Modernisation Programme

Case for Change

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Version	Date	Distribution	Changes
Version 1	7 January 2019	Pat Pratley, Tim Atkins, Paul Jones, Cllr Alex Hegenbarth	
Version 1.1	11 January 2019	Cabinet Board, Pat Pratley, Tim Atkins, Paul Jones	Amendments as per ELT and Cllr Alex Hegenbarth
Version 1.2	17 January 2019		Amendments as per Cabinet Board 15-1-19
Version 1.3	28 January 2019		Amendment as per Service Managers feedback

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Contents

Appendices

1.   Context – why we need to modernise

In September 2018, the Council commenced its corporate planning activities and this included using the following commonly used approaches to support this process:

- A SWOT analysis was undertaken, which is a study undertaken by the Council to identify its internal strengths and weaknesses, as well as its external opportunities and threats (appendix a).
- A PESTLE analysis was used to analyse and monitor the external environment and identify those factors that have an impact on the organisation. This identified a number of opportunities and threats, their likelihood of happening, impact and timescale (appendix b).

Over 100 employees took part in these workshops, which represents approximately 45% of the total workforce. This feedback was then incorporated into our TOWS analysis (appendix c). The TOWS analysis considers the organisational strengths and weaknesses identified alongside the external features of the market place that the organisation operates in, helping to create strategic options and possible actions.

There were a number of key themes that emerged from the sessions, which included:
1. The need for the Council to modernise the way it works internally
2. Lack of capacity and resources
3. Opportunities to improve the way the Council provides services and information to customers, as the way customers expect to interact with organisations is changing

As part of the modernisation programme discovery work, Dr Mark Thompson, Professor in Digital Economy at University of Exeter visited the Council and facilitated a session with the Executive Leadership Team and the leader to ensure we recognised the digital age we live in and how we can make the best of technology for the benefit of our customers, partners and employees.   Partners also attended this discovery day.

The activities described above highlight the need for the Council to change and modernise. This case for change outlines the rationale and recommended approach for modernisation and the high level benefits this will bring to residents, councillors, employees, partners and other stakeholders.

The need for and importance of modernisation was also identified during the recent LGA Peer Review:

"Although at an early stage the council is making good progress on modernisation. A programme office has been established; underpinned by a clear governance structure and supported by passionate staff. The arrival of the new director has added necessary impetus and pace. There have been good levels of engagement with staff and member leads and it will be important that these are maintained to ensure continued buy-in for a programme that will introduce new ways of working and some cultural change" (appendix d).

The LGA also provide the following **wider local government perspective on modernisation**:

Councils are responsible for delivering an estimated 80 per cent of public sector transactions in their areas, they also have a particular obligation to design their services in the most accessible, economic and 'user-friendly' way, and a vital role to work closely with other public, private and voluntary sector partners to ensure that local services are built around the citizen rather than the needs of service deliverers.

At a time when public services face fundamental challenges, technology and digital tools and approaches are central to achieving all of this. For councils and their partners, these tools can enable:

- a deeper understanding of local patterns of need and interaction with government, allowing resources to be managed, planned and directed to where they will have the greatest impact
- more effective management of demand – for example, enabling user self-service and supporting peer-to-peer advice-giving and assistance via social media
- more reliable, speedy, and precise handling of routine, repetitive tasks – allowing costly and scarce professional expertise to be targeted at cases which need judgement or at new and unexpected situations
- faster access to, and sharing of, data between councils, customers, and partner organisations, avoiding the need to collect the same information many times over and saving time on research and information collation
- new ways of working that potentially reconcile the goals of providing a better quality of customer experience while cutting costs.

As digital technologies become ever more pervasive and increasingly form part of people's daily lives, it is essential that councils continue to exploit their potential. At the same time, 'digital' – often a catch-all for any use of digital, technological, and online services – is not a panacea for all ills, and should complement other approaches such as demand management, lean and systems thinking, and collaborative procurement. This is reflected in our draft Customer and Digital Strategy (appendix e).

The needs of local citizens who are unable or unwilling to use this technology must also be addressed. In practice, local government has a long history of applying technology in innovative ways and of leading public service change.

The period since 2010 has seen enormous changes both in technology and the way in which it is used. The Office for National Statistics (ONS) figures published in February 2014, for instance, suggested that 44.3 million adults in the UK (87 per cent of the total), including 99 per cent of all 16 to 24-year-olds, had used the internet in Q4 2013, an increase of 1.2 million over the same quarter in 2012. From online banking to downloading music, to ordering groceries on-the-go, digital tools are increasingly allowing people to conduct everyday tasks how, when and where they like.

2. Expected benefits and desired outcomes from modernisation

The modernisation programme will bring a number of benefits to residents, the Council, its partners and stakeholders and these will include:

Customers:

- Customers will be able to easily transact with the Council 24/7 and 365 days a year from any device (e.g. smart phone, tablet) as services will be designed around a digital by design method but not via a digital by default approach. Digital by design means that whilst other contact channels remain available, digital becomes the preferred customer choice whereas with digital by default, digital is the only option available.
- Our employees will have one view of the customer and be able to provide a more holistic service at the first point of contact including offering an assisted digital service.
- Utilise capacity created to support those customers who really need it.
- Customer satisfaction with how services are provided to residents will be 90% by the end of the modernisation programme.

Members:

- Successful completion of the modernisation programme will enable members to have more choice in the future as the efficiencies made will create more capacity and free up resources i.e. financial and people.
- Members are able to easily access data regarding the performance of their portfolio at their own convenience by making the data available electronically

Employees:

- More meaningful data available to help better inform decisions and priorities.
- Our employees will have been invested in and developed to equip them with new ways of working to help meet the opportunities and challenges ahead
- Successful retention of the Investor in People award in January 2020.

Partners:

- Opportunities for improved end to end processes will be designed and developed with our partners where applicable, such as with Ubico, which will set an example for others to follow.

- Opportunities for technology alignment with partners such as Publica will be considered where solutions meet the needs of the Council and generate greater economies of scale.

Council:

- The Council has modern working practices that enable services and information to be delivered and accessed efficiently by maximising opportunities that changes in technology can provide.
- Commercial opportunities are identified, assessed and the best ones developed to further support the Medium Term Financial Strategy.
- The Council is recognised as the employer of choice for local government in Gloucestershire.
- The Council wins a national industry award for its modernisation programme and it is recognised regionally for its progressive and innovative approach to service delivery.
- The Council makes it into the Times top 100 companies in the not-for-profit sector.

Financial:

- Minimum cash savings of £300,000 will be achieved by the end of the modernisation programme, which will support the Medium Term Financial Strategy and financial sustainability (see section 8).
- Any additional cash and non-cash savings made will be reinvested back into the Council.
- The Council's processes and procedures will be efficient with waste and inefficiency removed through increased automation and channel shift.
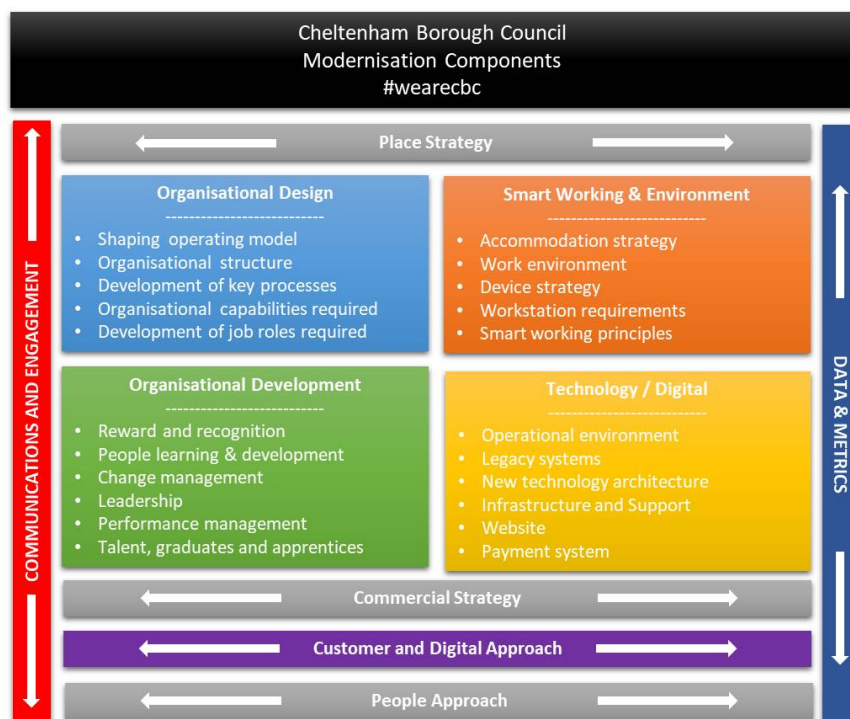
3. Purpose and scope of modernisation programme

Purpose

"The purpose of our modernisation programme is to deliver a positive customer experience by being a digitally enabled council whose employees have a commercial mind-set and appropriate expertise to deliver our priorities"

Scope

The scope of the modernisation programme is in four work streams, which are summarised in the diagram.

Cheltenham Borough Council
Modernisation Components
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COMMUNICATIONS AND ENGAGEMENT

Place Strategy

Organisational Design
- Shaping operating model
- Organisational structure
- Development of key processes
- Organisational capabilities required
- Development of job roles required

Smart Working & Environment
- Accommodation strategy
- Work environment
- Device strategy
- Workstation requirements
- Smart working principles

Organisational Development
- Reward and recognition
- People learning & development
- Change management
- Leadership
- Performance management
- Talent, graduates and apprentices

Technology / Digital
- Operational environment
- Legacy systems
- New technology architecture
- Infrastructure and Support
- Website
- Payment system

Commercial Strategy

Customer and Digital Approach

People Approach

DATA & METRICS

Organisational Development

This area will focus on developing the people and organisation as a whole to be able to transition to and operate effectively in a different organisation model. A number of changes related to people are at the heart of making our modernisation programme successful.

This area of the programme will focus on the knowledge, skills and behaviours of our people and their ways of working. A shift in culture will be required encompassing empowerment, performance management, trust and respect. Employees with the right customer centric attitudes and behaviours and willingness to embrace change, empowerment and innovation are essential for modernisation.

We recognise the importance of our employees in delivering services to customers and we will invest in our people, rewarding and recognising them for their contribution in helping us achieve our ambitions and demonstrating our values and encourage a learning environment where they are supported in the development of vital skills, new mind-sets and collaboration.

Organisational Design

A key deliverable of the organisational design work stream is to shape the future operating model for the Council. An operating model is not (just) the structure of the council, it describes the way we work from three different views as described below. Changes to all three aspects are necessary to create an effective operating model.

- Processes and systems i.e. how do we do it
- Structures and roles i.e. who does what
- Governance and measurement i.e. why do we do it and how well

The future operating model will aim to deliver excellent customer experiences at lower cost, from an organisation that is designed around the customer, by employees who are customer centric in behaviours and attitudes. The new model will require a different organisation structure and job roles to support it.

We will be identifying suitable partner/s who can work with us collaboratively to develop a fit for purpose operating model for Cheltenham.

Smart Working and Environment

The aim of this area of work is to enable our people to embrace more flexible working practices. By equipping them with the right technology and the ability to work in different locations we will reduce the Council's total office space requirement, associated overhead costs and improve employee work/life balance by enabling them to work at home. We also aim to maximise use of the Municipal Offices as a key asset.

This aspect of our modernisation programme will also look at the utilisation of our current space to ensure it is optimised and fit for purpose. According to a report highlighted by CMI Workplace, strong office design in general can make employees up to 33 per cent happier at work which adds to individual wellbeing as well as helping us move towards being an employer of choice.

Technology and Digital Approaches

This area of our modernisation programme will look at how we deliver services through enabling technology and how we collaborate with our partner, Publica, to achieve economies of scale by utilising, where appropriate, similar technology solutions.

To achieve our ambitions, changing the way we work and how we deliver our services, investment in new technology will be essential. Technology will reduce or eliminate manual interventions and enable the genuine integration of processes as well as increasing customers' ability to self-serve.

Developing a "single view of a customer" is crucial to the development of multi-skilled advisors who are able to deal with a broad range of enquiries at first point of contact, but also to enable genuine self-serve and the incentive for customers to shift channels. Investment in technology will enable this outcome.

4. What we have done so far

A number of activities and projects are already underway to build the infrastructure of a programme and include importantly, the governance structure and a team to start scoping the work and building relationships. The following activities have been completed so far:

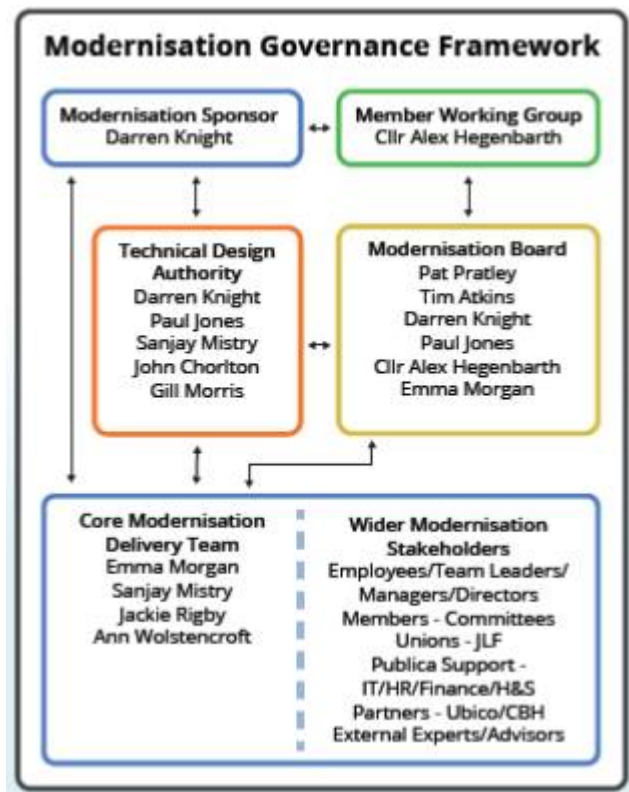|	
Governance	Established core delivery team and programme components
	Set up and started programme governance meetings
	Developed case for change
Communications and Engagement	Established new communication methods
	Employee engagement sessions
	Member engagement
Organisational Design	Learning sessions with Ignite and Methods
	Learning sessions with Tewkesbury Borough Council and Gloucester City Council
Smart Working and Environment	Roll out of laptops for smart working
	Changes to office accommodation to support smart working
Technology and Digital	Adoption of a Technical Design Authority
	Digital Masterclass with Dr Mark Thompson, Methods
	Implementation of a collaborative working platform
Organisational Development	Union engagement sessions
	Publica collaboration meetings
	New online appraisal system
	Improvements to recruitment process

5. Programme governance and ways of working

The Governance arrangements of the programme are summarised in the diagram.

The Modernisation Board is made up of the Executive Leadership Team, the lead Cabinet Member and Programme Manager. The Modernisation Board is the decision making body for the programme as a whole and provides strategic oversight, leadership, evaluates progress and ensures that outcomes are delivered and benefits realised. The Board will also ensure that the introduction of change is balanced with business as usual work to ensure minimal disruption to customers.

As lead Cabinet member, Cllr Hegenbarth has been briefed as the case for change has developed.

The Technical Design Authority (TDA) has been established to develop, promote and monitor standards for IT systems and information to help reduce preventable costs by removing duplication and encouraging the development of systems that are able to work together. The TDA will ensure that change initiatives consider and then agree a technical design as the change is being defined, established, and approved and that the technical design is achievable and fit for purpose for the organisation. More information can be found from the following film https://www.youtube.com/watch?v=PSEVl_Dtd3Q

Modernisation Governance Framework

Modernisation Sponsor
Darren Knight
↔
Member Working Group
Cllr Alex Hegenbarth

Technical Design Authority
Darren Knight
Paul Jones
Sanjay Mistry
John Chorlton
Gill Morris
↔
Modernisation Board
Pat Pratley
Tim Atkins
Darren Knight
Paul Jones
Cllr Alex Hegenbarth
Emma Morgan

Core Modernisation Delivery Team
Emma Morgan
Sanjay Mistry
Jackie Rigby
Ann Wolstencroft

Wider Modernisation Stakeholders
Employees/Team Leaders/Managers/Directors
Members - Committees
Unions - JLF
Publica Support -
IT/HR/Finance/H&S
Partners - Ubico/CBH
External Experts/Advisors

The Modernisation Delivery Team is responsible for the day to day implementation of the modernisation programme, work streams, projects, change activities and initiatives.

6. Methodology

We have defined the first 3 stages of the modernisation programme as below. These stages are represented more visually in the **'modernisation roadmap'** we have created (appendix f).

**Stage 1 - Prepare for Change (Oct 2018 – Mar 2019)**

The purpose of this stage is to prepare our people for the modernisation agenda and ensure that all employees have an understanding of what is expected as we embark on the programme.

Stage 2 – Capture the Now (April 2019 – Aug 2019)

The purpose is to clearly understand how services are currently delivered by CBC, by identifying and documenting the processes and resources required for their delivery so that we fully understand what it is like to be a CBC customer today, their journey, the opportunities and efficiencies that are available.

The diagram below outlines the approach that will be taken to business process review the 'as is' and 'to be' states of the Council's processes and procedures. All services will undergo business process reviews as part of stage 2 and 3 of the modernisation programme. The change activity will bring benefit to the organisation and our people by developing new skills.

It is acknowledged that the business process reviews will require capacity from our people to deliver the day job alongside the change activity. To mitigate the risk of overload, we will ensure that the change activity is planned in advance and in conjunction with those involved and that the methodology used also mitigates this risk.
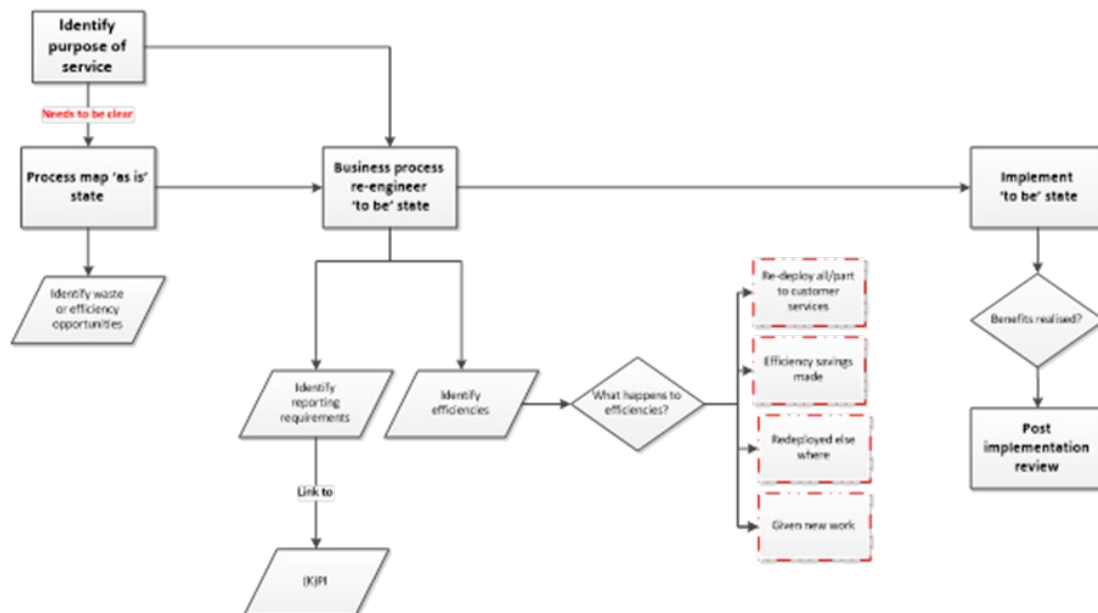
Stage 3 – Design the Future (later in 2019/2020)

The purpose is to develop a new operating model for the Council including a new organisational design that reflects the breadth of services, activities and functions which CBC delivers from transactional services to the delivery of strategic projects. This will also include how key processes and procedures will work and the efficiencies these changes will bring the Council and its partners.

Stage 4 – Implementation

This stage will have a number of invest to save projects and initiatives that have been identified and scoped following the work from the previous stages. As changes are made, cash and non-cash savings will be realised from this stage and tracked through the value for money dashboard (appendix g).

The programme will be launched in April 2019 with a '**postcard from the future**' (appendix h). This illustrates what difference the modernisation programme will have achieved upon completion.

7. Modernisation Design Principles

In order to deliver the programme benefits, all core processes will need to be changed and improved. To ensure that the modernisation programme delivers what is important to Cheltenham, all changes will be based on our requirements outlined in our Customer and Digital Strategy and to compliment this, the following design principles have been adopted to ensure we:

- **Focus on the customer experience** e.g. design in up front advice and checks on licensing applications so that customers do not submit invalid applications and subsequently have to provide additional or corrected information.
- **Redesign processes around the ideal customer journey** so they are quick and uncomplicated and take as few steps as possible e.g. an automated land charges search that is directly accessible to customers.
- **Tell customers what to expect and keep them up to date along the way** e.g. encourage and support more customers to register for customer accounts so that they can track and receive automatic updates.
- **Make processes digital by design**, **but with alternative access channels where appropriate** e.g. increase the proportion of online applications and enforcement reports.
- **Address issues at first point of contact by providing employees with high quality scripts and diagnostics** e.g. train and support customer advisors to answer a far higher proportion of planning enquiries without the need to hand off to planning colleagues.
- **Collect information once, and only if we actually need it** e.g. if a customer is moving into the area and requires an environmental health related application as well as planning, building and licensing ones, this would be handled by a single case worker who would ask for information only once.
- **Only input data if we need to, and only once** e.g. as a customer reports an enforcement issue on line it automatically populates the case details ready for workflow.
- **Resolve enquiries and issues in one step wherever possible** e.g. mail could be indexed, responded to and the case closed all at once.
- **Move as much work forward into customer contact, case management and mobile locality by developing high quality process flows and process guidance**. This might mean all minor planning applications are dealt with by case workers, drawing on the expert knowledge of a specialist only when required. As part of this, all employees involved would have access to all case information.
- **Move work quickly and easily around the organisation by using workflow and automated process prompts.** This would ensure for example, that case workers pull in expert advice from specialists on more contentious applications.

- **Automate controls within processes to ensure compliance** e.g. provide automated prompts when the elapsed time for consultation responses has elapsed.
- **Measure performance as part of the process workflow to drive improvements** e.g. provide automated management information illustrating the elapsed time taken at each key stage in the planning application cycle.
- **Invest in our employees to ensure they have the skills to deliver our changing requirements.**
- **Identify commercial opportunities where appropriate to drive income generation**.

8. Costs, resources required and expected return on investment (ROI)

In 2017, the leading public sector consultancy Ignite completed a high level opportunity assessment for Cheltenham Borough Council. This assessment identified a number of potential savings that could be realised from modernisation of the Council. Whilst this may be the case, Cheltenham is keen that any changes reflect their own requirements and importantly the Council's Medium Term Financial Strategy which has set a savings target of £300,000 needed from modernisation (appendix i).

Where the modernisation programme achieves additional savings above the £300,000 target, these will be reinvested back into the Council.

Two initial examples of savings from modernisation are:
1. Telephony savings are estimated to save £55,000 pa
2. Changing our collaboration platform is estimated to save £9,000 pa

Another great example of how modernisation can improve services whilst achieving savings is shown in the recently published Licensing case study, where approximately £93,000 of savings has been realised from this invest to save transformation programme within Place and Growth (appendix j).

When improvements are due to be implemented (stage 4 of the programme) they will be based on data and on an 'invest to save' basis, with each initiative having its own return on investment case. The modernisation programme has created a specific value for money dashboard that will monitor and track all cash and non-cash savings made to enable financial transparency of the programme to Cabinet (appendix g).

By combining our efforts into one programme there is a stronger financial opportunity for the Council to make savings and create greater efficiencies from a focused, organisation-wide modernisation programme rather than by a service by service approach.

9. Critical success factors

Critical success factors are the things that need to be in place in order for the programme to be successful. If any one of these factors is not in place it will limit or diminish the success of the programme as a whole.

The critical success factors for the modernisation programme are:

- **Leadership:** we need strong aligned leadership and sponsorship to drive and embed the change in culture
- **Commitment**: we need commitment to stick with the programme and undertake reviews of end to end customer journeys
- **Resources**: we need agreement to invest in our people, their skills and the technology required to achieve the change needed
- **Accountability**: we all must be prepared to take responsibility for delivering outcomes and benefits
- **Collaboration**: we must collaborate to ensure the best experience for our customers, our employees and the Council
- **Evidence based**: we must make decisions based on data not anecdotes

10. Risks of not modernising

By not modernising and by not managing change activities effectively (appendix k), there are a number of risks the Council will be faced with and these include:

- Not achieving the savings target, as set out in the Medium Term Financial Strategy, will impact on the Council's progress to becoming financially sustainable.
- Sufficient capacity and resources is one of the biggest concerns from our employee sessions and has been externally validated by the LGA peer review (appendix d).
- Impact on the Council's ability to take advantage of maximising further commercial opportunities.
- Without a targeted focus and direction of travel, this will impact on the Council's ICT investment decisions, such as with the replacement of the Council's payment system and/or alignment of opportunities with Publica to create economies of scale.
- Impact on the Council's ability to attract and retain talented people.
- Limit opportunities for the Council in the future, as modernisation will make savings and create capacity which will enable the Council to have more choice in the longer-term.
- Failure to meet customer expectations with regards to a digital service.

11. Programme Stakeholders

The Modernisation Programme defines a stakeholder as *"a person, group or organisation that has an interest in what you are delivering"* and *"people who are affected by the organisation's actions, objectives, policies and projects".*

An initial stakeholder analysis has been undertaken and this will be further developed as we move into the next stages of the programme. It is essential our stakeholders are involved in defining our programme and then engaged and communicated with appropriately.

|		Consult / Keep Satisfied	Actively engage		
INFLUENCE	**HIGH**	• CBC Cabinet • South West Audit Partnership • One Legal	• CBC ELT *(Programme Board)* • Work stream project teams • Cabinet Lead *(Cllr AH)* • Cabinet Members • Partners (e.g. CBH, Ubico, TCT) • CBC Service Managers • CBC Employees • Unions • CBC Customer Services • *Appointments & Remuneration Committee*		
		Monitor	**Keep Adequately Informed**		
	LOW	• Suppliers *(e.g. Methods, Ignite)* • Software Suppliers *(e.g. IDOX, Civica)* • Customers	• CBC Members • CBC Communications • CBC Property Services • Publica (incl ICT, HR, Procurement, Finance) • CBC customers • Cheltenham residents • Cheltenham BID • Cheltenham Chamber of Commerce • Cheltenham Businesses • Community groups		
		LOW	**HIGH**		
			INTEREST		

12. Community impact assessment

An initial community impact assessment has been completed for the modernisation programme (appendix l). At this stage of the programme no areas of concern have been identified.

This will be kept under review through the programme's governance arrangements. As the modernisation programme develops and improvement projects are scoped the community impact assessment will be reviewed and updated.

Corporate Planning Session
SWOT Analysis

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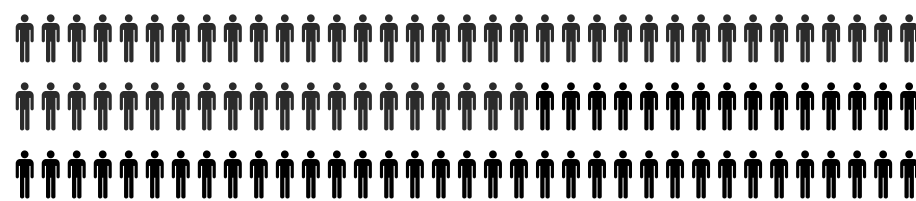
105 people got involved with some great thoughts

You identified
168
STRENGTHS
and there were
8 key themes

You identified
285
WEAKNESSES
and there were
10 key themes

You identified
103
**OPPORTUNITIES**
and there were
6 key themes

You identified
160
THREATS
and there were
6 key themes

Our Culture
Our People
Our Reputation
Our Size
Our Benefits
Our Commercial Approach
Our Customer Service
Our Partnerships

Our Silo Working
Our Office Environment
Our Investment in People
Our IT
Our Management Style
Our Communications
Our Prioritisation
Our Approach to Change
Our Lack of Data
Our Public Perception

Our Technology
Our Marketing / Brand
Our People
Our Customers and Communities
Our Commercial Opportunities
Our Partnerships
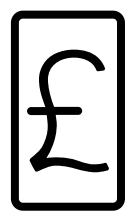
Our Financial Environment
Our People Leaving
Our Approach to Change
Our IT
Our Competitors
Our Customer Service

PESTLE Analysis

PESTLE is a mnemonic which in its expanded form denotes P for Political, E for Economic, S for Social, T for Technological, L for Legal and E for Environmental. It is a renowned management framework used to study the external factors affecting projects / brands / businesses. These factors cannot be controlled by CBC, as an organisation, but they can influence strategic decision making. It complements the SWOT analysis and joins up the Opportunities and Threats components.

A manager's workshop was held on 30th October 2018 to identify the various external factors on the horizon that might affect CBC. The key themes captured are listed below.

Political
- Political vacuum – no clear left or right leads to civil unrest and economic uncertainty
- Viability of 2 tier LG structure
- Reduction in revenue support grants, move to competitive funding bids leading to more partnership working – concerns over capacity for CBC to act as a lead partner
- Impact of Brexit
- Legacy of austerity measures

Economic
- Aging population, inadequate pension provisions, associated burden on services, demand for more social care needs, additional affordable housing, funeral poverty, government funding gaps. Uncertainty compromises future investment decisions & access to funding
- Deprivation / child poverty / high school exclusion rates leading to increased education provision, more organised crime and ASB threatening social cohesion
- Traditional high street / market & spa towns under threat from growth of internet shopping, changes in shopping habits, 'clone town' phenomenon where local character being lost in favour of big chains either dominate retail space, or space that once thrived is left to wither. Response from Planners required to regenerate town centres
- Support packages for range of business models – large multinationals / micro / pop up shops

Sociological
- Modern slavery
- Breakout of infectious disease due to overuse of antibiotics
- Profile of communities & workforces imbalanced due to aging population, loss of young people
- Rising inequality
- Rise in mental health trends, well-being, obesity concerns

Technological
- Risk of terrorist & cyber-attacks / hacking / viruses & ransom ware. Heightened since GCHQ operates in the heart of The Cotswolds (*feather in the cap of saboteurs*).
- Vulnerability of CBC legacy systems, significant investment required to secure the way we do business and to catch up with peers let alone to become a market leader
- Managing millennial expectations – 24/7 online service provision
- Artificial intelligence / robotics
- Optimising the social media agenda
- Use of [big] data
- Cyber growth

Legal
- Introduction of homelessness reduction act – more accommodation needs
- New animal welfare legislation
- Changes to CPO legislation (Compulsory Purchase Order) opportunity to take control of sites
- Consumer protection (relevant to commercial strategy)

Environmental
- Climate change driving up pressure for sustainable solutions to service provision
- Electric / driverless vehicles, air quality, plastic reduction

P	E	S	T	L	E
- Government policy (2 tier LG structure, revenue support grant reduction) - Political stability - Brexit impact - Legacy austerity	- Aging population - Deprivation - Economic downturn (high street crisis) - Support for businesses	- Population growth rate - Age distribution - Lifestyle attitudes - Health consciousness - Modern slavery - Overuse of antibiotics	- Cyber security - Legacy systems - Automation - Innovation - Technological change	- Legislative changes (CPO, H&S, consumer protection, employment) - New Acts (homeless reduction, animal welfare)	- Weather - Climate change - Policies (carbon, emissions, plastics)

Strategic Planning: TOWS analysis

<u>Introduction</u>

The TOWS is a more involved process than the SWOT 'brainstorming' exercise.

It is an in depth situational analysis tool that helps to create strategic options and possible actions based upon the outcome of the SWOT exercise.

The TOWS analysis assesses the internal attributes of the organisation, principally its strengths and weaknesses, alongside the external features of the market place that the organisation operates in. Therefore, the following has been evaluated;

- The extent to which CBC can use its strengths to capitalise upon the opportunities available, and mitigate any threats posed to the organisation?
- The potential for CBC weaknesses to adversely impact upon the opportunities facing it, and how CBC can act to stop that from happening i.e. ensure that internal weaknesses do not inhibit CBCs ability to capitalise upon the opportunities identified?
- How might CBC weaknesses be exploited by the threats?

	Likelihood	Impact	Timeframe	Internal environment	
				Strength Strategy	Weakness Strategy
External environment / **Opportunities** / O1: Advancements in technology	Certain	Major	0-6 months	- PMO (Programme Management Office) established to investigate further, business process reviews will assess prospects for process automation - TDA (Technical Design Authority) established to identify the potential application of emerging technology and its consistent approach - Smart/agile working commenced - Economies of scale where Publica / CBC transformation agenda is aligned - Learning from partners	- Lack of/poor data means that CBC needs to develop metric sources - Dated and separate systems - Payment system(s) issue - No CRM (Customer Relationship Management) system - Silo working exacerbates fragmentation
O2: Raised expectations in post internet era, customers demand more online 24/7/365 capability	Certain	Major	0-6 months	Our people are committed to providing a good level of customer service	- On line service provision is poor - Archaic approach leads to inefficiencies, need to manage resources more effectively - Opening hours are restricted - Legacy systems require investment to facilitate channel shift

		O3: Commercialisation	Certain	Major	0-6 months	- Knowledge & Expertise - could charge a fee for provision of professional advice and new value added services - Developing mind-sets, flexible workforce - PMO (Programme Management Office) established to investigate further - Project register created to provide a single view of activity leading to more informed decision making	- Lack of awareness & confidence amongst staff to promote & sell - Lack of prioritisation – more robust approach to resource deployment required to manage portfolio of initiatives - Lack of capacity to deliver ambition - Communications need to be more proactive to promote fee income generating services - Need to modernisation in order to compete against private sector, poor on line service provision compared to market players - Lack of data, need to obtain reliable benchmarks to inform objectives - Slow to change threatens window(s) of opportunity
	Threats	T1: Reduction in RSG (Revenue Support Grant) in 2019/2020	Certain	Major	0-6 months	- Strong management of financial targets and history of underspending revenue budget - Funding for invest to save - Open to ideas and tradition of partnership working	2020/21 £2.6m shortfall - People & Change £300k target savings - Lack of well-established metrics

		T2: Supply chain / partner management	Certain	Major	0-6 months	• Commissioned services established • Easy to do business with because small in size and all in one place • Publica / CBC collaborating on transformation agenda	• Lack of capacity within corporate support services to meet demand • Procurement portal not optimised • Governance needs to be improved and more embedded approach to portfolio risk management
		T3: Lack of new skills jeopardises ability to deliver ambitions, recruiting firms competing for same resource at all levels	Certain	Major	0-6 months	• Wide & varied employment offering that can be marketed and further developed • Multiple exciting prospects to shape the future of Cheltenham • Great location to work & live • Smart working commenced, provides more work life balance • Reputation of CBC, strengthened by proven track record of community events and emerging use of social media • Solid investment strategy provides assurance on CBCs long term stability & financial viability • Leadership of Place ambition • Great team spirit • Successful intern programme • MO (Programme Management Office) established to address people needs and introduce improvements to accommodation / working environment	• Negative perception of public sector • Poor recruitment process • Weak induction process • Uncompetitive remuneration package fails to attract the necessary skills • Legacy of austerity measures have led to a lack of investment in our people, too little talent development & succession planning • Perception of Cheltenham falling behind nearby towns & cities impacts upon ability to attract people • Stagnation in roles, need to encourage more sideways moves within CBC and between partners to build knowledge and resilience • Officer morale – workload & pressure, need to empower and support staff more • Run down office building with inadequate modern facilities

Corporate Peer Challenge
Cheltenham Borough Council

13 – 16 November 2018

Feedback Report

1.   Executive Summary

Cheltenham Borough Council (CBC) is an ambitious council complemented by a well-regarded political and managerial leadership. In recent years the council has supported high profile development in the town centre including the recently opened John Lewis store and a new phase of the Brewery Quarter. This has had the effect of re-establishing the town as a highly desirable visitor destination within the region.

The council has responded well to a significant reduction in government funding since 2010. Its operational style has been informed by developing commissioning arrangements, in response to financial pressures, which will have contributed an estimated £2.5m between 2011-22. At the same time funding pressures have led the council to value partnership arrangements as a means to leverage additional capacity and resources. Overall this approach has resulted in minimal impact on services provided and has enhanced partnership working arrangements.

The council recognises and values the importance of partnership working and has developed a strong model for this operating sub-regionally and locally. This also operates county-wide through Gloucestershire Leadership and Vision 2050 working with other councils and public sector partners. Sub-regionally the work of Gloucester City, Tewkesbury and Cheltenham councils have been important to deliver the Joint Core Strategy that sets out the strategic spatial vision for the area's future housing and employment growth to 2031. The council's ambitious Place Vision (adopted March 2018) represents a shared commitment by the council and partners, with local delivery of this coordinated through the Place Governance Group.

There is a need to derive more benefit from partners and contracted services by being unambiguously clear on what the council expects and what it is able to offer. A key partnership will be Gloucestershire County Council (GCC) to support the development of the Cyber Park and to work with the council on deprivation. The model of commissioning, with respective roles and responsibilities, is generally understood but it is necessary to ensure that all contract arrangements are grounded in service specifications that set out what level of service the council expects, the performance metrics for this, how and where this information will be reported. The new organisational structure would benefit from having a strengthened client core to take on this role.

The council is moving away from commissioning but the organisational structure is not yet aligned to a new model. Commissioning was proposed to take a new direction with the intention to transfer most council services to Publica.[1] However, in 2016 the council decided to pull back and retain most services in-house. The current organisational structure reflects previous commissioning intentions and leads to some uncertainty. The council is proposing a new structure which should ensure organisational alignment.

The current phase of development sees the council becoming defined by new approaches to: modernisation, customer access, finance and partnership working. This acknowledges the need to produce a new and longer-term looking Corporate Plan, a

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[1] Publica is a teckal company owned by Cheltenham, Forest of Dean, Cotswold and West Oxfordshire councils.

new performance management framework and a new structure for April 2019. This reshaping of the council will move quickly thereafter with major projects including:

- £100m housing delivery programme with Cheltenham Borough Homes
- A radical modernisation programme to reshape customer access, organisational re-design and development and office accommodation
- Working with partners to deliver the Cyber Park, with new jobs and new homes, alongside development/regeneration in West and North West Cheltenham to address high levels of deprivation.

The Cyber Park is important and the council will need to ensure that governance is set to support delivery of this complex programme. CBC has been prominent in leading on the Cyber Park, focusing on cyber security and linked to GCHQ, and the regeneration at West and North West Cheltenham. These are game changers for the town and the sub-region with the Cyber Park providing high levels of skilled employment with workers coming from Cheltenham and further afield such as Gloucester and Tewkesbury. It is expected to deliver more than 8,000 jobs and up to 3,000 new homes. The council recognises that this is a once in a generation opportunity to use the additional Gross Value Added (GVA) created to ensure the benefits are shared across all parts of the community and make significant inroads into the high levels of deprivation that exist in West and North West Cheltenham.

CBC is committed to addressing deprivation within the borough, however, activity on this is currently dispersed on initiatives undertaken by different services, managers and partners without overarching co-ordination. Similarly the political responsibility for this resides across several portfolios. Developing a single coherent strategy, with designated lead members and officers, would provide clarity of purpose and enhance partner understanding.

The council's finances are in a good position to withstand uncertainties that lie ahead. The Medium Term Financial Strategy (MTFS) proposes that the funding gap be met by a combination of: efficiency savings, such as transformation of services; additional income, such as business rates and investment income; and the use of the Budget Strategy (Support) Reserve. However, it is necessary to extend a broader and deeper understanding, across members and officers, of the level of financial risk facing the council so that this can be fully appreciated and promote collective support for the savings plan.

It will be important to have regard to the level of reserves. Given the level of uncertainty facing the council regarding future business rates and New Homes Bonus funding, and risks associated with the Savings Plan, every opportunity should be taken to build levels of reserves to act as a contingency against uncertainty.

The council is ambitious and likes to say yes to new challenges. However, it has lost a huge amount of capacity over the last 8 years which limits what it is able to do. The council is on the cusp of significant change with a number of demanding challenges facing it. Ensuring that the new Corporate Plan is clear on priorities; the alignment of resources to deliver these priorities; along with the support that partners might contribute, will be essential to negotiate and deliver on the council's ambition.

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2.   Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

1. **Be clear what you want and prioritise.** The council is recognised as a willing and ambitious partner but capacity is not aligned to resources and clearer prioritisation of key objectives is required. Strategic capacity is particularly stretched and with major projects planned this needs to be addressed.

2. **Strengthen contract management arrangements.** The current arrangements are insufficiently robust in specifying service standards, performance metrics and performance reporting, and sanctions in relation to under-delivery.

3. **Devise a coherent programme around regeneration and deprivation with nominated leads.** The council is committed to addressing deprivation mostly located to the West and North West of the town. However, this activity is currently dispersed across initiatives undertaken by different services, managers and partners without overarching co-ordination. Similarly the political responsibility for this resides across several portfolios.

4. **Strengthen governance and project management arrangements for the Cyber Park.** This nationally significant programme is picking up momentum and it will be important that clear and inclusive governance arrangements are established with senior level representation. The peer team also suggest a single, senior level government contact be established to provide a link across different departments and who is able to relay key government messages to the governance group. This is a model that was used for Hinkley Point 'C'.

5. **Invest in and build a joined-up relationship with Gloucestershire County Council (GCC).** The council has invested time in developing a positive and productive relationship with GCC and it is important build on this to work effectively in partnership to progress issues of shared importance, for example the Cyber Park and addressing deprivation.

6. **Sustain the momentum that has been generated by the modernisation programme.** A lot of goodwill has been built up from the initial stages of the modernisation programme. The opportunity is for this to enable a radical organisational shift to: reshape customer access, digitally enable services, maximise the use of data and business intelligence, create new ways of working, drive a commercial mind set and improve office accommodation. Some early wins would add momentum - the obvious candidate for this is the office accommodation where a quick decision is needed.

7. **Housing delivery will need focus and capacity.** The council has recently made a significant investment decision of £100m to increase housing supply. However, this is at a time when housing delivery has historically under-achieved. The step

change in delivery will require skills, capacity and co-ordination around policy, development, design and construction. The council should also explore the opportunities presented by the lifting of the HRA borrowing cap.

8. **Review inherent financial risks and build levels of reserves to withstand future uncertainty.** The council's approach to the financial gap is to use the Budget Strategy (Support) Reserve to supplement the savings and additional income identified in its Savings Plan. The council's working balances stood at £1.4m at 31 March 2018 and the Budget Strategy (Support) Reserve was £1.5m. Given the level of uncertainty facing the council regarding future business rates and New Homes Bonus funding, and risks associated with the Savings Plan, then every opportunity should be taken to build levels of reserves to act as a contingency.

3.   Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Cheltenham Borough Council were:

- Penny James, Chief Executive of Taunton Deane Borough and West Somerset District councils
- Councillor Keith House, Leader of Eastleigh Borough Council
- Cllr. Sarah Butikofer, LGA regional peer, Group Leader at North Norfolk District Council and a member of Norfolk County Council.
- Suzanne Hemingway, Strategic Director at Cambridge City Council
- Bill Cotton, Executive Director, Environment and Economy at Bournemouth Borough Council
- Vic Allison, Deputy Managing Director at Wychavon District Council
- Matthew Hamilton, Director of the District Councils' Network
- Andrew Winfield, LGA peer challenge manager.

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

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2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?

3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?

4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to consider/review/provide feedback on:

- review how the authority is positioned to deliver the aspirations and ambitions contained within the Cheltenham vision, in the context of 2050, and whether it and its partners have sufficient capacity to achieve delivery of these

- look at the council's broad range of external delivery mechanisms, including the council's commissioning, contracting and other partnering approaches and various company arrangements, to see how effectively they are delivering the outcomes the council requires from them

- consider the council's modernisation programme and reflect on how well it is being articulated, organised and driven across the organisation.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. Cheltenham Borough Council had a Corporate Peer Challenge in 2014. Where relevant to do so, findings from that previous peer challenge have been referenced in this report.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 4 days onsite at Cheltenham, during which they:

- Spoke to more than 100 people including a range of council staff together with councillors and external partners and stakeholders.

- Gathered information and views from more than 50 meetings and focus groups and additional research and reading.

- Collectively spent more than 260 hours to determine their findings – the equivalent of one person spending more than 7 weeks in Cheltenham.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit on 16 November 2018. In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

Feedback

3.1 Understanding of the local place and priority setting

Cheltenham Borough Council (CBC) demonstrates a commitment to partnership working and sees this as the means by which additional resources and capacity can be levered to work for the benefit of residents and businesses in Cheltenham. It is acknowledged by external partners to be ambitious, creative, outward looking and tenacious. An example of this is the 'No Child Left Behind' year of action from January 2019 to highlight the issue of children growing up in poverty. This involves working with the Cheltenham BID, the Cheltenham Trust, The Cheltenham West End Partnership, the police, GCC and Cheltenham Borough Homes.

The new Corporate Plan, being developed for April 2019, should be used to strengthen priority setting and resource allocation. Work has begun making use of demographic, social, health, educational data obtained through the Maiden Partnership, via Gloucestershire County Council (GCC) to inform priorities. It is intended that the new plan will be looking longer-term, for 3 or 5 years, rather than the one year plan currently used and that a revised set of strategic priorities will align ambition with capacity.

Corporate planning does not currently include residents' perception data and this weakens the rounded perspective the council is trying to achieve. CBC recognises, as part of its modernisation programme, the need for a residents data to underpin and inform service planning and a survey will be undertaken in the early part of 2019. It would be beneficial to repeat this regularly to maintain resident and business input in the planning process. It also provides the opportunity to test resident satisfaction, to get views on local issues and build trend data over a period of time.

The council commitment to housing delivery shone through for the peer team. Cheltenham, like most other parts of the country, has an imbalanced housing market. The council is keenly aware of the need for affordable housing and has specified, in the Joint Core Strategy (JCS), that large sites should seek to deliver 35 per cent of affordable housing. A further example of this commitment is the council's recent decision to invest £100m in a housing programme to build around 500 homes. This involves working in association with the arm's length management organisation (ALMO) Cheltenham Borough Homes (CBH) that will not only deliver affordable housing but also a commercial return and capital appreciation.

Similarly a council bid to the government's Garden Communities programme is linking the Cyber Park development with the opportunity of building 3,000 new homes, of which it is estimated that up to 40 per cent could be affordable. The council is working closely with CBH as its principal housing partner and lead developer; assisting it to construct and acquire more than 150 homes of mixed tenure since 2010. This is a productive partnership keen to progress redevelopment sites and has innovative plans for market rent and other products.

The relaxation of the government's Housing Revenue Account (HRA) borrowing cap potentially provides an opportunity to actively develop a larger-scale programme of affordable house building. However, in doing this it will be important to consider what

housing will be required, where and when. With the extensive range of new building materials developed in recent years it will be useful to look at the range of options available for: speed of build, for example the use of modular building to meet short-term housing need; the appropriateness of Passivhaus and similar standards to address energy poverty and building in good design and build quality to provide a long lasting and welcoming environment.

The council will need to address two areas around housing. First, housing delivery at urban sites and growth areas will need capacity to address a significant uplift (in the order of 25 per cent) to meet the JCS annual target of 1,759 homes per annum - when delivery between 2001-2011 averaged 1,450 per annum. Second, the council does not currently have a 5 year housing land supply and this exposes it to the risk of speculative development and 'planning by appeal'.   It will be important to address this in the Cheltenham Plan currently being prepared.

CBC recognises the challenge of inequality in the borough and is actively working with partners on this.[2] The council is keenly aware of the stark contrast across the population and is involved in a number of programmes to address this. For example, the council commissioned a children's needs assessment through the Maiden Partnership. This assessment was recently presented to the Communities Partnership and the Place Governance Group and estimates around 4,300 children and young people are growing up in poverty in Cheltenham. The Place Governance Group has agreed to take a leadership role in reducing child poverty and committed to a year of action 'No Child Left Behind'.

To make significant inroads into social inequality will require a more focused and coherent programme, working closely with partners. This is not currently in place as, even though the council and partners are involved in numerous initiatives, activity is dispersed and does not form a coherent programme. Making a sustained impact will require a clearer engagement framework for stakeholders to agree and align priorities and actions with the council and a dedicated partnership focus to address social, economic and physical regeneration. Clear leadership of the council's work on deprivation by named member and officer leads would help on this.

3.2   Leadership of Place

CBC has a high level aspiration to lead its place and this is complemented by well-regarded political and managerial leadership.   Moving through the current process of organisational change it will be important to communicate this future vision and align resource capacity to achieve priorities.

There has been solid achievement of the town centre vision. Recent high profile development includes the newly opened John Lewis, the recently completed phases of the Brewery Quarter and traffic flow management at Boots Corner. Other plans are proposed to redevelop the council owned Regent Arcade to also include a cinema. This

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[2] The population includes 47 per cent of residents categorised as 'wealthy achievers' (ACORN classification) against a national average of 23 per cent. At the same time the Indices of Deprivation (IMD) 2015 show more than 12,000 – out of Cheltenham population of 117,000 - are living in the 20 per cent deprivation 'band' according to national rankings, with child poverty estimated at 30 per cent in 4 wards.

is contributing to re-establishing the town as a highly desirable regional shopping and visitor destination.

Culture has a positive role in place-making and CBC brings together key players via the Cheltenham Trust. The Trust has the ability, through changes to its lease, to raise additional grant income and this is worth exploring. The ingredients for a powerful cultural coalition are in place and the council is in a unique position to facilitate this.

The peer team were impressed with the website Marketing Cheltenham marketingcheltenham.co.uk/, a recently launched destination marketing division. This is managed by CBC in collaboration with Cheltenham Business Improvement District (BID) and the Cheltenham Tourism Partnership, working together on a 5-year strategy to grow Cheltenham's visitor economy. This tool is also proving important to promote Cheltenham as a student destination and for inward investment purposes.

It will be important to engage positively with Gloucestershire County Council (GCC) on the town's future transport strategy. The location off the M5 motorway is hugely advantageous for business, visitors and residents. However, traffic flow to enable optimum traffic movement is important for events that attract large numbers, for example the Cheltenham Gold Cup Festival has ticket sales of over 250,000. With projected population, economic and housing growth it will be essential to work with GCC to ensure that highways infrastructure adapts to changing needs. A recent example of this is the council's brave decision to reroute traffic around Boots Corner which was highly controversial locally. Conducting these works involved close liaison with GCC.

The Cyber Park programme will require building strong and inclusive governance and management arrangements.[3] This nationally significant programme will be important for the sub-regional economy. Governance arrangements are in place and in the process of being revised. Effective governance will be important not just to provide rigour and confidence but also to bring in capacity from other partners, without which there is a risk to delivery. Partners have been impressed by way CBC has "gripped" this major programme and are keen to contribute to the developing leadership and governance structures. The programme will require significant strategic and programme capacity and, in some instances, partners will be better placed to contribute to this and in others it will be the council. It will be important to recognise respective roles and to anticipate the capacity that this may require from the council.

It would be advantageous to have a single liaison contact point in government to enable cross-working over several government departments for the Cyber Park programme. Looking at other nationally significant projects, such as Hinkley Point 'C', the Olympics' preparation for London 2012 and the Northern Powerhouse project – these could all provide valuable learning for the council and this is something that the LGA could assist.

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[3] Confirmed in 2015 by the then Chancellor of the Exchequer announcing Cheltenham as the new home for the government's Cyber Innovation Centre. In 2017 the land area was designated as a strategic development site in the JCS. The Department of International Trade (DIT) has identified this as a High Potential scheme and promoted it as an international investment opportunity at MIPIM earlier this year. The development has been endorsed by a £22m growth deal commitment followed by a successful first round Housing Infrastructure Fund (HIF) bid for £265m to secure an all-ways M5 Junction 10.

There would be merit in building on the partnership model that delivered the JCS. The council has done well, working with Gloucester City Council and Tewkesbury Borough Council, to get the JCS adopted. With the JCS setting out the scheduled provision of housing and employment growth numbers there is an opportunity to build on this by considering a wider Cheltenham/Gloucester/Tewkesbury axis for sub-regional housing and economic growth and inward investment consistent. This would be an important alliance to lead on the Cyber Park and West and North West Cheltenham regeneration.

It will be important for CBC to develop an economic growth strategy; engaging in this with local businesses and linking with business marketing. Particularly as it recognises that, "harnessing the opportunity for growth in its wider context is …absolutely critical for our town's future success." Although the council commissioned consultants to advise on an economic growth strategy ('Cheltenham Economic Growth Strategy – Developing Cheltenham as a Business Location – Athey Consulting 2015) a council economic growth strategy has not been developed. This means that there is no clear strategic direction or prioritisation of economic growth activity with aligned resources.

Addressing skills for the future economy will be needed and at the moment is at an early stage. The Gloucestershire Local Enterprise Partnership (GLEP) led Education and Skills Board will be important to link employment growth and future skills to community need. This should plan for providing residents with the skills in cyber security and related support services required for the future economy. It will also be important to address the annual net loss of 400 young people across the county so that they can see employment prospects that may encourage them to live and work in the area. This is a theme that CBC and partners could develop as a shared piece of work; consistent with CBC's corporate planning activity in knowing and understanding community need.

3.3   Organisational leadership and governance

The Leader and Chief Executive are both well-respected within the organisation and by partners. However, the peer team were told that staff would value a more visible senior managerial leadership presence.

The recently-expanded Executive Leadership Team (ELT) has a good range of complementary skills and experience to move the council forward with fresh ideas and energy. The council is also in a strong position with a core of skilled and dedicated officers, many of whom are well-regarded by partners and in the community.

There is a culture of collaboration and partnership working with external organisations, including close working with the voluntary sector and parish councils. This, in part, is due to the council's ethos that found value in the former Local Strategic Partnership working arrangements and intends to continue combining resources with partners to deliver on shared objectives. Most partners that the peer team met were very positive on their working relationships with the council and its commitment to work with them.

The council is ambitious to deliver on behalf of residents and businesses, and has communicated this through its Place Vision (March 2018). This been well received by partners, and now needs effective delivery

It will be necessary, through the modernisation programme, to ensure a clearer organisational structure is devised[4] for April 2019, a revised performance management is agreed, and a competency framework developed:

- The new structure will be informed by the priorities emerging in the new Corporate Plan (The current structure is a legacy from pre-2016 and the intention to transfer most council services to Publica.)
- It will be essential that the senior ELT structure provides clarity on respective roles and their interaction. At the moment this is far from clear.
- There is not currently a competency framework in place but this could be developed alongside the new organisational structure
- The current performance management structure is more a list of projects than key performance indicators (KPIs), with outputs rather than outcomes.

As part of the revised organisational structure it would be beneficial to review member portfolios and senior officer roles to provide dedicated political and managerial leads in relation to key priorities, for example on the Cyber Park and deprivation. Currently these leads can be dispersed, for example a number of member portfolio holders cover elements of deprivation and social inclusion. Aggregating these into one portfolio holder/lead officer would mean that coherent strategic programmes could more effectively address these complex issues with a dedicated focus.

It will be important to develop a stronger awareness of the distinctive roles and responsibilities of officers and members. The peer team felt that this understanding had become blurred in some areas. Not to address this would present risks for both members and officers who might otherwise stray into areas not appropriate.

Finally, reviewing the role of backbenchers could add political capacity. The council benefits from a strong member induction and mentoring programme with active councillors. This is important for new members to provide them with the confidence to understand and fulfil their role. However, the peer team felt that it would be advantageous to identify additional roles for more backbencher councillors. Given the current workload this would add capacity, provide more member involvement and add complementary skills and expertise.

3.4   Financial planning and viability

The council has a highly respected finance team with a sound grasp of the key financial issues affecting the council. The financial controls and systems for monitoring and reporting are in place and working well. CBC has a history of meeting its financial targets and underspending its revenue budget.

The council has adopted a successful savings strategy, previously referred to as 'Bridging the Gap' and now included within the Medium Term Financial Strategy

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[4] Pulling back from Publica has affected the council's structural and working arrangements. Until 2016 the council had an interim head of paid service and had recruited a director to lead on the commissioning and "retained" arm of the business. The shift from Publica led the council to reinstate the position of Chief Executive with this filled in February 2018. However, the remainder of the organisational structure is imbalanced.

(MTFS). Savings, including income generated, are projected to achieve an impressive £14.2m from 2009 to 2022.

The council is using reserves to help address a projected financial gap of £3.3m in 2021/22. The latest savings strategy identifies £3.4m of savings between 2018/19 and 2021/22 although the Budget Strategy (Support) Reserve will need to be used in the earlier years, which places reserves under greater strain.

Opportunities for increasing the level of revenue reserves should not be missed. Working balances at 31 March 2018 stood at £1.4m and the Budget Strategy (Support) Reserve was £1.5m. Given the intention to use over £2m of reserves over the MTFS period, to fund the revenue budget, there is the potential to reduce reserves to even lower levels. Local government recognises that the next 5 years as being uncertain and potentially volatile and is generally seeking to ensure levels of reserves are sufficient to withstand uncertainty. The council's external auditor has also drawn attention to the continuing need to monitor high risk savings and the council's use of reserves.

Alternative delivery models and investment in property are making a significant contribution. The council has recently adopted a Commercial Strategy (February 2018) and is building up a portfolio of assets already making a sizable return on investment; with a net surplus of £199k generated - to November 2018 - returned to the revenue budget. Further investment income is central to the council achieving its savings targets over the medium term.

There are two notable features to this investment strategy. The first is that all investment is made within the borough and second, the council is keen to invest to meet local needs and the ambitions of local communities. An example of this is Ellenborough House where the council purchased a building of office accommodation projected to achieve an annual net yield of 5.47 per cent. Office accommodation has experienced sustained decline in Cheltenham – with this often converted to housing - and the council is safeguarding this through its investment.

The presentation of the MTFS could be improved to ensure that key issues are more widely understood and linkages made to corporate objectives. The current layout could not be easily followed by the peer team, which contained financial expertise within it. On this basis it seems reasonable to assume that many members and officers from a non-financial background could struggle to understand this. It is recommended that consideration is given to new ways of presenting financial information so that this is more readily understood by members and officers. At the same time it would be advantageous for the MTFS to strengthen the alignment of resource allocation to the priorities set out in the Corporate Plan.

Similarly it was not clear that all members and managers are as involved in and have ownership of the financial planning process as might be expected. Some key financial issues and risks facing the council were not fully understood by some non-finance members and officers that the peer team spoke to, although the need to save money did not come as a surprise to anyone. Given the financial challenges facing the council a fuller understanding of these issues would be desirable.

It will be important that key assumptions in the MTFS, for example business rates and New Homes Bonus (NHB) are reviewed to ensure the projected funding gap remains realistic. NHB is scheduled to come to an end after 2019-20 and it is not yet clear what funding mechanism will replace this.[5] Business rates can be notoriously unpredictable, even without the current fair funding review and reforms to the business rates retention system. The council should keep under review its assumptions about future income particularly and the extent to which they fund the overall revenue budget.

It will be also important to continue to monitor in an uncertain financial environment. The savings plan, to help bridge the financial gap, includes some areas that carry a degree of risk. The council has a number of options available to it should new financial pressure points emerge but keeping a watchful eye on funding uncertainties will continue to be important to anticipate sudden changes.

3.5 Capacity to deliver

CBC is an ambitious council but it is also acknowledged that the council's response to austerity has stripped out a large proportion of former staff capacity. One partner told the peer team that, "CBC punches above its weight and never says no". By never saying no there is a risk of capacity being spread too thinly. The peer team found that the council needs to be focus on priorities so as to manage ballooning demands. One manager commented that "strategic capacity is a key issue for us." This issue is clearly recognised in the Corporate Risk Register with the highest joint risk score of 20.

The council has effectively strengthened capacity in a number of areas where it was recognised that this was necessary, for example the property team and the Executive Leadership Team (ELT). The peer team suggest that the ambitious future programmes around modernisation, the Cyber Park and housing will likely require additional capacity.

In other areas capacity could be created through improved working arrangements. For example, there are significant issues around contract management with a dispersed and inconsistent client function and a lack of rigour on contract specifications to provide the services the council requires. Likewise the peer team were told that access to specialised legal support was not always readily available and project management was identified by many the team met as an area of weakness. Addressing the efficiency and effectiveness of these working arrangements would add capacity.

There is an opportunity for the council to release increased strategic leadership capacity from managers. Strategic capacity can be lost with some managers being too hands-on and operational. It will be important to address this in the new structure. This could be by the council setting out the performance competencies expected and by providing management development training to support managers making the transition from service professionals to strategic managers.

Working with key partners is essential to leverage capacity. The council has recognised this by its commitment to partnership working. In the future it will be important to build on this to ensure partners are brought in early and as equal partners. Similarly, working

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[5] All NHB goes to the council's revenue budget. For the current financial year this amounts to £1.7m – with this declining year by year to 2020. This forms an important part of the overall net revenue budget.

with private sector partners can add significant value from joint ventures by bringing in resources, sharing risk and adding expertise.

3.6 Modernisation

The council's modernisation[6] programme is underway and will be important for potential financial savings. Recent work, conducted for the council, estimates that the efficiency benefits of modernisation could achieve annual financial saving of £1.2m. This is an important prize, along with the organisational transformation this will involve.

Although at an early stage the council is making good progress on modernisation. A programme office has been established; underpinned by a clear governance structure and supported by passionate staff. The arrival of the new director has added necessary impetus and pace. There have been good levels of engagement with staff and member leads and it will be important that these are maintained to ensure continued buy-in for a programme that will introduce new ways of working and some cultural change.

The existing municipal offices and facilities are inadequate for a modern organisation. The council is understandably reluctant to spend on the building layout and improving overall office accommodation. However, the "unloved" accommodation does sap staff morale, particularly for officers who occupy some of the more untidy office areas, and is far removed from what passes as modern office accommodation.

The council is aware that the current offices occupy a highly desirable location that lends itself to many alternative uses and could enable the council to relocate. The peer team were told that this has been an ongoing discussion for twenty years and the team view is that a decision is now needed. "We need a quick decision and we need to implement it" was one comment to the peer team. This could amount to a quick and visible win that would add momentum to the modernisation programme.

3.7 Commissioning, contracting and partnering to deliver council outcomes

There are good county-wide working arrangements with the council playing an active role. Partners described the council as fully committed to these fora, which provide an important platform to influence county-wide activity involving key strategic partners – for example on deprivation. Leadership Gloucestershire brings together public sector partners and has led to the bold work contained in Vision 2050, including the proposed Cyber Park. In addition there is senior representation at the Health and Wellbeing Board, the Gloucestershire Safeguarding Children's Board, Safer Gloucestershire etc.

There are good examples of partnership working to build on. Partners told the peer team of a very positive relationship with CBC – "excellent relationship" and "open to ideas" and "take their seat and punch above their weight". This is supported by CBC placing a high value on working with partners to deliver its priorities and recognising that its capacity to deliver is enhanced by partnership working. There are good examples of the council backing partners, for example the Solace funding commitment to tackle anti-

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[6] Modernisation is a wide-ranging programme that includes: reshaping customer access and digitalisation; organisational re-design and development; cultural change; performance management and office accommodation and agile working.

social behaviour (ASB) in the town centre over 5 years, providing dedicated new police constable and police support officer (PSO) posts to work on ASB in the town.

Although partnership working arrangements are good there are areas to strengthen. The council reviewed its partnership arrangements in March 2017 and this led to a place-making vision – "We want Cheltenham to be a place where everyone thrives". This then led to the formation of the Place Governance Group (PGG) responsible for the delivery of the Cheltenham Place vision and for providing strategic co-ordination across Cheltenham's agencies, partnerships, networks and fora, ensuring linkages with their strategies, plans and priorities. However, the PGG was described, "as still finding its feet". The detailed actions set out in the Place Vision have yet to be translated into action plans that specify who leads, with what resources, what timeframe and the KPIs and monitoring mechanisms needed to review delivery against objectives. It may be necessary for the council to work with the PGG to move this work forward to ensure that the work of this partnership vehicle is not jeopardised.

The function of commissioning is changing. It has been important as a means for the council to address the financial pressures of austerity. When commissioning began in 2011 its success in gaining efficiencies "…helped to keep the ship afloat". However, the rationale for commissioning is shifting with service providers becoming strategic enablers for CBC's ambition rather than simply achieving savings. This shift in emphasis has not yet been widely recognised and understood.

Examples of this shift in approach to commissioning include CBC's modernisation programme and key projects on customer access and channel shift which Publica will have a vital role in supporting through ICT platforms. Similarly there is the example of Ubico[7] with the potential to promote the take-up of commercial waste, green waste, commercial recycling, bin cleaning services and other revenue generating opportunities that can reduce contract costs. This shift will require the council – as client – to *incentivise* contractor providers to consider how they may provide services in the future which add value and/or save on costs.

Contracting arrangements need to be clearer and more robust. The different contracted governance structures provide a complex picture, often involving different geographies. It has been acknowledged that there, "is a sense that the arrangements to manage complex contracts are stretched…" In addition the contract management arrangements were described to the peer team, by a number of staff, as "woolly" which can lead to uncertainty on respective client/contractor roles and responsibilities. Client arrangements would benefit from increased rigour to provide: clarity on the specification of service requirements; the use of Service Level Agreements (SLAs); the use of KPIs and performance monitoring arrangements.

Finally, the council needs to be clear on what it expects Publica to provide. The history before and after 2016 means that there has been understandable uncertainty. Members and staff need clarity on respective client and contractor roles and responsibilities. Developing this clarity will enhance the relationship with increased

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[7] Ubico is a company wholly owned by both Cheltenham Borough and Cotswold District Councils and provides a range of environmental services - including waste collection, recycling, and street cleansing - across both areas.

certainty on respective expectations and will enable the model to begin to realise its potential to deliver community benefits and further efficiencies.

4.   Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are andy.bates@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with the council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before November 2023.

Cheltenham Borough Council Customer and Digital Strategy

#wearecbc

Introduction

Cheltenham Borough Council want to provide the best possible services to customers in the most efficient way. This document sets out the principles we will follow when reviewing and transforming our services to ensure they are centred on customer needs. Our approach must recognise the digital age we live in and how we can make the best use of technology for the benefit of both our customers, partners and employees. Our purpose is to ensure services are delivered in the most suitable way investing, where appropriate, in both technology and other capabilities to support our organisational modernisation and deliver a positive customer experience.

Principles

- We will work with customers and other stakeholders to ensure services are designed around their requirements, they are accessible and maximise convenience.
- We will work towards dealing with as many customer enquiries at first point of contact delivering a professional, consistent service resulting in a positive experience.
- We will take the opportunity to redesign and optimise services based on user research and not just automate our current processes.
- We will aim to move away from paper based transactional services to online, integrated, digital offerings that encourage a new kind of interaction with our customer.
- We understand that any new approaches to service delivery, including digital offerings, will require people to adapt behaviours and actions.
- We understand that true transformation requires redesigning and re-engineering our organisation on every level and includes people, processes and technology.
- We will invest in our leadership and people capabilities to ensure we can deliver the required improvements for our customers.
- We recognise the value of face to face services so will ensure changes focus on spending less on unnecessary activities and bureaucracy enabling us to reinvest more in essential frontline services.
- We will transform as one organisation moving away from a silo-based approach to service delivery to enhance both the customer experience and that of our employees.

Outcomes
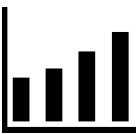
Customers have convenient access to the right information at the right time.

Customer journeys are effective achieving their required outcome in a convenient way.

The organisation is more effective in managing customer demand and services are more resilient.

Cost savings through improvements will mean we can invest more in our essential frontline services.

Involving People on our Journey

120,000 Customers

From providing information on waste and recycling to advising on technical planning matters, we need to ensure that our services are designed to meet the needs of our diverse customers. We have conversations and engage with our customers and businesses to understand what they want from our services and how they would like to access them.

40 Councillors

Our Councillors are elected by the community to decide how we should carry out our activities. They represent public interest as well as individuals living within our communities. Through member seminars and working groups we will utilise their knowledge to ensure our services meet the needs of our wider communities.

230 Employees

In a changing environment it is essential our people have the ability to both design and develop services that meet our customer needs. We value our people and will invest in them to ensure they have the ability to deliver for our customers. Our people strategy supports our journey ensuring we develop the key capabilities required for our our modernisation.

Multiple Partners

At Cheltenham BC we work with and commission many partners to deliver services as we recognise the opportunity that wider collaboration brings. It is important that our partners share our values and aspirations for our customers and deliver services that meet their needs. Our partners are part of modernisation programme to add value and ensure seamless services.

Key Actions

- Have a consistent approach to mapping customer journeys, and map them, using this to identify where 'First Point of Contact' (FPOC) customer services are delivered across organisation.
- Establish how we will engage and consult with customers, aligned to journeys not team, to understand who they are, their varying needs and how they wish to access services (including partners e.g. CBH payments).
- Improve our collection and use of customer data to enable us to make decisions based on current, relevant and reliable information as well as giving us the ability to ensure the customer experience matches expectations.
- Establish a consistent approach to customer service delivery across organisation to ensure a consistent customer experience, including look and feel, across all touch points.
- Utilise our customer research and mapping to determine criteria for assessing what services could be delivered digitally now and in the future identifying any barriers.
- Establish priorities for services/processes transferring to a corporate team e.g. increase resilience, increased commercial opportunities.
- Through our customer research and process mapping ensure we manage customer demand through developing knowledge on our customer contact and establish whether proactive campaigns could remove or divert some this this traffic to other channels (including digital).
- Establish how we obtain a single view of the customer to ensure that our service provision maximises opportunities to deliver at FPOC as well as giving opportunities to 'market' appropriate services.

#WEARECBC   #WEARECBC   #WEARECBC   #WEARECBC

Cheltenham Borough Council Modernisation Roadmap

#wearecbc

Stage 1 - Prepare CBC for change
October 2018 - March 2019

Objectives
- Understand the external and internal factors that impact on the Council
- Undertake learning and discovery activity to inform the best approaches to modernisation for CBC
- Establish the programme purpose, governance and engage key stakeholders
- Develop the case for change and establish the methodology for modernisation
- Prepare the modernisation team and wider organisation for stage 2 of the modernisation programme
- Establish data baseline (and other baseline information)

Deliverables
- Case for change and programme methodology is supported by Cabinet and Executive Leadership Team
- Modernisation programme is launched and people understand why it is needed, what it will involve and the benefits it will bring
- All members appropriately engaged and informed
- Technical Design Authority is established to ensure ICT investment decisions are aligned
- Framework that sets out the approach to organisational design including organisational structure is agreed

Review   Launch

Review   Launch

Review

Plan implementation stage
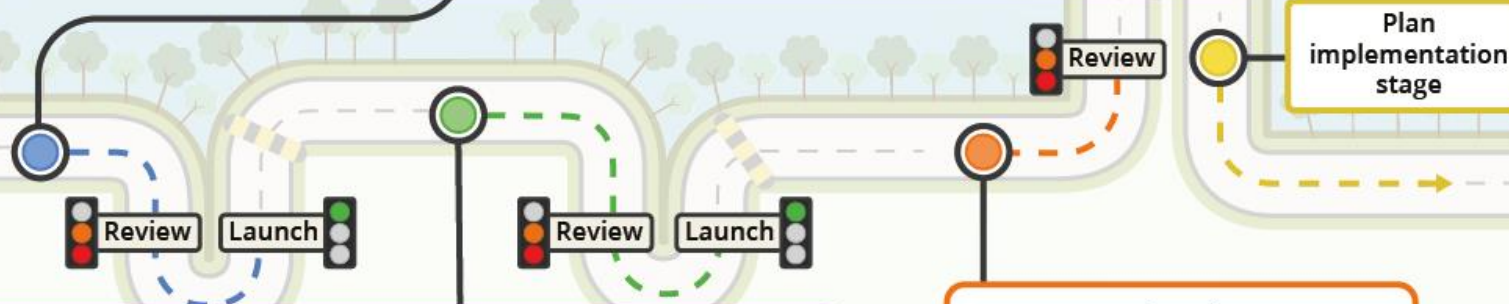
Stage 2 - Capture the now
April 2019 - August 2019

Objectives
- Identify the current processes and procedures for all services in terms of demand, cost and technology
- Identify opportunities for improvement and commercial development incorporating learnings from Place and Growth
- Understand how our current technology partners can further support modernisation
- Support staff to embrace change and think differently to enable new ways of working in the future operating model
- Complete resident satisfaction survey

Deliverables
- A clear understanding of CBC's current operating model including an understanding of common capabilities and end to end customer journeys
- Duplication and non-value added activities are understood and costed
- Staff are fully and actively engaged in the process review and analysis
- Customer satisfaction level baseline is established

Stage 3 - Design the Future
Later in 2019/2020

Objectives
- Process map the 'to be' state and identify the level of efficiencies these changes would make
- Benefits are measurable and validated
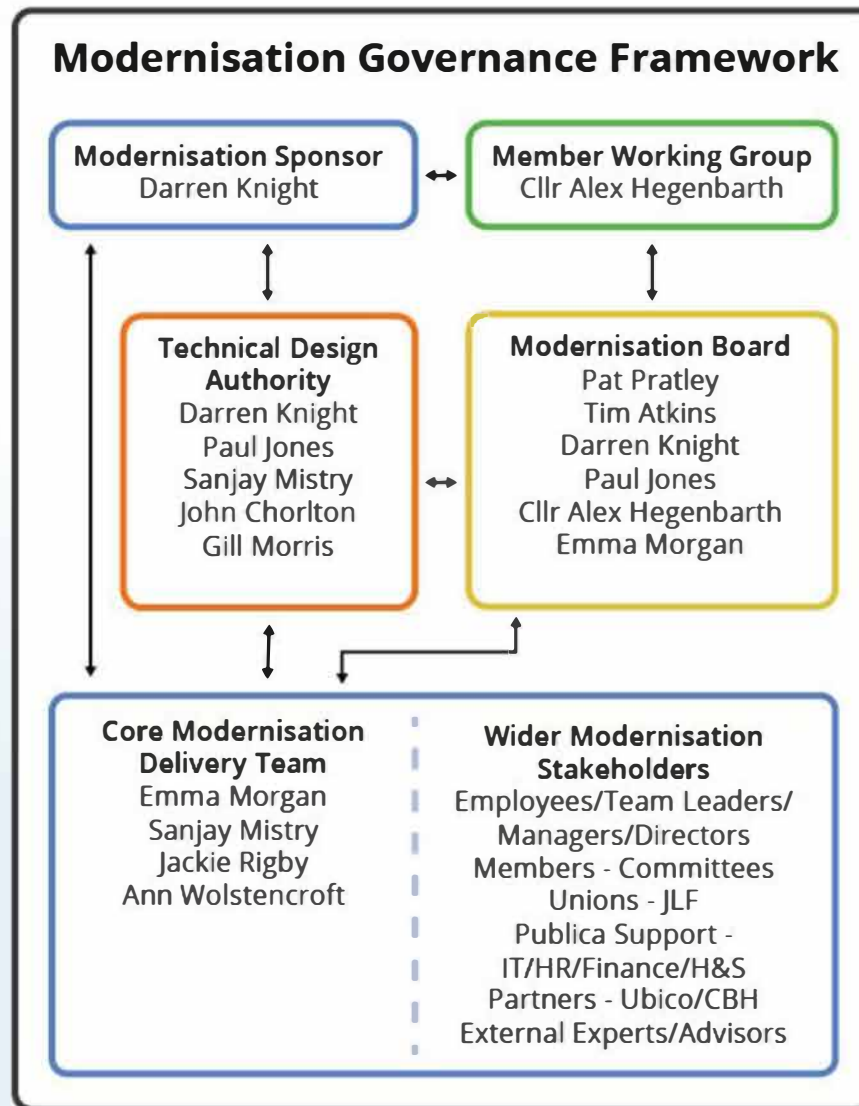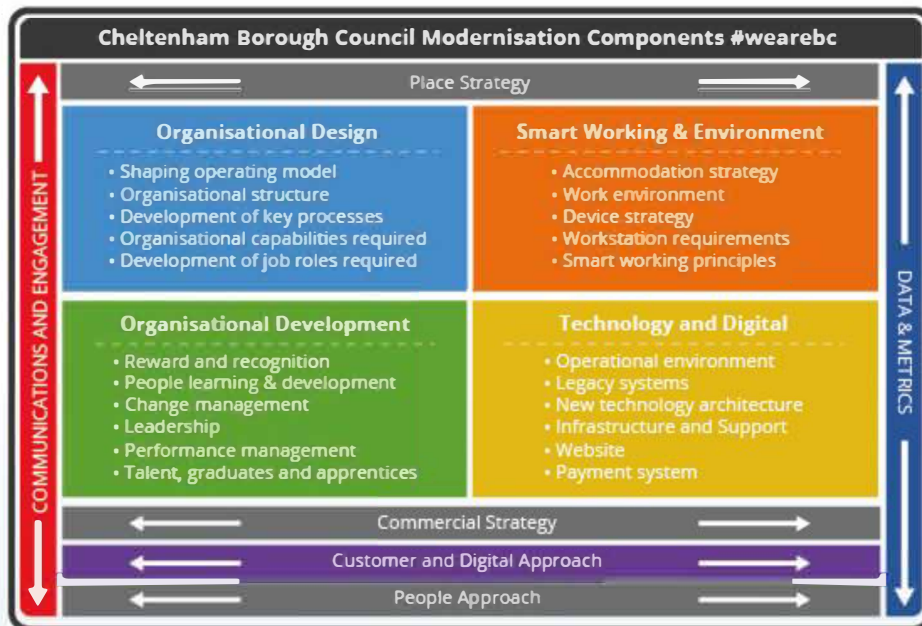- Develop new operating model including new organisational structure

Deliverables
- New target operating model is agreed
- Efficiency savings confirmed
- Modernisation investment priorities established ready to implement changes in stage 4
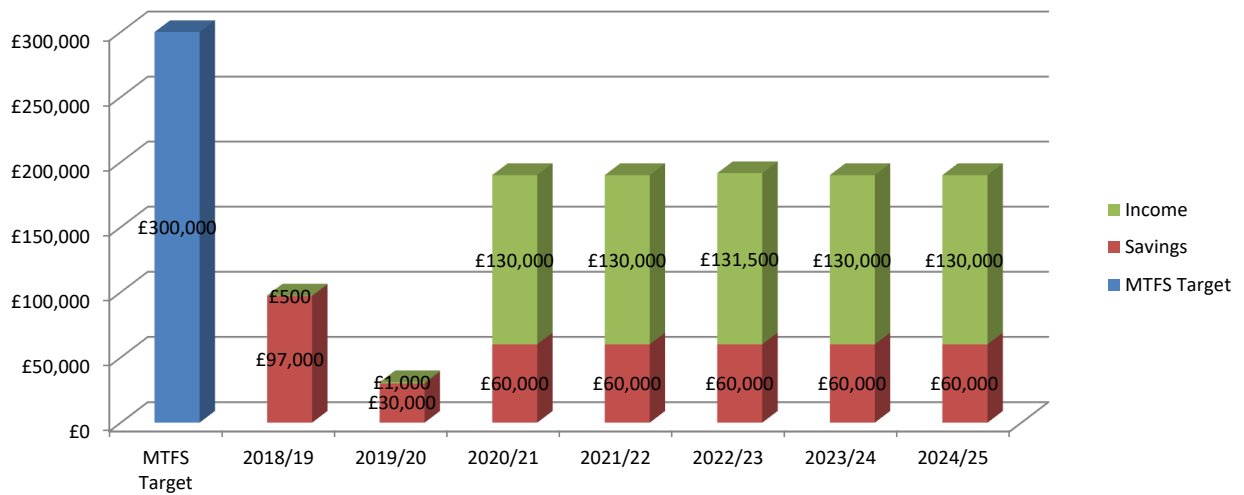
Modernisation Programme Communications

Cheltenham Borough Council Modernisation Components #wearebc

Place Strategy

COMMUNICATIONS AND ENGAGEMENT

Organisational Design
- Shaping operating model
- Organisational structure
- Development of key processes
- Organisational capabilities required
- Development of job roles required

Smart Working & Environment
- Accommodation strategy
- Work environment
- Device strategy
- Workstation requirements
- Smart working principles

Organisational Development
- Reward and recognition
- People learning & development
- Change management
- Leadership
- Performance management
- Talent, graduates and apprentices

Technology and Digital
- Operational environment
- Legacy systems
- New technology architecture
- Infrastructure and Support
- Website
- Payment system

DATA & METRICS

Commercial Strategy

Customer and Digital Approach

People Approach

Modernisation Governance Framework

Modernisation Sponsor
Darren Knight

Member Working Group
Cllr Alex Hegenbarth

Technical Design Authority
Darren Knight
Paul Jones
Sanjay Mistry
John Chorlton
Gill Morris

Modernisation Board
Pat Pratley
Tim Atkins
Darren Knight
Paul Jones
Cllr Alex Hegenbarth
Emma Morgan

Core Modernisation Delivery Team
Emma Morgan
Sanjay Mistry
Jackie Rigby
Ann Wolstencroft

Wider Modernisation Stakeholders
Employees/Team Leaders/
Managers/Directors
Members - Committees
Unions - JLF
Publica Support -
IT/HR/Finance/H&S
Partners - Ubico/CBH
External Experts/Advisors

Core Modernisation Delivery Team

Jackie Rigby
Organisational design

Emma Morgan
Smart working and environment

Ann Wolstencroft
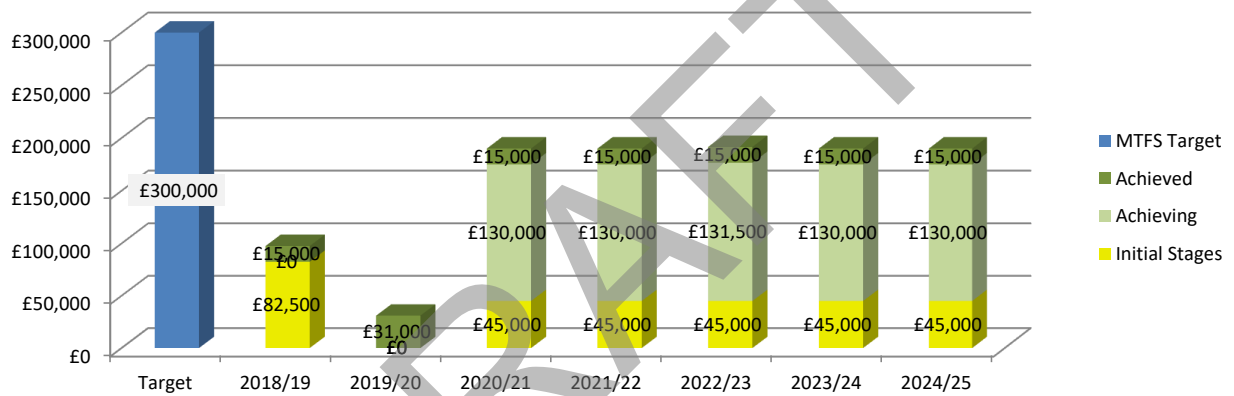Organisational development

Sanjay Mistry
Technology and digital

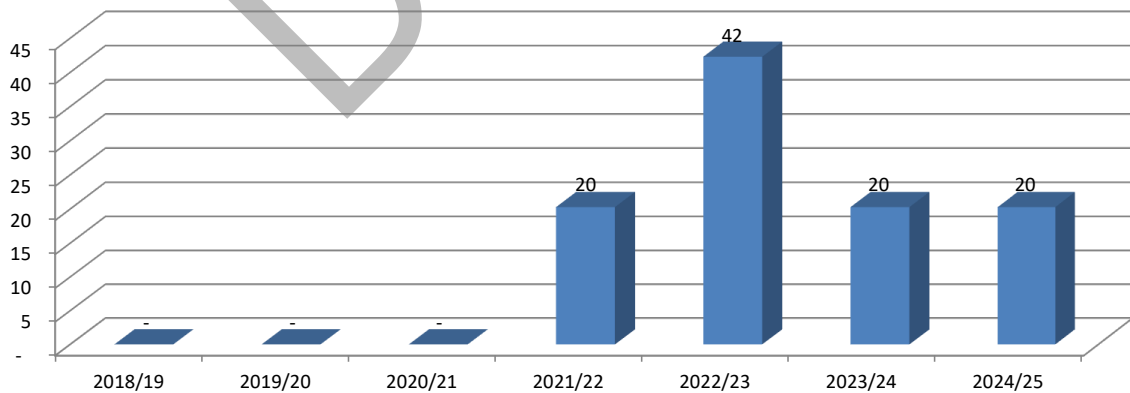# Projection Against MTFS

Projection Against MTFS by Status

Non Financial Staff Days Saved

Cash Saving/Income Generation

Year	Savings	Income
2018/19	£47,000	£0
2019/20	£37,000	£0
2020/21	£15,000	£130,000
2021/22	£15,000	£130,000
2022/23	£15,000	£130,000
2023/24	£15,000	£130,000
2024/25	£15,000	£130,000

Legend: Income, Savings

Days Saved as £'s

Year	£ Value Per year
2018/19	£0
2019/20	£0
2020/21	£0
2021/22	£2,183
2022/23	£4,552
2023/24	£2,183
2024/25	£2,183
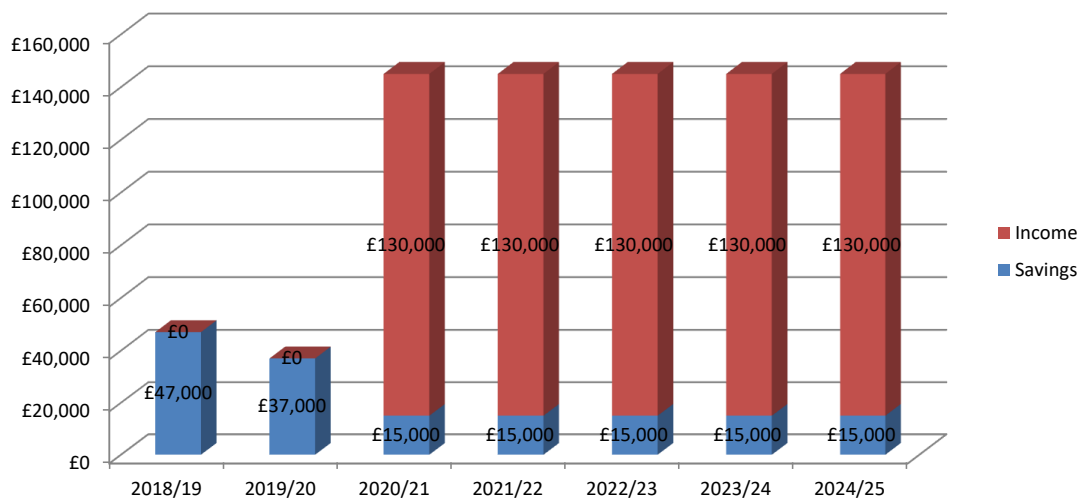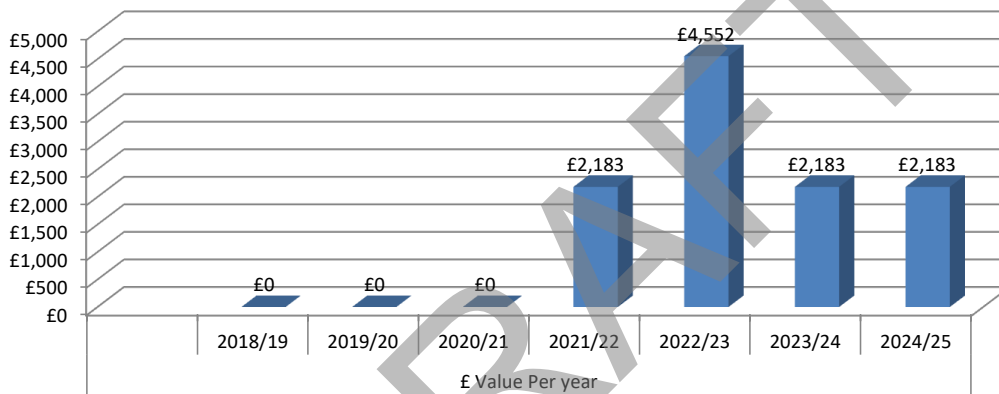
Greetings from the future!

Hi,

We hope that you are well? We wanted to drop you a note to say that our modernisation programme has successfully delivered all of the agreed outcomes and is starting to deliver amazing benefits!

- Our Council is open 24/7, 365 days a year as our customers transact with us digitally from their devices

- Our Customers have great experiences as our processes were developed with them in mind, which has raised customer satisfaction to 90%

- Our Business Customers say our holistic, joined up approach makes us easy to work with, which is great for local businesses and for Cheltenham

- We have saved £300,000 towards the Council's savings target which has enabled us to invest in our local communities and further support Cabinet priorities

- Our employee satisfaction has increased as we continue to invest in our people and our working environment, attracting and retaining new talent as employer of choice for Gloucestershire.

We are all excited about the move to our new office accommodation in a few months' time. So, wanted to check with you, what's next??

Looking forward to seeing you soon,
From Modernisation Team

PS: We have won an APSE Award for Best Efficiency & Transformation Initiative

2023
#wearecbc

Members

Cheltenham Borough Council

Municipal Offices

Promenade

Cheltenham

GL50 9SA

Extract from interim budget proposals Cabinet 18 Dec 2018

People and Change

1.1　The **people and change** element of the budget strategy currently has two key areas of focus over the life of the savings plan:

1. Savings following the creation of The Cheltenham Trust which formed part of the original business case when the trust was created in 2014;
2. Savings targets arising from transformation and modernisation of service delivery within the authority, which are in addition to the savings target to transform regulatory and environmental services.

1.2　Whilst the Place and Economic Development (P&ED) programme, which started in 2016, is progressing the current position is that only part of the authority is undergoing a programme of modernisation and change and this now needs to be urgently addressed.

1.3　Modernisation will bring cash savings, as set out in the MTFS, but also deliver non-cash savings, which will allow resources to be freed up to support existing, emerging and future corporate priorities.

1.4　Ahead of the modernisation programme, Publica Group has been asked to expedite some quick win savings, including the re-negotiation of the Council's mobile phone contract and from other telephony improvements.

1.5　Following the review of the Executive Leadership Team, the next stage of the organisational design will be the development of a business case and framework to enable a review of the existing organisational structure. This will set out the approach and resources needed in assisting the Council in determining its future operating model. The outcome of this work will help ensure the Council is then best placed to meet the future opportunities and challenges ahead.

1.6　The vision for the services that has emerged through the P&ED transformation programme is services that are financially sustainable, have a commercial mind-set, foster creativity and innovation, with a strong customer and community ethos, and which are flexible and drive out as much as efficiency as possible.

1.7　The objectives of the services are to be:

- **Customer focussed** - with services delivered in a way that is convenient for the customer and in a way that meets their changing needs through maximising advancements in technology;
- **Supportive to economic growth** - through freeing up resources to focus on corporate priorities and improved data to enable more informed decision making;
- **Efficient** - with joint up services provided at minimal cost and underpinned by clear data;
- **An organisation -** that is placed to best support the Council in achieving its aims and objectives and to meet the opportunities and challenges ahead;
- **Investing in our people** - invest in our people to create culture that consistently supports and encourages:
  - Commercial thinking
  - Innovation
  - Continuous improvement through new ways of working.

CHELTENHAM
BOROUGH COUNCIL

CASE STUDY

INNOVATING AND IMPROVING DIGITAL SERVICE

LICENSING

OUR AIM.

To develop an online self-service licensing platform to enable customers to submit and pay for applications 24/7.

WHAT HAVE WE DONE?

- Successful in a bid for LGA funding under its Digital Funded Programmes to "...support councils to innovate and improve digital service."
- With match-funding, invested in a suite of online forms and products to enable channel shift in all of our licensing functions.
- Allows customers to apply for new licences at their convenience and license holders the ability to renew their licence anywhere and at any time.
- No longer a need to wait for the offices to open.

"An excellent effort by Cheltenham Borough Council whose investment has resulted not only in a substantial financial saving but also delivered a digital platform that has improved customer access to licensing services and significantly reduced processing times."

Siobhan Coughlan, LGA programme manager

Local Government Association

WHAT HAVE WE ACHIEVED?

Since moving all of our taxi and private hire licensing function over to the new digital platform:

- Our customers are experiencing a streamlined, more efficient service
- Significantly reduced overhead costs.
- Reduction in time- consuming manual processing work, stationery and print
- No longer using multiple systems, instead we have a bespoke service which is aligned to the needs of our customers.
- Overall saving of £93k

"By investing in smart technology, we have been able to drive digital change and deliver an improved service to our customers.   Through an integrated online platform, we are continuing to innovate and offer better, more cost-effective solutions. This work will continue we as move into other service areas."

Louis Krog, licensing team leader at Cheltenham Borough Council

- Spoken at the Institute of Licensing's national conference
- Presented to the LGA's showcase event
- Invited to speak to the LGA's annual licensing conference in Westminster

www.cheltenham.gov.uk

Costs and Risks of Poorly Managed Change

When the people side of change is ignored or poorly managed, the programme and the Council take on additional costs and risks. From this perspective, effective change management is a cost avoidance technique and risk mitigation tactic.

	COSTS	RISKS
Programme level	• Programme delays • Missed milestones • Budget overruns • Rework required on design • Loss of work by programme team/resources	• Resistance – active and passive • Programme put on hold • Resources not made available • Obstacles appear unexpectedly • Programme fails to deliver outcomes • Programme is abandoned
Organisational level	• Productivity plummets (deep and sustained) • Loss of valued employees • Reduced quality of work	• Impact on customers • Impact on suppliers • Morale declines • Legacy of failed change • Stress, confusion, fatigue • Change overload • Reputational damage
If the change is not implemented	• Lost programme investment • Lost opportunity to have invested in other programmes/projects	• Operating costs not reduced • Efficiencies not gained • Revenue not increased • Market share not captured • Waste not reduced • Regulations not met in time

Community impact assessments – for services, policies and projects

What is a community impact assessment?

A community impact assessment is an important part of our commitment to delivering better services for our communities. The form will help us find out what impact or consequences our functions, policies, procedures and projects have on our communities, as well as employees and potential employees.

By undertaking an impact assessment, we are able to:
- Take into account the needs, experiences and circumstances of those groups of people who use (or don't / can't use) our services.
- Identify any inequalities people may experience.
- Think about the other ways in which we can deliver our services which will not lead to inequalities.
- Develop better policy-making, procedures and services.

Background

Name of service / policy / project and date	Modernisation Programme
Lead officer	Darren Knight
Other people involved in completing this form	Jackie Rigby Emma Morgan Sanjay Mistry Ann Wolstencroft

Step 1 - About the service / policy / project

What is the aim of the service / policy / project and what outcomes is it contributing to	The purpose of our modernisation programme is to deliver a digitally enabled organisation with a commercial mind-set that is able to create capacity to deliver a positive customer experience and our corporate priorities. This initiative is contributing to improved customer access/service, increasing capacity and contributing towards financial self-sufficiency.
Who are the primary customers of the service / policy / project and how do they / will they benefit	The primary customers are residents that access services and information from the Council. They will mainly benefit from services that are more accessible and easier to access.
How and where is the service / policy / project implemented	See the attached case for change for a detail overview of the programme
What potential barriers might already exist to achieving these outcomes	None identified. However, critical success factors have been identified within the case for change document.

Step 2 – What do you know already about your existing / potential customers

What existing information and data do you have about your existing / potential customers e.g. Statistics, customer feedback, performance information	There is little data available; more insight will be captured during stage 2 of the programme. Ahead of the modernisation programme commencing a resident satisfaction survey has been commissioned, which will be of a representative sample of the population
What does it tell you about who uses your service / policy and those that don't?	N/A
What have you learnt about real barriers to your service from any consultation with customers and any stakeholder groups?	Customers cannot transact with the Council 24/7 and 365 days a year from any device. In this day and age customers expect to be able to easily transact with organisations from any device.
If not, who do you have plans to consult with about the service / policy / project?	N/A

Step 3 - Assessing community impact

How does your service / policy / project impact on different groups in the community?

Group	What are you already doing to benefit this group	What are you doing that might disadvantage this group	What could you do differently to benefit this group	No impact on this group
People from black and minority ethnic groups				☆
Sex				☆
Gender Reassignment				☆
Older people / children and young people				☆
People with disabilities and mental health challenges				☆
Religion or belief				☆
Lesbian, Gay and Bi-sexual, Transgender people				☆
Marriage and Civil Partnership				☆
Pregnancy and Maternity				☆
Other groups or communities				☆

Step 4 - what are the differences

Are any groups affected in different ways to others as a result of the service / policy / project?	None identified
Does your service / policy / project either directly or indirectly discriminate?	No. However, as and when projects are scoped from the modernisation programme, the PMO will ensure equality impact assessments are completed where needed.
If yes, what can be done to improve this?	N/A
Are there any other ways in which the service / project can help support priority communities in Cheltenham?	There could be potential for social value through future procurement opportunities

Step 5 – taking things forward

What are the key actions to be carried out and how will they be resourced and monitored?	These are summarised in the case for change.
Who will play a role in the decision-making process?	A Governance framework has been established to oversee the modernisation programme
What are your / the project's learning and development needs?	To ensure that the PMO has a consistent approach to BPR and customer journey mapping
How will you capture these actions in your service / project planning?	Training needs have been identified as part of the planning stage of each part of the modernisation programme