



# Business Case

<b>Project name:</b>	Great Place Great Service (GPGS) Programme
<b>Date of report:</b>	November 2015
<b>Author:</b>	Karen Brown
<b>Sponsor:</b>	GPGS Exec Board

## 1.0 Executive Summary

- 1.1 The Public Sector in the United Kingdom is facing unprecedented change and challenge. In simple terms there is huge pressure to do “more with less”.
- 1.2 However rather than simply aiming to reduce cost in all that we do, it is important that we begin to think and act differently to deliver the levels of change required to meet the financial challenges and at the same time keep supporting Chesterfield District and prioritising our activities and resources to meet the Council’s vision.
- 1.3 We therefore need to deliver change which is transformational rather than incremental. To achieve this we need to start to address the much broader and more complex set of cultural and organizational changes which are needed to deliver significant benefit.
- 1.4 In addition to the financial pressures, there is also a range of other activity that leads to uncertainty for our future planning. This includes the ongoing devolution discussions, changes to business rates and changes impacting on our Council Housing.



- 1.5 We also need to be aware of changing customer and therefore service needs, our growing and aging population, that is also more mobile in nature and its use of technology.
- 1.6 Currently, in the context of many unknowns, we estimate that we will need to reduce our revenue expenditure by about 25% over the next 5 years.
- 1.7 Our Council had anticipated some of the financial challenges that we would face and has already reduced costs and established the Great Place Great Service (GP:GS) Programme in 2013 to deliver change and financial benefits.
- 1.8 The increasing financial pressure and significant changes in the Public Sector means we need to review the scope and impact of GP:GS to ensure we remain focussed on the right things.
- 1.9 Maintaining the Programme therefore needs strong and clear leadership and governance arrangements, demonstrating a clear focus of accountability. We must use formal program management disciplines and prioritisation of activities and program changes, based on a transparent reporting and informed decision making.
- 1.10 We must also be strong and disciplined to drive through changes and deliver financial benefits as outlined in detailed business cases.
- 1.11 It is therefore intended that the GP:GS 2015:2025 Programme will be delivered through a range of Workstreams :
  - Establishing Solid Foundations
  - Smarter Working
  - Estate Rationalisation
  - Commercialisation
  - Procurement
  - Change Readiness and Change Management
- 1.12 These workstreams have been included in the GP:GS 2015:2025 business cases. To deliver these workstreams it is estimated that there will be £3.1 million revenue cost and £1.0 million capital costs, with financial benefits during the 10 year period amounting to £6.8 million revenue savings and £1.5 million capital saving.



- 1.13 When fully delivered the GP:GS 2015:2025 Programme will:
- Save money and be an important part in tackling our budget challenges
  - Improve the services we offer our customers and residents
  - Transform and modernise the Council
  - Support staff and members to deliver effective change
  - Enforce tight controls to manage activities and benefits realisation effectively
  - Need to be tenacious, determined and at times ruthless
  - Need to be flexible and agile to grasp future opportunities

## **2.0 Introduction & Context**

- 2.1 The GPGS programme was initially launched in December 2013, and has been billed as 'the' transformation project for Chesterfield Borough Council, looking to invest £1.4 million over 3 years in order to save £3.5 million over the 10 year horizon taking us to 2023/24
- 2.2 Since the launch in 2013/14 many changes have been made and many things have been achieved, including
- Removal of the old fashioned clocking in machines from the Town Hall reception area
  - Agreement of Model Office design and principles, with working model office areas developed in the VIC and the Town Hall.
  - Completion of a Townscape Heritage assessment of the Town Hall, ensuring we know exactly what we can and can't do with the building.
  - 1<sup>st</sup> stage planning of what a re-shaped Town Hall could look and feel like.
  - Sale of assets totalling of £750K
  - Business Rate Rebates totalling £340K one off and 85K per annum savings
  - Cashiering service relocated to HLC allowing the sale of the building for £220K
  - GIS Systems have been integrated and upgraded providing 1 version accessed by all relevant officers across the council.
  - An audit has been conducted of all Application systems (software) to help identify which systems we can stop using and which we need to develop.
  - Introduction of Voluntary service partners into the Town Hall, leasing space in a renovated basement area, raising income for £38,000 per annum



- A clear out, of old unused and un-needed storage across the town hall, notably the 5<sup>th</sup> & 4<sup>th</sup> floors and basement areas to enable use of the fourth floor for additional office space.
- Completion of the super depot facility, located at Stonegravels and now the base for both Housing operatives & Environmental services operatives. Realising £75K of capital funding after build costs and an annual saving of £12k for operational costs
- Introduction of Leadership & Development training for 132 managers & supervisors
- Lean training at various levels provided to over 200 employees to enable them to implement and manage change in their own areas.
- Established a significant amount of baseline data re many things including
  - staff space requirements,
  - staff technology needs,
  - customer interactions volumes per subject
  - customer interaction transaction types & times
  - cost of communication channels

2.3 These achievements have to date cost the organisation £320,000

2.4 A significant factor which remains unchanged is the councils approach to meeting the challenge of the austerity measures; we remain committed to the principles of GPGS which are summarised in section 6 of this report.

2.5 The final key factor which remains unchanged is that around stakeholder expectations, our stakeholders (residents, businesses, visitors, staff) quite rightly, continue to expect an excellent service from Chesterfield Borough Council, this includes access to services at a time and in a way which suits their needs.

2.6 However whilst the expectations have remain unchanged the funding pressures facing the council are becoming more challenging, since 2011 there has been £4.4 Million cut from central government support budgets, this includes £2 Million of new cuts since the project commenced, all indications are that austerity will continue until 2020 when it is assumed that the Council will need to have achieved financial self-sufficiency. This represents further cuts in the region of £2.7 Million



### **3.0 Developing the Operating Model**

- 3.1 It is proposed that the Council develops a new operating model to enable the ability to meet the challenges it faces up to 2020. This operating model will help the council understand and answer the following:
- What do we want Chesterfield to feel like in 4 years?
  - What outcomes do we need to deliver to achieve that?
  - How does the council need to work, think, act and behave to achieve this?
  - What activity must we undertake to achieve the agreed position
  - How do we know we are doing the right things at the right time?
- 3.2 The approach proposed to deliver the operating model is:-
- Senior stakeholder engagement
  - Baseline assessment & context from existing work
  - Develop a draft operating model & identify barrier to change
  - Hold a Cabinet / CMT Facilitated workshop
  - Develop final draft operating model and present to senior stakeholder
  - Operating model to be approved by GPGS Board
- 3.3 The operating model is planned for completion by December 2015

### **4.0 Case for Change**

- 4.1 Since the launch of GPGS in 2013/14 the council has collated a significant amount of data, enabling the ability to review the GPGS programme to ensure that it is continuing to be on track to deliver in such a way that best equips the council to meet its current and future challenges. This exercise is good project management practice and acts as a gateway review for the project.
- 4.2 A change in the senior leadership at the Council and in the leadership of the GPGS project has provided an excellent opportunity to conduct this review with fresh eyes.
- 4.3 A thorough review has been undertaken during 2015, led by an Executive Director within the council, supported by the Business Transformation Manager and utilising expert resource from across the council including,



Finance Director, Head of Kier Chesterfield, Key Senior contacts with arvato, the GPGS Project officers and the GPGS Executive Board.

- 4.4 A lessons learnt exercise was conducted with officers from across the council; a summary of key themes from this exercise is attached at Appendix A, This exercise highlighted the strengths of work undertaken so far, in relation to governance, launch event, relationships with Keir & Arvato and Asset management work, the exercise also summarised the perceived negative elements, notably Communication, training, consultation and the focus on the town hall.
- 4.5 The review has confirmed that the GPGS programme 'is the right thing to do, is based upon the right principles and targeting the right areas'. It does however identify other issues which must be addressed to ensure the success of the programme.
- ICT Infrastructure – This needs to be modernised and stabilised before new pieces of software and hardware are added with high functionality.
  - Telephony needs to be brought into the business case to fully enable the mobile working principles.
  - Website & Intranet projects, these are two key enablers of the change of GPGS and therefore it is essential that they are incorporated into the programme.
  - Procurement will become a key strategic transformational tool going forward and is therefore recommended for integration into the programme.
  - Commercialisation opportunities are being explored and governance around this process is recommended to be incorporated into the GPGS framework In order to allow timely decision making to best capitalise on opportunities.
  - The establishment of solid foundations. See section 7 of this report for further details.
- 4.6 Whilst there are many new things now recommended for inclusion in the GPGS programme of work, consideration has also been given to areas included previously that we now feel should be removed or delayed. Main areas identified are Customer Relationship Management (CRM) & Document Management System (DMS), in both cases it is felt that these are the right things for us to do as an organisation, however we feel that there are other things, such as ICT infrastructure, website and Intranet which we must get



right first before we push on with these initiatives. It will therefore be recommended within this report that these items are delayed for approximately 18 months to allow officers to focus on establishing these foundations before progressing with the new technologies that relate to CRM & DMS.

## **5.0 Programme Principles / Assumptions / Scope**

### 5.1 Principles

- The council remains 100% committed to achieving the following through the GPGS programme.
  - We want Chesterfield to be a great place to live in, work and visit.
  - We want to operate great facilities and provide great services for our customers
  - Helping to deliver the Council's vision – 'Putting Our Communities First'
  - Creating a shared vision of how CBC will operate in future and communicating it effectively
  - Improving the customer experience
  - Achieving an integrated approach to delivering 5 key strategies – ICT, Customer Services, Workforce Development and Asset Management, Commissioning & Procurement Strategy
  - Helping to deliver a solvent and financially sound council
  - Having a workforce that is willing and able to embrace change
  - Introducing flexible working and a modern working environment

### 5.2 Assumptions

- The following assumptions have been made during the development of this business case.
  - That members remain committed to the corporate plan for 2015-19 and the core value of Putting our Communities First
  - That austerity measures continue till 2020 as predicted.
  - That funding is available to invest in the project as defined within the cost model included in this report.
  - That the council address the underlying ICT infrastructure requirements utilising the ICT reserve or other funding, outside of the cost model included for this project.



- That the commercialisation group will operate with its own governance framework and cost model, reporting into the GPGS Framework at agreed frequencies and with larger scale projects
- Organisational commitment and adequate resource allocation.
- That when non staff related savings are identified they are removed from budgets with immediate effect.
- That when staff related savings are identified they are realised via redeployment, voluntary redundancy or if require compulsory redundancy as quickly as possible in accordance with legislation and CBC Policies and procedures.

### 5.3 Scope

- The specific scope of this programme remains limited to those items included within the cost model attached at Appendix B and detailed in section 7 below. Delegated authority is recommended with the GPGS Board, Executive director and Business Transformation Manager (or equivalent roles if restructuring applies) be given authority to make decisions on spend within the remit of the approved cost model and within their individual approval limits where applicable.
- Members should however be aware that in order for the programme to be flexible and agile to grasp future opportunities, that change control requests are likely to be presented in the future to seek approval to amend this documented scope

## **6.0 Projects / Work streams**

6.1 The GPGS programme is a comprehensive programme that is based around some key themes and work areas, the paragraphs that follow provide an overview of what is included in each of the key areas

- Establishing solid foundations
- Smarter working (Town Hall Restack, Flexible working & Telephony)
- Estate Rationalisation
- ICT Infrastructure
- Website & Intranet
- Commercialisation
- Procurement
- Change readiness and Change Management





## 6.2 Establishing solid foundations

- Developing an Operating Model - As detailed at section 3 of this report.
- - Developing Strategies in a constant manner ensuring that all cross cutting issues are addressed holistically, embedding the one council approach and the operating model.
    - ICT strategy ( By Dec 2015)
      - aiming for clarity and a checklist for future ICT commissioning, procurement and development with increased corporate control
      - ICT is developed as an enabler of change
      - Recognising the significance of data and information assurance / security
      - Identifying and planning for more efficient and effective 'day to day' ICT provision
    - Customer Services Strategy (by March 2016)
      - supporting channel shift
      - increase access to services via digital and self service
      - improve first point of contact resolution
      - scalable solution to work with partners
      - 'Always think customer'
      - 'Our customers are never in the wrong place'
      - Shift performance indicators from volumes to quality measures
    - Workforce strategy.
      - Ensuring the council's workforce is appropriately skilled and sized to deliver the council's needs.
      - Maximising training & development opportunities.
- Changing & Improving our
  - ICT
  - Customer Service
  - Support Service
  - Rent Collection
  - Website & Intranet
  - Information Assurance
- *This is a programme of work running till December 2016 and will look to integrate all the above, preparing the organisation*



*collectively for the changes and challenges ahead, This work will be supported by the ICT Steering Group, The Workforce strategy group and the Customer Services group.*

**6.3 Smarter working – (Town Hall restack , including flexible working & Telephony)**

**6.3.1** A significant piece of work, demanding the greatest level of funding within the overall project, but one which has the potential to develop a flagship building, fit for purpose and future proofed, a building that can be utilised by staff whilst also providing opportunities for commercialisation with partner agencies and private sector organisation renting space in a sleek modern working environment.

**6.3.2** This part of the business case has the ability to provide a 3 year return on investment (capital & revenue)

**6.3.3** The project will require £790K capital investment, with building works programmed to take approximately 15 months to complete. Background work has already been undertaken around this project to ensure that we can move swiftly to implementation. Including

- Specifications for furniture developed
- Specification for finish of offices and breakout space complete
- Audit of staff
  - Departmental structures
  - Numbers
  - Relationships
  - Interdependencies
  - Categorisation of staff
- Audit of accommodation and assessment of suitability and efficiencies:
  - Requirements
  - Storage
  - Reception
  - Meeting Rooms
  - Heritage issues, including procuring a Conservation Management Plan
- Audit of furniture
  - Condition, size



- Legacy value
- Storage capacity and flexibility
- DSE compliance

**6.3.4** Once the Town Hall is developed the available space for rental is expected to achieve a combined income of over £170K per annum, on top of the £38K per annum already being received for the VSO space in the east basement area. In addition this work will release space in other locations including Venture House and 87 New Square which will be re-let / sold. Full details of the costs -and income opportunities are included in the GPGS cost model attached at Appendix B with further detail in the Town Hall Restack summary document attached at Appendix C.

## **6.4 Estate rationalisation**

**6.4.1** The council's partner, Keir Chesterfield, provides a business as usual property rationalisation service for CBC as part of the PPP contract through which they are managing over 300 properties on our behalf and conducting rolling programme of reviews, looking specifically at each asset and making recommendations around the future of each property within our portfolio

**6.4.2** As part of GPGS, work has been specifically identified in relation to 2 locations which are included within the cost model. These are

- 87 New Square, the current location of the councils CCTV service, planned for relocation to the Town Hall as part of the Restack
- 6 Ashgate Road (currently the museum store) an ongoing GPGS project looking to relocate the store to a more suitable location to release the building at 6 Ashgate road and its surrounding car park for development.



## **6.5 ICT infrastructure**

- 6.5.1** The council's current ICT infrastructure is aging; much of the hardware is in need of replacement and where appropriate migration to cloud hosted services is ongoing.
- 6.5.2** We continue to have a multitude of software in use across the organisation, some of which is redundant and in the process of being 'turned off', many software systems are in urgent need of upgrade, whilst some software which is still required is considered end of life and alternative solutions need to be sourced.
- 6.5.3** GPGS raises the requirement for some elements of new software.
- 6.5.4** Officers are aware of the need to ensure that the core infrastructure is capable of coping with any new systems we require to modernise, before they are procured and implementation is attempted, this is with a view to ensuring smoother implementation, more effective systems and greater benefits when installation does take place. It is on this basis that officers recommend that the ICT infrastructure is handled as a priority ahead of further new software installations relating to CRM or DMS.

## **6.6 Website / Intranet**

- 6.6.1** The council has recently procured new Intranet and Website solutions which are in the process of being rolled out, these systems form part of the establishing solid foundation plan, and play a key role in helping stabilise the council's infrastructure overall and will become key platforms to enable staff and customers to access our services and data moving forward

## **6.7 Commercialisation**

- 6.7.1** The Council is committed to investment and growth to ensure financial self-sufficiency by 2020 and has thus established a Trading Board that are responsible for co-coordinating and



exploring new commercialisation opportunities that the council may wish to embark upon in the coming years.

- 6.7.2** Following discussion at the July 2015 GPGS Executive Board, it has been agreed that activities to develop the council's trading activities should form part of the revised GPGS programme. The aim of expanding trading activities is to improve the overall financial stability of the council. This would be both through expansion of existing activities, to improve the financial return to the council, and exploring new activities where opportunities exist for a financial return. Given this remit, it makes sense to consider this work alongside other key elements of transformation within the overall Great Place Great Service programme.
- 6.7.3** The role of the programme, largely carried out by an already established Trading Board comprised of senior officers, would be to support and challenge the expansion of trading activity. It will not be to directly develop, implement or manage trading services (although some service managers on the Board may also be those responsible for new and/or expanded trading activity). The approach taken will be for services to bring forward business cases for each activity for consideration by the Trading Board. It is expected that the level of detail in those cases and testing to which they will be subjected, will be proportionate to the potential risks and rewards of the new activity. Where possible, the Board will agree cases for implementation, but where there is the potential for higher risk activities, these will require approval by the GPGS Ex Board.
- 6.7.4** Potential areas for focus include expansion of existing service activity already operating on a trading basis, including housing repairs, gas servicing, commercial waste, grounds maintenance and building cleaning. However, proposals will need to show an appropriate balance of risk and reward, consideration of which will need to include the market within which those services will operate and the council's ability to trade competitively within them. In terms of potential new activity, work is being undertaken on proposals for



redeveloping vacant residential property, both through acquisitions and for vacant HRA stock. Building new housing, through a separate company, will also be brought within the scope of this Board. In the medium term, catering activity is a further area where proposals could be developed.

**6.7.5** Each business case will need to set out a clear financial case that shows the return on investment. At this stage it is hard to put a figure on the overall level of increased income that could come from additional trading activity, but unless the authority has a high level of risk appetite (and is prepared to invest substantially in new plant, staff, marketing etc.) then returns are likely to be incremental and build over time. It is likely that there will be costs involved in preparing some of the business cases, particularly where the ventures involve different legal or financial structures and/or greater exploration of the market than can be done in house. As a very broad estimate, there may be costs of 30-50k in 15/16 for specialist support on developing business cases, though a significant share of that could fall to the HRA if linked to the new housing company. In future years, it is likely those costs would increase, particularly if a company is established to deliver new housing. A very rough figure of 50-80k p.a. for 16/17 and 17/18 might be appropriate; though for 18/19 onwards this should fall as greater expertise is developed in-house and/or future costs are met from the profits of previous activity. NB these are indicative costs which at this stage have not been included in the cost model as it is the intention to bring individual Business Cases to the board as and when required.

**6.7.6** The Terms of Reference for the trading board can be seen at Appendix D

## **6.8 Procurement**

**6.8.1** Procurement is a transformational tool which can provide opportunities for efficiencies and rationalisation if managed appropriately. Officers propose that the Councils approach to and management of the procurement process be included



within the GPGS programme to ensure that opportunities are maximised.

- 6.8.2** A Cabinet paper has been developed, Appendix E, detailing the proposals around the future service provision for procurement, this paper is scheduled for cabinet during November 2015.

## **6.9 Change Readiness and Change Management**

- 6.9.1** The council needs to recognise the need to understand the impact of change on our workforce.
- 6.9.2** For change to be effective the workforce need to be engaged, understanding and supportive of the change needs of the organisation and in return the organisation needs to reflect and meet these requirements through both day to day management and strategic longer term workforce strategy activity.

## **7 Potential Future Work**

### **7.1 Customer relationship management (CRM)**

- 7.1.1** This element of the project is offers the potential for transformational change for the council, A business case has been developed and is attached, Appendix F, This case has been written to provide information to the board regarding the benefits and costs to purchase and implement a new Customer Relationship Management (CRM) system with online self-service functionality.
- 7.1.2** The business case provides the costings of three suppliers and identifies projected savings from rationalising IT systems, and channel shifting customers to online self-service.
- 7.1.3** The business case does demonstrate that implementing a CRM alone will not provide the council with cashable efficiencies, in fact it will cost the council approximately £215K during its first 5 years, it will however allow us to transform the way we choose to allow our customers to interact with us and will make our services significantly more accessible outside normal office hours.



**7.1.4** This change to contact channels and the ability for customers to transact fully with the council online will in turn allow the back office functions to reshape the way they work and the tasks they are required to perform. This will enable officers to focus on other areas of work where their professional skill can be most effective and in turn may provide additional efficiencies which at this stage cannot be quantified.

**7.1.5** This area of work remains important to GPGS, however due to the technology and time commitment required to implement effectively, coupled with the need to improve our basic ICT infrastructure first, officers do recommend that this work is not progressed for approximately 18 months.

## **7.2 Document management**

**7.2.1** The implementation of a corporate wide Document Management System (DMS) and an accompanying Electronic Mailroom Solution (EMRS) have been part of the GPGS programme since its launch in 2013 / 14.

**7.2.2** Early indications are that DMS will cost the Council in the region of £450K to implement and will have ongoing system costs of £23K per annum. To date officers have been unable to attribute planned savings to DMS or EMRS.

**7.2.3** The DMS and EMRS are recommended for further investigation in 18-24 months' time once the core ICT infrastructure has been developed. At this point officers will need to re-assess costs and conduct a formal analysis of potential benefits which the council could achieve through the implementation of the systems.

## **8.0 Approach to Implementation**

**8.1** All elements of the project described in section 7 will have business cases produced using the CBC project toolkit. All business cases will be presented to the GPGS Board for approval.

**8.2** The GPGS board will have delegated authority to make procurement decisions and decisions around resource spend, within budget levels as set out in the GPGS Cost model – Appendix B





8.3 The GPGS board will operate its meetings with a forward plan approach which will be utilised to ensure follow up on all elements of change to ensure effectiveness and desired results.

## **9.0 Resourcing the programme including PMO**

9.1 The programme will be implemented by a combined Business Transformation and GPGS Team. This team will need to operate to a revised structure

9.2 The implementation team will be supported by Project academy officers along with key officers from across the organisation as specialist skills are required, officers /teams will include

- Communications & Marketing,
- Policy for Consultation,
- Service area subject matter experts,
- PPP Client,
- Finance,
- Legal & Governance.

9.3 Further key partners to ensure the successful delivery of the project include both arvato and Keir through the PPP arrangements. Key officers from both organisations are recommended to be included in the GPGS project board.

9.4 As part of GPGS it is proposed that the council develops a Program Management Office (PMO), defines and maintain the standards and processes related to project management within an organisation, in our case they will also co-ordinate and report on progress to all key projects, this can be utilised for GPGS but also for other projects across the council including the corporate plan and service plans

9.5 Performance management & reporting for GPGS projects will utilise the 7 keys approach with monthly reporting against progress in 7 key areas for each project summarised on a worksheet showing the RAG status of each of the 7 keys allowing the board to focus on managing performance by exception. An example is attached – Appendix G



## **10.0 Risks & Issues**

- 10.1 A Programme of this scale comes with many associated risk and issues, these have been summarised on the councils risk management document, attached at appendix H. The PMO function will review risk on an ongoing basis with a formal review at the GPGS Board on quarterly cycle.
- 10.2 In addition to the risk log attached all individual business cases have their own specific risk & issues section.

## **11.0 Governance**

- 11.1 The GPGS board will meet on a monthly basis (more frequently if required or at peak stages of project implementation).
- 11.2 The board will consist of the following members / Officers
- Leader of the Council
  - Deputy Leader of the Council
  - Lead Member for Business Transformation
  - Chief Executive
  - Executive Directors
  - Chief Finance Officer
  - Business Transformation Manager
  - Communication & Marketing Manager
  - Head of Kier Chesterfield
  - Arvato Key Account Manager
  - Trade Union Representative
  - Other key officers will be invited to attend as and when required.
- 11.3 A written record will be maintained for all meetings and the standard agenda will be as per the example at Appendix I, the outcomes of the meetings will be recorded in action & decisions logs as part of a RAID (risk, Action, Issue & decision) log document. – Appendix J
- 11.4 Key project delivery teams will be established and disbanded as required to focus on task and finish delivery of various project elements. In the first 18 months this will include a working group focusing on the delivery of the Town

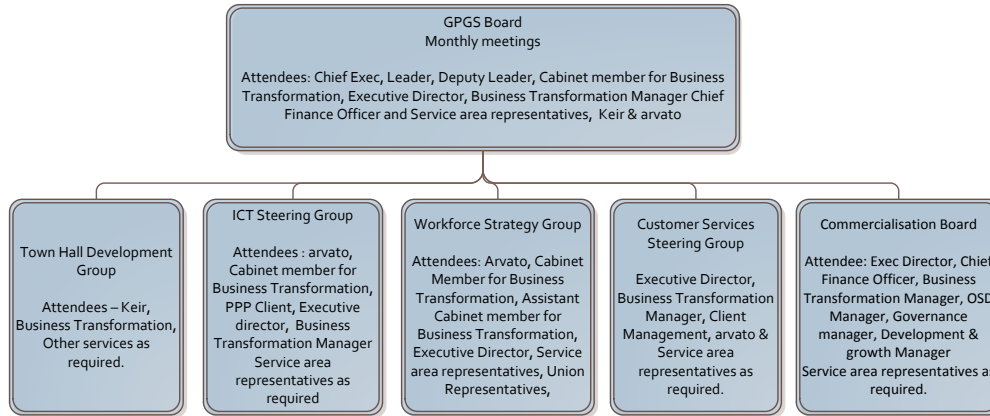


Hall Restack and will contain key officers from Kier and from the BT / GPGS team.

- 11.5 GPGS will not establish new working groups to deliver GPGS Issues when existing groups are already in existence, we will work with these groups to ensure an appropriate focus on GPGS Issues embedding the GPPS Issue as appropriate.
- 11.6 The ICT Steering Group will continue to operate and will focus on ensuring the establishments of solid foundations with an early focus on:
- Development of an ICT Strategy
  - Website development
  - Intranet Development
  - ICT Infrastructure
- 11.6 Workforce Strategy Group will continue to operate with a focus on ensuring that we have an appropriate sized and skilled workforce to deliver our organisational needs
- 11.7 The customer services working group will be focusing in the initial period at getting the customer service foundations established in order to ensure that we can build solid business case moving forward around our CRM options or any alternatives, the teams focus is around improving the customers experience and service accessibility, not around implementing a piece of software.
- 11.8 The following graphic is a visual representation of the governance arrangements described above.



# CHESTERFIELD BOROUGH COUNCIL





## 12.0 Costs

12.1 The following chart shows the cost summary for the programme options. These costs are supported by a detailed cost model which can be found at Appendix B, the model has been developed in conjunction with Finance and initial funding has been ring fenced to allow the project to start with the required cash injection.

	2015-16		2016-17		2017-18		2018-19		2019-20	
	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
<b>Total Expenditure</b>	671,863	374,000	616,530	616,000	301,530	0	377,530	0	131,530	0
<b>Total Income / Budget Savings</b>	-505,420	-374,000	-715,600	-876,000	-673,572	-225,000	-788,237	0	-627,340	0
<b>Net Cost/(Saving) before financing</b>	<b>166,443</b>	<b>0</b>	<b>-99,070</b>	<b>-260,000</b>	<b>-372,042</b>	<b>-225,000</b>	<b>-410,707</b>	<b>0</b>	<b>-495,810</b>	<b>0</b>

	2020-21		2021-22		2022-23		2023-24		2024-25		TOTAL	
	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
<b>Total Expenditure</b>	341,530	0	207,530	0	131,530	0	131,530	0	207,530	0	<b>3,118,633</b>	<b>990,000</b>
<b>Total Income / Budget Savings</b>	-837,340	0	-703,340	0	-627,340	0	-627,340	0	-703,340	0	<b>-6,808,869</b>	<b>-1,475,000</b>
<b>Net Cost/(Saving) before financing</b>	<b>-495,810</b>	<b>0</b>	<b>-495,810</b>	<b>0</b>	<b>-495,810</b>	<b>0</b>	<b>-495,810</b>	<b>0</b>	<b>-495,810</b>	<b>0</b>	<b>-3,690,236</b>	<b>-485,000</b>



### **13.0 Benefit Realisation**

- 13.1 Benefit Realisation is essential to the success of this project, all predicted savings must be realised as cash in the bank in order to move the council towards a position of financial self-sufficiency by 2020.
- 13.2 The ability to realise real benefits from this project varies from section to section, in many cases the transition is straight forward, e.g. income will be received once tenants are secured and moved in and liable to pay. However some remain more challenging, especially as the project progresses and we explore more comprehensively the operational benefits.
- 13.3 Operational benefits will generally take the form of a reduction in the amount of time taken to perform a process, in theory these can add up and be the equivalent of significant sums of cash or number of hours work, however in practice, the realisation of this cash is difficult for two reasons, firstly it only becomes real cash if costs are reduced and this often means losing a member of staff, secondly it can be very difficult to identify that member of staff as work is usually lost on the basis of a few hours per person rather than all of one person's job role.
- 13.4 The council must be prepared to realise savings associated with staff levels in order to secure savings, this can be done via redeployment, voluntary or compulsory redundancies in line with legislation and CBC policies and procedures .
- 13.5 The council must become more disciplined in its approach to realising savings that can be released from budgets (none job related) these are to be removed from budgets with immediate effect when changes are made and savings reported to GPGS Board.

### **14.0 High Level Milestone Plan.**

- 14.1 A high level milestone plan summarising timeframes associated with all work referenced within this report is attached. Appendix K



## Summary of appendices

- A Lessons Learnt Summary
- B GPGS Cost model
- C Town Hall Restack detailed options proposal.
- D TOR for commercialisation board
- E Procurement options Cabinet paper
- F CRM Business Case
- G 7 keys summary report
- H Risk Management Log
- I Sample GPGS Board agenda
- J Sample RAID log
- K High Level milestone plan.