



**APPENDIX J**

DRAFT FOR FURTHER DISCUSSION

***Making Clackmannanshire Better***

**Target Operating Model and Initial Key  
Tasks**

**February 2014**



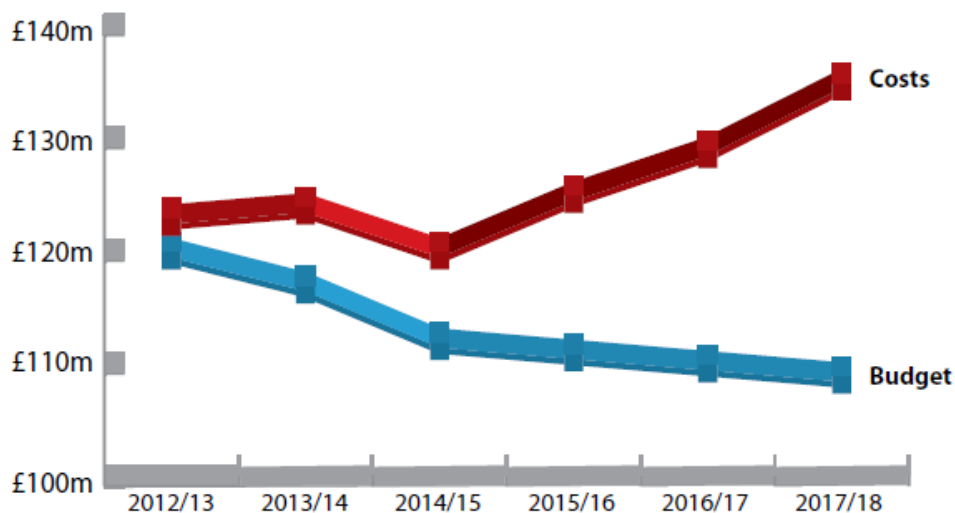
## Changing times

We are entering a period of significant change for public service delivery in Clackmannanshire.

The Council faces a significant increase in demand for its services from individuals and communities. At the same time, there are significant pressures to reduce our costs due to decreased funding from central government.

Meeting the impact of demographic trends, and employment and health issues in the area, presents a considerable challenge for the public sector, especially alongside the forecast level of a continuing real terms reduction in the resources available.

The Council's annual revenue budget is over £115million. We've already saved £14million over the past three years, and we need to save £25million over the next five years. Council services have been supported by £13million of reserves over the last four years. However, this is not sustainable in the long-term, and savings must be realised to bridge the gap between funding and future costs. Over the next few years, the gap between what we spend and the funding we receive is set to increase significantly.





## **Business as usual is not an option**

In light of these pressures, the Council cannot continue to deliver services in the way we do. We need to reduce costs, better meet our customers' changing needs, and operate in a more integrated way with our public service partners, so that we can collectively achieve better outcomes for our communities.

This means that the Council needs to carry out a fundamental review of what it does, to make sure that it is providing the right services, to those people most in need of them, in the best ways possible.

The Council provides an astonishing number and range of services: some of those are mandatory requirements set out in law; others the Council chooses to provide. The Council does not have unlimited resources; every pound we spend on one service, is a pound that cannot be spent on another service. We need to make sure, therefore, that every pound is spent on those services we must by law provide, and any others which are prioritised.

Those which are not required by law or those which are not a priority, based on customer needs, may no longer be provided, as funds are limited.

The Council also needs to review the level of services it provides. There are a number of examples in Clackmannanshire where the levels of service provided exceed those in other areas. For example, in Clackmannanshire:

- the resources we apply to our winter roads' maintenance are higher than the rest of Scotland;
- we provide higher levels of social care, e.g. respite support to carers above the minimum required by law.

There are also commonly used services that Clackmannanshire charges much less for than other council areas do:

- public car-parking - we do not charge for parking in our town centres;
- school meals;
- pest control services.

While the Council is proud of these high levels of service, we may not be able to afford to deliver such levels in future. Rather, we may need to reduce some service levels to average, or statutory minimum standards. In addition, we may have to consider introducing, or increasing, charges for some services, or decreasing existing subsidies to other services.



On the other hand, there may be instances where it may be possible to maintain, or even improve service levels, while reducing costs, if the Council looks more radically at its service delivery models.

The core aim of ***Making Clackmannanshire Better***, therefore, is to transform how we do business so that we maintain the required provision of statutory services and ensure that other services we may deliver reflect overall Council priorities.

## Making Clackmannanshire Better by change

***Making Clackmannanshire Better*** is about having better services, better opportunities and better communities, by:

- meeting customer changing needs
- improving customer experience
- improving performance

### ***while***

- reducing costs
- increasing efficiencies.

There are four main workstreams within our ***Making Clackmannanshire Better*** programme, and within these are a series of key themes, which will provide the focus for ongoing work in the coming years, as follows:

### **1 - Focusing on Prevention & Early Intervention (for Better Outcomes)**

- Supporting Early Years
- Supporting Adults
- Providing Advice & Information

### **2 - Developing Integrated & Sustainable Services**

- Working in Partnership & Developing Our Communities
- Providing Accessible & Effective Services
- Delivering Sustainable Services

### **3 - Making Best Use of Assets & Resources**

- Making Better Use of Public Buildings & Facilities
- Reviewing Community/Subsidised Transport
- Optimising Fees, Charging and Funding

### **4 - Making Our Organisation Stronger**

- Developing Our Organisation
- Developing Our People
- Making Clacks Work Smarter

## **Key Principles**

The principles which will be applied to activities within these workstreams are:

- Clarity about the role and priorities of the Council, as demonstrated through the apportionment of resources to meet mandatory and priority discretionary service requirements.
- Service design and delivery is driven by the needs of customers and service users, rather than by how the public sector is organised and funded.
- A collective, corporate approach to service design and delivery, rather than individual, departmental or silo-based approaches.
- Focus on integration - this could take many forms, ranging from internal delivery models or services, to those delivered in partnership with, or exclusively by, other parts of the public sector, e.g.
  - Integrate low complexity, high volume transactions, and re-design the delivery model/s (irrespective of current structure/s, functions or department/s)
  - Review existing face-to-face delivery, and consider integration of all face-to-face service delivery from one location or hub, wherever possible and appropriate
  - Re-design staff roles - based on generic functional responsibility, wherever possible and appropriate
- Optimise utilisation, efficiency and effectiveness of existing resource and asset base deployment.
- Wherever appropriate, utilising digital solutions to enhance efficiency and effectiveness.
- Identification of those areas where alternative service models, other than direct service provision, might be viable (such models to include shared services or out-sourcing).



## **The Future: Emerging Target Operating Models**

The public consultation on the budget, work emerging from Clackmannanshire Alliance, a number of Scrutiny Reviews undertaken on behalf of the Resources and Audit Committee and quantitative and qualitative data from the Tullibody Pilot have provided a considerable degree of consistency in terms of how we need to change in order to realise the Making Clackmannanshire Better vision. Key themes are, the need:

- to prevent or intervene at the earliest opportunity to avoid poor outcomes and associated costs;
- to develop long-term person-centred relationships with vulnerable customers that supports them to greater self-reliance and resilience;
- for more integrated services, preferably under one roof;
- to reduce duplication, waste and unnecessary demands placed on services;
- to build services around customers and communities - making it easier and more efficient to access services and local facilities in ways that work for them, removing organisational silos and barriers.

What has emerged from these themes are suggested core models and service groupings, which are fundamental to the objectives of Making Clackmannanshire Better. By building all services around these core models, we can begin to better integrate and coordinate all services to customers and communities, irrespective of which service or organisation provides them. The service groupings in outline are:

1. Integrated universal transactional services - low complexity/intensity transactions;
2. Integrated local universal family and community-based services - medium to high complexity/intensity support;
3. Integrated preventative and early intervention services for vulnerable people families - very high complexity/intensity;
4. Universal community services:
5. Centralised specialist services
6. Support services.

By focusing on core operating models and service groupings, we can:

- simplify how we work;
- integrate and simplify access to services and customer relationship management;
- integrate common processes around customer groups rather than service-based models, whilst allowing sufficient flexibility to meet differing needs;
- focus on fewer, more integrated processes, increasing performance oversight and process reliability, with a much clearer line of sight and likelihood of delivering customer outcomes;
- provide clearer managerial accountability for cost reductions and efficiency whilst maintaining focus on improving outcomes;
- focus on and continually refine processes that achieve outcomes as early as possible for customers;
- ensure costs are kept as low as possible where customers and communities are able to do things themselves, ensuring maximum resources can be directed to those in most need;
- integrate and align our asset planning and capital programmes around common core processes;
- integrate IT and other support systems around fewer core process - reducing duplication and waste in data capture, transfer and analysis;
- integrate teams and job types around fewer core processes, enabling greater staff flexibility and streamlining HR and organisational development processes;
- simplify and integrate suppliers and associated support and costs.

#### How might these service look?

A Target Operating Model (TOM) is not a fixed position, rather it outlines a direction of travel that enable all services to work towards the same ends in the context of one transformation programme.

Target Operating Models will require further development and discussion within MCB governance arrangements, however, work to date, including analysis from the Tullibody Pilot suggests the following in outline:

## **1. Universal Integrated Transactional Services**

MCB Target Operating Model:

- all low complexity transactional public services 1st preference online, 2nd preference contact centre. These include: payments, reporting, bookings, applications and information services, including community and events information.
- maximise automation - digital transactions are the norm or digital by default
- no cash transactions (which are high unit cost) - 1st preference direct debit, 2nd preference online payment
- customer information needs met through self-servicing 1st preference online, 2nd preference community notices/networks, 3rd preference through contact centre.

## **2. Universal Integrated Local Family & Community-Based Services**

MCB Target Operating Model:

- accessible local services and facilities that support delivery of local outcomes;
- universal local family and community facilities are integrated and co-produced with local communities;
- a single public service access point under 'one roof' in a community, utilising schools where appropriate, and providing priority and demand-led services:
  - advice, guidance and signposting services;
  - learning and literacy services, including group and community-based support;
  - services for community meeting, leisure, recreation and development;
  - education services (where feasible/appropriate);
  - health services (where feasible/appropriate);
- minimise expenditure on fewer, but high quality fit for purpose physical assets, enabling maximum resource deployment into services that support family and community development and resilience.

### **3. Integrated services for vulnerable people and families**

MCB Target Operating Model:

- highly trained and integrated generic/key workers within communities that support personal development and resilience, linking with specialists, enabling and coordinating earliest possible interventions, whether that be with adults or young people;
- one named point of contact for the whole family providing consistency and enabling building of healthy trusting relationships designed to improve self reliance and resilience;
- named person works with specialist, e.g. social workers, health visitors, police, criminal justice, housing, third sector support etc, with the aim of moving the individual individuals self reliance, minimising unnecessary contacts and demands on high cost specialist services;
- family and community services are co-produced with local communities and third sector organisations.

### **4. Universal Community Services (e.g. waste services, roads services, grounds maintenance services)**

MCB Target Operating Model:

- services delivered across Clackmannanshire, but based in Alloa from in fewest depots/facilities - ideally one;
- organised to maximise service efficiency, tailored around meeting mandatory requirements, Council priorities and general community demand, rather than individual customer/stakeholder preferences;
- individual customer contacts: 1st preference online, 2nd preference contact centre;
- where our scale creates single points of failure, inefficiencies or issues of best value, partner or share resources with other agencies;
- reducing demands and costs through effective information services (universal transactional services) and co-production with communities (integrated Local Family & Community-Based Services).

**5. Centralised specialist services (e.g. social workers, psychologists, occupational therapists, counselling, advisers etc)**

MCB Target Operating Model:

- contact with customers via appointment/referral systems to maximise best use of high cost/demand resources;
- deliver services across Clackmannanshire, but based out of fewest facilities based in Alloa - ideally one;
- specialists organised to support the most complex cases;
- where our scale creates single points of failure, inefficiencies or issues of best value, partner or share resources with other agencies;
- reducing demands and costs through effective information services (universal transactional services) and co-production with communities (integrated Local Family & Community-Based Services).

**6. Support services (e.g. HR, IT, performance & organisational development, publicity, communications etc)**

MCB Target Operating Model:

- corporately organised and based out of one facility in Alloa;
- appropriately aligned & sized to support mandatory and discretionary support services only;
- where our scale creates single points of failure, inefficiencies or issues of best value, partner or share resources with other agencies;
- where it best supports customer facing operating models integrate, partner or share resources with appropriate agencies;
- reducing demands and costs through effective information services, employee learning and development programmes and more efficient service access models - 1st preference self service, 2nd preference remote advice or guidance, 3rd preference face to face.

## Initial Key Tasks

Service groupings and target operating models are crystallising through the Making Clackmannanshire Better programme activity, however, they will require further discussion and refinement both prior to and following any pilot activity. There are a number of activities and priority tasks that need to run in parallel and sequence in order to effect major transformation. These include how we align our staff skills and development and our use of assets and resources. There are also a number of key public service reform projects that we must align with our local change programme, for example, Reshaping Care for Older People and health and social care integration.

An outline programme of initial tasks and projects is outlined below. This is not exhaustive and will develop over time. It includes piloting a number of Target Operating Models in Tullibody. As mentioned above, quantitative and qualitative data gathered as part of Phase 1 and 2 of the pilot has helped shape potential target operating models. Once tested and refined to a point where we have confidence in the approach, the MCB programme methodology is to scale up and spread tests of change across the County. A more detailed report will be presented to the MCB Steering Group for consideration in this regard, though the target operating models are outlined at Workstream 1.

Another key priority task for all current service configurations before moving to new target operating models is streamlining. To this end, under Workstream 3, each service will continue to review current services to ensure they are sustainable. This is based on the tried and tested staged transformational model that ties in with our **Choices**: E-S-I-A.

**Eliminate** - unnecessary demand, waste and inefficiencies, ensuring that any activity not associated with mandatory or priority discretionary services: **Stops** and investigate where levels of service could **Reduce**.

**Simplify** - prior to significant **Change**, simplify processes, technologies, procedures, forms etc(including assessment procedures and forms),

**Integrate** - once simplified, **Change** in so doing integrate Jobs, Teams, Assets and Suppliers as per service groupings and Target Operating Models.

**Automate** - finally, where appropriate, digitise or automate repetitive tasks, including data capture, transfer and analysis.

Workstreams & Key Themes		Title of Initiative	Description of initiative	Proposed timings for delivery		
<b>1</b>		<b>Making It Happen</b>				
		<b>The Tullibody Pilot</b>	Run Tests of Change Target Operating Models as appropriate to establish proof of concept.	<b>Mar-14</b>	<b>Dec-14</b>	
<b>2</b>		<b>Focusing on Prevention &amp; Early Intervention (for Better Outcomes)</b>				
<b>Key Themes</b>	<b>(i)</b>	<b>Supporting Early Years</b>	<b>Integrated Children's Services Planning</b>	As part of a refreshed Integrated Children's Services Plan, multi-agency service redesigns supporting prevention and early intervention and delivery of defined Target Operating Models. To include work of EYCollaborative, child protection, GIRFEC etc.	<b>Nov-13</b>	<b>Dec-14</b>
	<b>(ii)</b>	<b>Supporting Adults</b>	<b>Integrated Older People's Services Planning</b>	Multi-agency service redesigns supporting prevention and early intervention and delivery of defined Target Operating Models . To include Health and Social Care Integration - evidence preparation and progress for enactment in 2015; reshaping care for older people, self directed support.	<b>Nov-13</b>	<b>Apr-15</b>
			<b>Integrated Adult Services Planning</b>	Multi-agency service redesigns supporting prevention and early intervention and delivery of defined Target Operating Models . To include systems that support GIRF-Everyone, adult literacies, e.g. parenting, employability.	<b>Nov-13</b>	<b>Dec-14</b>
			<b>Improving Care for Adults with Complex Needs</b>	An outcome-focused adult care pathway to be developed in partnership with Health. Ensuring improved care for adults with complex needs, based on the principles of prevention, independence and choice.	<b>Nov-13</b>	<b>Apr-15</b>



	(iii)	Providing Advice & Information	Corporate Advice Service Delivery Models	Advice, Information & Guidance review to support prevention, early intervention and reducing demand on services in line with Target Operating Models through improving self-reliance and resilience.	Jul-13	Mar-17
<b>3 Developing Integrated &amp; Sustainable Services</b>						
<b>Key Themes</b>	(i)	Working in Partnership & Developing Our Communities	Community Well-being Partnership Team	Within the work of the Alliance, a multiagency partnership tasked with providing strategic oversight of integrated public services: including: early years, working age, older people's services and local community planning.	Jul-13	Mar-15
	(ii)	Providing Accessible & Effective Services	Customer Contact Management	This initiative incorporates the development of an updated Customer Service Strategy enabling and supporting the transition to new Target Operating Models.	Oct-13	Mar-17
	(iii)	Delivering Sustainable Services	All Services	Agreed sustainable plans in place to stop or reduce activity that is not mandatory or priority discretionary in preparation for transition to new Target Operating Models.	Apr-14	Mar-15





4 Making Best Use of Assets & Resources						
Key Themes	(i)	Making Better Use of Public Buildings & Facilities	<b>Corporate Asset Management Strategy (CAMS)</b>	Strategy for ensuring corporate asset management and capital planning is aligned with MCB transformation and delivery of defined Target Operating Models.	<b>Apr-13</b>	<b>Oct-14</b>
			<b>Settlement plan reviews</b> <i>(asset focused)</i>	To ensure facilities are aligned with MCB transformation and support the delivery of defined Target Operating Models.	<b>Apr-14</b>	<b>Mar-17</b>
			<b>Strategic Planning of School Estate</b> <i>(incl. Utilisation and School Catchment Review)</i>	Review demand and supply issues for future primary and secondary school estate to inform investment strategy and service delivery requirements and review of school estate utilisation and support the delivery of defined Target Operating Models.	<b>Oct-13</b>	<b>Mar-17</b>
	(ii)	Reviewing Community / Subsidised Transport	<b>Corporate Transport Capacity Review</b> <i>(incl. Review of Supported &amp; Subsidised Transportation)</i>	Cross cutting review of demand and supply for range of transport services / modes of transport including review of the appropriateness of current fleet / transport assets and contracts to support Target Operating Models.	<b>Apr-14</b>	<b>Mar-15</b>
	(iii)	Optimising Fees, Charges & Funding	<b>Income, Charging &amp; Funding</b>	A review of charges and charging levels to establish a corporate Income and Charging Strategy. Review of funding arrangements to voluntary organisations to ensure delivery of mandatory and priority discretionary services in line with MCB and emerging Target Operating Models.	<b>Apr-14</b>	<b>Mar-15</b>



5 Making Our Organisation Stronger						
Key Themes	(i)	Developing Our Organisation	<b>Organisational Design</b>	Including, workforce plan and supporting voluntary severance arrangements to enable move from current position to Target Operating Models. Development of clear, unambiguous and shared set of values and a review of employee Terms and Conditions with a view to delivering sustainable services.	<b>Mar-13</b>	<b>Mar-15</b>
			<b>Outcome Focused Resourcing / Budgeting</b>	A cross-cutting project to move to outcome-focused budgeting to enable integrated public services.	<b>Mar-14</b>	<b>Mar-17</b>
Key Themes	(ii)	Developing Our People	<b>People &amp; Communications Strategies</b>	To build capacity towards Target Operating Models, including, Shared Services. To include: Employee induction Leadership & Management, competency framework, performance and absence management framework and employee engagement and recognition.	<b>Mar-13</b>	<b>Mar-16</b>
Key Themes	(iii)	Making Clacks Smarter	<b>Working Smarter</b>	'Simplifying and standardising core support technologies to support emerging target operating model. This incorporates for example: HR / Payroll iTrent New Financial system	<b>Aug-12</b>	<b>Dec-15</b>
			<b>Building Flexible Infrastructure</b>	'Simplifying and standardising our technologies to support emerging target operating models	<b>Jun-12</b>	<b>Mar-17</b>
			<b>Improving Access to Information &amp; Services</b>	Projects designed to enable implementation of community-based target operating models, e.g. § 'Open Data' Project § 'Next Generation' Broadband	<b>Jan-13</b>	<b>Mar-17</b>