



'Our Future Council'

Change Strategy

Cambridgeshire County Council



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Introduction – Our Future Council

Councils are at a critical moment in their history. A rising tide of complex social needs are driving a seemingly unstoppable surge in demand for public services, whilst unfavourable macro-economic conditions and more than a decade of public spending restraint are amplifying the financial pressures on councils like never before. In short, the demand and cost of the services councils provide are rising, but budgets are not keeping pace.

There are multiple root causes of these issues, from international conflict that restricts supply chains pushing-up inflation, to successive national political changes driving short-term decision making on longstanding policy challenges like adult social care funding. Regardless of the underlying causes of the situation, the consequences for local government are increasingly stark. Since 2021, seven local authorities have issued s114 notices, and according to the Local

Government Information Unit 51% of all councils in England expect to do so within the next five years. This represents an historically unparalleled number of councils in financial distress, and affects councils of all sizes, types and political colour.

The impact of this for residents in areas where councils have issued s114 notices are significant. Fewer discretionary services, poorer quality provision, a breakdown of trust in public bodies, and in some cases the loss of local democratic control owing to central government intervention.

Although the wider picture for local government is bleak, and many of the contributing factors outside its direct control, individual councils can still author their own destiny to a great extent. History shows that councils have survived and even flourished in

circumstances that initially appear insurmountable. The pivotal feature of successful evolution and adaptation in such conditions is the ability of organisations to change through innovation. Doing so effectively involves clearly defining the nature of the threats faced, appreciating how these can be turned into opportunities, and then shifting organisational culture, resources and practices accordingly.

The document that follows – **‘Our Future Council’** – sets out how Cambridgeshire County Council intends to overcome the numerous challenges it faces over the next five years. The strategy has been developed by the council’s senior officers, reflecting the collaborative ethos of our culture and the need to lead change well, together.

Introduction – Our Future Council

Cambridgeshire County Council has invested around £15 million in changes over the last five years. Whilst this has helped to reduce operating costs by £117 million annually, the organisation's structure, culture and ways of working remain firmly rooted in 20th century models of public service delivery.

Given the complexity of the challenges currently facing the council, the organisation must fundamentally reimagine its approach to public services, or else risk being overwhelmed by the multiple crises in its operating environment.

Services will need to reform and adapt how they deliver, new technologies and data will need to be harnessed, and the council will have to work with people and communities differently to drive value for money, support better outcomes for residents and improve public trust. In this sense, the council will need to become a different organisation than it is today.

This shift must be responded to **strategically** to ensure the organisation has a clear idea of **how** it must reform and evolve to effectively respond to the challenges of the future whilst striving for a greener, fairer and more caring Cambridgeshire.

It is the purpose of this Change Strategy to provide that clarity, and help the council's workforce, its partners, and residents make sense of why change is needed, what needs to be done, and how it will be delivered.

At the same time, this strategy recognises that the line of sight into the future is limited, and that there is a point at which new challenges cannot be seen or predicted. Strategies reflect choices that are made to navigate a world that presents us with clear problems against an uncertain future, and when tomorrow's uncertainty

becomes today's clear problem, new choices are sometimes required.

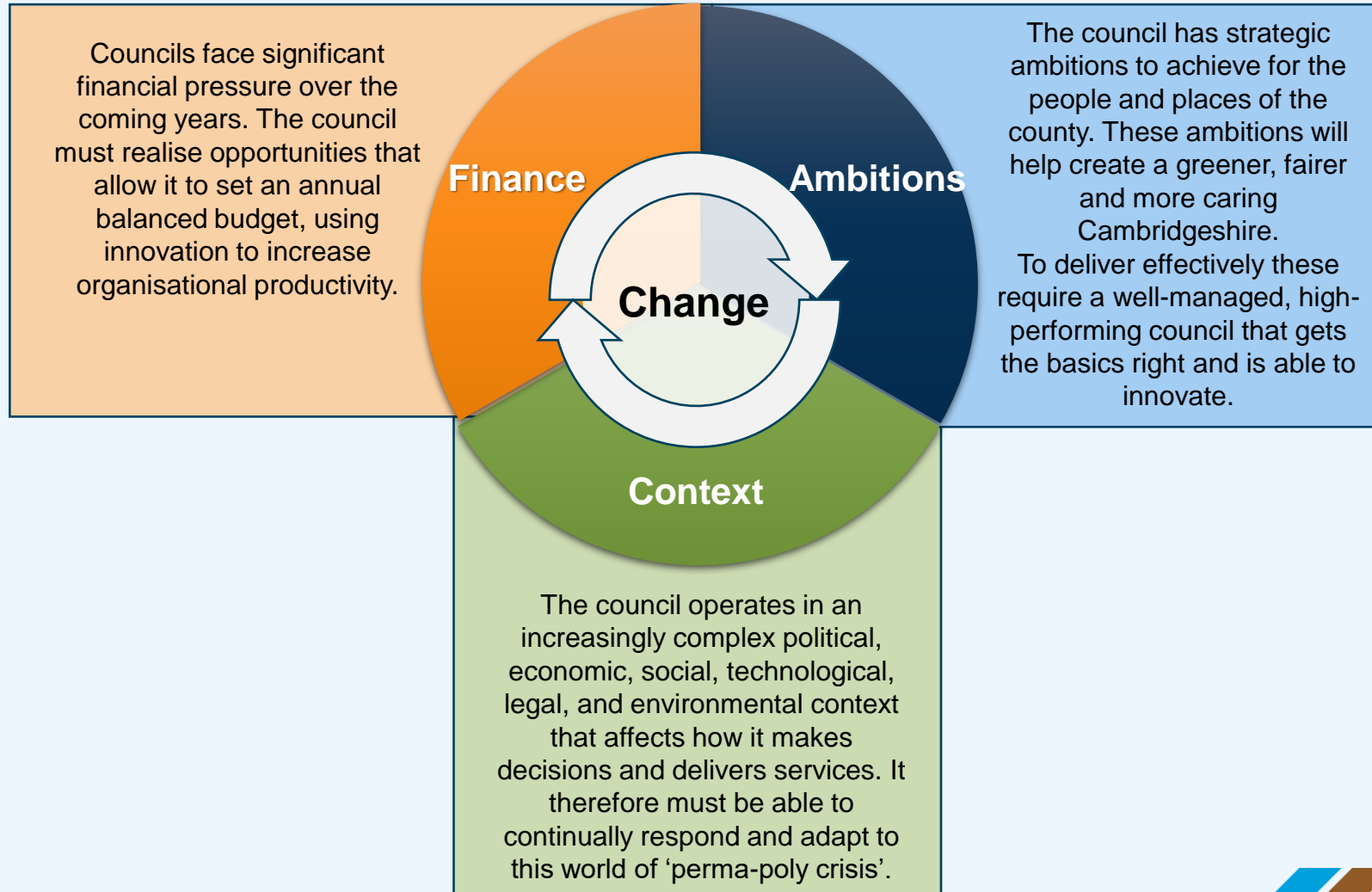
This strategy has been formed in awareness of the likely need to adapt to future problems that cannot currently be predicted.

Despite the challenges and uncertainty this moment presents, and the fact that change of this kind is rarely (if ever) easy, the central message of this strategy is **optimism**. This optimism flows from the conviction that by working across council services, with partner organisations, and with residents, the council can overcome any challenge by drawing on the hard work, passion, creativity, knowledge, and experience of all those with a commitment to Cambridgeshire.

Dr Stephen Moir, Chief Executive

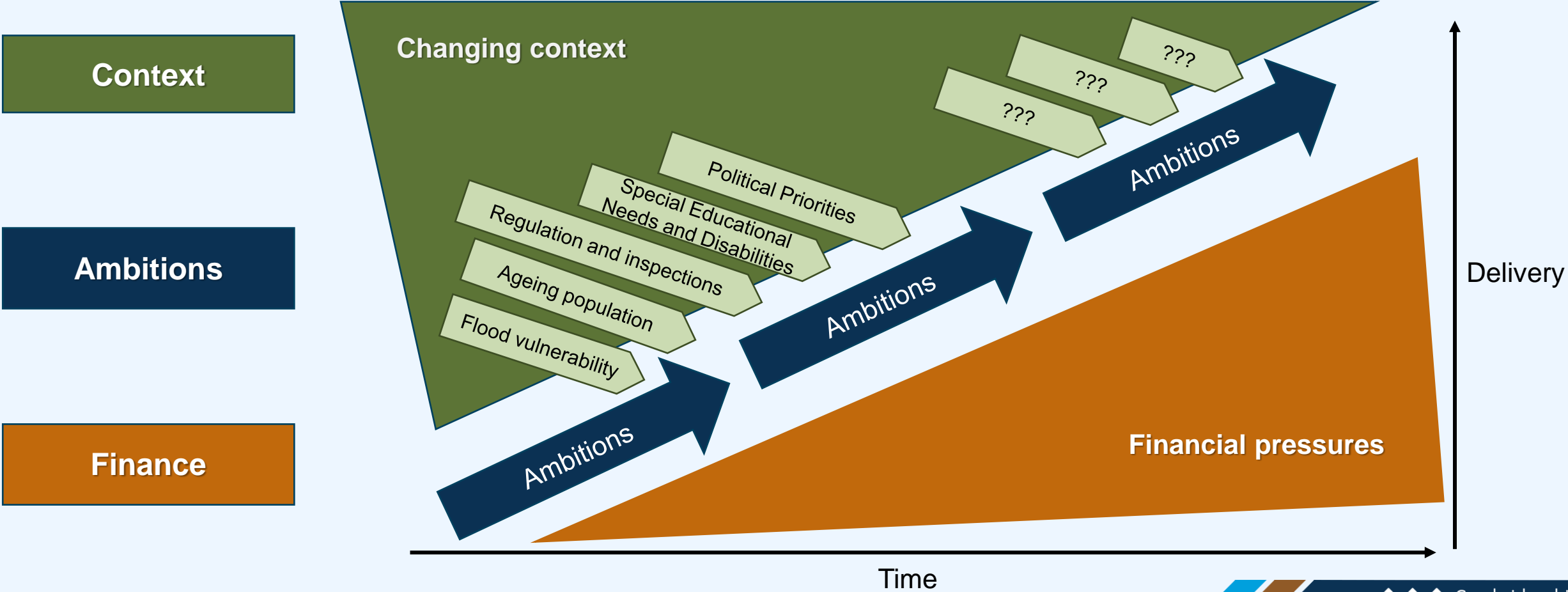
What is Change?

Change is the transition from a current state to a desired future state. As such, it is the mechanism for transforming the way our council works. Change is not linear, but cyclical, and is responsive to three key factors that shape the way it is planned and delivered: the council's operating context, its strategic ambitions, and its financial position.



Our Current Situation

At present, the future looks uncertain. Whilst the council drives forward with delivering its strategic **ambitions**, over time the clarity about its operating **context** will reduce, and without action the **financial pressures** on its budgets will continue to grow. This Change Strategy aims to address this by increasing, as far as possible, the council's understanding of its current and future operating context, as well as proposing change delivery programmes that will reduce financial pressures.



Ambitions

The council's strategic ambitions currently take the form of **seven ambitions** that together help create a **greener, fairer and more caring Cambridgeshire**. The organisation must remain capable of delivering these and whatever future form the ambitions may take.



Ambition 1

Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes



Ambition 2

Travel across the county is safer and more environmentally sustainable



Ambition 3

Health inequalities are reduced



Ambition 4

People enjoy healthy, safe and independent lives through timely support that is most suited to their needs



Ambition 5

People are helped out of poverty and income inequality



Ambition 6

Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised



Ambition 7

Children and young people have opportunities to thrive



Context



Population Growth

Cambridgeshire's 678,000+ population is forecast to increase by 6.1% between 2025-2030. The 65+ age group is forecast to grow by 12.7%, and the 80+ age group to grow by 25% in this period.



Technology

The so-called Fourth Industrial Revolution is witnessing the rapid development of Artificial Intelligence, advanced robotics and Internet of Things, fundamentally shifting relationships between the physical, digital and biological worlds.



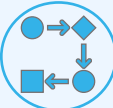
Economy

Cambridgeshire is a county of contrasts, with some of the most and least deprived areas in the UK. Weak growth and high inflation nationally have led to financial pressure on people but also increases in the cost of service delivery.



Systems Working

Statutory organisations and the Voluntary and Community Sector in Cambridgeshire share many priorities for improving the lives of local residents, but the deployment of resources are not always mutually reinforcing or aligned to achieve these goals.



Service Demand

In Cambridgeshire, new client contacts for adult social care increased 10% from 2021-22 to 2023-24, and the number of students with an EHCP increased 14.3% between 2022-2023.



Devolution

The UK remains one of the world's most centralised states. There is renewed momentum for more powers and autonomy to be granted to local authorities in a reset relationship between central and local government.



Complex System

Cambridgeshire's public sector system is complex, with four tiers of local government, joint committees, and a City Deal, alongside other statutory partners like the NHS, police and fire service.



Cross-sector Partnership

Cambridgeshire is home to some of the most economically and scientifically innovative industries and universities in the UK. Their social impact could be better harnessed through more developed public sector partnership working.



Policy Environment

Major structural policy challenges have not been addressed for the long-term by national government. For example, adult social care remains without a sustainable funding base, despite over a decade passing since the Dilnot Review.



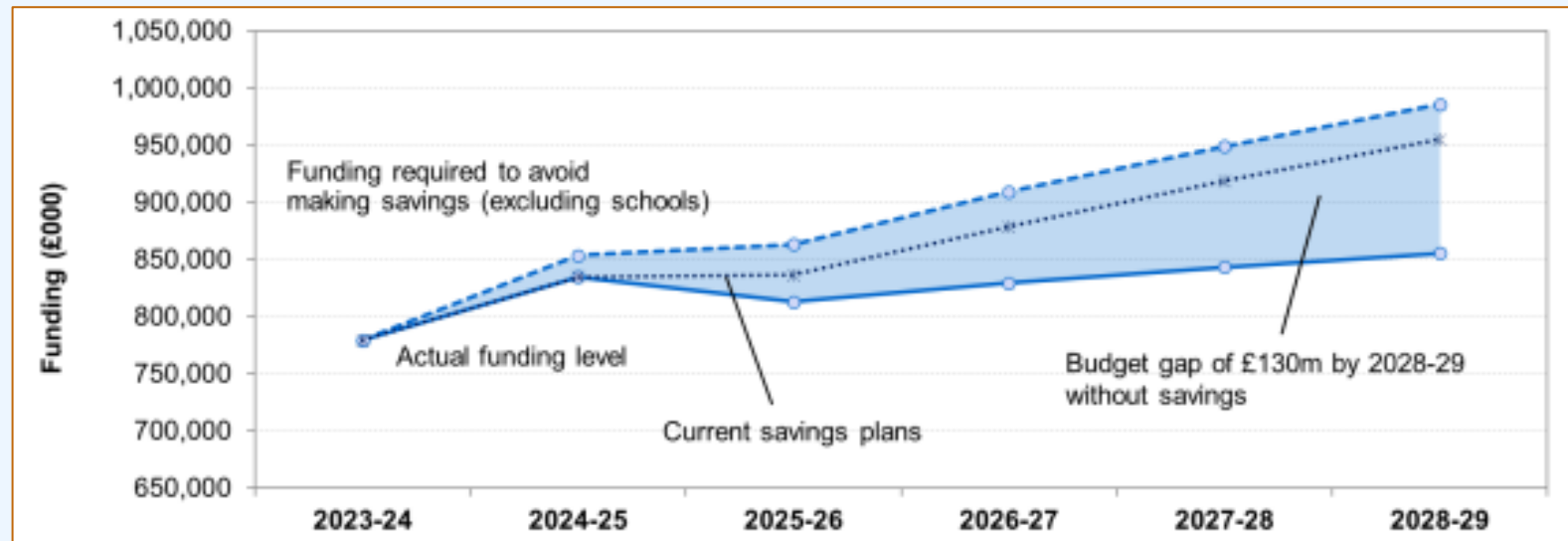
Finance

Without committed action, over the coming years the council faces a £130 million budget gap by 2028-29. Even with current savings identified, it is projected to have an average budget gap of almost £25 million in each of the next four financial years. Several service areas are especially seeing their budgets rapidly grow, putting a disproportionate pressure on the council's overall budget.

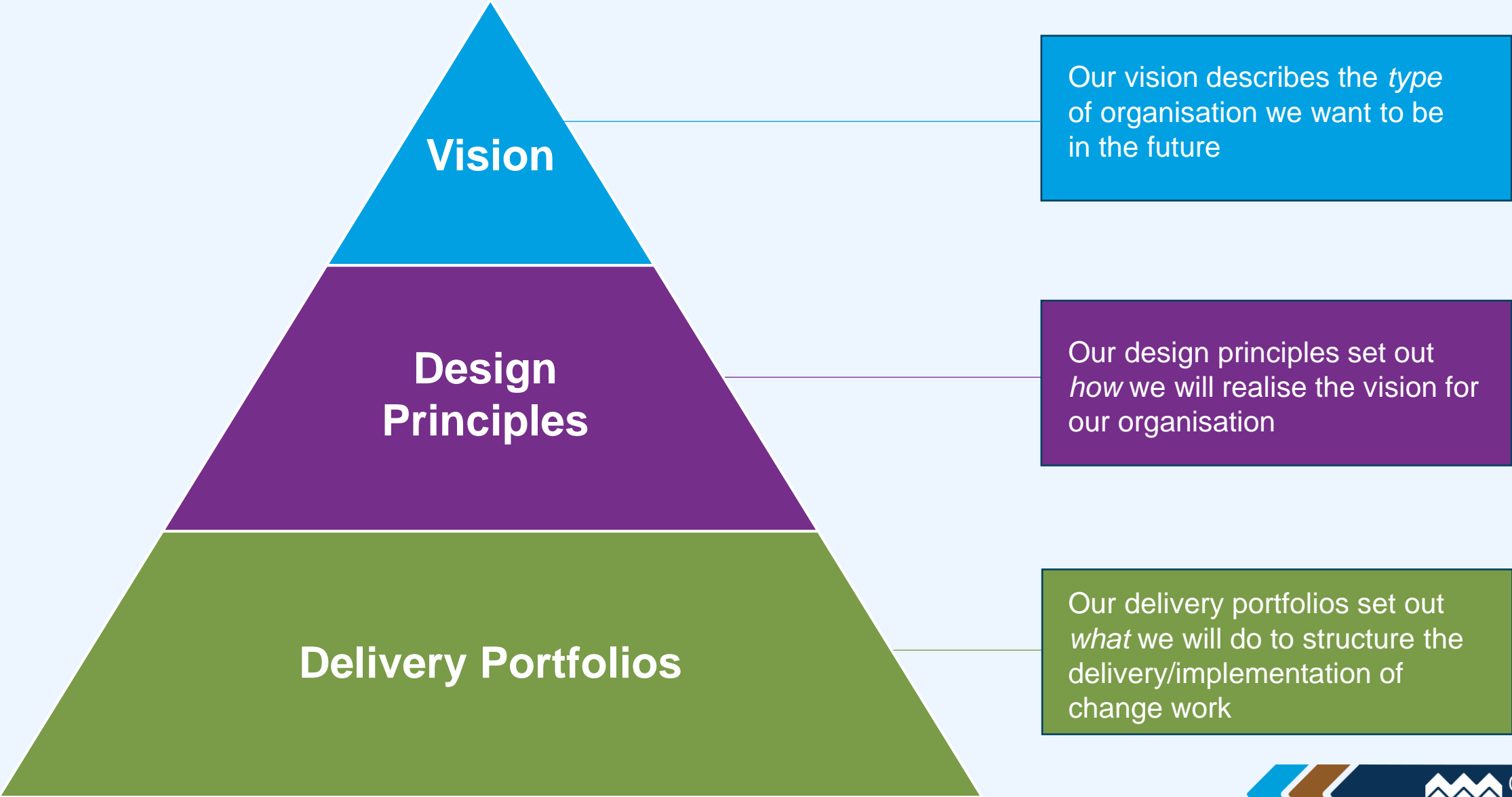
For example, between 2019 and 2025 the cost of providing services to Older People increased by 64%, the cost of providing Home to School Transport for eligible pupils increased by 93% and the cost of providing services to residents with autism increased by 235%. These increases reflect a 'perfect storm' of demand and inflation pressures, with the latter exceeding the headline rate of price growth by a

significant margin in key markets the council depends on. In this environment, limited annual council tax rises alongside relatively fixed funding settlements from central government are not enough to achieve financial sustainability. This is not least because the outdated formula used to calculate Cambridgeshire's funding settlement

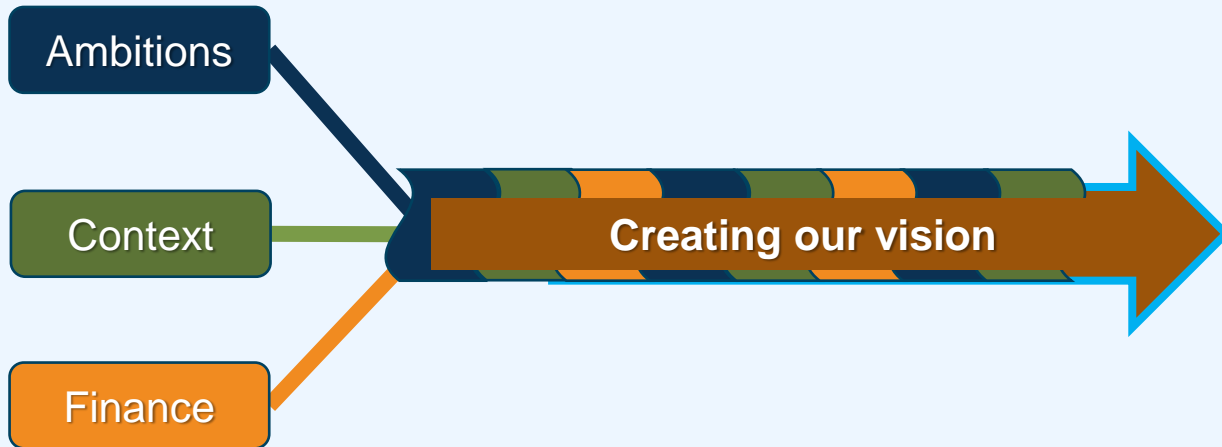
does not reflect the county's fast population growth and puts the council £23 million beneath the average county council settlement – an amount that exceeds the additional savings the council needed to make in each of the previous two financial years in the Medium-Term Financial Plan.



Our Strategic Approach



Our Future Council Vision



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

This means that:

- Residents will be empowered to enjoy a higher quality of life in Cambridgeshire so they can stay healthier and independent for longer.
- Our services will become closer to our communities by organising them around the most appropriate geography or community of need.
- Our services will work well with other local councils and partners in health, fire and police to design and deliver more integrated services where it makes sense to do so.
- Intelligent use of data and new technology, such as automation and AI, will be harnessed to drive service improvement around the needs of residents and support higher levels of organisational productivity.

Our Design Principles

Our 'Future Council' vision outlines the **type** of organisation the council needs to become, if it is to effectively respond to its operating context, deliver its corporate ambitions and maintain financial sustainability.

To translate this vision into reality, the council will be guided by a set of design principles that shape **how** the organisation will adapt as it moves from its current to its future state.

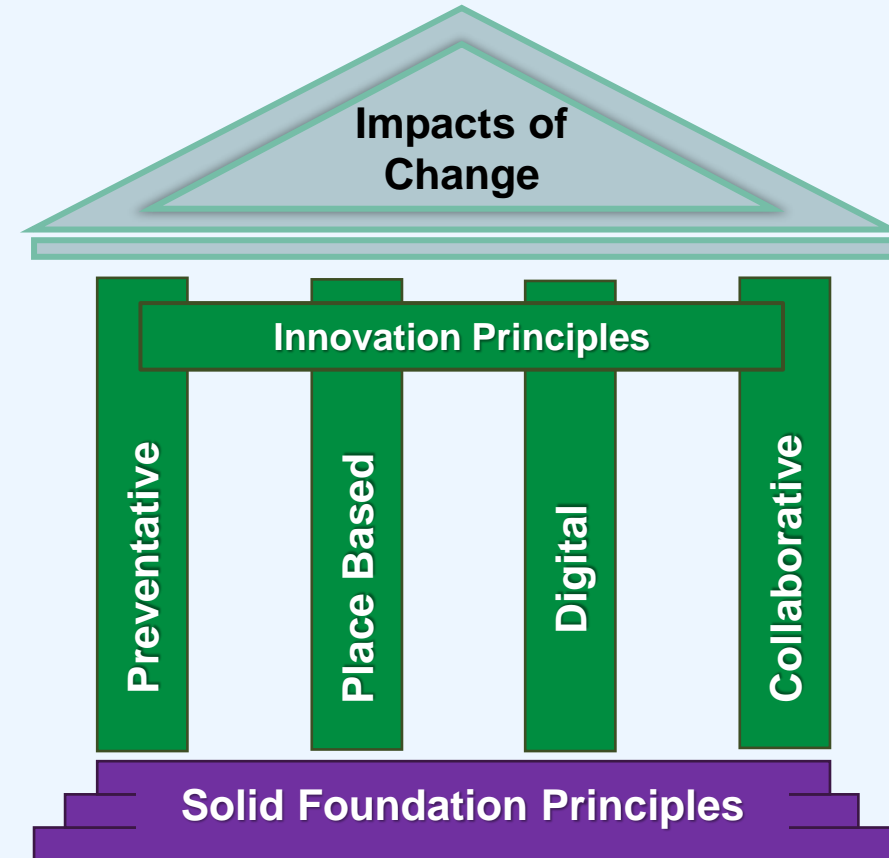
A key driver of successful adaptation is innovation, which is the invention of new solutions to current problems. The council has identified four 'Innovation Principles' that will support the approach to delivering novel change across the organisation.

But innovation can only flourish when organisations 'get the basics right', and that is why these design principles also include a set of 'Solid Foundation Principles'. By laying these solid

foundations the council will secure a firm base on which to innovate.

Together with our refreshed People Strategy, Performance Management Framework, and CARE Values that embody our way of working (Collaborative, Accountable, Respectful, and focused on Excellence), the council will build an energised culture of change that sees new ways of doing things and continuous improvement as 'business as usual', rather than an interruption to it.

If built effectively, the structure of change captured by the design principles will deliver long-term impact measured through the 'Impacts of Change' (financial sustainability, improved resident outcomes and increased public trust).



Solid Foundation Principles

The **Solid Foundation Principles** are the essentials of good governance, organisational culture and resource allocation that need to be in place for a well-managed council to effectively drive innovation and deliver change:

- Internal and external communication creates honest and candid dialogue with colleagues, partners and communities.

Honest communications



- Residents, partners and colleagues are treated respectfully and fairly by sharing key resources, information and responsibilities to achieve collective goals.

Trusting relationships



- Plans take a multi-year view and are based on accurate evidence, knowledge of our capabilities and risks, with the expectation of being ready to adapt to changing circumstances.

Long term planning



- Culture and governance enables robust challenge and reflection to ensure our work adds value and meets local needs, highlighting successes and learning lessons from shortcomings.

Strong scrutiny and audit



- Officers and members consistently display behaviour of mutual respect, robust debate and effective delegation, with appropriate oversight from members holding decision-makers to account.

Clear roles and accountability



- Recruitment and continuing development practices ensure the workforce is appropriately informed, skilled and experienced in the relevant areas of expertise.

Appropriately skilled workforce



- Systems make best use of sustainable resources and technologies to ensure information is accessed, created, used and protected in a timely manner to efficiently carry out work.

Effective IT systems



- Decisions are based on accurate, timely and expert internal and external information, to ensure we truly understand communities' needs and aspirations and achieve goals within available resources.

Evidence-based decision making



Innovation Principles

The **Innovation Principles** identify the focus of our innovation activity. These principles will be applied to the areas of the organisation where they will deliver the highest 'cross-cutting' impact, such as our organisational culture, workforce, service design, partnership arrangements, and use of physical assets and corporate resources. As concepts, and in application, they reinforce and connect with each other to form an integrated approach. The Innovation Principles are the most essential ingredient in our strategic approach because they will direct our decision-making and prioritisation of work to become our 'Future Council'.

Preventative



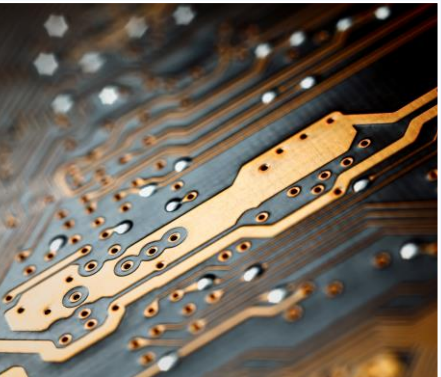
Council services will prioritise prevention, with local people empowered to stay healthier and independent for longer, limiting escalations of need and reducing future costs.

Place Based



Council services will be closer to communities and be organised around the appropriate geography or community of need, breaking down traditional delivery silos.

Digital



Council services will make the best use of technology and innovate to improve peoples' experience and drive efficiencies in delivery.

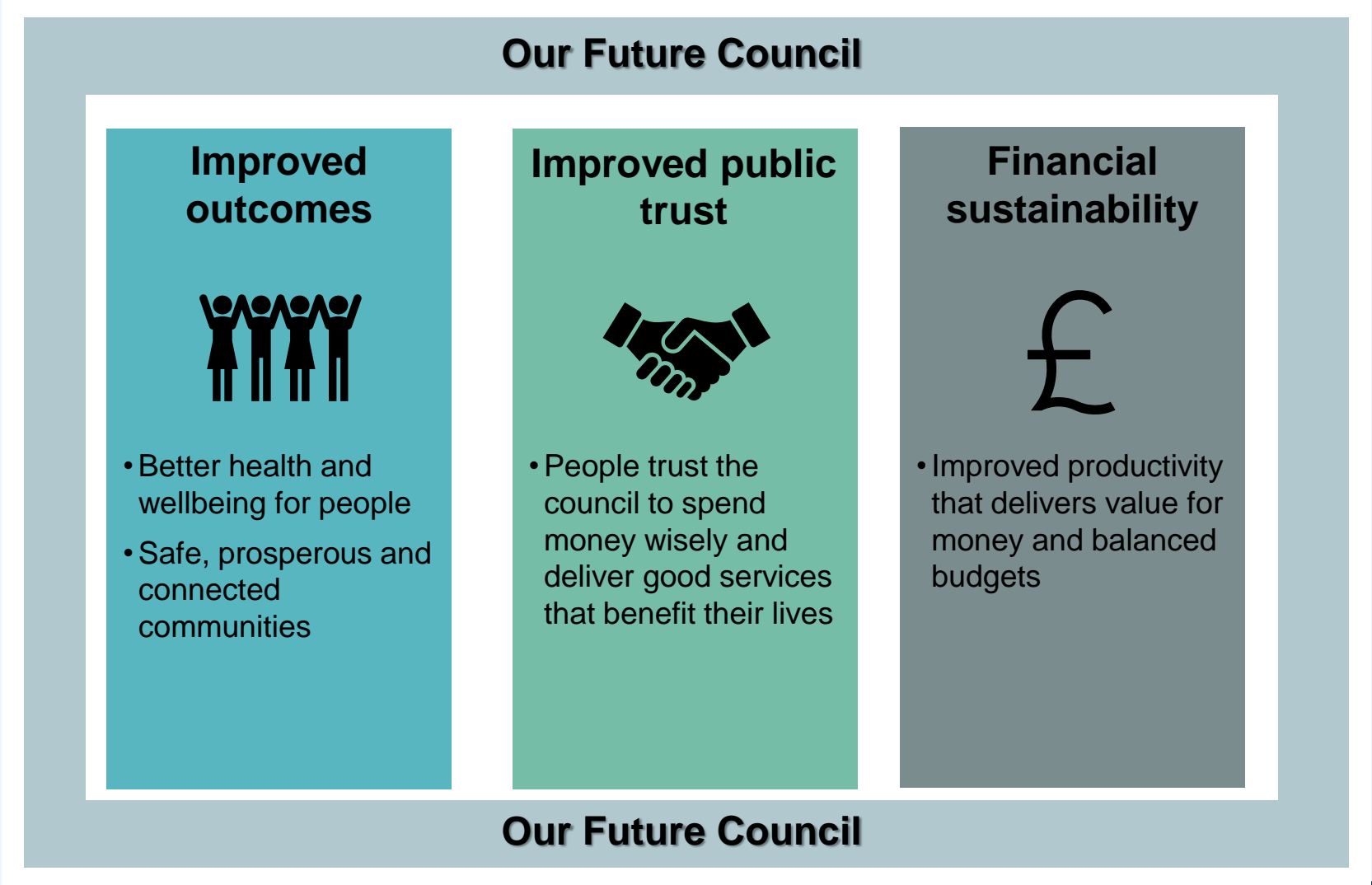
Collaborative



Council services will be delivered together with our communities, local people and partner organisations where appropriate.

Impacts of Change

The **Impacts of Change** will allow the council to determine whether it has been successful in delivering the vision for our 'Future Council':



Delivering Change

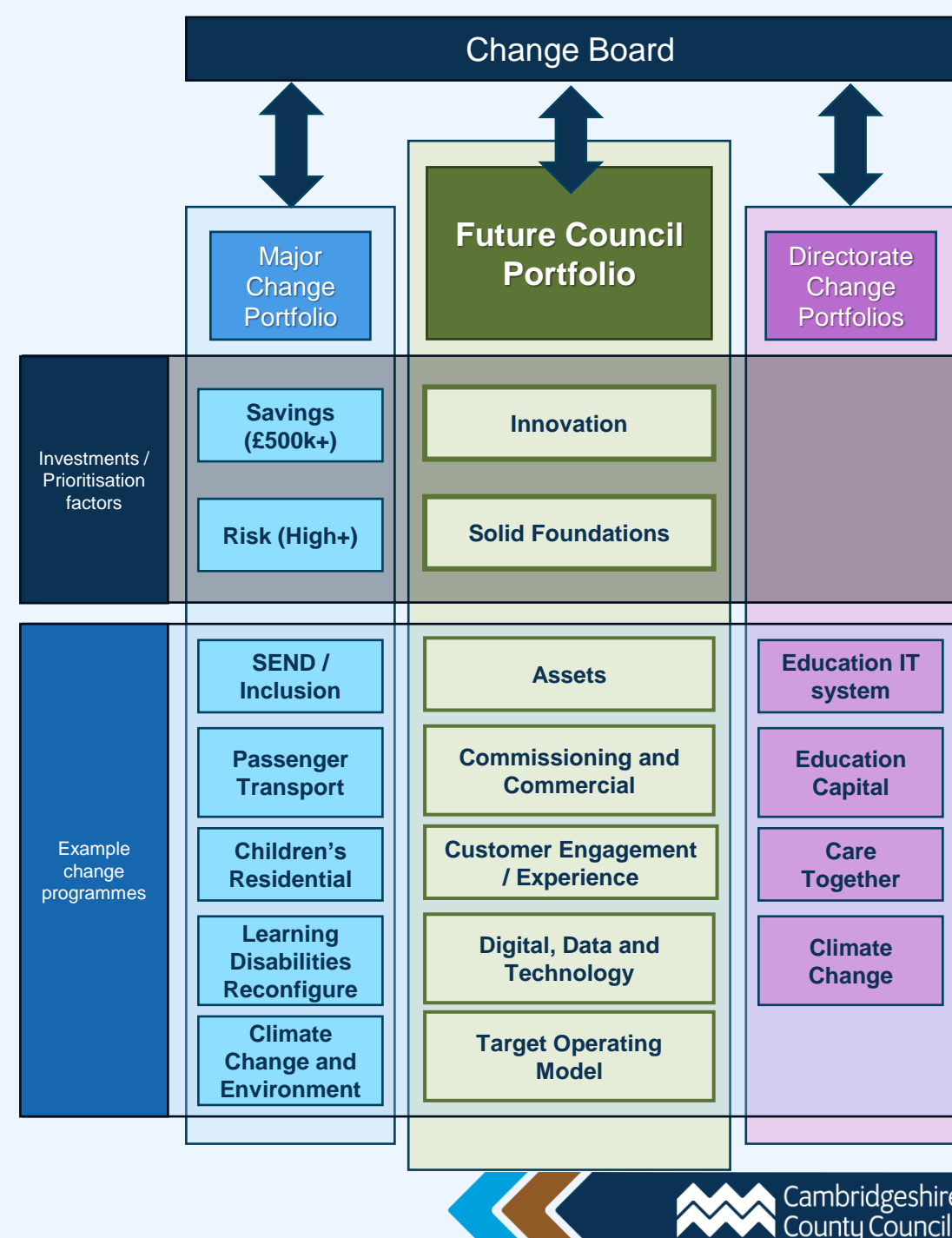
To deliver our 'Future Council', change will have to take place vertically (within Directorates) and horizontally (across our Directorates). To do this, the council will deploy a **centrally coordinated portfolio structure** that is effectively governed by an officer led **Change Board** and delivered in line with our Project Management Framework.

This structure and governance will enable an approach to change that ensures the consistency and oversight of delivery; through the identification of opportunities, understanding the impact that they will have, and embedding change while managing dependencies, constraints and resources.

Given the uncertainty of the future and the changes it could bring the council, the organisation cannot plan an exact formulation of change

programmes that will take it all the way to the 'Future Council' vision at the outset. However, the council can decide what it needs to do first to start on the road to the vision.

The 'Future Council' change portfolio will comprise the most significant horizontal change delivery in the council. This portfolio will be driven by the Design Principles and led by the corporate change service. Alongside this, there will be two vertical change portfolios – 'Major Change' that delivers special projects of critical importance to the council, and 'Directorate Change' work within services to drive efficiencies and other continuous improvement.



Measuring Success

The Impacts of Change represent the broadest measures of success for 'Our Future Council'. The extent to which there are improved outcomes within the council's sphere of influence, improved public trust, and sustainable finances across the council will at the very least indicate whether things are moving in the right direction. The council's annual Quality of Life Survey, Business Plan, and Corporate Risk Register ratings will help track progress toward these impacts.

However, some of the Impacts of Change are long-term, difficult to measure, and may not easily offer cause and effect results from the council's actions. This makes the need for effective measurement of success at the level of change delivery fundamental. The council has set out a robust approach to **performance management** that links performance to **risk** and **change** through its revised **Performance Management Framework**.

Given the current and foreseeable challenges faced by the council, a lack of change in many services would likely lead to a decline in performance against their Key Performance Indicators (KPIs) as the pressures in our changing context and finances mount. This would create risk of being able to deliver those services effectively, indicating the need for change programmes to improve services' performance.

The impact of change programmes can then be gauged through their **benefits**, which are measurable improvements from change that are perceived as positive by stakeholders and contribute to organisational priorities and strategic ambitions. These benefits can then be traced through KPIs in our **directorate scorecards** as well as the strategic KPIs which are presented to public

committees through our **organisational scorecard**. The need and impact of 'Future Council' change programmes will be evaluated in these terms.

