

Overview and Scrutiny Committee Report

Ward(s) affected: All

Report of Managing Director and Head of Paid Service

Author: James Whiteman

Tel: 01483 444701

Email: james.whiteman@guildford.gov.uk

Lead Councillor responsible: Caroline Reeves

Tel: 07803204433

Email: caroline.reeves@guildford.gov.uk

Date: 03 March 2020

## **An update on the Implementation of Future Guildford**

### **Executive Summary**

This report provides the Overview and Scrutiny Committee with a further update on the implementation of the Future Guildford project. This report includes:

- An update on progress of the programme.
- A report on contractor spend against budget to date.
- An update on Phase A including examples, justifications and benefits of business processes that have changed as a result of Phase A.
- An update on the next steps in Phase B.
- An updated project risk assessment (Appendix 1).
- Staff survey (Appendix 2).

### **1. Purpose of Report**

1.1 This is a follow up to the report presented to the Committee on 17 December 2019. The report sets out progress on the Future Guildford project to date. An update is provided on the issues raised by the Committee including:

- the implementation and transition of services in Phase A, including examples of benefits from new business processes
- the ICT projects for the new integrated finance and HR system and CRM
- the work currently being carried out in Phase B
- the level of savings on Phase A and expenditure on the project to date
- results of the staff survey carried out in May 2019.

1.2 The Officer project team, Ignite, and a Unison representative will be in attendance on 3 March 2020 to answer any questions that arise at the meeting.

## **2. Strategic Priorities**

- 2.1 Overall, the Future Guildford project will ensure that the themes, priorities and projects within our Corporate Plan 2018-2023, are met and delivered. We aim to improve our services, making it easier for the customer to access them, deliver the projects we have said we would, become more efficient, and address the financial challenges that we face.
- 2.2 A key element of the Future Guildford approach is the investment in and development of our information technology. This relates to our theme of 'Innovation' where we have stated that we will be "using innovation, technology and new ways of working to improve value for money and efficiency in Council services".

## **3. Background**

- 3.1 From the very beginning of the Future Guildford project we were clear that this was a transformation programme for Guildford Borough Council and although we have used the Ignite model as a base, we have kept a clear vision of the aims of the project and the needs of our residents and customers. The critical success factors of the programme are set out below:
- To improve our services and customer care
  - To future proof our organisation
  - To modernise our services and systems
  - To make us more efficient
  - To deliver savings and address our financial challenges and budget gap
  - To create an environment where there are better development opportunities for staff
  - To develop our culture into one that collectively adapts and changes to address the various challenges and issues facing us.
- 3.2 This consistent message has been delivered by the Managing Director and the project team in all the team meetings in Phase A and now in Phase B.

## **4. Progress to date**

### **4.1 Phase A**

Phase A services are now in the transition and implementation phase. The implementation of Phase A was covered in detail in the report to Committee on 17 December 2019 and this is an additional update. The timescales for this phase will vary between teams depending on the implementation date of the new technology. The benefits, which have been realised, include both technological improvements and structural changes. Examples include the automation of invoicing and payments, increased ability of customers and residents to self-serve, rationalisation of systems analysts to cross skill and provide resilience while achieving staffing reductions. Officers will provide more updates verbally at the meeting.

### **4.2 ICT Systems**

#### **New integrated Finance and HR system**

Work is continuing on the enterprise resource planning (ERP) software. We started testing in January 2020 and this detailed work will continue over the next two months. We will run systems for a few months to ensure that the new system is operating correctly.

### Customer Relationship Management Software

We are currently in the process of having an initial dialogue with suppliers prior to shortlisting and selection

#### 4.3 Phase B

Phases B and C have been merged and the current timeline is to go into consultation at the end of March 2020 with a potential move into transition by November 2020. These dates can change depending on the outcomes of staff workshops, which could affect the final structure.

During Phase B we are also looking at alternative options for providing our front-line services. We have set up a working group, which includes member representation to look at the option of a Teckal or whether we can achieve further efficiencies within the in-house services.

#### 4.4 Financial Performance

The Future Guildford budgets are monitored closely by the project team and reported to the Future Guildford Board. There are normal weekly and monthly budget meetings but we have review points to identify any potential financial impact before changes are agreed. The project includes contractors from Ignite and some short-term appointments of specialists who are mainly employed on the ICT projects. The figures of the budget to date against the expected outturn is shown in the table below:

Budget Item	To end of March 2020		Total		Notes
	Budget	Forecast	Budget	Forecast	
	£	£	£	£	
New Technology	462,500	462,500	592,500	592,500	Current Forecast to budget
FG Contractors	2,659,530	2,659,530	5,182,300	5,182,300	Current Forecast to budget
Teckal & Trust	430,000	50,000	2,292,100	2,292,100	Re-profiled to reflect member working group
Contingency	525,000	241,000	1,190,000	241,000	Contingency used for extra staff support
Redundancy	1,850,000	1,500,000	4,100,000	3,600,000	Initial assessment of Phase B
<b>Total</b>	<b>5,927,030</b>	<b>4,913,030</b>	<b>13,356,900</b>	<b>11,907,900</b>	

#### 4.5 Staff Survey

In June 2019, in the lead up to consultation, we carried out a staff survey to gauge how staff felt about the Future Guildford project and to highlight potential areas for improvement. Overall, the responses were positive given the scale of the changes that were taking place. The survey is attached in Appendix 2. A further survey will be carried out in June 2020.

4.6 The Future Guildford Board met on 28 January 2020 where we presented the current programme status highlight report. This is attached as Appendix 3.

4.7 The Board was also updated on the following areas that had been highlighted as requiring further attention. These were:

- Resources case work – This is a new and different way of working and The Business Improvement Team and Ignite are continuing to support implementation during this transition phase.
- Reporting job tickets (case work) - The system is still bedding in and staff are still getting used to the process. This is being monitored.
- Areas of responsibility – Inevitably the restructure has resulted in some areas of work having to be reallocated or reviewed. Again, this is being looked at in detail and monitored.

## **5. Legal Implications**

- 5.1 The Managing Director, as Head of Paid Service, has a statutory responsibility in relation to the organisation of the Council, its staff, their appointment and management, and the number and grades of those staff – alongside holding an overall responsibility for the coordination of the resources needed to do so. In particular, the Managing Director has a duty to prepare and report on proposals for such staff and resources, to full Council, and the Council has a duty to provide such staff, accommodation and other resources as the Managing Director considers sufficient necessary. This Local Government Act 1999 section 3, requires that continuous improvement is made in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.
- 5.2 The Blueprint envisaged a programme of procurement in relation to goods and services (for example, in the context of the Council's ICT provision). The procurement exercises are being run in accordance with the Council's Procurement Procedure Rules.

## **6. Human Resource Implications**

- 6.1 The Future Guildford Transformation Programme has introduced a completely new way of working for staff and is resulting in the restructuring of teams and services as well as the introduction of new roles. As stated in previous reports, it is likely to be the case that headcount reductions of approximately 14% will be generated because of the restructuring, with most of these being the deletion of vacant posts and redundancy situations. The HR team are providing advice and managing these processes and using local government networks and employment agencies to assist with job searches.
- 6.2 This is clearly a challenging time for our staff and there have been a number of differing reactions to the new ways of working. Many have expressed excitement and enthusiasm for the changes and opportunities the project has presented but we know that some staff have struggled so we will continue to support them through this difficult period by providing resilience training and access to the Employee Assistance Programme, which is a confidential external support service.
- 6.3 We have included Unison from the very beginning of the Future Guildford Projects and they will be attending the meeting.

## **7. Conclusion**

- 7.1 As stated in the previous reports, this Council faces a number of challenges on how we modernise our services, deliver customer focussed services, and

bridge the budget gap. Phase A has gone well but we are still in the transition period and bedding in the new structures. This has inevitably presented some problems and anomalies but we are continuing to work with managers to identify the best solutions.

However, we have learnt from working through Phase A and listened to feedback from staff. Documents and communications have been modified for Phase B to make them more accessible and have adapted documents and communications going into Phase B. The learning points have been:

- Communications have been good and effective but you can never assume that every point is covered or that everyone is feeling informed. A learning point for us was that we focussed on the Phase A teams leading up to consultation. Although there had been council wide communications it became clear that parts of Phase B felt they were not being kept updated on the whole project. We will ensure this is addressed moving forward.
- The consultation document was very large. Our intention was to provide as much information as we could to inform and reassure but some staff found it hard to understand and work through. The drop-in sessions helped explain further but we are simplifying it for Phase B.
- People react and adapt to change differently and there were some behaviours displayed in Phase A that were not acceptable. We are addressing this culturally at a very early stage in Phase B.
- Some services have been moved to new directorates and existing teams disbanded. This was to provide efficient, and more logical approaches to resource allocation. Some staff found the change difficult to work with and raised concerns. We are closely monitoring the new teams to identify where arrangements may not be working as envisaged or require further attention. .

7.2 The budget gap and the need to modernise and provide more customer focussed services has been the driver for the programme but we always knew that this was always going to be a challenging project for the Council

## **8. Background Papers**

None

## **9. Appendices**

Appendix 1: Updated Risk Assessment

Appendix 2: Staff survey

Appendix 3 Programme Highlight Report 20 Jan 2020