

# Report considered by Shadow Executive Committee on 21 August 2018

## Dorset Council – Paper to Shadow Executive 21 August 2018

### Building a Council for the 21<sup>st</sup> Century: Principles for the operating model for the new Council

#### Introduction

This paper is part of a set of papers which will set out how elected members at this stage would like the new authority to operate. This paper describes the design principles that will guide decisions about the target operating model and the organizational design for the new Council. A further paper will set out the proposed vision for the new authority and the operating model.

In preparing the bid for Unitary status the bidding authorities had commissioned Price Waterhouse Coopers to assist in preparing their business case. As part of this work PwC had discussed what sort of key characteristics the new council should aim to demonstrate. Subsequently a workshop took place on 17<sup>th</sup> April 2018 with Leaders and Chief Executives of the combining authorities to start a discussion about the design principles that would be required to guide future decisions about the preferred operating model. A second workshop of members of the Shadow Executive Committee took place on 10<sup>th</sup> July and further refined these design principles. This paper puts forward these design principles for discussion and sign off by the Shadow Executive Committee.

The key organisational characteristics included:

- Support elected members to provide strategic leadership for Dorset as a whole.
- Work in partnership with others to deliver improved outcomes for Dorset.
- Where appropriate, integrate service provision with partner organisations.
- Empower council employees and foster a culture of innovation and creativity.
- Develop an agile and flexible workforce.
- Maximise the use of digital innovation in service redesign.
- Invest in data and analytics to predict and manage demand for services.
- Resolve as many requests for service as possible at the first point of contact.
- Develop opportunities to operate more commercially.
- Standardise, simplify and share back office services.

#### The Operating Model Principles

**Commissioning Services:** The decisions on which services we will provide directly and those that we commission from others will be made on an individual, business case basis – taking account of the approach that will give the best outcomes for the council and the residents we serve. Where we need to provide new services, we will seek the best options from a range of suppliers and, over time, will review the options for the most appropriate provision of all our services. Commissioned services will be centred around the customer and will support the empowerment, independence and ability

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for people to help themselves. To support our move to commissioning services to meet specific outcomes, we will also adopt a budget setting process which aligns with the commissioning cycle so we can demonstrate how our resources are aligned to outcomes and this will assist us to be able to make joint decisions with partners.

**Innovative Services:** We will seek innovative and cost-effective ways to meet the needs of those we serve and those who work with us to provide these services. New approaches carry risks, so our operating model will need to facilitate risk management and mitigation. The organisational design will need to build capacity around data, intelligence and analytics, so that we can understand how demand for services is changing, improve our planning and develop innovative ways to manage demand more effectively.

We will seek to group services in ways that support multi-disciplinary working.

**Flexible Service Delivery:** The organisational design will facilitate the provision of services and how we communicate with our customers, to ensure they are provided in the best location and in the most appropriate way in order to meet needs. Our services will be rooted in a more detailed understanding of the needs and aspirations of the people we serve, designed from the customer's perspective, ensuring accessibility for all. We will seek flexible ways to differentiate and deliver more complex services, whilst seeking efficient ways to deliver universal and transactional services.

**Shared Services:** Our operating model will promote sharing services with other organisations across the public sector. We will look to standardise, simplify and share support services to maximise efficiencies where this brings benefits for local people.

**Organisationally entrepreneurial:** Our organisational design will support a more commercial approach. This will include collaborating with others, including the private sector, to generate income and where appropriate support the development of certain services using commercial enterprise models.

**Optimise the use of innovative digital approaches** to improve service delivery and reach out to the community – using existing and emerging technology to encourage residents to contact us on line, and to automate processes, improve transactions, empower service users & build collaborative relationships.

**Partnership working:** Our organisational structure will facilitate working in partnerships. Our emphasis will be on identifying the common outcomes to which we and our partners are working, whether in long or short-term relationships, looking to build on the distinctive contribution of all parties, and ensuring that our combined efforts bring about change. In working towards a common outcome there will be transparency and mutual accountability with partners, our customers and other stakeholders.

**Enabled and agile workforce:** Our organisational structure will facilitate the development of a flexible workforce, enabling staff to respond to periods of peak demand, reducing the cost of their fixed overheads and improving their productivity. Our structure, systems and skills will reinforce a person-centred (rather than service-centred) approach to management, monitoring and control. The organisational design will be more flexible and less hierarchical and will facilitate joint working thereby enabling resource to be moved to where it is needed.

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**Governance and Accountability:** The new organisational structure must ensure that elected members can exercise Governance and accountability, but in a way that reduces unnecessary, burdensome processes, enabling speed and flexibility in decision making. The new structure should facilitate elected members to exercise **shared place leadership** through working with other organisations and agencies to deliver improved outcomes for local people. Accountability for performance in the delivery of services must be clear and transparent in the new operating model. Scrutiny and challenge will be applied against defined specifications and standards and in the context of the contribution to improved outcomes. The business of the Executive and the associated system of committees should be explicitly aligned to the Dorset Vision, priorities and commissioning outcomes. Elected members will need access to accurate, evidence based, timely data and intelligence in order to make sound decisions. Risk will need to be an integral, high profile and a recognised part of decision making processes to mitigate against a potential blame culture in an environment where innovation is encouraged.

### Implications for the Council of the Future

In summary, there a large number of implications arising from these design principles:

- *Customer Service Design* - The future operating model will need to spell out what customer access arrangements are required. These should focus on early resolution and problem solving to help residents to become more self-sufficient and resilient. Services will be brought together (clustered) where helpful, with a move to online and digital service provision.
- *Organisational design* - the future model will need to be clear about whether commissioning and delivery roles should be separated. It will need to have an enhanced role for a customer lead empowered to take ownership of the customer platform and drive a consistent set of customer standards. It will have fewer management tiers.
- *Governance* - the future model will require an overall governance framework which supports the focus on outcomes rather than organising round particular services or professions. The governance model will need to have a stronger link between the overall Vision and Priorities, and commissioning outcomes. It will also need to support a light approach to decision making processes, which will involve elected members and officers in new ways of working, operating within a clearly defined behavioural framework.
- *Workforce* - the model will need to accommodate new skills and experience particularly in areas such as commercial behaviours, coaching for outcomes, data analytics and commissioning. We will also need to rethink our approach to less hierarchical career path development and reinforcing what we value through our recognition and reward strategies.
- *Processes* - the future model will need to support the consolidation of common processes and activities and help remove the service/departmental approaches. It will need to be reinforced by a structure that makes it easier to move staff with the skills required enabling them to work flexibly to meet demand, and technology that will support more processes being delivered on an automated basis, removing them from service department control altogether.
- *Technology* - the future model is highly dependent on improved technology and accessing skills and sufficient knowledgeable staff in these areas. If we struggle to attract and retain

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such staff we may need to seek other routes such as seeking a strategic partnership in this area to provide the capacity and capability needed.

- Partners & Alliances - the future model will require collaborative delivery with key stakeholders and support for a shared approach to leadership for the area.

### **Back ground Papers**

PwC report 'Case for Change in Dorset' Dec 2016

Notes from member workshop 17<sup>th</sup> April 2018

Notes from informal shadow executive workshop 10<sup>th</sup> July 2018