model	— Multiple service delivery models are evident across the Council, largely as a result of the recent formation of the Council.
	— Directorates exhibit siloed working with minimal sharing of resource. Significant levels of enabling activity takes place independently within each of the five corporate directorates, limiting the ability of teams to carry out joint planning or to share resources.
	— Multiple front doors for accessing services with different access points dependent on service user geography and service type needed. Customer contact centres and services across BCP Council recorded the following interactions:
	  — Around 67,000 monthly telephone calls with each service using different management processes and triage approaches.
	  — Multiple teams outside of the contact centres are managing initial customer contact with over 1m calls received by Bournemouth trunks alone in the last year.
	  — Over 77,000 face-to-face contacts recorded across multiple front desks in the BCP Council estate in the last year.
	  — An estimated 14 million website views annually across four different websites.
	— Limited focus is placed on early intervention services (only 4% of organisational effort, compared to 10% of organisational effort for eligibility based services).
	— Availability of out of hours support for both external and internal service customers is variable, with multiple model in place, risking delay in timely response to incidents.
		— Current lack of focus on early intervention leads to inefficiency in prioritisation of resources and missed opportunities for better outcomes.
		— Multiple front doors lead to service inconsistencies and different customer experiences.
		— Duplication of effort as a result of siloed delivery model adds cost and limits potential for improvement through collaboration.

Process	— Siloed working is evident across legacy Council geographies and between directorates. Work is currently ongoing to improve process consistency but a lack of co-location, and integrated systems is limiting progress. — Tracking progress and outcomes can be difficult, both for residents and internal staff (when depending on a different team or service's input). There is often no single, shared and transparent way to track service status without manual updates and intervention. — Processes often rely on 'knowing the right people' and internal networks, as opposed to clearly defined, signposted and adhered to policies - further complicated by LGR siloes. — Processes for requesting service transformation and process support from Resources are inconsistent, with no agreed approach or governance. This can result in joining change initiatives late and increase risks of re-work, duplication and missed opportunities for shared practice.	— Inconsistent and duplicative processes risk inefficiency and delays in service provision. — Lack of clear processes for some services risks poor experience for customers, both internal and external.

Current operating model overview (2)

	Observations: future operating model opportunities	Implications
Technology	— Clear duplication across legacy systems, with around 392 IT systems and applications in use across the Council. Consolidation of systems is seen as necessary and discussions around undertaking this are in progress. — IT support resources are fragmented across the organisation with a quarter of IT specialists, those spending more than 50% of their time on supporting the technology ecosystem, outside of the IT function within Resources. — The majority of IT resource is currently focussed on maintaining end-of-life systems and processing reactionary support requests from service lines. Significant work is also ongoing to implement a single email address, Wide Area Network (WAN) and telephony system across the BCP Council estates. These changes are strained by insufficient IT resources. — System interoperability is limited due to system restrictions; inconsistent data quality, information governance issues and lack of technical support from suppliers is causing siloed system usage and process inefficiencies. — Understandably at this point there is no documented or corporately agreed technology strategy, meaning investments are made based on directorate priorities. A lack of clear governance is also allowing services to push through requests for duplicated accounts and licenses for service practitioners, with the IT team pushed to break protocol in the interests of expediency. — Mobile working and access for staff across the numerous BCP Council estates is an ongoing issue, with varying degrees of access to internal systems and facilities depending on which of the preceding Councils' staff were employed by.	— A lack of IT strategic direction means numerous end-of-life, unconnected and duplicative systems. — Capacity issues within IT are causing transformation initiatives to be stalled as they must focus on on maintaining end-of-life systems. — Maintaining numerous duplicative and legacy systems results in higher revenue costs for the Council. — Interoperability difficulties will limit data analytics capabilities.
People	— A People Strategy has been developed and cascaded across the organisation. There is a focus on future resourcing, continuous development and creating well defined paths for progression and reward. However, this will take time to embed and is partly dependent on the future operating model. — Senior managers are concerned that the intensive LGR timelines combined with full operating model transformation may lead to staff disengagement and loss of momentum. Employees have suggested they need a clearer direction for future changes as they wish to avoid wasted effort; employees accept that the operating model seeks to deliver this clarity. — Staff are working under multiple sets of terms and conditions and employment arrangements, which will constrain the ability to transform, adopt new ways of working to fully integrate teams & services — The current estate and lack of enabling technology is not encouraging integration of teams and the development of a single way of working. Some managers are spending significant time travelling between sites in order to manage their teams. — Employees note that working can be siloed across directorates, partners and also within services throughout the BCP Council geography. — The Council's leadership team is newly formed, and it will take time to achieve the strategic alignment needed to lead the organisation through a complex period of transformation.	— Siloed working reduces collaboration and opportunities that would be identified through knowledge sharing. — Change fatigue will need to be actively addressed through communications and effective change management. — Strategic alignment of leadership is critical to lead the organisation through the transformation and communicating with sufficient clarity and consistency both internally and externally. — There is a dependency on the ongoing pay and reward work for transformation to be implemented successfully.

Current operating model overview (3)

	Observations: future operating model opportunities	Implications
Data	— There are pockets of good practice and analytics capabilities within BCP Council. However, the lack of consistency and dedicated capacity limits the opportunity to embed data-driven decision making into business as usual. — Staff note that data collection is focused mainly on statutory reporting rather than what they required to improve decision-making. Lack of prioritisation of data quality and integration means analytics to support strategic decision-making is difficult. — Managers are unsure of the opportunities that greater use of data can provide. This results in a lack of investment cases which are required to build capability and capacity or redesign services around analytics. — There is no single view of the customer, with data and information held in multiple teams and systems. Decision are therefore often made without the ability to refer to wider context of a customer's background. — There is inconsistent capture and analysis of outcome data which reduces the ability to test which interventions are most effective and understand which risk indicators can best identify customers likely to have more complex needs. — Internal performance and outcomes reporting is only undertaken within certain teams. There are limited options for self service, although reporting visualisation work is currently underway between IT and some service lines. — There is little capacity and capability to undertake advanced forecasting and demand modelling exercises, as well as targeting of early intervention support, so services must approach service delivery in a more reactionary fashion.	— Without a single and consistent view of the customer, Council services are always likely to be sub-optimal. Opportunities to intervene early are unlikely to be identified. — Officers are at risk of reacting late to incidences due to delayed reporting and a lack of wider context. — Without an understanding of best practice, opportunities for reform and piloting may be less ambitious as it is not known what tools and insights could be made available.
Governance	— During the Local Government Reorganisation programme there was clear control on strategic decision making and a clear focus on priority support to drive preparations for go-live in April 2019. — Governance processes and protocols are clearly set out with weekly meetings of senior directors in different functional groupings. This includes Director Strategy Group and Corporate Management Board, which provide oversight and encourage collaborative decision making at a corporate level. — Strategic decisions around resourcing, procurement and services have often been delegated and undertaken in a siloes. Driving strategic decisions to directorate level means they often reflect service level priorities and put less focus on whole Council benefits, requirements and opportunities. — Corporate Directors are often required to address operational decision making. A significant proportion of Director time is spent on this, hindering the ability to focus on strategic planning. — Political oversight is consistent with examples across unitary authorities, with portfolio members engaging in their relevant service lines. However, with the change of administration occurring soon after LGR there has been a natural transition and degree of uncertainty as new priorities and policies have been defined, shaped and embedded into the future plans.	— Missed opportunities for collaboration and sharing of best practice. — Services making decisions of a strategic nature, in isolation can lead to siloed working. — Strategic directors being required to support operational decisions and queries limits strategic planning time.

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KPMG

The proposed operating model

How the operating model was built

The operating model set out in this section of the report is the culmination of all of the work undertaken during the Vision and Ambition phase and the opportunities identified in the activity analysis phase.

Throughout the development, and the emerging model has been checked back to design principles.

The Whole Council Framework, and the Operating Model Framework have both been used to ensure that a holistic approach is taken to operating model development.

1. Vision and Ambition set, including design principles	2. Design workshops across all five directorates	3. U-Collaborate Workshop – detailed discussion of future model	4. First draft of operating model produced	5. Further discussion of key themes and model refinement

What is covered in this section

Operating model on a page		The operating model on a page aims to graphically depict the proposed design of BCP Council, showing how each element of the operating model interacts, with the overall objective of delivering BCP Council's Corporate Plan. Each element is then described, with agreed principles and considerations to be revisited during detailed design set out.
Future Estate		A focus on the interdependencies between the future operating model and the future estate, and proposed principles for the future BCP Council estate.
Future state summary		Using the six design layers of the Operating Model Framework the future operating model has been summarised, with additional detail included in relation to the future systems architecture.
Future system architecture		An outline of the high level future system architecture required to deliver the future operating model.
Check back to design principles		The design principles drove the development of the operating model, but a check back was required to confirm that the final version of the proposed model successfully meets the design principles which the Council leadership agreed.

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The proposed operating model
Operating model on a page

This graphical representation of the operating model is designed to enable a common understanding of how BCP Council will operate in the future as one combined organisation. It shows the key elements of the new model and how they interact. Each element of the model has been defined on the following page, and in more detail in the Appendix.

The operating model is designed to deliver BCP Council's Corporate Plan, the core objectives of which are set out above the model.

The development of the operating model was driven by the design principles and was first written up following discussions at the U-Collaborate Event. Since the event the model has been refined based on feedback and discussion between the BCP Council leadership team.

Vibrant Communities
with outstanding quality of life, where everyone plays an active role

Sustainability | Wellbeing | Investment

Community empowerment and resilience

Engaging early

Leadership and Governance

Data and Insight

Partnerships

Face to face when needed

Digital engagement for the majority

Telephone when needed

Complex assessment

Automated rules-based assessment

Digitally Enabled Service Delivery

Centres of Excellence

Transactional enabling services

The proposed operating model
Describing the operating model

Vibrant Communities	*This is not an element of the operating model, but is included at the top of the diagram to reflect the fact that the whole operating model is designed to deliver BCP Council's Corporate Plan.*
Community Empowerment and Resilience	Supporting and enabling community activities through coordination and signposting to encourage participation, limiting social isolation and encouraging independence, contributing towards improved societal wellbeing as a whole. This activity seeks to reduce need and therefore reduce demand for council services.
Engaging Early	Earlier engagement with those at risk of poor outcomes and earlier identification of required investment in place based services. Using data and insight, alongside a more holistic understanding of need, BCP Council will help to shift service delivery away from more costly interventions when demand presents itself.
Customer Contact	A streamlined, intuitive, predominantly digital front door will allow customers to self-serve wherever possible by accessing guidance and real-time information relating to their services. Face to face and telephone engagement will remain available when it is required.
Automated Rules-Based Assessment	Consistent, automated and self-service based approach for all rules based assessments, reducing manual processing effort and enabling the customer to access the majority of services on demand. Assessments are basic and rely on little or minimal specialist interpretation.
Complex Assessment	Specialist support, guidance and assessment for customers with complex service requirements, often needing a multi-agency approach with decisions made based on richer evidence, often from multiple sources.

Digitally Enabled Service Delivery	Customer centric services utilising best practice digital tooling, with data-driven decision making informed by prediction and prevention wherever possible. Services will be more holistic and integrated, addressing the root cause of citizen needs.
Centres of Excellence	Areas of specific specialist expertise which are called upon by service staff where needed. Business partners act as a link into the Centres of Excellence, providing support and access to additional expertise where required.
Transactional Enabling Services	Core hub for transactional enabling service activities which are automated as far as possible, self-service enabled, and based on clearly defined processes. Integrated enterprise architecture and data visualisation tools provide insight for decision making. Clear separation between transactional and complex tasks to maximise capacity of staff.
Partnerships	Partners play a vital role across BCP's Council operations. Partners will deliver some key services for BCP Council citizens, including some services which are delivered earlier in the new model. In many cases partners will carry out or support complex assessment, and partners such as voluntary organisations will support community empowerment and resilience
Data and Insight	Data and insight plays a vital role in the new model, acting as a core enabler for service providers, improving staff capabilities and enabling greater focus on early intervention to better prioritise resource and improve outcomes. Sharing and accessing data will provide practitioners with a single view of the customer.
Leadership and Governance	Leadership and Governance underpins the whole operating model and is vital to ensuring that the principles of the single Council operating model are maintained over time. Governance sets and enforces the parameters within which the services operate, encouraging consistency and determining what level of variation between services is acceptable.

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The future estate: link to the operating model

The operating model work provides a vision for a transformed BCP Council. The future BCP Council estate must support this vision but will also be dependent on the implementation of the operating model.

Based on developments across the whole of the proposed operating model and validated by outputs from the U-Collaborate event, it was determined that the majority of activities should take place in one Council hub.

The following criteria has therefore been used to perform an initial options analysis for this hub. The criteria provides assessment across five areas: value for money, locational factors, sustainability, physical site characteristics and implementation feasibility.

BCP Council's Design Principles

How will the new operating model change BCP Council's estates needs?

— Digital transformation will support more effective digital interaction with customers, reducing the demand for face-to-face contact with citizens

— The operating model seeks to provide more responsive services to the customer – this means that the BCP Council estate must be located within the community, for example within spokes

— New technology and a shift in culture will support more flexible working. This, combined with expected headcount reductions, will reduce the overall space requirement for office accommodation as staff increasingly work from home or in alternative locations

— Increased agile working will create the need for more flexible touch down space

How will the estate support the new operating model?

— Increased co-location of staff to enable greater collaboration between teams and a more efficient use of space (i.e. through allocating a significant majority of staff to a single Council Hub location and supporting collaborative working in Spoke locations

— Creation of alternative work settings and touch down space in both the Hub and Spokes to support smart and more agile ways of working

— A consistent look and feel across the estate will help foster a single, unified culture across the Council

— Bold changes in the estate can be used to demonstrate tangible progress towards future operating model

— The estate can be designed sustainably which supports aspirations to be Carbon Neutral by 2030

— The estate could potentially provide the opportunity to generate capital proceeds to fund the investment required for the wider target operating model

The future estate: proposed principles

The future BCP Council estate must be aligned to the future operating model and ways of working.

Analysis and engagement suggests that a single 'Council hub', which a significant majority of BCP Council staff are allocated to, will be fundamental to the future way of working

Staff will need to be able to work flexibly, and will therefore also have access to a number of 'Community spokes', which will allow for a variety of ways of working. | **Hub and spokes** | — The majority of staff will be allocated to a centrally located Council Hub, including all of those primarily carrying out 'Citizen Experience and Engagement' and 'Enabling processes and functions'. A minority of staff who need to maintain a base outside of the Council Hub will be assigned to the appropriate site location (examples include librarians, spoke receptionists, children's centres, residential homes and leisure centre staff).

— Customer contact will be primarily managed from the Council Hub and will be digitally enabled. Drop-ins and specifically diarised meetings will often be held in Community Spokes.

— Many service delivery teams will continue to be locality focused, but not necessarily locality based. This means that whilst many staff will be responsible for delivering services within a specific locality, they may still be allocated to the Council hub. The majority of service team time will be spent in the community, working in an agile way (including from home where appropriate), and thus flexible community spokes and partner sites will allow for working in spokes and touch down spaces within the locality as required.

— Community Spokes should have space for staff to 'touch down' and perform office style working, for example between appointments or activities 'in the field'.

— BCP Council teams must be capable of co-locating with partners as appropriate. |
| | **Hub design & supporting technology** | — To facilitate more collaborative and flexible ways of working, there will be a variety of alternative work settings including work stations, 'drop-in' style working environments, formal and informal meeting areas and collaboration zones.

— The space and supporting furniture / equipment will be designed in a uniform and standardised way to maximise flexibility.

— There will be allocated zones for those teams which undertake the majority of their work from within the Hub. However, these will be 'soft' allocations only and no desks will be assigned to individuals.

— The dedicated Civic space within the Hub will include the Council Chamber and one large Committee Room only. |
| | **Other** | — The estate will be designed to support the future operating model and ways of working.

— The future estates strategy is reliant on having the appropriate technology and cultural change to support more flexible working. Flexible working means that office-style working will be undertaken from a variety of locations including from hubs, in spokes and from home.

— The estate must be rationalised and costs and contracts associated with estates management will be reduced through increased economies of scale. |

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Summarising the future model (1)

Using the operating model framework introduced in the approach section, the six design layers have been used to summarise the key characteristics of the proposed operating model.

This section provides another lens through which to view the operating model, complementing the diagrammatical view and description of each operating model element.

	Key characteristics of proposed model	Key benefits
Service delivery model	— Greater prioritisation of early intervention and independence, through proactive, data driven identification of risk and investment in preventative services. — Strategically coordinating the community sector to empower citizens towards living more independent lives and building support networks to improve wellbeing. — Embedding a more integrated whole council approach to deal with issues holistically, helping to address root causes rather than symptoms, supported by greater collaboration with both internal and external partners. — A more agile delivery model, with staff able to work in a mobile and flexible way within the community through a more joined up hub and spokes estates strategy. — Digitally enabled self-service for both staff and residents to access the services and support they need to allow specialists to focus on complex issues will ensure more timely resolution of more simple problems, without office hour restrictions. — Consistent assessments automated where possible, with the ability to call on multi-disciplinary expertise when required.	— A better coordinated and signposted community offering can help residents build local support networks and maintain independence. — Digitally enabled self service allows services to be accessible even when the offices are closed — Mobile digital tooling and flexible estates allows services to be delivered at the right time in the right location.
Process	— Automation, potentially including chatbots and AI enabled self-assessments, will allow residents to access support and information about available services 24/7, without having to directly contact the Council. This includes statutory and non-statutory assessments. — More accurate pre-screening, self-service and coordinated communities can reduce the number of unnecessary assessments. — A digital portal for citizens to access services will make it easier to engage and remove time consuming processes for staff. — Real-time access for citizens to track the progress of their service applications/request through an online portal will provide greater transparency and reduce contacts with the Council. — Following a 'tell us once' approach to capturing information and undertaking assessments will reduce repetitive questioning to improve process efficiency and increase quality. — Pro-active, real-time notifications for staff with relevant information on the citizens they are supporting when they have a touch point elsewhere in the system will enable faster and more appropriate responses and support, avoiding further risk. — More clearly defined processes, with specific owners and points of contact across teams to simplify cross-departmental working.	— Automated processes can reduce response times for residents, with 24/7 access to support and reducing need to travel. — Improved process efficiency will allow staff to focus more time on complex cases. — Citizen Portals, to provide live information about the status of personal engagements with council services will bring transparency. — Clearly defined processes will embed a higher degree of consistency in service delivery.

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Summarising the future model (2)

	Key characteristics of proposed model	Key benefits
Technology	— A more strategic approach to enterprise architecture will provide a framework for any decisions that are made around technology, which all directorates are bought into and abide by. — The principle of cloud-first will continue, albeit with greater pace and investment in solutions using these capabilities. Some systems will remain on premise and so a hybrid model of infrastructure will be adopted, however locally held servers will be consolidated into a single place rather than fragmented across BCP Council. — A commitment to digital tooling and mobile working technology, using a single mobile device management application with single sign on capabilities for all BCP Council systems reducing complexity for staff. — Delivering a significantly more integrated ERP and CRM ecosystem, with exceptions agreed at a corporate level, with clear justification. — Rationalised IT estates with integrated infrastructure feeding a consolidated set of applications will deliver a single view of the resident, facilitate the enhancement of richer datasets for analytics and enable greater collaboration across teams and services both internal and external to BCP Council. — Enterprise wide commitments to specific applications and tools will reduce licensing costs and build a greater community of practice which staff can draw upon to share learning and build capability. — Greater commitment to improving digital literacy through training around mobile devices and tools.	— Enables a single integrated view of the resident as well as enabling advanced analytics such as demand forecasting and service targeting. — Service efficiency improvements through: the reduction of duplication and manual effort; enablement of collaborative working and more agile working. — Staff empowerment through greater autonomy and self service capabilities bringing greater accountability and simpler decision making. — Cloud based infrastructure and application consolidation allows for easier scaling. — Consolidating systems and application licenses reduce costs, and higher volume licenses will see savings through bulk purchase discounts.
People	— Grouping of staff by capability to a greater extent than is currently evident (e.g. within Centres of Excellence). — A programme of skill develpment in areas such as data literacy, digital tooling, collaborative working and service delivery. — Clear development pathways for staff with understanding of the capabilities they need to build and path toward it. — Performance management will be used to support and incentivise cultural shifts required within the new operating model (e.g. the adoption of more collaborative ways of working, improving data quality and driving continuous improvement).	— A greater focus on capability and specialism will drive innovation and the adoption of best practice. — A clear and compelling offer to staff through training, development and career progression will reduce attrition and enable the Council to retain talent.

Summarising the future model (3)

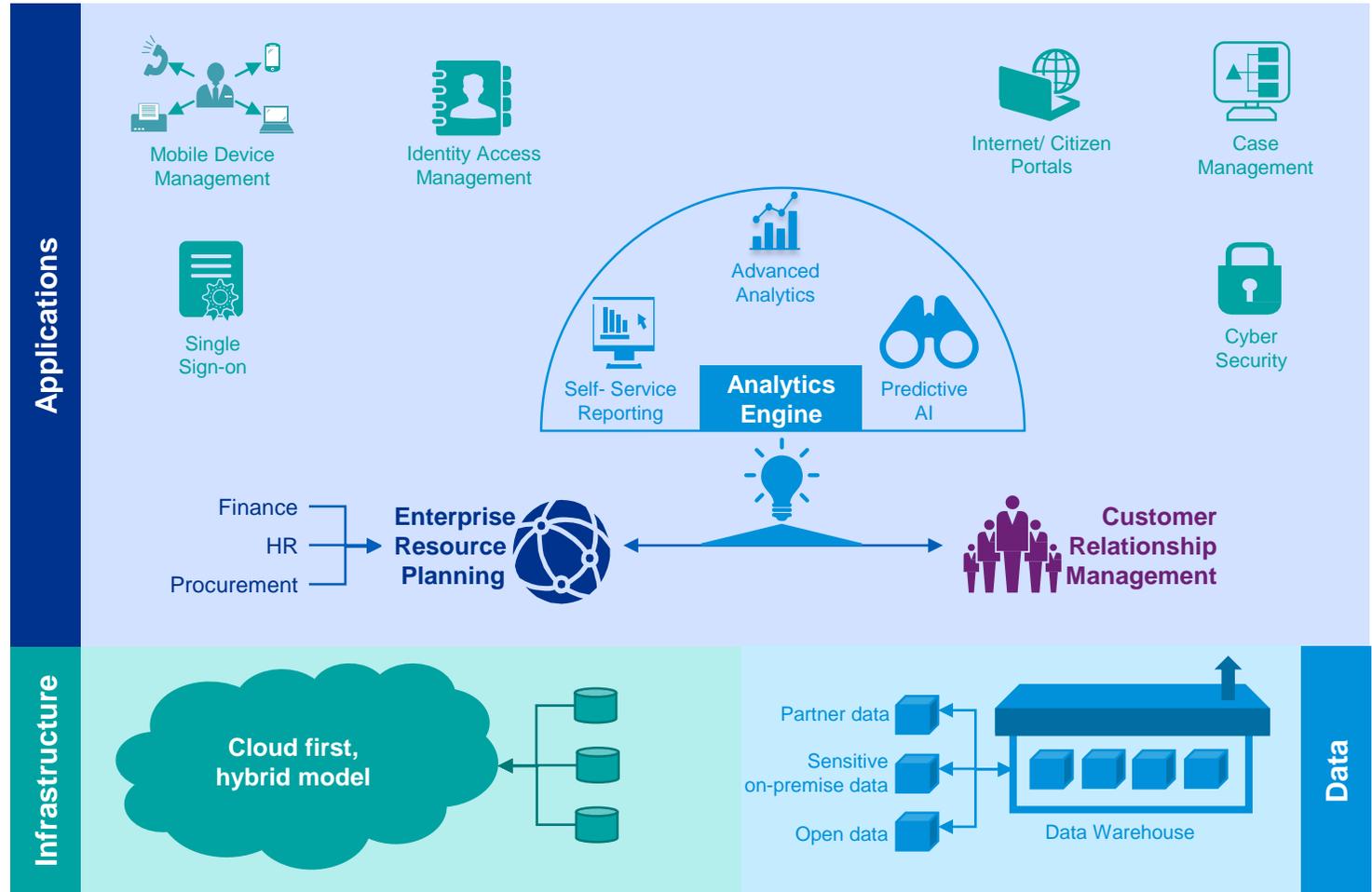|	Key characteristics of proposed model	Key benefits
Data	— Data driven targeting of early intervention service delivery, providing more appropriate support through early identification of those at risk. — A single version of the truth, through better integrated datasets, will allow officers to have the holistic context to make the right decision, addressing the root causes and not the symptoms. — Central data and analytics capability will be embedded within the Council to provide support at the strategic, tactical and operational levels of decision making, with responsibility for embedding new working practices and providing insight. — Self-service analytics and visualised reporting for more basic analysis will empower staff to better understand what their data could tell them, why data quality is important and free up analysts' time for more value adding activities. — Gradual adoption of advanced analytics to track the performance of interventions, to support officers in making better decision and to target investment. — Data and evidence will be embedded in decision making at a strategic level, including forecasting of demand to support resourcing decisions. — An "Information Coaching" approach, with problem solving based information governance support engaged early, to help develop innovation initiatives and provide assurance to staff concerned or confused by General Data Protection Regulations (GDPR) stipulations and information governance. — A senior leadership team with clarity around data opportunities.	— Improving citizen outcomes, through earlier support, more effective interventions. — Efficiency improvements through reduced duplication of effort, data re-entry, information governance obstacles, repetitive assessments and avoiding resource intensive interventions. — Continuous improvement will be enabled through improved capture and analysis of outcomes data. — Reduced risk from regulatory compliance under through improved data literacy across the organisation
Governance	— Clear ownership of the operating model by a leadership team which commits to driving and maintaining a whole council approach to prioritisation and decision making. — A clear strategic view of areas such as technology, data, procurement and service collaboration to be in place, with a set of principles that senior leaders are bought in to. These principles will act as a decision making framework, with exceptions only through corporate director level agreement. — Greater clarity around information governance driving a more strategic approach to information sharing data and a culture of 'information coaching. — Making greater use of and partnerships with the voluntary sector through taking on a greater role in community coordination — Take a greater role in the local government sector, appreciating the scale of BCP Council, to help define good practice and share information	— Clearer corporate accountability as a result of clear, jointly agreed and adhered to set of strategies and principles — An improved approach to information governance will encourage greater collaboration internally and externally, ultimately driving improved outcomes.

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High level future systems architecture and principles

The diagram opposite outlines the high level future systems architecture. It assumes a consolidated IT estate and improved system interoperability.

Further work is required to fully define the enterprise architecture. Core principles proposed include:

— **A cloud first approach, using on-premise solutions when absolutely needed.**

— **Rationalise Enterprise Resource Planning (ERP) modules to a single supplier unless there is a core business reason to not do so.**

— **A single, consolidated Customer Relationship Management system to manage records and better integrate data.**

Additional capabilities outline what will also be required to realise ambitions around staff tooling and customer access. These are not exhaustive but provide a high level view of the system requirements required to transform BCP Council's IT estate.

Applications

Mobile Device Management

Identity Access Management

Internet/ Citizen Portals

Case Management

Single Sign-on

Advanced Analytics

Self- Service Reporting

Analytics Engine

Predictive AI

Cyber Security

Finance / HR / Procurement → Enterprise Resource Planning ↔ Customer Relationship Management

Infrastructure

Cloud first, hybrid model

Data

Partner data

Sensitive on-premise data

Open data

Data Warehouse

Document Classification: KPMG Confidential

Check back to the design principles (1)

The design principles have been the key driver behind the development of the operating model.

Following development of the high level operating model it was important to carry out a check back, to confirm that all design principles have been met.

These two pages provide commentary on how the new proposed operating model aligns to the design principles.

Design principle	Assessment of proposed operating model against design principles
1. Empowering communities to co-design and deliver services, with citizens taking responsibility for their own outcomes	— The model emphasises the need to create a culture of community resilience through co-ordination and signposting of activities to promote the independence of citizens and enable them to solve problems. — During detailed design there will need to be further consideration of the best way to empower communities to design and deliver services.
2. Putting the customer at the heart of our thinking to provide timely and responsive services	— Customer contact will be streamlined, intuitive and self-service where appropriate. Customers will have access to real-time information via an online account, and retain access to support via phone and/or face to face, where necessary. — Data and insight capabilities will enable holistic understanding and assessment of customer requirements, enabling data-driven decision making to integrate services and address the root cause of customer issues.
3. Creating a culture and estate that support our work being done in the best place and time	— The operating model is consistent with the BCP Council's people strategy which places focus on celebrating success, inspiring people, delivering potential and high performing teams. — Flexible and more agile ways of working will be supported via digitally enabled service delivery and data and insight capabilities, as well as through the supporting estates strategy placing focus on greater collaboration via multi-disciplinary spokes — Leadership and governance will support and enable the change by defining the parameters in which people operate.
4. Intervening as early as possible to manage demand and improve outcomes	— Data-driven insight will enable an holistic and forward-thinking approach to customer assessment, supporting early engagement to drive intervention and reduce escalation of requirements. — Digital tooling and integrated systems will support engaging early through accurate and real-time data sharing. The model embeds a multi-agency partnership approach to support a more holistic understanding of the customer and their interactions with services.

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Check back to the design principles (2)

Overall, BCP Council's proposed future operating model completely aligns to the design principles and reflects the emphasis placed on these during the development of the model.

The design principles will continue to be vital during the detailed design phase. Governance will need to ensure that decisions are made which continue to reflect the spirit of these principles.

Design principle	Assessment of proposed operating model against design principles
5. Constructing strategically integrated systems and digital tools, using data to create knowledge and insight	— An IT Centre of Excellence and a more clearly defined IT Strategy will support a more integrated set of systems and tools, enabling more sharing of data and insight between teams. — A single version of the truth will provides an holistic view of the customer, with proportional access provided to officers in order to use insights to address root causes rather than symptoms. — Data and insight will be used to identify risks and triggers earlier through joined up systems and investment in cross-council analytics capabilities.
6. Building and resourcing an environment for innovation, learning and leadership	— Leadership and governance underpins the model in order to support and enable the culture change required to support innovation. — Centres of Excellence are hubs for innovation, driving best practice thinking to support the whole Council. Within Centres of Excellence, Business Partners will have responsibility for encouraging and sharing best practice. — Greater data and insight capabilities will provide the basis for measurable outcomes that will encourage and enable more informed and progressive decision making.
7. Choosing the most appropriate delivery model for each service	— The model will drive greater integration in the way that services are planned and supported, but recognises that a different delivery model will be appropriate for different services. — Data and insight will enable better tracking of outcomes and help to determine appropriate service delivery models.
8. Leading and collaborating with partners to deliver better outcomes and efficiencies	— Partnership working is recognised as being fundamental to the model, particularly in service delivery, early engagement, complex assessment and community empowerment and resilience.

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Financial impact of the proposed model

How the financial impact has been quantified

The financial impact of implementing the proposed operating model has been analysed based on the understanding of the current state and consideration of potential benefits from the changes in ways of working. Best practice and examples of benefits achieved by other organisations, including other local authorities, have been considered.

Ranges of costs and savings are approximate at this stage, in advance of more detailed design work. This section considers current and future revenue expenditure and excludes capital expenditure and implementation costs, which are included in the following section.

Summary of financial impact

Programme of change	Baseline (£m)	Benefit range (%)	Estimated benefit (£m)	
			Low	High
Customer Contact	60.2	13% - 19%	(7.9)	(11.6)
Service Redesign	42.7	8% - 12%	(3.4)	(5.1)
Enabling Functions	41.0	9% - 14%	(3.9)	(5.8)
	144.0	11% - 16%	(15.2)	(22.6)
Third party spend	293.5	4% - 7%	(10.7)	(19.8)
Cost recovery	(128.8)	0.6% - 1.2%	(0.8)	(1.5)
Benefit			(26.8)	(43.9)

FTE impact

Full time equivalent (FTE) impact has been calculated using the activity analysis FTE numbers and costings, as the baseline.

In the table above the benefits are shown by programmes of change. This reconciles to the split by process layer within the Whole Council Framework.

Third party spend

Following the review of third party spend, the potential opportunity for the Council has been calculated. This has taken into consideration the current cost base and experience of savings that can achieved through efficient and coordinated management of third party spend.

Cost recovery

The cost recovery analysis considers the current recovery of income the Council achieves. Further analysis considers the current position and opportunities for the council in terms of strategic income management and consolidation of fees and charges.

Impact on FTE effort

The table opposite provides a summary of the Full Time Equivalent (FTE) impact aligned to the Whole Council Framework layers, achieved through the suggested programmes of change on the previous page.

The third party spend and cost recovery suggested programmes of change do not have FTE effort from the Whole Council Framework aligned to them.

Impact of proposed model by process layer

Whole Council Framework Layers	Benefit range (%)	Current		FTE movement		Estimated benefit (£m)	
		FTEs	Costs (£m)	Low	High	Low	High
Customer Experience & Engagement	13% - 19%	1,664	60.2	(220)	(321)	(7.9)	(11.6)
Service Delivery	8% - 12%	1,391	42.7	(111)	(167)	(3.4)	(5.1)
Enabling Processes & Functions	9% - 14%	946	41.0	(90)	(134)	(3.9)	(5.8)
Benefit	**11% - 16%**	**4,001**	**144.0**	**(421)**	**(622)**	**(15.2)**	**(22.6)**

The following pages provide more detail on the saving ranges. They also provide details on the baseline, opportunity drivers for improvement and evidence for the opportunity drivers. There is a page for each of the suggested programmes of change:

— Customer Contact
— Service Redesign
— Enabling Functions
— Third Party Spend
— Cost Recovery

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Customer contact

Baseline

— Contact centres face to face: c 77,000 p.a.
— Contact centres calls: c808,000 p.a.
— Non contact centre calls: estimated c3m p.a.
— **TOTAL Contacts – c4m p.a**
— Public sector benchmark estimated cost per call: £2.83
— Public sector benchmark face to face cost: £8.62
— Total expected costs for customer contact based on Public sector benchmark : £11.4m
— Actual BCP Council costs for citizen engagement: £13.4m
— Actual BCP Council costs for citizen experience and engagement: £60.2m

This lack of reconciliation between the public sector benchmark estimates and activity analysis findings suggests fragmentation in first customer contact events.

Opportunity drivers for improvement

– Simplified, intuitive and accessible front door with the majority of contact through digital self-service
– Automated rules-based assessment through self-service
– Creation of Data and Insight capability enabling greater focus on early intervention
– Online account with single view of the customer enabling holistic assessment of needs
– Strategic approach to gathering, managing and sharing data across staff, partners and customers
– Agile working opportunities enabling greater flexibility
– Integrated and streamlined systems

13%-19% savings across process layer
(£7.9m – 11.6m)
Consisting of:
25%-35% in customer contact excluding social care referral and assessment
4%-8% in social care referral and assessment
3%-5% reduction in (Service Planning, Quality & Safeguarding and Commissioning)

Evidencing opportunity drivers

The core opportunity drivers in this layer relate to shifting customer contact channels, rationalising disparate resources who are undertaking the exercises and reducing demand through better signposted and designed self service capabilities and platforms – evidence of successful deployment of this type of approach and the expected savings are articulated by:

— **Council A** achieved a 65% decrease in average cost per enquiry through a 70% uptake in digital self-service, taking the average cost of contact from £5.90 to £3.84. It has a population of c250k. Applying a 65% reduction only to the cost of citizen engagement, BCP Council could potentially achieve a saving of £4.6m. Other processes such as referral and assessment and payment and funding would also be positively impacted by this.
— **Council B** has a population of c200k and a revenue budget of £140m. It approached customer contact through large volume contacts being digitised. They achieved £1.7m of savings on a revenue budget of £140m. When they started they already received proportionately lower telephone (250,000 to contact centre) and face to face contacts (27,000) than BCP Council.
— **Council C** has a population of nearly 700k. Its current customer support and management costs are £62m and through it's operating model redesign they have identified a reduction of 24% which equates to £15m. Their key drivers to achieve this is through consolidation, single view system and digital enablement within the function. Applying this reduction to BCP Council's spend on Citizen experience and engagement would achieve £14.48m of efficiency savings.
— **Council D,** working with their local NHS Trust, have provided digital tools and digitised assessments to health visitors and early help workers. The impact of this improved tooling saw up to 20% (118 minutes per day) per day in productive time returned to workers, on top of the richer intelligence that was created to drive analytics and improved targeting of support and impact analysis of different intervention approaches.

Financial impact of the proposed model
Service redesign

Baseline
The full cost of this layer of activities to BCP Council is £42.7m according to the activity analysis findings and related salary and on-costs.

8% - 12% savings across process layer

(£3.4m – £5.1m)

Drivers for improvement
— Creation of Data and Insight capability to support early intervention and a data driven targeting of needs
— Digital tool enablement
— Strategic approach to gathering, managing and sharing data across staff, partners and customers
— Improved signposting of community activities to reduce the most damaging outcomes
— Greater back-office support through Centres of Excellence
— Consolidation of effort within teams and across partners
— Agile working opportunities enabling greater flexibility
— Integrated and streamlined systems
— Service redesign to optimise technological development

Evidencing opportunity drivers
The core opportunity drivers in Service Delivery relate to the enablement of staff through more efficient digital tools; the use of data and insight to better target support; and understanding what works to reduce demand further upstream. In addition, the value of an easily accessible, consistent and accurate 'single view of the resident will improve the quality and efficiency of services through more holistic support being provided in the right way and at the right time.

— **Council E** digitised bin collection service, saving 3.5% in cleansing services alone, totalling £1.5m over 10 years. This was achieved by shifting 58% of demand to online self-service. The impact of undertaking this kind of exercise as part of a more corporate approach to digital self-service could see these channel shift rates and savings extend further as it is easier and more commonplace for citizens to adopt online access and reporting of need to services.

— **Council F** created a 'professionals portal' as part of their Family Front Door initiative, drawing information together across departments and partners to create a single view for a select cohort. This saw an initial round of savings of £75,000 annually, through reduced time developing case files and building evidence. Indirect benefits of better support and evidence based decision making have also helped to drive earlier intervention and reduce the number of residents requiring further support following an intervention.

— **NHS Trust A** introduced KPMG's Operational Excellence methodology as part of wide scale service transformation to create a culture focused on continuous improvement and sustainable change. In aligning goals and empowering frontline teams to own and drive improvement from the 'bottom up', The Trust repaid £21m of legacy debt and reduced agency spend by 26%. Through the training of 200 staff in improvement methodologies, more than 32 wards are carrying out daily continuous improvement activities which has seen benefits such as 30% reduction in patient falls and 3 hours saved per ward manager in using the management system.

Enabling functions

Baseline
— BCP Council costs for enabling processes and functions: £41.0m
— BCP Council costs excluding Legal and Communications: £36.2m

	Finance	HR	IT
Activity	135.5 FTE (£5.8m)	102.0 FTE (£4.6m)	154.7 FTEs (£6.3m)
Primary activity	87 people	37 people	143 people
Top 25% public sector benchmark	39 FTEs	17 FTEs	73 FTEs
Median public sector benchmark	65 FTEs	25 FTEs	121 FTEs
Reduction to achieve top 25%	48 FTEs (£1.7m)	20 FTEs (£0.7m)	73 FTEs (2.8m)
Reduction to achieve median	22 FTEs (£0.9m)	12 FTEs (£0.5m)	22 FTEs (0.9m)

Drivers for improvement
— Creation of Data and Insight capability to support early intervention and a data driven targeting of needs
— Digital tool enablement
— Strategic approach to gathering, managing and sharing data
— Improved signposting of community activities to improve outcomes
— Greater back-office support through Centres of Excellence
— Consolidation of effort within teams and across partners
— Agile working opportunities enabling greater flexibility
— Integrated and streamlined systems
— Service redesign to optimise technological development

9% - 14% savings across process layer (£3.9m – £5.8m)

Consisting of:
10%-15% fall in enabling functions excluding Legal

Evidencing opportunity drivers
The most significant opportunities within Enabling Processes & Functions are around self-service, automation and rationalisation of IT and physical estates – all of which can help to overcome the causes and results of fragmented working practices.

— **Council G** reviewed their HR support function and achieved savings of 10% as a result of improved self-service functionality for managers and a further 15% efficiency saving in the HR function. This has contributed to their overall savings in excess of £200m for enabling processes and functions. Its population is c520k, with a revenue and 18,000 staff including schools.
— **Council H** change programme achieved £15.1m through reconfiguring its back office functions and reducing head count by 600. It has identified a further £3.5m of savings for the second phase of the work. It's population is c330k and 8,000 employees.
— **Council I** has redesigned its operating model to include corporate 'core.' The corporate 'core' design has achieved £5m of savings. Its population is c190k and has 3,566 employees.

Third party spend

The Council has not yet adopted a single approach to managing third party spend. For example, there is no single contracts register for BCP Council or a standard Category Management approach.

The ability to realise savings in the short, medium and long term can be expedited through the strategic management of its third party spend.

Consolidating duplicated spend areas and re-evaluating the priority spend areas will support the delivery of savings in this area.

Cost Base
— Total third party spend for BCP Council: c£400m
— Addressable third party spend: c £290m
— (excluding capital, pension contributions, Education and Inter-BCP Council spend)
— Addressable social care spend: c£160m
— Addressable other spend: c£130m

Drivers for improvement
— Increased purchasing power from economies of scale, achieved through:
  — Contract rationalisation as a result of the three preceding councils' supplier agreements
  — Contract renegotiation to lower unit costs through increased total service demand
— Clearer corporate policies and protocols around third party spend
— Procurement panels for managing ad-hoc, lower level spend
— Improved demand and outcomes data to:
  — Forecast demand to reduce reactive spend
  — Assess outcomes to manage contracts and keep to SLAs

4% - 7% of controllable third party spend (£10.7m - £19.8m)

Consisting of:
5-9% for third party spend excl. social care
2-4% for social care third party spend

Evidencing opportunity drivers

The core opportunity drivers that can be realised through transforming third party spend within the Council are around the development of a central procurement and spending policy, which is adopted throughout the organisation and embedded into ways of working, including category management.

When undertaking work to support the transformation of procurement functions and third party spend operating models, KPMG has typically found sustainable cost reductions of 6% - 9% for indirect costs and 3-4% in direct costs for the public sector.

KPMG's work across the private sector has driven third party spend efficiencies of between 9 and 22%, in such organisations as power generation, telecoms, energy provider, transport and food retailer.

— **Council J** has focused on reducing its third party spend and over a period of 2 years achieved nearly £5m of savings. With an expected addressable third party spend of c£150m. Equating to 3.5% of savings. They have implemented an commissioning and procurement model which continues to drive percentage savings.

— **Council K** have implemented a category management approach for their third party spend, in the first few years achieving £18m from their £380m addressable spend, equating to 5% of saving. They continue to target these percentage of savings.

Cost recovery

As BCP Council is already a strong performer with respect to cost recovery, being above the UK average in most areas, only minimal increases in revenue are anticipated for the future.

While few gains can be achieved by aligning to unitary average recovery positions, there are some high recovering unitaries that could be used as exemplars if BCP Council sought to go further.

If it does, transparency is critical to ensuring equity. A good example of ongoing reviews and management of fees is West Sussex, whose annual report provides a transparent breakdown of all changes and charges, explaining the rationale and the basis for it, including whether it is a statutory charge, cost recovering or exceeding cost recovery.

Cost Base

Taken from Revenue Outturn 17/18 returns:
— BCP Council total service expenditure: £369.2m
— BCP Council total fees and charges Income: £70.6m
— BCP Council other income: £58.1m
— BCP Council total income: £128.8m
— BCP Council average recovery: 19.1%
— UK average recovery: 15.8%*

Different reporting approaches are taken by UK Councils for Revenue Outturn returns.

Drivers for improvement

— Improved equity for residents, ensuring those that call upon non-critical services contribute to their payment rather than subsidised by the wider public purse.
— Consistency of service and approach across preceding councils through an updated fees and charges register.
— Reducing the amount that must be cut from a service can help ensure it remains fit for purpose and can partly fund investment and innovation for improvements.
— Improved reporting data around both outcomes and cost will naturally allow for a fairer cost recovery approach.

0.6%-1.2% of total income (£0.8m - £1.5m)

Evidencing opportunity drivers

Councils have been approaching income management in a more strategic way over the last 10 years. With Councils introducing income management principles and strategies. The rationale for this is building a more commercial approach and ensuring that active decisions are made in relation to service subsidisation.

A number of local authorities, such as Swindon Borough Council, Powys County Council and London Borough of Barnet, have Income Management/Service Cost Recovery Strategies and have been implementing sustained improvements in their cost recovery position over many years.

BCP Council already performs highly against the average service cost recovery position, based on the revenue outturn analysis, but there is the potential to improve, as it does not have a single fees and charges register or common way for calculating cost recovery, although the Council could potentially use the Financial Toolkit that has been developed.

A number of approaches can be used to increase income from cost recovery approach, such as: Increases in fees and charges; simplified and consistent concessions; and improving traded services. Equally, reviewing processes to ensure that recovery of current fees is improved, such as payment upfront which can help facilitate faster and improved payment uptake without influencing fees levels and result in improved cost recovery overall.

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Implementation planning

Implementation approach considerations (1)

The Council will be embarking on a large programme of transformational change to achieve the optimum model of delivery for its c400,000 citizens.

The achievement of this transformational change programme will be assessed on the outcomes the Council achieves and the approach it takes to delivery.

Any programme of change requires effective programme governance, leadership commitment and change capacity and resources to deliver – BCP Council's change programme is designed to move at pace, to not lose the opportunity of securing a new culture and ways of working as a result of the Local Government Reorganisation.

10 requirements for Programme Design

Total Council Transformational Change Programme

Customer Contact

Service Redesign

Enabling Functions

Ongoing Council Change Programmes

Pay and Reward Review

Service area re-structuring and interim design implementation

Continuous improvement

Mobilisation

A robust mobilisation process will be required to ensure the programme is set up correctly.

Careful planning is required, as the Council has limited resources and will not be able to sustain concurrent requests for specialist enabling, customer and service resources. Similarly service areas' capacity to embrace change will be depleted if there multiple changes impacting them in the same time frames.

The cultural change the Council is aiming to achieve can be enhanced or hindered by the programme implementation approach.

There are 10 key areas for effective programme design. An approach to each of these will need to be defined during the mobilisation phase and maintained by the programme team throughout the programme.

Programme of Change

There are three distinct layers of the operating model that require transformational change: customer experience and engagement, service delivery and enabling functions and services.

These need to be carefully managed; however they will not operate in isolation, with many service areas undergoing restructuring and a Council Pay and Reward review.

In addition, the Council does not want service areas and employees to wait for the transformational change. Continuous improvement is a key element identified in the People Strategy.
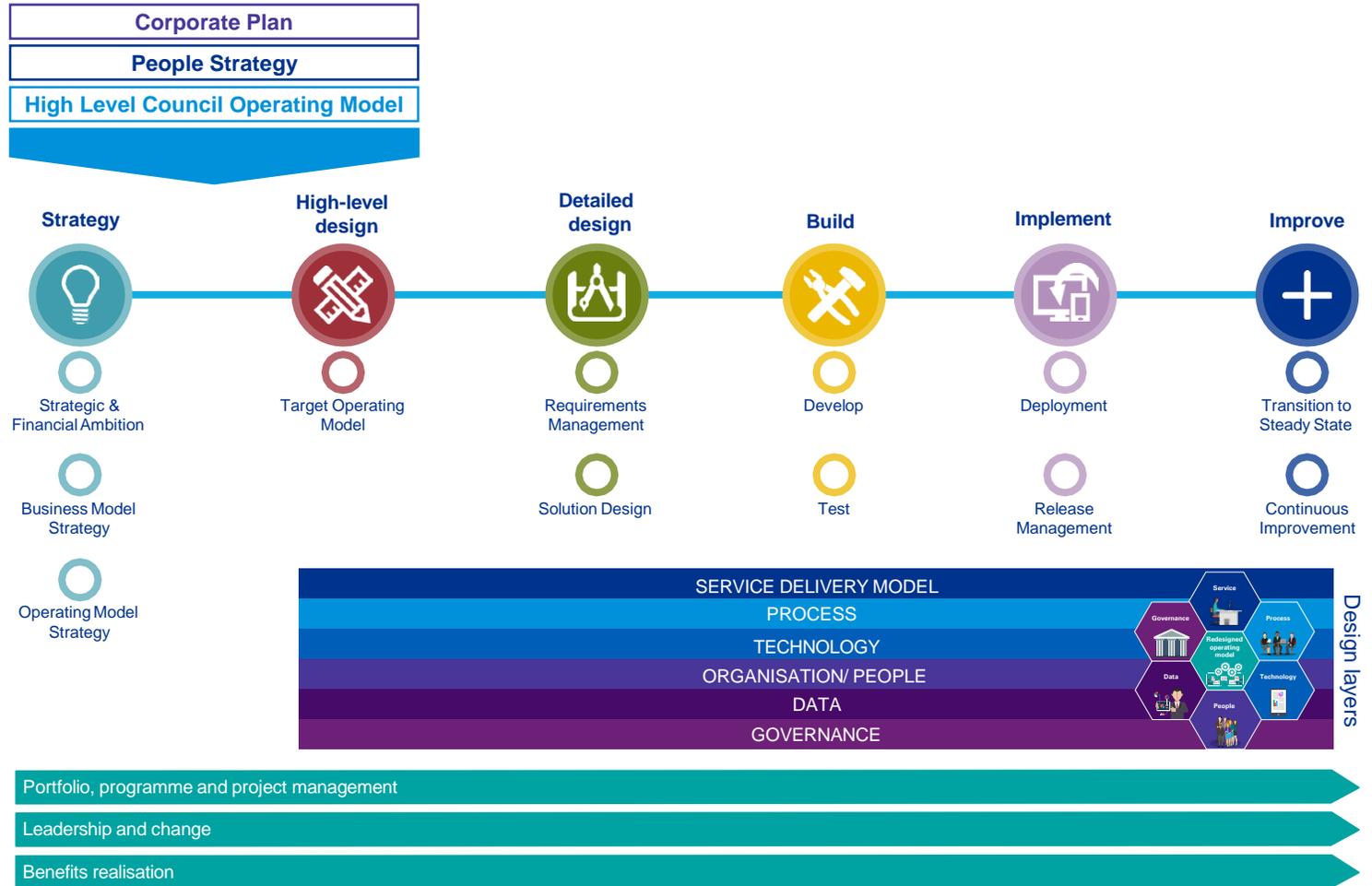
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Implementation approach considerations (2)

The transformational change programme requires a common high level approach. This allows for better understanding, communication, accountability and skills transfer.

The Council has already developed it's corporate plan, people strategy and high level Council operating model. These provide the framework for all future designs, builds and implementations.

Further implementation planning is required to ensure the Council has sufficient resources to deliver and that change overload is not experienced by the Council's delivery teams.

Corporate Plan

People Strategy

High Level Council Operating Model

Strategy	High-level design	Detailed design	Build	Implement	Improve
Strategic & Financial Ambition	Target Operating Model	Requirements Management	Develop	Deployment	Transition to Steady State
Business Model Strategy		Solution Design	Test	Release Management	Continuous Improvement
Operating Model Strategy					

SERVICE DELIVERY MODEL
PROCESS
TECHNOLOGY
ORGANISATION/ PEOPLE
DATA
GOVERNANCE

Design layers

Portfolio, programme and project management

Leadership and change

Benefits realisation

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Estimated implementation costs

The investment required to achieve the operating model and its associated benefits are dependent on the choices the Council makes in to relation to the implementation approach, resourcing and systems. These choices also directly impact the savings and when they can be realised.

This report aims to consider the range of potential investment costs to inform the Council's choices on implementation.

Estimated implementation costs

Type of cost	Amount (£m)
One-off	20.5 – 29.5
Ongoing	4.8 – 7.1

Assumptions:

For the basis of these investment costs the following has been assumed:

— One-off costs include both capital and revenue expenditure.

— 7% annual turnover of staff, meaning that in all work streams FTE reductions can be achieved through staff turnover within 3 years.

— Redundancies could need to be made to more rapidly implement the operating model.

— Information technology, programme management office, human resource and finance, customer management, communications, data and analytics and service staff supporting.

— A significant programme of work has already been completed or will be completed within this financial year on the supporting system infrastructure and desk top replacement of hardware.

— Cost categories include systems and supporting infrastructure purchase, systems licences, workforce redundancies, workforce capacity and implementation support.

— There will be a deduction in the number licences required and costs associated with decommissioned systems.

— There will be an uplift in the licence costs required overall.

— Implementation support will be required for business and system changes.

— All implementation costs relating to estates have been excluded.

Indicative benefits and investment profile

The graphs on this page outline the estimated benefit and investment profile over a four year period.

This profile is based on a rapid implementation profile and consideration will need to be given to the Council's ambitions to move at such a pace. The benefits and investments are achievable over a longer time frame. This needs to be balanced with the potential to lose momentum and change apathy.

Investments initially exceed benefits, but from Year 2 it is forecast that benefits begin to exceed ongoing investment.

Investment figures include all capital investments (excluding estates), one off revenue investments and ongoing revenue investments.

The benefits calculated do not include any capital receipts that could be achieved. Therefore all benefits shown would permanently reduce the revenue budget.

Ongoing benefits and investment (£m)
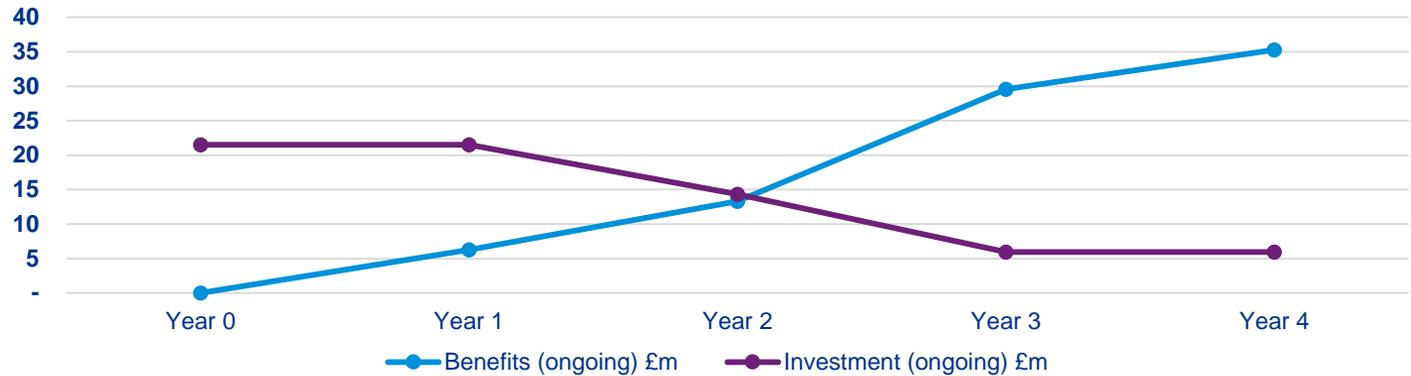
Benefits realisation: first year realised (£m)

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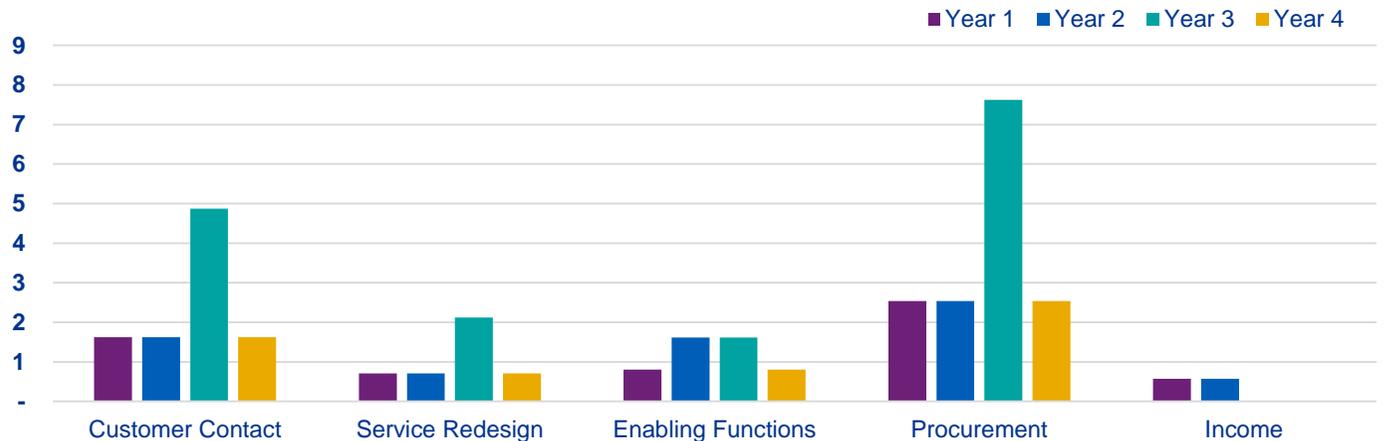
Appendix 1:

Proposed operating model elements

Proposed operating model elements
Operating model on a page

This graphical representation of the operating model is designed to enable a common understanding of how BCP Council will operate in the future as one combined organisation. It shows the key elements of the new model and how they interact. Each element of the model has been defined on the following page, and in more detail in the Appendix.

The operating model is designed to deliver BCP Council's Corporate Plan, the core objectives of which are set out above the model.

The following pages provide a more detailed description of BCP Council's proposed future operating model.

For each element of the operating model there is a description, areas of agreement and considerations for the detail design phase.

Vibrant Communities
with outstanding quality of life, where everyone plays an active role

Sustainability

Wellbeing

Investment

Community empowerment and resilience

Engaging early

Leadership and Governance

Data and Insight

Partnerships

Digital engagement for the majority

Face to face when needed

Telephone when needed

Complex assessment

Automated rules-based assessment

Digitally Enabled Service Delivery

Centres of Excellence

Transactional enabling services

Community empowerment and resilience

Description	Building community empowerment and resilience will reduce demand for council services through a partnership based approach to prevention and a focus on building community resilience. The approach will be supported by data and insight to help the council understand its communities and enable targeted decision making.
	A more supported, coordinated and better signposted suite of community activities and groups for a variety of ages, capabilities and interests will encourage greater participation and stronger local networks for citizens to rely upon.
	These community structures (coordinated and supported by the council, but not managed) will also provide opportunities to identify risk indicators of those who are likely to need support and to direct them towards other community based prevention services – before they present at the front door and some of the more damaging outcomes have already started to take hold.

Areas of agreement

— Greater coordination of community assets and activities is fundamental to building tighter personal community networks which underpin greater independence, resilience and wellbeing.

— The council should seek to nudge those who are presenting with low risk need or are at risk of doing so towards preventative community activities.

— BCP Council must make greater use of community networks in flagging risk indicators to drive identification of those in need of earlier engagement with wider services through better reporting and data sharing.

— A new way of working will be required for the Council to see itself as an enabler and a facilitator rather than always the service deliverer.

Considerations for detailed design phase

— How can BCP Council build better strategic planning and engagement channels with the third sector?

— The extent of council involvement, ranging from a coordinating and signposting role to actively build capability into the community sector?

— If taking an active role in building capability into community service provision, should the council commission services from a third party or increase internal capability and the scope of its efforts in supporting local businesses?

— To what extent, both legally and ethically, should data be shared between the Council and community stakeholders for holistic view and early intervention purposes?

Engaging early

Description	Engaging early will be critical to reducing service demand to sustainable levels. BCP Council will seek to engage with citizens and place based concerns before more significant issues arise and costly interventions are required. This aims to reduce the number of residents needing to access the front door and supporting greater independence.
	The ability to identify cases where earlier engagement is beneficial will be achieved through a more data driven approach, with insights driven better understanding local risk indicators and simplifying reporting lines from the community.
	Earlier interventions will vary in complexity and effort, from identifying prospective future need to maintaining community spaces to create a sense of belonging. Activities will be pushed back out to communities where appropriate and to more targeted services when required.

Areas of agreement

— A more joined up and holistic approach to identifying need earlier, through data driven insights and better sharing of information.

— When making decisions, practitioners need a 'single-view' of the citizen to make the right decision regarding their support.

— Early intervention should be driven through a multi-agency process, ensuring support is addressing root causes and not individual symptoms.

— Using data and analytics to understand what early interventions are most effective to direct effective service application, transformation and commissioning decisions – this also requires better data capture of outcomes and intervention.

Considerations for detailed design phase

— For more complex cases, how can multi-agency responses be coordinated? A dedicated case-worker? Multi-agency response planning meetings? An agreed set of standard protocols to standardise and streamline responses?

— Which partners and what mechanisms are BCP Council seeking to use to gather risk indicators and flags to prompt early intervention discussions?

— How far are BCP Council willing to go in terms of risk assessing and profiling citizens to predict need and offer support?

— Do BCP Council want to actively push service information to citizens when their circumstances change? Can BCP Council notify other connected services?

Customer contact
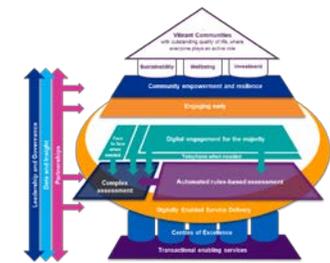
<table>
<tr><td rowspan="3">Description</td><td>Customer Contact will focus on providing residents with: self-service capabilities, intuitive guidance and information signposting; greater consistency; and more timely solutions through a more automated and digital front-door.</td></tr>
<tr><td>A push towards digital channels and self-service to will contribute to a reduction in the number of phone and face to face contacts made to the council, as well as the number of 'no further action' assessments undertaken as citizens who are not at risk will have better information and self service options, rather than needing support to navigate the system manually. Citizens will also be able to track the progress of current applications and service stages.</td></tr>
<tr><td>Community spokes will allow staff working in the community to reduce travel time between the central Council hub and their locality of focus to maximise productivity and presence in the community.</td></tr>
</table>

Areas of agreement	Considerations for detailed design phase
— Contact will be through digital means for the majority of customers and then telephone and face to face as required	— What will the Council manage its front door / contact centre? How will the different services connect into it?
— Following initial contact, a number of customers will be provided with relevant information to be able to self-serve or receive support in the community, aiming to achieve improved outcomes whilst also reducing pressure on Council services.	— How committed will BCP Council be to mandating a digital engagement channel unless by extreme exception?
— Data required, beyond what is currently held in a single view, will be collected once at an early stage of engagement to inform responses	— Should BCP Council have one single CRM system or integrate a number of individual systems?
— Customers will require an account, on which their data will be visible in a single view, ensuring accuracy and tracking status of their services	— What will community spokes look like? What locations will they be in? What customer services will be available there and how do you access them?
— The online account will be used to enable self-service, personalised to each customer, and providing clear information intuitively	

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Automated rules based assessment

Description

BCP Council will seek to provide a customer experience shift towards a more consistent, light touch and self service based approach for rules based assessments to save time and allow customers to access services when they want.

Working alongside a more digital front door, rules based assessments which rely on little specialist interpretation that feed in to rules heavy processes means not only that the process is more efficient for the council, but that delays in referrals and wider service delivery processes can be drastically reduced – streamlining the experience for the customer.

To be clear, this does not mean that those at risk will be left unsupported without specialist expertise, but rather those that are seeking access or testing eligibility for some services can be pushed through the system at greater pace, creating capacity for those in need.

Automated rules based assessments will include both statutory and non-statutory assessments.

Areas of agreement

— Do not just digitalise processes, but re-assess and constantly refine to ensure they are fit for purpose and maximise the opportunities.

— Co-producing objective assessments with partners and citizens must be at the heart of the design process.

— Opportunities to integrate processes and information with other council services to identify need early should be designed into the solution.

— Automated assessments will be digital first and accessible 24/7 when objective outcomes are the result.

— Single verification for the user, removing the checking element, means trusting the user to complete the assessment truthfully.

— While there should be a single system underpinning this, the front end interface does not have to be the same brand and council website – fit to the user's expectations (resident vs tourist vs business).

Considerations for detailed design phase

— Which assessments can be automated? What are the priority areas for automation?

— What are the thresholds that determine whether an assessment becomes automated?

— How committed should the Council be in mandating the use of self-service and digital channel for those that would prefer not to?

Complex assessment

Description

In many cases BCP Council will need to undertake more complex assessments to support and guide those with more complex requirements toward the services and help that they require through a multi-agency approach, with interventions and decisions made based on a clear evidence base.

A multi-agency approach will consist of a number of characteristics, facilitated collaboration through shared working spaces or facilities to hold video conferences; shared data and insights concerning residents or infrastructure underpinned by improved sharing mechanisms and a single source of the truth; a simplified experience for the customer with minimised handoffs; and a commitment to tracking outcomes and analysing intervention efficacy to improve responses.

Complex assessments will include both statutory and non-statutory assessments.

Areas of agreement

— There must be a coordinated and collaborative multi-agency approach to carrying out complex assessments and planning joint responses where required.

— Dedicated space or facilities, through mobile working environments in community spokes or video conferencing and secure spaces should be available to facilitate multi-agency meetings.

— Data sharing should be accurate and consistent for making decisions, with reports capable of amalgamating data from several sources.

— Data sharing should include information on practitioners too, such as diaries and contacts to facilitate coordination of multi-agency meetings.

— Greater commitment to collecting and sharing outcomes information to inform future assessments and refine response planning.

— Hand-offs while moving through the process should be minimised.

— Staff should feel empowered to make decisions when appropriate.

Considerations for detailed design phase

— What are the thresholds for what constitutes a complex assessment and at what point should a multi-agency group be convened to respond?

— Should partner systems be integrated to allow constant access or a shared platform or database created that sits across partner systems?

— To what extent will BCP Council seek to increase co-location with partners?

Digitally enabled service delivery

Description

Digitally enabled service delivery will consist of the wide range of services currently being delivered across the five directorates of BCP Council. Services will be designed with the customer in mind, making use of best practice such as digital tooling; a shift toward prediction and prevention; and data driven strategic decision making.

This shift in approach will seek to shift service delivery away from reactive and costly interventions and towards a more holistic, integrated approach of early interventions that deal with the root cause of resident needs. Equally, this could refer to more strategically minded approaches toward road maintenance, using data to take risk based decisions around where ongoing investment in service quality is best placed.

Areas of agreement

— Service delivery practitoners require a holistic contextual view of the issues they are addressing, be that the single view of the resident or integrated view of infrastructure.

— Mobile working on digital devices is key to ensure services are delivered at the right time and at the most appropriate location.

— A clear service charter, delineating the responsibilities of the council and its partners.

— Maintaining existing co-location with partners for multi-agency responses and planning is key to successful cultural shifts in working practices.

— Digitalised processes to reduce manual typing of data into systems and create information assets that can feed analytics exercises.

— Use data analytics to better target service delivery responses and support a clear commitment toward early intervention and prevention.

— Services must be embedded into the wider 'Smart Places' initiative, to take advantage of new digital opportunities and Internet of Things (IoT).

Considerations for detailed design phase

— Where is the line between the services the Council delivers, its partners delivers, and what citizens will be responsible for themselves?

— Do BCP Council need a mechanism to engage the public and test new service approaches if they risk being controversial?

— To what extent do BCP Council include partners and the community in the co-design of services whilst retaining statutory accountability?

— How can BCP Council coordinate with partners to maximise the benefits of data and digitally enabled services, either from an information governance or technological integration perspective?

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Transactional enabling services

Description	There will be a one-stop-shop for internal staff to carry out basic transactional enabling activities such as finance budget reporting, performance management and staff on-boarding.
	There will be a deliberate separation of these transactional activities that can be automated with more complex enabling tasks that require specialist support to maximise capacity for specialists and business partners to undertake more value adding activities.
	Intuitive data visualisation tools, sitting on top of a streamlined and better integrated enterprise architecture will allow managers and decision makers improved insight to the problems they face – allowing them to make better decisions. Critically, the benefit of self service is the timely nature that decision makers are able to access real-time data and act upon it, overcoming issues such as under-capacity or demand bottlenecks for teams such as finance and HR at peak times of year.

Areas of agreement

— Opportunities to automate self service access for basic internal functions should be maximised.

— A shift in digital and data literacy of staff, supported by training where necessary, will be a key enabler ensuring the opportunity is fully grasped and self-service is adopted.

— Opportunities for transactional, less-local admin support will be explored and identified.

— Mandated shift towards automated services to build capacity in business partners and Centres of Excellence (CoEs) to carry out more strategically impactful work.

— With respect to HR, automated self services could include: staff recruitment, departure, performance management, travel/ expenses, personal details, management information, reporting and historical engagement and customer relationships.

— Service team will be treated as internal customers, applying the same principles that the customer contact staff apply to citizens.

Considerations for detailed design phase

— What is the organisation structure for transactional enabling services?

— Which processes should be included within transactional enabling services?

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Centres of Excellence
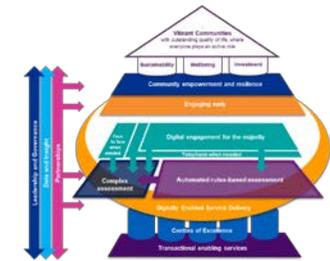
Description

Centres of Excellence (CoEs) provide specialist and strategic support to those responsible for engagement and service delivery across the Council. CoEs will underpin the development of BCP Council strategies and help implement and embed corporate policies as the Council designs and refines its operating model and ways of working. Business partners, tied to specific service lines but reporting predominantly into their own function, will support the deployment of CoE resources help to translate business needs into functional requirements.

This allows CoEs to remain service agnostic, developing and sharing functional best practice in their approach while business partners representing different CoEs are able to come together to provide a multi-disciplinary problem solving approach with an appreciation for service requirements. This will help to ensure consistency of approach and support across the organisation as well as building the internal networks needed to develop a culture of innovation and collaboration.

Areas of agreement

— Centres of Excellence will support the strategic direction of the Council, reporting to senior decision makers and policy makers, with business partners acting as the conduit, to provide a corporate level view.

— Business partners will martial the resources of CoEs with respect to service lines and strategic leads, acting as the broker between internal 'customers' and the advanced services and capabilities of the CoE, to provide strategic guidance or skilled design and implementation support for complex projects.

— Business partners and CoEs will be responsible for providing the expertise and managing engagement to continuously improve transactional self service capabilities related to their business functions

— A Finance CoE remit will include attracting inward investment; assessing large scale projects; evaluating new business models; and supporting new innovative commercial revenue schemes.

— A HR CoE will provide support facilitating large scale change management and problem solving around persistent issues and cultural inertia, as well as developing strategic policies and training change champions and advocates.

Considerations for detailed design phase

— The scope and capacity of business partner roles has not been agreed. It is assumed that they will include core enabling functions such as Finance, HR, ICT, Legal and Procurement. Business Partners could be deployed in other areas such as project / change management and data and analytics.

— What could a Commissioning CoE look like, and how can the right balance be struck between maintaining commissioning roles which are core to services (e.g. within Social Care teams) maintaining their core focus, whilst also being part of a community of interest, sharing expertise with commissioning colleagues across the Council?

— Once suitably mature, could BCP Council commercialise some of the services provided by CoEs to other councils and public sector organisations?

— How can business partners remain independent from services so that they can challenge and influence services where appropriate, rather than simply being facilitators of service requests?

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Partnerships

BCP Council will focus on how interactions with partners can be better aligned to improve customer experience, outcomes and efficiency of service provision through an integrated approach. It is recognised that the Council has a wide variety of strategic partners across its current directorates, all of whom will need to be engaged with for the Council to deliver its Corporate Strategy.

The role of partnerships in identifying at risk individuals will be critical, as they are currently, however processes for sharing data, raising flags and understanding interdependencies will play a more central role in the way the system as a whole defines need.

Equally, a multi-agency approach to early intervention and generic community based prevention and wellbeing services will shape a more consistent and holistic delivery of support once identification of need has been made. As part of this, tracking outcomes effectively across delivery partners also provides opportunities to test the impact of interventions and build stronger cases for change.

Areas of agreement

— Closer alignment with partners, integrating them into the delivery of services more effectively.

— Data must be shared more effectively across partners in order to maximise benefits and feed more advanced data analytics activities within BCP Council and across partners.

— Systems should be integrated with partners as far as practicable, conscious of legal and ethical considerations.

— Greater sight and appreciation of partners' own change programmes, with ability to input BCP Council objectives to drive alignment.

— A service charter that specifies what BCP Council do and do not do so that it is clear to staff and customers.

— A need to expand relationships with the voluntary and community sector.

— Co-location is a key enabler to partnership working and should be supported in the estates strategy.

Considerations for detailed design phase

— How do BCP Council engage with partners at the different stages of a customer's journey and incentivise collaboration?

— What is the scope of services that BCP Council deliver and where do partners' scope of services and responsibilities start?

— How do BCP Council integrate systems and data with partners?

— To what extent should BCP Council share data and restrict its access?

— How can BCP Council better manage partners in line with commissioning and procurement requirements, such as performance management and contract reviews?

— Where is the BCP Council civic space to engage and host partners to enable multi-agency responses to service delivery requirements?

— Should partner systems be integrated to allow constant access or a shared platform or database created that sits across partner systems?

— To what extent will BCP Council seek to increase co-location with partners?

Data and insight
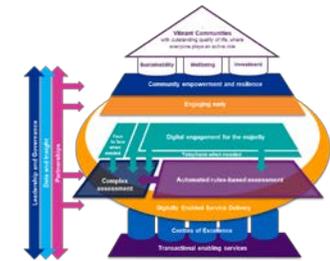
Description	Data and insight underpins and enables all other elements of the operating model.
	It enables data-driven early intervention services to be targeted and assessed. A clearer reporting process and approach aligned with partners will help to flag risk indicators, allowing the Council to build up a risk profile of individuals and personalise services.
	In addition, data will be critical to assessing long term demand for support within the communities. In predicting pressing issues and gaps in service supply through complex forecasting models, the coordination of community assets and potential procurement of additional prevention services and capabilities can be better informed in a more timely fashion.

Areas of agreement

— Central capability is needed to carry out the complex analytics required to create the insights needed to support decision making and identify at risk individuals.

— Single view of the citizen required to develop a holistic response for early intervention that provides practitioners with the context required to addresses potential causes, not symptoms of risk.

— A strategic approach to gathering and managing data from partners and citizen touch points is required to inform early intervention and ensure effort is only expended to collect relevant data.

— Evidence based analysis of the impacts and efficacy of specific interventions will be key to shaping future approaches and potential procurement of additional community services and activities.

— A data comms strategy, telling the impact of early intervention and importance of risk flagging to internal and community stakeholders to build buy-in will be critical to driving cultural change.

— Self service dashboarding and data visualisation of service outcomes for reporting and service planning.

— Medium term forecasting insights are needed to inform issues of resourcing and team make-up, as well as long term view to inform transformation and procurement.

Considerations for detailed design phase

— Is there a Data Centre of Excellence (CoE), or is central data capability held within a broader team?

— Is a Data Centre of Excellence also responsible for Information Governance?

— What is the size and scope of the Data CoE? Should there be business partners with specific responsibility for data and analytics?

— How can BCP Council ensure alignment of data standards and reporting between partners? Which partners are to be prioritised given the number and complexity of partners?

— What degree of data sharing will take place between the Council and partners? Will BCP Council simplify reporting of risk flags for individuals? Use Master Data Management (MDM) to integrate partner data into BCP Council systems? Allow for partners to also view limited details from BCP Council systems too?

— Where is the ethical line and acceptable risk profile for early intervention, the analytical profiling of residents and the sharing of personal data between partners?

— What degree of centralisation of analytics skills should there be? What level of analytics expertise is required within delivery teams?

Proposed operating model elements

Leadership and governance

Areas of agreement

— During implementation of the new model, and on an ongoing basis, there must be greater clarity of what decisions require approval at a corporate level, and what can be progressed at the service level.

— Clear ownership of the operating model by a leadership team which commits to driving and maintaining a whole council approach to prioritisation and decision making.

— A clear strategic view of areas such as technology, data, procurement and service collaboration to be in place, with a set of principles that senior leaders are bought in to. These principles will act as a decision making framework, with exceptions only through corporate director level agreement.

Considerations for detailed design phase

— What is the appropriate scheme of delegation for implementation and ongoing management of the BCP Council operating model?

— Will BCP Council adopt a more flexible, digitally enabled approach to governance?

— How will Community governance be embedded in the model?

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