

PERFORMANCE SCRUTINY COMMITTEE – 6 SEPTEMBER 2018

**IMPLEMENTING A NEW OPERATING MODEL FOR OXFORDSHIRE
COUNTY COUNCIL**

Report by the Chief Executive

Introduction

1. The Performance Scrutiny Committee was updated in March 2018 on the progress of the Council's Fit for the Future Transformation programme and was introduced to the development of a new Operating Model for the Council as a whole.
2. The Operating Model is a detailed description of how the Council will work in the future, with the key aims of putting better outcomes for residents and the delivery of the Thriving Communities Vision at the centre of all plans and operations.
3. Development activity since March has produced a detailed design for the Operating Model and Cabinet is due to consider the proposal on 18 September 2018. As noted to the Committee in March, detailed further work on implementation will be required beyond the agreement of the Operating Model. Therefore, a subsequent report on the investment required for implementation and a recommended strategy for delivery will be considered by Cabinet in October 2018. Consideration of identified financial benefits from delivery of the Operating Model will be developed as part of the Service and Resource Planning process for ultimate agreement by Council in February 2019.
4. If adoption of the Operating Model and implementation is agreed, arrangements for the monitoring and scrutinising of implementation and the delivery of agreed benefits will need to be agreed with the Committee.
5. The draft Cabinet Report and Annexes, including the full Business Case for the Target Operating Model (which incorporates an Executive Summary), are attached to this report.
6. This paper highlights, in brief, specific areas of the Operating Model which may be of particular interest to the Committee. It goes on to recommend that the committee notes the content of this report and comment on any issues relating to the proposed adoption of the Operating Model.

Background Information

7. The background to the development of the Operating Model and the development of a Case for Change were considered by the Committee in March and are not repeated here. They are set out in full within the attached draft Cabinet report.

The Business Case

8. The purpose, approach and structure of the Business Case for a new Operating Model is set out in the attached Cabinet report.
9. Fundamentally, the Operating Model seeks to describe the way that the Council will function in the future. The Operating Model, in itself, does not determine *what* the Council will do but *how* it will work. It is therefore closely aligned to the Corporate Plan and the wider strategic policy and planning framework which set out the Council's agreed priorities and objectives and is integral to the delivery of that framework.
10. The Business Case is set out in full at Annex 1 of the Cabinet report, introduced with an Executive Summary.
11. Members of the Performance Scrutiny Committee may be particularly interested in the following areas of the Operating Model and the associated Business Case:

Strategic Capability

12. This section of the Operating Model (section 3e, slide 161) seeks to deliver a refreshed capacity to support members in defining priority aims and vision and to manage, support and communicate the delivery and monitoring of those aims. It includes a description of what capability is required for strategy and policy making and for performance management, and how these functions will work with service areas. It addresses the role of members and is about enhancing the capability of the organisation to respond to and deliver on the priorities set through the democratic processes.

Business Intelligence

13. This section (section 3e, slide 184) describes a new function for the Council that will develop significant insights from data and information, using technology, data science and partnership approaches to support the Council in making evidence based and data-led decisions.

Integrated Business Centre

14. This section (section 4i, slide 241) describes work undertaken to review the public partnership arrangements with Hampshire County Council and the delivery of financial and HR transactional activity through the Integrated Business Centre (IBC). In particular, it considers whether the IBC, in its current form, can support the delivery of the Operating Model, considers strengths and challenges and asks what may need to change.

The Financial Case

15. This section of the Business Case (section 5, slide 257) sets out the financial case for change in terms of the programme itself.

Financial Implications

16. The Cabinet report sets out the relationship between the savings from transformation already required in the Medium Term Financial Plan (MTFP) and the proposals within the Operating Model. This Cabinet Report deals with how existing MTFP savings will be delivered through the implementation of the Operating Model and will not in itself lead to review of the MTFP. However, the extent to which the Council chooses to apply the model and the approach to implementation will have an impact which will be incorporated through the usual Service and Resource Planning processes, throughout the lifetime of the programme, and agreed by members in the usual way.

RECOMMENDATION

17. **The Committee is RECOMMENDED to:**
 - a) **Note the contents of this report and its attachments;**
 - b) **Comment on any issues relating to the operating model and its impact on the Council's current and future performance;**
 - c) **Comment on the ongoing role of the Committee in engaging with the delivery of the Operating Model, if agreed.**

PETER CLARK
Chief Executive

Attachment 1: Draft Cabinet Report *Implementing a new Operating Model for Oxfordshire County Council*

- Annex 1: Business Case
- Annex 2: Service and Community Impact Assessment

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