

Corporate Peer Challenge Action Plan

Reassure yourselves that the £5m savings for 2018/19 are on track and will come from true transformation activity

The transformation programme underwent an external deep dive review by specialist consultants in November 2017. The key issues identified from this review were:

- Accountability for the delivery of benefits is unclear
- Lack of Programme leadership is resulting in inconsistent delivery
- 50% of the project roadmap does not deliver any financial benefit
- Fragmented teams and poor communication

To ensure the transformation programme achieves the required savings through true transformation activity all of the issues identified during the external review were immediately addressed to ensure a clear strategy was in place to achieve the 2018/19 savings.

A restructure of the transformation programme was carried out in January 2018, which resulted in a change of leadership for the programme.

The new Transformation Programme Lead met with relevant Assistant Directors and Service Managers to clearly define the accountability for the delivery of benefits. This dialogue was essential to formulate the road map of transformation projects for 2018/19, which also ensured that service areas had ownership of the various projects, rather than feeling that transformation was something being done to them.

Where savings opportunities were more complex specialist consultants have been engaged. This approach was adopted for the Children & Adults strand of the transformation programme and to review the strategic ICT capability issues within the organisation.

The Transformation Programme is now being managed using the Managing Successful Programmes (MSP) framework and principles. MSP represents proven best practice in programme management to successfully deliver transformational change, drawn from experiences of both public and private sector organisations.

To ensure the transformation programme projects selected achieve a financial benefit to the Council a “Return On Investment” methodology was introduced, which requires a business case to be produced. This has added an additional level of scrutiny to projects before they are approved by the transformation board.

A Transformation Strategy was produced in May 17 to clearly define and communicate the following:

- Transformation programme strategic priorities & objectives
- Links to corporate priorities and objectives
- A clear vision statement for the programme
- A road map of projects with identified savings
- Roles and responsibilities of key staff

- Stakeholder engagement
- Financial governance
- Benefits management
- Information and resource management
- Risk and issue management
- Monitoring and control
- Quality assurance
- Constraints
- Business as usual

Staff engagement is key to achieving the objectives of the transformation programme. Regular communications are sent out via email, there is a dedicated transformation section on the website, “show & tell” sessions are held for staff to demonstrate improvements, and there is a mechanism for staff to provide suggestions and feedback directly to the transformation team.

A series of staff briefing sessions are also planned for October 2018 as part of the staff engagement strategy.

Since the restructure in January 2018 there has been a noticeable change in pace and energy in the transformation programme, with the following milestones achieved in the last 6 months:

- New leadership and structure is in place which ensures effective decisions are being made at pace based on a return on investment business case model.
- RCET & BSD project road map produced and implemented showing project progress and savings identified/achieved.
- Specialist consultants have been appointed to lead the transformation programme for C&A.
- Medway.gov.uk website delivered within 3 months. The SOCITM rating improved from 1 star to 3 stars out of 4 with top marks achieved in some areas.
- Blue Badge online application process launched.
- Bulky waste online application and payment process launched.
- Leadership Academy launched with managing change training for staff.
- Office 365 being implemented across the council.
- JADU (the system to build eforms and digital workflow processes) selected as the preferred front end development platform with first eforms going live from August 2018.
- Online joining process for leisure memberships launched.
- Project underway to review the Customer Contact and BASS model.

The change of leadership, improved governance, ROI methodology, clear strategy and roadmap; alongside effective employee communication and engagement; has provided confidence that the £5m of savings for 2018/19 are on track and will come from true transformation activity.

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Establish a transformation programme that looks much further into the future- including Smart Council and Smart City strategy and ambitions

As part of the restructure of the transformation programme that was carried out in January 2018 the programme was re-aligned to ensure that it looks further into the future to address the Smart Council and Smart City ambitions.

The transformation programme was re-branded as the “Journey To A Smart Medway”, with “Medway” meaning both the Council and the place.

In line with the Managing Successful Programme framework the transformation programme is now being managed in defined tranches to map the journey to a smart Medway.

Here is an overview of the transformation programme road map for 2018/19:

Tranche 1: January 2018 – July 2018

- Website Rationalisation
- Customer Account & Case Management (JADU)
- Council Services Available Online
- Reduce Telephone Contact
- Review Outgoing Communication To Reduce Avoidable Contact
- Children & Adults Mobile Working Project
- Strategic Review Of ICT – using specialist expertise
- Income Generation Projects
- Children & Adults Social Care Transformation

Tranche 2: July 2018 – December 2018

- Internal & External Communications Channel Shift
- Map & Redesign Processes
- Rationalisation Of Systems
- Establish Business As Usual Structure

Tranche 3: January 2019 – Business As Usual

- Assess Readiness Of Becoming A Digital Council
- Ongoing Process Improvements
- Smart Cities

This road map looks further in to the future beyond the end of the formal transformation programme, which is planned to end on 31 March 2019.

Tranche 1 is laying the foundations for Medway to become a Smart Council by establishing online channels, creating a single Council website to ensure data integrity is maintain and information is easily accessible by residents, taking measures to reduce the demand on telephone and face-to-face contact, and reviewing the ICT capability and infrastructure.

A mobile working solution was implemented during tranche 1 to enable social workers within Children & Adults to input information directly in to back office systems by using smart technology. This removed the requirement to complete paper forms, return to the office and then re-input the information.

Tranche 2 is focussed on encouraging residents to use the online services provided during tranche 1. It is anticipated that residents will quickly realise the benefits of the digital channels as they will be available 24 hours a day 7 days a week. Residents will receive proactive updates as their issue is progressed, they will have access to a customer account where they can access all relevant Council information about them, and they will ultimately receive a quicker service.

As more residents adopt online self-service options the Council will be able to redesign processes accordingly by rationalising the various systems it uses and exploring the use of smart technologies such as chat bots, process automation and artificial intelligence.

A robust plan for Business As Usual will also be developed during tranche 2 of the transformation programme to ensure that longer-term ambitions can be delivered beyond the formal end of the programme in March 2019.

It is anticipated that residents will continue to adopt digital channels. A review will be carried out during tranche 3 to determine whether any services can be moved to being “digital only”. A Diversity Impact Assessment will be carried out and a method to provide an assisted digital service to residents will be implemented where appropriate.

The Transformation Programme is laying the foundation to support Medway’s journey to become a Smart City by 2035. Smart Cities deploy and utilise a wide range of digital technologies to enhance the life of its residents through innovation and knowledge. The evolution of cities into Smart Cities has gone hand-in-hand with the development of the ‘internet of things’, a network of physical objects embedded with technology that enables them to exchange data in real time.

The transformation team are fully engaged with the Smart Cities agenda and are part of the Council’s Smart Cities officer working group.

Commercial Strategy - Update

Action

Define what is meant by “commercial” and develop a commercial strategy - timescale September 2018

Update:

- A draft commercial strategy which defines what commercial means in Medway has been drafted and shared with the Leader.
- It will be shared in draft with Corporate Management Team and Members for comments.
- It will then be formally adopted.

Governance

Action

Many aspects of the commercial initiatives put in place so far are sound but there are some aspects of governance that it would be good to re-visit – timescale September 2018

Update:

- The Medway Development Company has given us a good opportunity to re-visit all aspects of governance.
 - We obtained a specialist report that informed the business case to Cabinet before setting up the housing company.
 - The concept of a housing company was discussed at Business Support Overview and Scrutiny.
 - Directors appointed to the Company Board have been given dispensations to allow debate at Cabinet of the performance of the company and at Scrutiny.
 - Non-executive directors and a Head of Operations have been recruited with assistance from an external recruitment agency.
 - The Council has provided legal, procurement and property support at commercial rates to the Company.

- The Chief Legal Officer has been an observer at Board meetings and is the liaison with the Head of Operations.
- The articles of association have been reviewed and amended to create the company as a teckal company carrying out the preponderance of its work for the Council and to make it tax efficient.
- Tax advice has been taken.

This example is similar to the arrangements in place for Medway Commercial Group and suggests that the Council does have the correct governance arrangements for its commercial activities. These can be kept under review.

Perry Holmes

Chief Legal Officer

September 2018

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<p>Action: Budget-setting – explore alternative approaches to aid longer-term planning, enable more fundamental organisational re-design and tackle the need for avoidable mid-year management control actions:</p>	<p>Officer/Portfolio Holder Phil Watts Alan Jarrett</p>	<p>Date for completion April 2018</p>
<p>Detailed Action Plan</p>	<p>Update on Action Plan</p>	
<ul style="list-style-type: none"> - MTFS process to be started earlier, at Service Managers session on 24 April 2018; 	<p>The MTFS process was started earlier than in previous years and an initial presentation given to all Service Managers at the session on 24 April 2018.</p>	
<ul style="list-style-type: none"> - Closer working with services to understand cost pressures AND solutions; 	<p>Colleagues from across all service areas were involved in composing the narrative sections of the MTFS and the financial assumptions were refreshed and discussed by CMT and Cabinet Members.</p>	
<ul style="list-style-type: none"> - New approach to budget monitoring, involving more intensive work between service managers and finance business partners at the start of each quarterly cycle. This should ensure a shared understanding of the forecasts and will result in DMT's being presented not just with the pressures, but also a range of options for proposed management action; 	<p>The new approach to budget monitoring is working well, with colleagues coming to CMT with a shared understanding of the pressures and the forecasts being jointly 'owned' by the service managers and their finance business partners. Each year it is becoming more difficult to identify management action to address predicted overspending, however the new approach ensures that the conversation is taking place in a more informed way, with DMT's being presented with potential solutions to consider, rather than just being presented with the pressures.</p>	
<ul style="list-style-type: none"> - There will also be a focus on high risk, more volatile budget lines, with in some cases monthly dashboards being produced. 	<p>The dashboard meetings for ASC and Children's Services are working well, with financial forecasts being scrutinised in the context of activity data.</p>	

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Address the IT capability issues in the organisation

Specialist consultants were appointed to conduct an in-depth review of the existing ICT capabilities in April 2018 to highlight current capability issues and identify opportunities for improvements and efficiencies.

The main findings from this report were:

- Instability of core ICT services
- Investment in some systems not yet delivering value
- Current ICT function failing to deliver day to day service
- Lack of clear ICT strategy and direction
- Technical debt will rise due to lack of investment into infrastructure
- Low confidence in ability to meet future ICT demands of the Council and change in line with rapid developments in technology

Initial action has already been taken to address some of the limitations of the current system with the deployment of Office 365 and a significant upgrade to the Storage Area Network. This implementation is due to be complete by October 2018.

A draft ICT strategy has been written to ensure there is a clear relationship between investment decisions in Information Technology and Medway Council's overall strategy, goals and objectives.

Transformation Board made a decision in September 2018 to progress a 'cloud only' policy leading to the closure of the Gun Wharf Data Centre within the next 5 years. As such a plan of action is being drafted that will facilitate the move of all business applications to Software as a Service (SaaS) or externally hosted solutions. This action plan will also include actions required to transition remaining ICT infrastructure to a cloud environment and associated costs.

The draft ICT Strategy will be amended accordingly to address any remaining IT capability issues in the organisation.

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Appendix 6

<p>Action: A 'lean' organisation?</p>	<p>Officer/Portfolio Holder Neil Davies Alan Jarrett</p>	<p>Date for completion September 2018</p>
<p>Detailed Action Plan</p>	<p>Update on Action Plan</p>	
<ul style="list-style-type: none"> - Reassure yourselves that resources are aligned with the council's priorities and the ambitions for place. 	<p>This CPC recommendation was echoed in comments made by the external auditor in giving his opinion on the Council's use of resources: <i>"The MTFS format should be revisited so that there is a clear alignment to the Corporate Plan (i.e. mapping of priorities, objectives and issues)."</i></p> <p>The MTFS considered by Cabinet on 25 September 2018 clearly aligns with the Council Plan and is structured around the three corporate priorities and three ways of working. Each priority references the main service areas responsible for delivering the outcomes and identifies the pressures and issues confronting the Council. It then focuses on the broad strategy to address these financial pressures. Our ambition over the medium term is to align the Council Plan and MTFS, with the ultimate aim of combining them into a single document.</p>	

SKILLS AGENDA PROGRESS REPORT

Action from the Corporate Peer Challenge:

The skills agenda- build on the good initiatives and real potential by seizing it and driving it forward through the Skills Board

- **Finalise the Skills and Employment Plan for approval by the Skills Board; Autumn 2018**
- **Identify and prioritise key objectives and actions for delivery; Winter 2018**
- **Deliver an annual Skills Summit; Winter 2018 and rolling into future years.**

Summary

This report outlines progress made in the advancement of the skills agenda in 2018. With a growing economy, Medway needs a skilled workforce to match both current and future demands. Skills is an area of focus for central government, as laid out in the industrial strategy. It is also an area of focus for the South East Local Enterprise Partnership, who are launching their new skills strategy in September 2018. This has been recognised within Medway Council, with time and resource being invested into this area.

Medway Council has convened a Members Skills and Employability Board, which is overseeing this area of work. The Skills Board will drive implementation of the Medway skills plan in line with funding streams and priority areas. It will be supported by the Medway Skills and Employability Officers Board, chaired by the Chief Executive. In July 2018 a new Skills and Employment Programme Manager was appointed.

1. Background

- 1.1 Providing people with the skills they need to be able to make a positive contribution to all levels of Medway's economic future is critical to delivering economic growth. Medway will need a pool of skilled and employable staff to ensure the long term growth of Gross Value Added (GVA) contributors, such as the businesses likely to locate at the Innovation Park Medway. As Medway Council encourages existing businesses to grow and new businesses to move to Medway, it is vital that there is a suitable workforce ready to meet business need.
- 1.2 An Officers Skills and Employability Board first met in August 2017 to begin defining emerging skills priorities, which were then discussed at the first Members Skills and Employability Board in November 2017. Since then the Members Board has been established as a Cabinet Advisory Group.

The role of the group is to:

- Keep under review strategies to grow skills and employability
- Coordinate skills and employability initiatives, projects and funding streams related to the skills priorities
- Make recommendations on external funding opportunities
- Ensure skills and employability opportunities are appraised and pursued as appropriate
- Ensure a positive message regarding skills attainment and delivery is effectively communicated.

In summary the board provides improved coordination and oversees progress of skills and employability, ensuring the Council's objectives can be achieved.

- 1.3 In 2018, funding was agreed to recruit a dedicated skills resource. In July a new Skills & Employment Programme Manager was appointed, who will lead on the drafting and subsequent implementation of the skills & employability plan, reporting to the aforementioned boards
- 1.4 Any agreed actions to be undertaken prior to July have been subsumed by the new Skills & Employment Programme Manager, and will be taken forward within the confines of the new plan.

2. Medway Skills & Employability Plan

- 2.1 Central to driving skills forward in Medway is the Skills and Employability Plan. The first draft was written by officers in June 2018, which incorporated strategic drive, the current economic picture and skills situation in Medway, key priorities to work to and a skeleton action plan.
- 2.2 Since the June draft, the plan has developed further, with detail added to the strategy and priority sections and the action plan reworked and fleshed out.

There are 4 agreed priorities laid out in the plan:

- Matching Business Demand with Skills Supply
- Developing Medway's Talent Pool
- Establish Routes to Employment
- Transforming NEETs to EETs

- 2.3 Apprenticeships and supporting those with special circumstances are two threads which run through each priority. There are currently a suite of 16 actions, each attributed to a relevant priority. Each action has short-term, medium-term and long-term sub-actions, demonstrating how the overall action will be achieved, identifying the lead officer(s).
- 2.4 The plan is currently in its penultimate draft, with further consultation and refining to take place throughout August and September.

3. Consultation process

3.1 Many partners and stakeholders have been engaged with throughout the drafting process. As the final version approaches, the consultation process will intensify, with the following partners to be consulted:

- All Medway Universities
- Chamber of Commerce
- Kent Association of Training Organisations
- Locate in Kent
- Medway Council Colleagues from; Education, Children & Young People, Public Health, HR
- MidKent College
- Medway Education Partnership
- South East Local Enterprise Partnership
- Thames Gateway Kent Partnership

4 Timescales

4.1 Approval of the plan is scheduled for October, the below table sets out activity to take place prior to approval.

Month	Activity
July-September	Key stakeholder meetings to establish Council's role and strengthen and create new partnerships
July	Officers comments on plan at Officers Board
August	Members comments on plan at Members Board
August – October	Consultation with key partners
September	Year delivery plan drafted
September	Implementation of action plan
September	Officers final comments on plan at Officers Board
September	Final draft sent to Members for final comment on plan
October	Plan approved and published

5 Next steps

5.1 With the final draft of the plan to be approved in October, and implementation of the action plan to begin in September, there will be more activity taking place in the near future. Further updates will be available as the plan progresses.