

Report to Cabinet
11 July 2012
Report of Executive head of strategy, people and democracy
Subject Council blueprint

Item

6

Purpose

To consider the proposed new blueprint for the council (operating model) which will guide how services and structures are designed in the future.

Recommendation

- To agree the new blueprint for the council
- To agree to establish a cross party working group to inform the roll out of the new blueprint through the transformation programme and development of the necessary savings for 2013/14.

Corporate and service priorities

The report helps to meet the corporate priority Value for money services.

Financial implications

There are no direct financial consequences of this report.

Ward/s: All wards

Cabinet member: Councillor Arthur - Leader

Contact officers

Russell O'Keefe, Executive head of strategy, people and democracy 01603 212908

Phil Shreeve, Policy and performance manager 01603 212356

Background documents

None

Report

Development of the council blueprint

1. The council's new corporate plan 2012-2015, which was approved by full council in February 2012, sets out very clearly what the council will do over the next three years including its vision, mission and priorities.
2. Simultaneously to developing the new corporate plan the council has been working through the best way to organise itself to deliver that vision and priorities given the key change drivers facing the organisation. These key change drivers are summarised below:
 - **Changing citizen / customer preferences** – the major consultation (*your services your say*) the council has carried out to inform its new corporate plan and future organisational model has shown that the public want us to have a very clear focus on core district council services (safe and clean etc) and that they are most willing to contact the council through the website in future compared to other contact channels.
 - **Political aspirations** – the council's Leader and Cabinet want the council to further develop the principle of direct provision through a wider definition of in-house public service delivery which includes working collaboratively with relevant key partners for the benefit of the City and its residents whilst continuing to maintain influence over strategy and the delivery of outcomes.
 - **Financial pressures** – the council's medium term financial strategy means the council will need to make further general fund revenue savings of over £7 million over the next four years in addition to the approximately £20 million of general fund savings already achieved over the previous four years.
 - **Innovation from elsewhere** – the council has held a series of master classes with elected members and officers to look at examples of different operating models and innovative ways of working from other councils and sectors
 - **Changing national policy and legislation** – key new legislation such as the Localism act, Police reform and social responsibility act, Local government finance reform and welfare reform will have a significant impact on how the council is able to operate and the provision of services in the future.
 - **Employee aspirations** – the council has run a programme of '*new ways of working*' workshops that all employees were encouraged to attend. These workshops allowed employees to put forward all their ideas on how the council should change in the future as well as helping them to prepare themselves personally for future change
3. The council has assessed what it believes to be the impact of each of these key change drivers on the council and how easy they will be to implement and what that means for how the council will need to operate in the future.

4. This has led to a reshaping of the council's blueprint (operating model) which can be found at Annex A. The blueprint sets out guiding design principles for the authority to base its service and organisational design upon. It will, therefore, act as a 'working aide' for those who will be re-designing services and structures for the Council. As such, it will drive and guide the council's ongoing transformation programme

Feedback on the new council blueprint

5. The new council blueprint has recently been tested through a number of approaches including:
 - Discussions with key partners and stakeholders
 - Employee workshops
 - A member workshop
 - Independent external assessment through a peer challenge supported by the Local Government Association (LGA)
6. The feedback on the council blueprint has been very positive. For example, the peer challenge team highlighted that:
 - We think the philosophy and principles of your proposed new operating model are relevant, appropriate and realistic given the political priorities, challenges and context in Norwich. The model is clearly designed to enable and support the vision and intention to become a 'collaborative' council.
 - A clear rationale and thought process has informed the new model proposed. You are taking a considered approach to its implementation. This includes reality checking it with stakeholders such as staff, and indeed, the peer challenge team.
 - We can see that there have been recent decisions and developments to support the ambition and direction of travel – such as the collocations with Police and Clinical Commissioning Group. New relationships and partnerships such as the Local Government Shared Services (LGSS) and Norfolk Property Services (NPS) ventures will help deliver the new operating model.
 - You have sought to involve staff in determining the values (PACE) of the new organisation. Officers recognise they are being empowered. We were impressed with your desire and intention that the values also apply to staff who work on behalf of, as well as those who work for, the council. You have already begun to think through how you might enable this.
 - You are recognising the need to develop the skills, capacity and culture to support and enable the new operating model. You have a draft people strategy, a programme of organisational development activity, plans for more mobile working, flexible accommodation and matrix management, and you are starting to review and revise the governance of the organisation.

- We think there is potential for customers and citizens to feature more. The ambition to be 'collaborative' is clear. We understand the aspiration is to work with all stakeholders – members, officers, partners, customers and citizens. But collaboration with citizens and customers does not currently seem to be a real feature of the new operating model.
 - Similarly we suggest that the role of members in a new collaborative council needs further thought and exploration.
 - To enable a more collaborative way of doing business we suggest the council needs to consider how the leadership roles and styles (managers and members) will need to evolve.
 - Clearly you are heading into a very different phase of your improvement journey. As such the way the organisation behaves and the role it plays in the City may need to change. This includes the approach to partnership working, which we suggest will need to evolve from 'joint working' to 'sustainable collaboration'. The new operating model does recognise the need for some of this.
7. Feedback from elected members and employees has also been very positive. Key suggested refinements included:
- To emphasise the importance of utilising the opportunities for income generation more
 - Greater recognition of the developmental needs of elected members within the people layer of the blueprint
 - More focus on internal as well as external collaboration and greater connection across and between teams & departments
 - To emphasise the need to continually share and learn from one another both internally and with our partners (best practice/recognition)
 - Importance of getting the communication, branding and engagement right to take it forward and to generally promote our good work more widely
 - To make how we are doing more visible in the organisation and provide more opportunities for people to see and speak to leadership.
8. Based on the feedback received a range of changes and refinements were made to the blueprint and a number of specific activities and new approaches developed.

Delivery of the new council blueprint

9. The move to the new blueprint will be driven through the next phase of the council's ongoing transformation programme. This will see a range of projects and change activities carried out across six key work streams:
- Service redesign
 - Shared services
 - People development and performance
 - Asset management

- Accommodation and work styles
 - Communications and engagement
10. To enable the delivery of the new blueprint a number of supporting elements have already been developed including:
- An overarching brand for all the work associated with the rollout of the blueprint called 'changing pace' e.g. the changing pace council blueprint, changing pace transformation programme etc.
 - A new draft people strategy (which will be brought to Cabinet for approval in the autumn) and a new leadership development framework
 - A new member development framework including role profiles and a supporting development programme based around personal development plans which will guide member development activities within the council
 - A 'compelling story' which is a short and simple way of describing for employees what the organisation will be like in the future.
 - The reshaping of our core organisational values to support the key behaviours that we will need our people to exhibit in the future to deliver the new ways of working.
 - The establishment of new senior management arrangements that align with the council blueprint and the need to manage changing patterns of service delivery and work in different ways
11. A range of cross cutting organisational development work is planned, within the people development and performance work stream, to take forward the blueprint in line with specific feedback received from elected members, employees and the peer challenge team including:
- Carrying out a review of the ward councillor role in line with the new blueprint and changing context. The LGA have offered to facilitate an all members workshop with the council to look at what the ward councillor role should look like in the future. It is suggested that this is carried out in the early autumn period and the information used to inform the planned review by scrutiny of the role of ward councillor and the support required in regards to member development etc.
 - Improving information and support for elected members through enhancing the effectiveness of e-councillor and councillor briefings and putting in place better ICT arrangements for councillors. Further work will test with elected members options for utilising the member development budget differently to allow enhanced learning for specific roles and for personal development within groups.
 - Development of a new external and internal communication strategy for the council. Again the LGA have offered support with this process both in terms of advice from their national director of communications and in signposting to other organisations approaches.
 - Work with partners through the Norwich Locality Board on defining what being a good partner means both for the council and for organisations who partner with us.

12. However, a very large part of the work to take forward the blueprint will rest within the other four work streams of the council's ongoing transformation programme (service redesign, shared services, asset management and accommodation and work styles) with a big focus on realising the necessary savings the council needs to make to meet the targets within the medium term financial strategy.
13. Work is already well underway to develop a series of potential savings for 2013/14 with the aim being for the council to be able to consult on these commencing in the autumn.
14. To inform and support this process it is recommended that a cross party working group is established that would be made up as follows;
 - Leader of the council, Deputy leader of the council and resources portfolio holder and 3 other labour councillors
 - 3 green councillors
 - 1 liberal democrat councillor
15. The cross party working group would review and inform the rollout of the new blueprint through the transformation programme and in particular:
 - the proposed approaches for developing savings
 - the savings options themselves
 - the proposed consultation methods for savings options
 - the approach to other key projects and changes activities to support the rollout of the council's blueprint e.g. the draft people plan prior to it being taken to Cabinet.
16. It is also proposed that other councillors would be able to put forward and present suggestions for savings and other change activities, in line with the blueprint, to the cross party working group either through the representative (s) from their respective political group or directly to the working group.
17. Finally, it is proposed that when specific savings or change options relating to a particular area are being discussed that the relevant portfolio holder is also invited to attend the cross party working group (if they are not already a member).

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet
Committee date:	11 July 2012
Head of service:	Russell O'Keefe
Report subject:	Council blueprint
Date assessed:	9 May 2012
Description:	To agree the new blueprint for the council (operating model) and to establish a cross party working group, on the basis proposed, to inform the roll out of the new blueprint through the transformation programme and development of the necessary savings for 2013/14.

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The rollout of the council's new blueprint (operating model)through the next phase of the ongoing transformation programme will support the council in realising the savings targets within its medium term financial strategy.
Other departments and services e.g. office facilities, customer contact	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There will be an opportunity for a range of different parts of the council (both elected members and officers) to engage with and work on specific projects and change activities as the council takes forward its new blueprint (operating model)and the next phase of its transformation programme
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	There will be arrange of technology change required to support the rollout of the new council blueprint and this is being built into the ICT strategy and roadmap with LGSS.
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The council's coordinated approach to change will support effective risk management

Recommendations from impact assessment
Positive
To ensure that the rollout of the council's new blueprint (operating model) and next phase of its transformation programme is carried out in a collaborative way involving elected members, citizens, partners and teams across the councils as appropriate with the different elements
Negative
Neutral
Issues

Norwich City Council

Changing Pace Council Blueprint - *Our operating model that guides how we design services and structures*



Purpose of this document

This changing pace council blueprint (new operating model) has been developed as guide for how Norwich City Council designs services and structures to deliver the vision and priorities within its Corporate Plan 2012-2015 in a way that proactively addresses the financial pressures and changing policy and legislative environment it faces.

The principles within this blueprint provide a framework for developing new ways of working and new ways of doing things. This document sets out:

1. An illustration of the Norwich City Council operating model.
2. The guiding design principles for the authority to base its service and organisational design upon. It will act as a 'working aide' for those who will be re-designing services and structures for the Council.

This document does not:

- Provide the detailed design for specific services or stifle the ability to be innovative and creative in designing the future.

Context - Changing with the times, our journey so far

The last few years have seen significant changes for the council. We have strengthened our finances and the finance department and improved our performance in housing and recycling. We have let major multi-million pound contracts. We have improved the way we work so that we can be sure to deliver on the priorities the council sets. We are better partners and better performers than ever before.

We have saved approximately £20 million from our budget over four years - a phenomenal achievement. This has been done in response to both the recession and the squeeze on public finance. We have used Lean systems thinking, resource optimisation and new ways of working to help drive out costs.

The next few years will continue to be tough. We want to remain ahead of the game, focussed on our core purpose and strong in our core values. We will continue to take pride in our work, be accountable for our actions, collaborate with others and excel in all we set out to do. We may do less but we will do it well and with integrity in a business-like fashion.

Increasing collaboration and partnership

Tough times demand tough decisions and I am determined that we maintain the resilience of the council moving into the future as our resources shrink.

Increasingly, this means working with others where, in the past, we might have worked alone. The watchword of the leader is 'collaboration' and we are well on the way to being a more 'collaborative council'. We have already joined with the county to set up nplaw (Norfolk public law) and we have agreement to set up a joint venture to manage our assets better with NPS Norwich (Norfolk Property Services). We have a long-standing building control partnership and have worked closely with the county and neighbouring districts in

the Greater Norwich Development Partnership.

Our partnership with the Homes and Communities Agency has been described as 'ground breaking'. We have also set up a joint operational team with the police to tackle anti-social behaviour and our partnership with LGSS for ICT and finance is progressing well. The recent peer challenge has acknowledged our achievements and significant progress so far, however the journey continues.

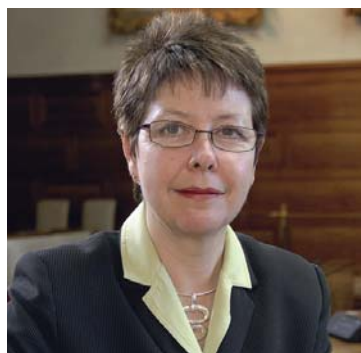
The next steps on our journey

As we move forward we will need to change the way we do things. Changing how we think about the organisation, changing the way we run the organisation and changing the way we behave in the organisation. Different skills will be needed. More than ever, we will need to work as one council with common standards and approaches, in collaboration with our partners whether they are private, public or voluntary sector.

This is a step change in our journey and will place demands on us all. I firmly believe that it will put us in a much stronger position as we pursue our core purpose of serving and standing up for our city to the best of our abilities.

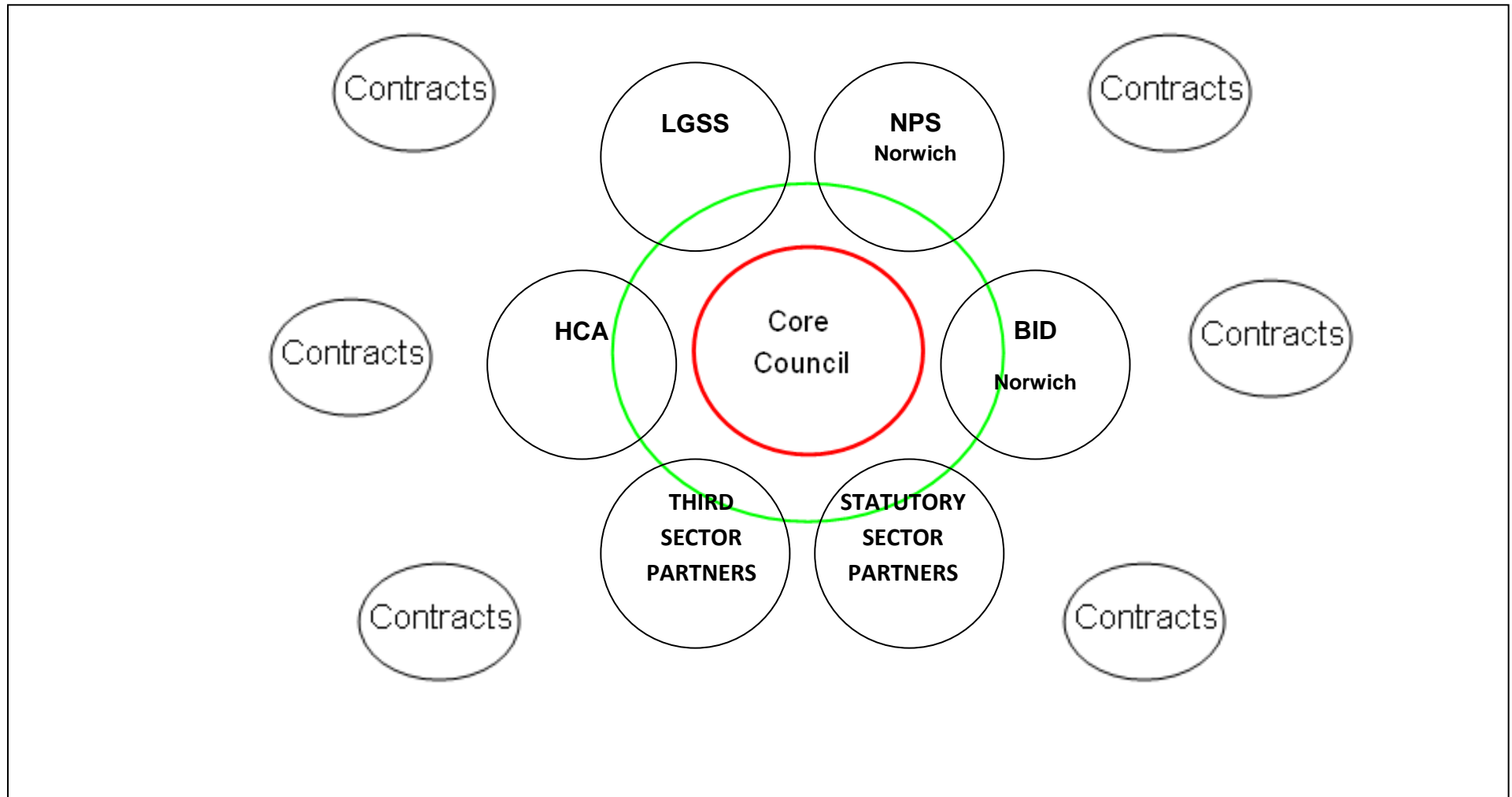
This changing pace council blueprint (new operating model) will help to further develop our organisation, so we continue to ensure the provision of high quality services for the people of Norwich and so that our organisation is fit to meet the challenges ahead of us.

LAURA MCGILLIVRAY Chief executive



Overall Operating Model: A Collaborative Council ‘Keeping it within the Norwich family’

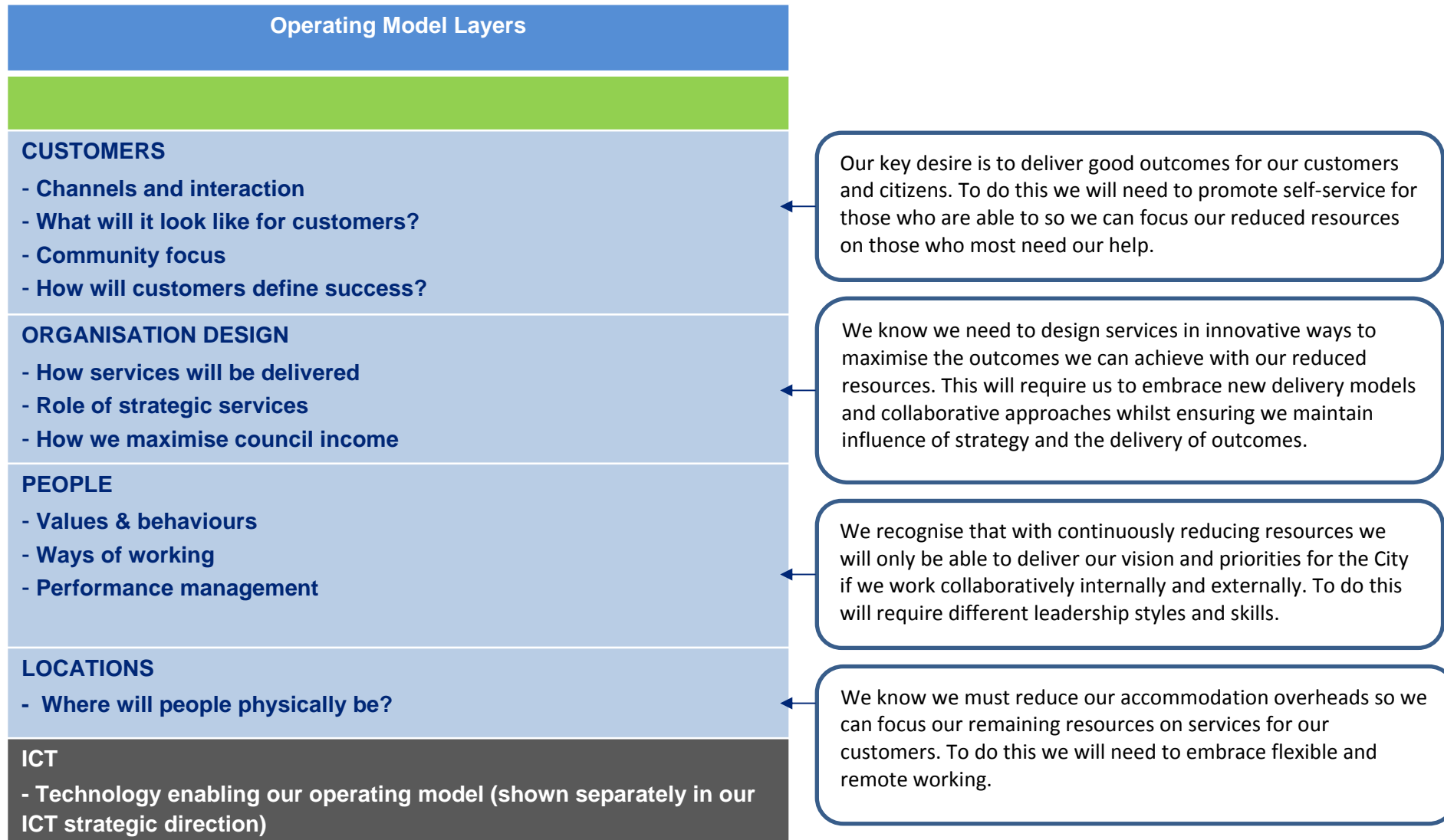
The diagram below summarises our plan for a ‘collaborative council’ where through a range of different collaborative relationships we maximise the benefit of our reducing resources whilst maintaining influence over strategy and the delivery of outcomes for the City.



KEY: HCA: HOMES AND COMMUNITIES AGENCY NPS: NORFOLK PROPERTY SERVICES, BID: BUSINESS IMPROVEMENT DISTRICT, LGSS: LOCAL GOVERNMENT SHARED SERVICES

Defining the operating model layers

The operating model has been defined through establishing key design principles across five key layers.



Design Principles – ‘Customers’

The ‘customer layer’ provides guiding design principles around how the Council will interact, determine need and deliver services to and with its communities, citizens and customers.

Guiding Design Principles

- Citizen and customer information and feedback will be used to drive service design so that priority outcomes for citizens can be best delivered within our reducing resources.
- We will be very clear about what we can and cannot provide through clear customer information to manage expectations and demand.
- Business processes will be very simple and standardised across the council based on the core council processes:
 - request it
 - renew it
 - tell us about it
 - pay for it
 - apply for it.
- Customers will be encouraged to self serve through the web wherever this is appropriate. We will then focus resources on supporting those who need more help or have special requirements.
- We will aim to get it “right first time” so that we don’t waste the customer’s time or our own in them having to contact us again.
- We will ensure an open, honest and transparent culture of customer service across all council services and our partners and contractors.

Examples / Implications

- Appropriate citizen information will be collected as part of service delivery to inform future service redesign and prioritisation.
- Wherever practical services will be designed through engagement with citizens utilising approaches such as co-creation.
- All council processes will be reshaped over time in line with the five core council processes - request it, renew it, tell us about it, pay for it, and apply for it. High volume areas will be reviewed first.
- Once processes have been standardised they will then be moved to ‘self serve’ capability on the web wherever this is appropriate.
- General information, communication and ‘signposting’ of services will be continuously updated and consistent across the organisation to support the focus on managing demand, reducing avoidable contact and enabling web self service.

Design Principles – ‘Organisation Design’

The ‘organisation design layer’ provides guiding principles around how services should be structured and formed within the Council.

Guiding Design Principles

- The council will continuously review the activities it carries out in line with its vision and priorities. Low priority activity across the council will be challenged and stopped.
- Citizen and customer information will be used as the basis for service design to ensure we best meets priority outcomes for citizens within the reducing resources we have. We will encourage people to be self reliant and self serve where possible.
- A range of service approaches will be considered including - direct delivery, shared services, partnerships, joint ventures, and commissioning.
- Final service arrangements will be selected on merit and take into account the need to maintain capacity and influence over strategy and outcomes for the City in line with the aim to be ‘a collaborative council’ and keep services ‘within the Norwich family’
- Support services will be delivered through shared services where it is more efficient and effective to do so and will enable self service wherever possible.
- The council will have a small strategic core at the centre of the organisation which will drive and support the delivery of the council’s vision and priorities and the effective application of this operating model. This core will encompass leadership and advocacy, strategy, performance, communications, commissioning/ contract management, HR and organisational development.
- Opportunities to increase council income will be maximised wherever possible.
- Organisational structures and form will be aligned with service design and will not always follow traditional hierarchies. Best practice layers (5 – 6) and spans of control (1 manager to 4 -8 employees) will be applied wherever appropriate.

Examples / Implications

- The council will continue to use resource optimisation techniques to review and stop non priority activities.
- Citizen and customer information will determine and guide priority areas for major service redesign
- Self service will be an integral part of our service arrangements wherever this is appropriate.
- The council will need to continue to consider new service delivery approaches and collaborative approaches whilst ensuring we maintain influence of strategy and the delivery of outcomes.
- Asset management will be strengthened and other approaches developed to increase council income.
- Organisational structures and form will be reviewed in line with service design and best practice layers and spans of control.

Design Principles – ‘People’

The ‘people layer’ of the operating model has guiding principles that set the framework for the culture and way of working the authority is aiming to establish.

Guiding Design Principles

- This operating model and resulting service designs will guide workforce planning to ensure that the council has the right skills and capabilities for the future.
- The council will embed a shared culture and ethos across all its people, acting and behaving as a single organisation based on the council’s core values of:

P Pride - We will believe in what we do and demonstrate integrity in how we do things

A Accountability - We will take responsibility, do what we say we will and see things through

C Collaboration - We will work with others and help others to succeed

E Excellence - We will strive to do things well and look for ways to innovate and improve.

- People and teams will be required to work collaboratively with others both inside and outside the organisation and actively share learning and best practice.
- The council will balance the need for corporate action and decision making, with the need for local discretion, empowerment and creativity by providing clarity of roles, responsibilities and decision making powers.
- The council will implement a corporate and consistent approach to people management that supports the new operating model including a common performance management framework and effective learning and development.
- People will be expected to conform to the highest standards of performance, ethical and professional behaviour, respecting equality and diversity at all times.
- Performance will be closely managed as the council will not be able to retain people who are not delivering.

Examples / Implications

- This new operating model will require new leadership roles and skills from members and officers.
- A new people strategy will be developed in line with this operating model and this will help to guide future learning and development activity.
- Learning & development pathways and interventions will be provided to develop the capability and competence of people to meet the priorities of the organisation
- An approach will be developed to support the growth and utilisation of our talented people and to realise the performance of those with potential to increase their contribution to the strategic goals
- Services will all operate within the same performance management framework based around the council’s vision, priorities and values.
- A revised leadership framework will be put in place in line with the new skills and capabilities needed for this new operating model.
- Work will be carried out with members to define the role of a ward councillor in line with this new operating model and the changing context.
- The member development plan will be reviewed and refined to ensure that member’s are supported to excel in their roles as community leaders and to enable the Council to deliver its priorities

Design Principles – ‘Location’

The ‘Location layer’ provides guiding principles about ‘where’ services will be delivered from and how accommodation overheads will be minimised as much as possible.

Guiding Design Principles

- City Hall will be the council's primary office accommodation. The building will be reshaped as much as possible within resource and legal constraints to maximise space utilisation and opportunities for income generation and sharing.
- Satellite offices will be rationalised and staff transferred to City Hall as soon as practicable to reduce overall accommodation overheads.
- New ways of working will be put in place to enable the move to a significantly reduced accommodation base, supported by appropriate technology, including mobile working and home working to ensure effective service delivery is maintained.
- Work will continue to bring other council partners in to City Hall to generate income and provide opportunities for greater service integration and partnership working.

Examples / Implications

- The council will aim to sell off or release excess accommodation assets to support investment into council priorities
- The council will actively work to turn City Hall into a public service centre by sharing the building with key council partners.
- The council will complete its work styles review to support the new location strategy including implementation of flexible working patterns and ‘hot-desking’ to maximise asset utilisation and support new ways of working.
- Common ICT platforms and systems will be put in place to allow new ways of working (mobile working, remote working etc.)

Realising the change

Our new operating model will guide our changing pace transformation programme. The diagram below shows the key work streams that will help to realise the new way of operating.

