

SHADOW EXECUTIVE

17 FEBRUARY 2009

SUBJECT	UPDATE ON BUSINESS TRANSFORMATION PROGRAMME (This report gives an update on the evolving Business Transformation Programme, the key streams proposed and future governance arrangements)
REPORT OF	Director of Business Transformation
<i>Contact Officer: Clive Jones (01462 611 168)</i>	

IMPLICATIONS

SUSTAINABILITY	This programme is an enabler of service quality improvements and financial savings that assist the council to set a balanced budget.
FINANCIAL	This programme uses invest to save monies and each project within the programme has to make a business case where the return on investment is 2:1. e.g. for every pound invested a two pound return is required.
LEGAL	All projects will comply with statutory legal requirements.
PERSONNEL/EQUAL OPPORTUNITIES	None
COMMUNITY DEV/SAFETY	None
TRADES UNION	Trades Unions will be consulted as required and in line with our managing people policy.
HUMAN RIGHTS	None.
KEY ISSUE	Yes
BUDGET/POLICY FRAMEWORK	No

OTHER DOCUMENTS RELEVANT TO REPORT

None

RECOMMENDATION(S):

<p>That the Executive note the progress being made on the Business Transformation Programme and request that a further report on the options for governance of the programme be presented to the Executive at a future meeting.</p>

<p><i>Reason for Recommendation: The Executive notes the key streams and governance arrangements of the Business Transformation Programme.</i></p>
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Background

1. Before the Central Bedfordshire bid was accepted formally by Central Government, South Bedfordshire District Council and Mid Bedfordshire District Council were working together to improve customer services and generate efficiencies under the T-Government Agreement. A single Customer Services Management team for both authorities had been established and a common approach to customer services adopted.
2. Therefore, under the existing T-Government arrangements, in April 2008, following a formal tender evaluation and selection process, Modena Consulting Ltd were appointed to undertake a comprehensive review of district council business processes and systems where these involved direct contact with the customer. Modena were then required to develop new and enhanced processes, identify efficiencies and to make recommendations on appropriate IT systems. Once the Central Bedfordshire bid was accepted this work became essential for the creation of Central Bedfordshire. Modena fully completed their assignment by December 2008. This business process improvement activity identified 94 individual improvement projects, some required to enable a smooth transition to Central Bedfordshire and others that will take longer to implement and will form part of the businesses transformation programme for Central Bedfordshire.
3. The Modena work highlighted how much harmonisation activities are required to meet vesting day requirements and this drew managements attention to how limited the opportunity for transformation is during the transition period. A realistic programme of projects has now been defined with 55 being required for vesting day or soon after and the remainder scheduled to be completed within two years. Part of the two year programme is the continued service migration of County services into the Contact Centre which has driven call volumes handled by the County Contact Centre from <6% to >22% of incoming calls. There is still a long way to go before this programme is complete.
4. Project governance for the transitional projects has been established with the assistance of Deloitte as a strategic partner. For the transition there is a Central Bedfordshire weekly Programme Board, Programme Management Office, Transitional Milestone Plan, weekly highlight reporting by project managers and a monthly Executive report.
5. Obviously business process improvement is only one part of the overall Business Transformation Framework which needs to be established.

Business Transformation Framework

6. The Business Transformation Framework shown in Appendix 1 identifies the new authority's transformation (highlighted in the green hexagon) as an integrated part of the place shaping agenda for Central Bedfordshire as a whole. The Business Transformation Programme is one of the three key strands in the framework, each of which are linked and dependent on effective partnership working.
7. The key components of the Business Transformation Programme are:
 - Business Improvement activities
 - Longer term transformation planning
8. Business improvement activities will be completed within the first two years of the authority. Additional projects will be identified in the other service areas throughout the coming year.
9. The Visioning , organisational blueprint and longer term transition plan will take 3 – 5 years to deliver. The Business Transformation Programme proposes to establish a vision of what Central Bedfordshire authority will look like when it is a flagship authority. It is proposed to hold a series of "visioning" workshops with the Leadership Team and Members post June elections to enable Central Bedfordshire to develop the longer term organisational "Blueprint" that will be required to deliver flagship status.
10. The organisational "Blueprint" will guide the transformation programme planning and drive further business process improvement projects and shared service projects with our key partners and stakeholders.
11. Outside of the authority's immediate business transformation programme are two other essential key stands to the overall Framework. These are:
 - Place Shaping Projects – These are major projects that are happening within Central Bedfordshire but are not authority lead. An example is the NIRAH project or Centre Parcs project. Quite clearly these will change the shape of Central Bedfordshire in terms of the number of visitors, the supporting transport infrastructure required and economy of the local area. The authority is determined to work closely with partners to maximise any opportunities that exist to improve the quality of life for our citizens.

- Strategic Projects – These are major strategic projects that the authority either leads or has a significant partner involvement in. Such projects include the generation of energy from the incineration of waste and the Building Schools for the Future projects. Quite clearly such large strategic projects will have their own governance and funding arrangements outside of any transformation programme.

12. To progress Business Transformation for Central Bedfordshire the immediate priorities are:

- Implement the existing Business Improvement Plan
- The set up of programme governance for the Business Transformation Framework
- The engagement of key partners in our transformation plans.
- The creation of the long term vision with Leadership Team and Members
- The development of the longer term Transformation Plan
 - Service delivery options
 - Identify opportunities for joint working

Proposed Governance Arrangements

13. It is proposed that a similar arrangement to the structures created for the transitional governance be established for the Business Transformation Framework. If members support this, a full review of the resources required to maintain similar arrangements will be undertaken and the results presented to a future Executive for approval.

14. During the current transitional period a Programme Management Office has been established to manage transitional arrangements and projects. This consists of a team managing:

- Critical interdependencies identified and managed
- Transitional Milestone plan
- Weekly highlight reporting from project managers
- Weekly Programme Board – CBMT + PMO
- Monthly progress report to Shadow Executive
- Risks and issues actively managed

Background Papers: N/A

Location of Papers: N/A

File Reference: