



Leading Transformation - The English Local Government Experience

SOLACE Masterclass

Friday 15 September, 2017



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Introduction

The financial pressures faced by public services in Scotland show no sign of diminishing. This pressure, combined with increasing service demand and expectations around how and when services should be delivered continues to challenge leaders across public services. Our response includes developing our workforce and enabling them to be part of the transformation process; working with our communities to ensure they are engaged and able to participate; exploiting opportunities around alternative delivery models and finally taking advantage of the advances in technology.

These issues are not unique to Scotland, and indeed there is much that can be learned from English local authorities, where for some councils, the level of cuts is far beyond what we have experienced in Scotland to date.

Hosted by Annemarie O'Donnell, Chief Executive, Glasgow City Council and one of SOLACE Scotland's portfolio leads within the Leadership, Governance and Transformation Strategic Theme, this masterclass (which was part of the SOLACE Scotland 2017 Conference) provided delegates with the opportunity to hear from the following speakers:

- Tony Reeves, Deloitte and ex-Chief Executive, Bradford City Council
- Donna Hall, CBE, Chief Executive, Wigan Council
- David Harker, Deloitte.

Each speaker presented their experiences of leading and driving transformation at a time of severe financial austerity, including the challenges they encountered, how they overcame them and the lessons learned. Priority themes covered during the discussion included:

- Financial sustainability, innovative approaches to financing and using resources differently
- Health and Social Care
- Transforming service delivery
- Reshaping citizen engagement / facilitating community empowerment
- Transformation leadership
- Transformation governance
- Transforming culture

Following the presentations, Angela Mitchell (Deloitte), hosted a question and answer session with the panel.

In her introduction to the session, Annemarie O'Donnell reminded the audience about the severe financial challenges being faced by councils at a time of rising demand and increased public expectation around not only the quality of services but also when and where they can be accessed. She also reiterated the necessity for councils to continue to look for new ways to work differently and take advantage of the range of tools at our disposal, including better use of data and the options provided by better use of technology.

Tony Reeves - The Public Sector Challenge

Tony's presentation focused on the current context within which we are operating, looking at:

- Rising demand
- Constrained resources
- Sub-optimal outcomes, and
- Long-term challenges versus short-term blip

He then focused on the outcomes that leaders should be striving to achieve, i.e. financial sustainability and improved outcomes for citizens. Tony supplemented his presentation through highlighting the following:

Theme: Demand

Key messages:

- ▶ Rising demand is not inevitable - a high level of demand is created by system failure. For example, in Greater Manchester only 10% of people with chronic medical conditions can manage their own care, whereas the figure should be around 70% if services are designed and delivered around the service user.
- ▶ We need to not only understand the nature and type of demand within councils but across the public sector in our areas.

Theme: Outcomes

Key messages:

- ▶ Austerity is not the biggest challenging facing public services - outcomes were poor for people and communities before this current period of austerity. For example, the percentage of children in poverty was high when public services were not experiencing the current pressures and more than one million people were dependent on the state, who didn't need to be.

- ▶ There is evidence that outcomes are now improving at a time of financial constraint, therefore have we moved into a new way of working because of this (and this raises the question of how we worked prior to the current operating context)?
- ▶ Financial sustainability must not be viewed as the main driver for transformation - it should be around improving outcomes.
- ▶ There is a huge leadership challenge around ensuring that we work with people and get alongside them to help them secure better outcomes for themselves.

Theme: Workforce

Key messages:

- ▶ The way we work is changing. People now want to be judged on productivity, not presenteeism.

Theme: Current context

Key messages:

- ▶ There are areas where people operate as if 'austerity' is a short-term blip, and not the structural financial change that it is.

Theme: Commercialisation

Key messages:

- ▶ It's easy to talk about commercialisation but we need to ensure that we have the skills to exploit any market opportunities in this regard. We need to understand the markets we may target and be realistic about how much income we can generate.

Theme: Digital / Data

Key messages:

- ▶ We need to start to re-engineer and rethink the systems within which we work and look at how we farm data to derive intelligence and insight that will inform decision making.
- ▶ The expectations of our customers will drive us to digital reform, it is not the digital solution that will do this.
- ▶ Data, if utilised well, can provide valuable insight and intelligence.

Theme: Assets

Key messages:

- ▶ The whole public sector in an area need to align collective resources to enable local transformation.

Tony concluded his presentation by emphasising the following key messages for all leaders:

- Too many people wait until the crisis hits and not before.
- We need to 'get ahead of the curve' in the public sector.
- We need to lead / shape the process.
- We need to behave differently as public servants and develop a different type of relationship with citizens, based on real engagement and active listening.

Donna Hall - The Wigan Deal

Donna Hall CBE, Chief Executive of Wigan Council presented colleagues with an overview of The Deal. Wigan's population is around 322,000 with circa 140,000 households, and is the second largest council in Greater Manchester, next to Manchester itself. Since 2010, the Council's revenue budget has been cut by around 50%, the 3rd biggest cut across all UK local authorities.

Due to the nature and scale of the financial challenge, it was apparent that traditional change and transformation programmes were not going to work. Not only was the scale of the financial challenge an issue but also the levels of deprivation in the area, with Wigan being the 85th most deprived area in the country.

However, despite these challenges, Wigan Council has managed to save £115m since 2010, but more importantly has improved outcomes for its people and communities at the same time. The following highlights some of the Council's key achievements.



Diagram 1: Wigan Council's achievements

The Council puts these achievements down the development and roll-out of The Deal, which transforms the way it thinks about how services are delivered and puts the needs of its people and communities at the centre. The Deal is almost a contract between the Council and people, and identifies what the Council will do and what it expects from people and communities. Eighty-two percent of residents support the principles behind The Deal, and a selection of other impacts include:

- Second lowest council tax in the Greater Manchester area
- No libraries have been closed despite the huge financial challenges
- Their reablement service is rated as outstanding by the Care Quality Commission
- Unplanned emergency admissions have reduced by 30%, and
- Healthy life expectancy in the most deprived areas has increased by 7 years

The Deal

Wigan Council

Our part

- Keep your Council Tax as one of the lowest
- Help communities to support each other
- Cut red tape and provide value for money
- Build services around you and your family
- Create opportunities for young people
- Support the local economy to grow
- Listen, be open, honest and friendly
- Believe in our borough

Signed *Pete Swire*
Lord Peter Swire of Leigh, Leader of Wigan Council

Your part

- Recycle more, recycle right
- Get involved in your community
- Get online
- Be healthy and be active
- Help protect children and the vulnerable
- Support your local businesses
- Have your say and tell us if we get it wrong
- Believe in our borough

Signed _____

[WiganCouncilOnline](#)
[wigan council](#)
[@wigan council](#)
[wigan.gov.uk/TheDeal](#)

Diagram 2: Wigan Council's 'The Deal'

A copy of The Deal is included within people’s Council Tax bills each year. It’s core aim is to shift power towards citizens but recognising that the Council must put in place the necessary supports to enable this to happen. The Council also recognise the value of trust in making The Deal work, therefore they value honesty and being able to admit to people when they get things wrong.

The Deal is underpinned by 6 principles:

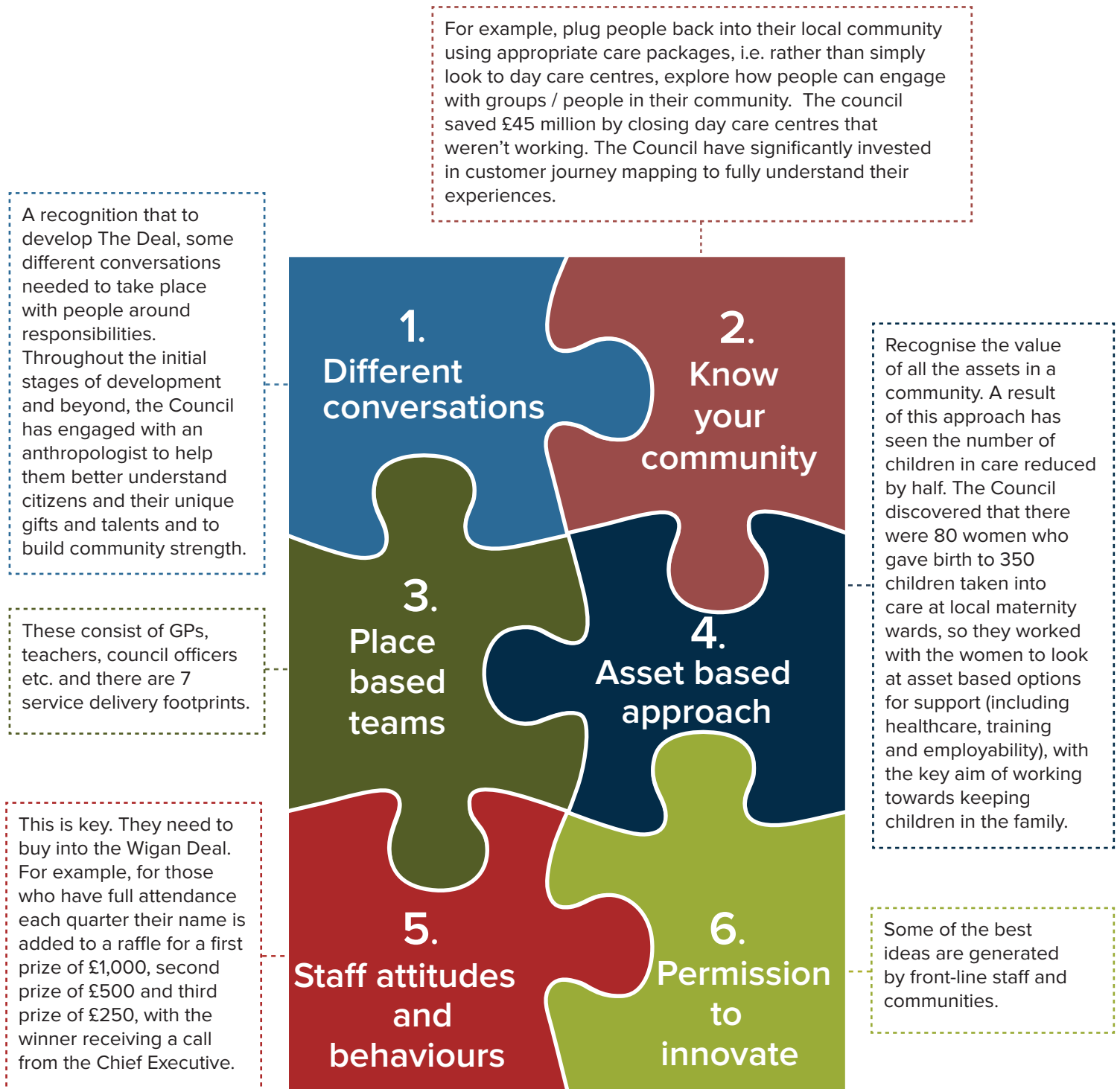


Diagram 3: The 6 principles of The Deal



Wigan Council recognises the increasing cost of sending waste to landfill, and as part of the deal explains to people that recycling as much waste as possible not only has an environmental impact but also reduces the cost of landfill, the consequence of which does not filter through to Council Tax bills.

The Council has also committed to make its strategic planning process easy to understand and has published a one-page corporate plan that focuses on the ‘how’ of where they want to get to. The Council also aims to be self-reliant (for funding) by 2021.

Community investment is also a key element of The Deal, with the focus being on the word ‘investment’ rather than it being a ‘grant’ process. The Community Investment Fund has to date generated 59 ‘big ideas, leveraged £2.9m of external funding and realised £1.26m of recurrent savings for the Council. The overall social and economic benefit of the Fund is estimated to be £5.6m.

There is also a Deal for Adult Social Care and Wellbeing that focuses on individuals’ strengths, assets, gifts and talents. The Council commits to:

- Have conversations with residents in the borough to better understand what you can do, rather than what you can’t do
- Develop help in the community by working together with groups and organisations, supporting them to support you
- Develop and embrace new ways of working by allowing and supporting our workforce to be innovative and creative in providing services.

A draft deal for Children and Young People has been the subject of a recent consultation and is currently being checked by senior officers in the council and by representatives from local schools and services.

With around 4,500 people employed by the Council, it recognises the value they play in ensuring the success of The Deal. Through the Be Wigan approach, staff learn how they do things are just as important as what they do. The Council appoints based on the behaviours in the Be Wigan approach and that these behaviours need to be in the “employees’ DNA’ for the Deal to work.

This approach was awarded CIPD Initiative of the Year.



Asset-based approach - Upon diagnosing a local man with Alzheimer's, his GP recommended he attend a day-care centre, 5 days a week. However, on speaking to the man, it was discovered he was a keen runner. Therefore, rather than attend a day-care centre, the solution sat within his community. A local running club could get in touch with the man and take him running each day.

How we deliver – Be Wigan

Be Positive... take pride in all that you do

Be Accountable... be responsible for making things better

Be Courageous... be open to doing things differently

BeWigan

Because **how** we do things is just as important as **what** we do

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Diagram 4: How we deliver - Be Wigan



Community Book - To underpin the asset-based approach the Council developed a community book that aims to identify assets across Wigan. It is a resource that local people can access to find out about groups in their area, apply for volunteering opportunities or source equipment to borrow.

David Harker - Transforming Through Digital - A Hampshire Case Study

David's presentation focused on Hampshire County Council's transformation journey, carried out in partnership with Deloitte since 2011. Since that time, Deloitte have been involved in delivering 11 projects with the Council. The focus for this presentation was around the Digital Transformation project that commenced in 2014.

Key messages from the presentation include:

The transformation journey started in 2011/12. The Council has taken 20-25% out of the back-office costs (however the workforce has increased during that time).

There are 3 elements to a digital council; IT change programmes, digital platforms, culture & business change.

There is a need to engage with users and the wider community.

Have courage to 'stop doing things'.

Unlock and simplify your data.

The Council has a function to allow people to apply to volunteer through the website (increased visibility of opportunities).

Behavioural change is the most important factor in all digital transformation.

Digital is underpinned by a range of characteristics, e.g. users need to become (and supported to be) self-sufficient.

Hampshire co-developed systems with its users – 'putting customers at the heart of our business means making access easier'.

The Council captures engagement with citizens in one place, so when a person logs in they get a personalised home page based on their previous usage. The Council is looking at developing predictive service needs, to enable it to design services based on customer insight.

Question and Answer Session

The session was facilitated by Angela Mitchell from Deloitte. Angela began by asking the panel what they see as the most important critical success factors to deliver transformation. The panel focused on:

- Attitudes / behaviours (Leaders need to show they believe in transformation and staff and communities need to feel part of it).
- Back yourself as a leader and don't give in to vested interests.
- Engage with the change.

Question	Answer
How did partners engage and adopt the Be Wigan approach (from both the public and private sector)?	<ol style="list-style-type: none">1. Devolution (for Greater Manchester) has helped. Though the key is in sitting down with partners and explaining the approach, its benefits and the part they can play in it.2. Get all the people involved in a person's life in a 'huddle' to find the solutions that suit their needs.3. Research and understand the challenges faced by your partners (and agree joint objectives).4. Get a collective vision and follow through on that.
How can we build community engagement through digital?	<ol style="list-style-type: none">1. Take the digital strategy away from IT. It needs to be led by someone who understands people and user needs and requirements. The technology options are already here and available (and getting easier to use and understand). The best ideas come from the community.
How did the work (in Wigan) with the anthropologist come about?	<ol style="list-style-type: none">1. The development of this work came from a creative council project with Nesta. Through this work, the council realised the wider benefit that could be exploited from having an anthropologist work with staff and elected members. The council has also developed a Be Wigan councillor behaviour standard.

Question	Answer
<p>What involvement have you had (in Wigan) with the Trade Unions?</p>	<ol style="list-style-type: none"> 1. An awards culture throughout the council. 2. All staff permitted to have 2 days per year for volunteering. 3. Awards for attendance (all staff who have perfect attendance in a quarter are put into a prize draw to win £1,000 - sickness absence is now half what it was). 4. Appraisals replaced with 'My Time', which is a 2-weekly catch-up with employees and managers.
<p>How do you start to measure outcomes?</p>	<ol style="list-style-type: none"> 1. This is a complex area, for example in Bradford the regeneration of the City was hard to measure in terms of actual outcomes. It was more about getting people involved with the city again, and that you cannot always measure an outcome – just don't ignore the ones you know (as leaders) will work.
<p>How were staff given the permission to innovate? How was this set-up / enabled and how were staff given the time?</p>	<ol style="list-style-type: none"> 1. Engagement should be systematic as genuine innovation comes from staff. 2. People need to see that their ideas are being listened to. 3. As leaders, you need to be authentic and staff will believe you and buy into that way of working. 4. In Wigan Council, the Chief Executive and Council Leader run two-weekly 'listening into action' sessions with around 100 staff to listen to their ideas for improvement.



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