

Our Future Council - Change Strategy

To: Strategy, Resources and Performance Committee

Meeting Date: 31 October 2024

From: Chief Executive

Electoral division(s): All

Key decision: No

Forward Plan ref: Not Applicable

Executive Summary: In response to the challenges and opportunities facing Cambridgeshire County Council 'Our Future Council' sets out a strategy for the type of organisation the council will strive to become by 2030. As Cambridgeshire County Council's first cross-organisational strategy for coordinating and achieving change, it creates a framework in which innovation will drive improved effectiveness, efficiency and productivity in council services to deliver financial sustainability, improved resident outcomes and increased public trust.

Recommendation: The Strategy, Resources and Performance Committee is asked to:

- a) Approve the 'Our Future Council' change strategy (Appendix 1); and
- b) Delegate any amendments to this strategy, approved at the committee, to the Executive Director of Strategy and Partnerships, in consultation with the Chair and Vice Chair of the Strategy, Resources and Performance committee.

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1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 The strategy set out in 'Our Future Council' addresses the council's need to evolve and adapt over the coming years so that it can secure its financial stability and maintain the capabilities to deliver the council's vision to create a greener, fairer and more caring Cambridgeshire and deliver its seven Strategic Framework ambitions for residents.

2. Background

- 2.1 The purpose of a change strategy like 'Our Future Council' is to set out an organisation's high-level vision and an approach to transforming the way it operates. Developing a change strategy is often motivated by the need for an organisation to respond to challenges and pressures in the external environment. It therefore explains how an organisation understands the context in which it operates, and the expected future developments, and the ways it intends to adapt and innovate to mitigate risks and exploit opportunities. All of this means that a change strategy is formed by looking outside an organisation to decide what needs to happen inside an organisation for it to remain viable.

- 2.2 The key drivers for developing 'Our Future Council' (Appendix 1) for Cambridgeshire County Council include the need for it to maintain:

- the ability to respond and adapt to an increasingly complex and changing world around it
- financial sustainability by managing service demand and macro-economic pressures through improved efficiency, effectiveness and productivity
- the capability to deliver its seven ambitions toward a greener, fairer and more caring Cambridgeshire and therefore improve outcomes for residents and communities.

- 2.3 As well as creating a high-level strategy, 'Our Future Council' also provides direction and clear alignment of all relevant change programmes and projects across the organisation, enabling the council to:

- embed a shared, organisation-wide strategy for the future of the organisation through to 2030
- establish a portfolio management structure for change delivery so that programmes and projects are clearly organised and focussed on achieving cross-cutting financial and non-financial benefits that impact multiple directorates
- align planning of change programmes with the annual Business Plan and Budget cycle so there is an evolving portfolio of programmes and projects year-on-year
- ensure accountability for the delivery of change through clear governance arrangements and standardised programme and project management standards
- support the drive for further culture change so that working cross-council to deliver improved productivity, efficiency and effectiveness become part of the organisation's practices and behaviours.

- 2.4 'Our Future Council' has been developed through workshops with the Council's Corporate Leadership Team, Extended Leadership Team of Service Directors and Heads of Service across all directorates from Spring 2024 onwards. It has also been informed by best practice within local government and from outside the sector.

3. Main Issues

3.1 In line with the needs for a change strategy explained in 2.2 and 2.3, 'Our Future Council' was formed by looking outward and ahead at the challenges and opportunities the council is likely to encounter over the coming years. The strategy identifies three key interlinking factors that will influence change at the council:

1. Strategic Ambitions - the need for the council to deliver its strategic priorities
2. Context - the need to respond to developments in the council's operating environment
3. Finance - the need to set annual balanced budgets and therefore to increase efficiency and productivity.

3.2 These three factors inform the strategy's overarching vision, which describes what a 'future' Cambridgeshire County Council will look like:

'Our "Future Council" will continue to deliver cost-effective public services that support improved outcomes for residents through a relentless focus on innovation.'

While this vision describes the type of organisation the council will strive to become by 2030, it also recognises the uncertainty of the future and the likely need to adapt and evolve to currently unforeseeable developments. It is therefore proposed as a direction for the council to move in which offers the flexibility to adjust when necessary.

3.3 With this vision and strategy in place, 'Our Future Council' sets out a broad strategic approach to move the council in the direction of achieving this vision. This is comprised of a set of new organisational design principles that will determine how the council moves from its current organisational state to its desired future organisational state, and a set of three delivery 'portfolios' that provide a coherent structure for organising the delivery of change implementation.

3.4 The organisational design principles are directly informed by the strategy's emphasis upon cost-effectiveness, improved resident outcomes and innovation. They consist of eight 'Solid Foundation Principles', four 'Innovation Principles' and three 'Impacts of Change'.

3.4.1 The 'Solid Foundation Principles' capture the essentials of good governance, organisational culture and resource allocation that need to be in place for a well-managed council to effectively innovate and deliver change. Closely reflecting the characteristics of good governance developed by the Centre for Governance and Scrutiny, they are:

- Honest Communications
- Trusting Relationships
- Long Term Planning
- Strong Scrutiny and Audit
- Clear Roles and Accountability
- Appropriately Skilled Workforce
- Effective IT Systems
- Evidence-Based Decision Making.

Alongside their inherent value in guiding a well-managed council, their strategic value lies in the enabling role they play in supporting the safe and secure conditions for innovation to flourish.

3.4.2 The four 'Innovation Principles' identify the kinds of innovation the council should pursue to realise the overarching vision for change. They provide a framework for the council to use in transforming its services, so they are more:

- Preventative
- Place Based
- Digital
- Collaborative.

These 'Innovation Principles' will be applied to the parts of the organisation where they will deliver the highest cross-organisational impact, such as the council's culture, workforce, service design, partnership arrangements, and use of physical assets and corporate resources. As concepts they reinforce each other, and in application they will often overlap, to form an integrated approach to innovation. Their strategic value lies in the guide to decision making and prioritisation of work they provide when identifying opportunities for improving the efficiency, productivity and effectiveness of council services.

3.4.3 The three 'Impacts of Change' describe the high-level indicators that the council is successfully realising its future council vision. They are:

- Financial Sustainability, the ability to set an annual balanced budget in the context of a rolling five-year financial plan
- Improved Outcomes for the people and communities of the county
- Improved Public Trust in the council.

The Quality of Life Survey, Business Plan and Budget and Corporate Risk Register will all be used to track progress toward these three impacts.

3.5 Applying the design principles requires change to take place across all the council's services. Since the uncertainty of the future requires the vision in 'Our Future Council' to allow flexibility, the council cannot plan an exact list or series of change programmes and projects that will take it from the present day to 2030. However, the council can put in place an effective delivery structure for change and begin to prioritise initial areas of focus.

3.6 To achieve this, the council will organise its change activity through three delivery portfolios comprising all relevant change programmes and projects. This portfolio approach is designed to ensure that change activity across the organisation is properly coordinated, effectively governed by the council's Change Board and delivered in line with the council's Project Management and Performance Management Frameworks.

3.7 The 'Future Council' delivery portfolio will contain the most significant programmes and projects of cross-cutting and council-wide change. At present, it consists of five change programme areas with high potential for realising the four 'Innovation Principles' and delivering financial and non-financial benefits for the council:

- Assets – Maximise the use of all our property assets to support efficient working and effective service provision.
- Commissioning and Commercial – Ensure the council gets the best value out of public money, takes an active role in the economic development of the area it is responsible for and achieving social value, and that our commissioning and commercial activity meets the needs of our residents.
- Customer Engagement / Experience – Review how we engage with our residents across the county to ensure that access is easy to use and designed around residents and their needs, achieving the right outcome without the need for repeat referrals or contacts, essentially creating a ‘no wrong door’ approach for residents.
- Digital, Data and Technology – Build the required foundations to leverage the use of digital, data and technology to improve customer experience and drive efficiencies in service delivery and a digital by design approach, whilst exploiting new opportunities such as Artificial Intelligence.
- Target Operating Model – Redesigning how the council is organised and operates to deliver our services closer to our communities, removing professional silos and creating integrated teams that work together to improve outcomes for residents, both locally and at a countywide level.

3.8 In addition to the ‘Future Council’ portfolio, the council will establish a ‘Major Change’ portfolio that comprises programmes and projects that carry significant reputational risk and/or financial benefits of +£500k, aligned to Key Decision thresholds. Whilst the majority of these programmes and projects may sit predominantly within a single directorate, they will require support from services across the council to deliver, given the scale of the change needed.

3.9 Finally, the ‘Directorate Change’ portfolios will include service specific change or continuous improvement programmes or projects that will be managed by Executive Directors and their management teams. These will be smaller in scale and will sit with the respective directorate to deliver.

4. Significant Implications

4.1 Finance Implications

The financial costs and benefits of each Our Future Council programme or project will be identified and approved through programme/project governance, with onward approval and reporting to committee through the Interim Finance Monitoring Report and Performance Reporting.

4.2 Legal Implications

The legal implications of any Our Future Council programme or project will be identified and addressed through programme/project governance, with onward reporting to committee through our quarterly risk reporting.

4.3 Risk Implications

The risks associated with each Our Future Council programme or project will be identified and responded to appropriately through programme/project governance, with onward reporting to committee through our quarterly risk and performance reporting.

4.4 Equality and Diversity Implications

An Equality Impact Assessment (EqIA) will be completed for each Our Future Council programme or project, rather than for the strategy itself, so that EqIA implications are understood and considered.

5. Source Documents

5.1 None