iESE gives a unique offering

Welcome letter from Dr Andrew Larner, Chief Executive at iESE and iESE news. Read about our recent conference, the launch of our new White Paper and how to apply for the 2020 iESE Public Sector Transformation Awards.

In this edition we have featured a four-page Transformation pull-out for our readers to keep as a handy guide. This pull-out is intended to show you best practice from the sector - not solely from iESE clients - and introduce you to the iESE Model of Transformation and the tools we have available to help you plan and carry out a transformation agenda. We hope you enjoy the issue.

Please send any feedback, news or views for inclusion in a future edition to: enquiries@iese.org.uk.

Dr Andrew Larner and the iESE team

Technology takes centre stage at the iESE conference

The annual iESE conference, this year titled Delivering Digital and Technology for Local Public Services, took place on 12th November at Church House in London. Delegates had the chance to watch live demonstrations of new tools and technology from a range of companies at the forefront of disruption in the digital market and ask specific questions to a panel of experts in transforming digitally and real-time local government. The companies presenting at the event included: Mind of My Own, MySense, Netcall, Assurity Systems and Archymis.

The 2020 iESE awards are open

IT’S TIME TO GET YOUR NOMINATIONS READY FOR THE iESE PUBLIC SECTOR TRANSFORMATION AWARDS. NOW IN THEIR 11TH YEAR, THE AWARDS CELEBRATE LEADING-EDGE TRANSFORMATION ACROSS UK PUBLIC SERVICE. Submissions for the 2020 awards are officially open with the awards evening taking place on Wednesday 4th March at Church House, Westminster.

This year sees the addition of several new awards, including the Green Council Award, while other categories have been refocused. The four classic categories remain the same: Council of the Year 2020, Ambulance Service of the Year, Fire & Rescue Service of the Year and Police Service of the Year. The other categories for 2020 are: Communications Award, Transformation in Health & Social Care (adults & children), Innovation Award, Best Transformation Team, Green Council (sustainability), Digital Award, Customer Focus Award, Community Focus, Asset Management and Regeneration, Working Together, Efficiency and Effectiveness and, lastly, Intelligent Council.

Speaking at last year’s award ceremony, iESE Chief Executive Dr Andrew Larner, said: “The awards were created to try and identify true transformation and year-on-year they have got better. We started in the South East of England and now every part of the UK participates, and every part of UK public service participates from local authorities to police, fire and ambulance services.”

The idea is to give Chief Executives and Senior Managers who are really pushed at the coalface some pointers as to what should be in a strategy going forward. What was science fiction ten years ago is now real - drone delivery is happening, electric cars are a reality, our smart phones keep track of our health data. The future is out there but it is in bits. The idea of the White Paper is for us to scan the landscape and create some order and to avoid pitfalls of the past,” said Comber.

iESE saw the launch of the new digital White Paper at the Solace Summit in October, which not only outlined the findings of the paper, but also involved a demonstration which applied digital approaches to the process of transformation.

To download a copy of the White Paper visit: www.iese.org.uk/white-papers-digital-local-public-services
Transformation: The iESE way

New technology, new ways of working and new relationships with residents and businesses provide an unprecedented opportunity to reinvent local public services and rejuvenate communities. But the financial headroom to experiment and test new systems alongside old ones no longer exists. The iESE Way brings certainty to your transformation from savings and new systems and processes to culture change and your relationships with customer and community. iESE has been reinventing local public services for more than a decade. We can do more than help you survive - we can help you thrive.

One council that has benefited from the Innovation Mandate - one of iESE’s transformation tools - is East Lothian. Caroline Rodgers, Transformation Programme Manager at the council, said the process had been beneficial for getting member buy-in to transformational ideas.

“One of our challenges is that we have quite substantial targets to deliver against transformational change but elected members are sometimes reluctant to approve innovative transformation proposals which may be controversial. There is sometimes a bit of a disconnect between what may be required of the organisation and what is politically acceptable,” Rodgers explained. “We thought the Innovation Mandate would be a good way to bring members and officers together. Really what we were looking for was an agreed direction to give us a steer as to what to focus on in terms of budget savings.”

The council went into the Innovation Mandate workshop with some ideas but they also wanted iESE to help generate more and validate the ones they had.

The day was attended by five of nine elected members of the administration and 13 officers. Rodgers said the way the workshop was carried out was very effective. “What was good learning for our members - and some of our officers - is that what they perceived to be transformational change in relation to what had already been done, or was being done, turned out to be not as significant as they thought. I think the process iESE took them through to get to that realisation was excellent. There was no judgment, they learnt it for themselves and realised we could innovate and transform much more.”

What local authorities say about iESE

“iESE’s experience with other councils, their understanding of the local area and utilisation of data insight meant we were able to develop a bespoke area officer programme, which has been a resounding success. The range of expertise iESE brought to the table meant we felt equipped with the best insight at all stages of our transformation journey.”

Councillor Jenny Hollingbee, Folkestone & Hythe District Council

“iESE has worked with us to identify ways to deliver a best-in-class planning service. This meant working closely with customers, officers and members. The iESE approach has been a good fit for Hambleton, working in partnership and sharing a range of transformational change techniques with us.”

Dr Justin Ives, Chief Executive, Hambleton District Council

“In an environment where the future outlook for local authorities is uncertain, I am now confident we will have the right organisation for its purpose and one which is able to adapt to meet future challenges.”

Janet Waggott, Chief Executive, Ryedale District Council
The iESE Transformation Framework

Transformation is about building a positive future for a local authority, its residents and local businesses to enable the council and its local area to thrive, not just survive. We have developed a three-part model based on our extensive work and research with local authorities around the country which explains the three levels of transformation we are seeing and assisting councils to undertake.

The iESE Transformation Framework has three components:

- Our three-part model which helps design the new organisation
- A toolkit of tried and tested tools to deliver transformation securely
- A methodology which lays out all aspects of the transformation in clear and easy-to-follow stages

The iESE Transformation Model has three levels: Service, Customer and Community (see diagram A). Our extensive work with local authorities across the country has found most councils are focusing their transformation activity at the Service Level (level 1). This is where the council is revamping and tweaking services to make them more efficient and achieve cost savings. Looking at diagram B below, level 1 relates to route optimisation.

At the Customer Level (level 2), councils are looking more at what the customer needs to give a better and more efficient service, preventing unnecessary repeated contact with the council and making savings at the same time. In diagram B, level 2 tallies with removing waste collections.

The Community Level (level 3) is at the cutting-edge of transformation and we are starting to see examples of this in some local authorities. At level 3, the local authority is concentrating on designing out the need for the service in the first place. Level 3, if well designed, should have better outcomes and lead to less reliance on the local authority. In diagram B, level 3 relates to installing a home incinerator in all houses to avoid the need to collect refuse at all.

Underpinning the model are key characteristics that our research shows need to be in place for successful transformation. These are the golden threads that run across the three levels and ensuring these are recognised is essential to the successful implementation of the new way of working. These characteristics, such as the role of staff, the role of the elected member and the role of the customer, change at each level. These characteristics are the foundation of the essential design principles for your future public services, not just the ‘hard changes’ of business processes and technology, but the ‘soft’ changes from roles to the behaviours that deliver culture change. There are also some characteristics that are essential whatever change is envisaged.

The iESE Transformation Model currently goes up to level 3, but we see a future where the model evolves beyond this. A council could also be operating at different levels in different areas. With its array of consultancy tools, including the Innovation Mandate, iESE can pinpoint which level the council is operating at and identify ways to innovate and transform individual services or the organisation as a whole.

### CASE STUDY

**Wigan Council: The Wigan Deal**

Wigan Council is one local authority considered to be at the leading-edge of transformation. Although not an iESE client, we believe in sharing and citing best-practice to benefit the whole sector.

In 2010, Wigan Council had its budget significantly cut by central government, meaning the local authority had to save £160m by 2020. From this point, the council will receive no government grants. This makes the area the third worst-affected in the country according to the Institute for Fiscal Studies.

Recognising this challenge, the council remained positive and launched The Deal in 2013, a pioneering way of working with residents to ensure frontline services could be protected in spite of austerity and delivered in a way tailored to local need.

The Deal is an informal contract between the council and everybody who lives or works in the area to come together to create a better borough. In return for paying council tax on time, developing digital skills and recycling, the council pledges to keep council tax as one of the lowest in Greater Manchester, provide value for money and cut red tape.

Thanks to the values set out in The Deal, communities have been empowered, with more than £11m being invested in local groups to help deliver invaluable services at the root of communities. Working with the voluntary sector in this way has encouraged community cohesion, while reducing demand on frontline services.

Six years after The Deal was launched, and nine after the cuts were implemented, the council has launched its Deal 2030 strategy, which outlines the local authority’s plan to make the borough the best place it can be over the next decade.

As a result of Wigan Council’s approach to working differently with communities and thanks to local people doing their part of The Deal, recycling in the area has surpassed the 50 per cent target, council tax has been frozen for the sixth year running and 3,000 more people have been helped into employment since 2016-17.

- For more information on The Deal, please visit [www.wigan.gov.uk/thedeal](http://www.wigan.gov.uk/thedeal)
The ISE Way: supported by research

Our first White Paper published in 2015, From surviving to thriving, gathered the views of more than 100 local authorities on a sustainable model for local authorities and the impact of budget cuts. This research, updated annually, not only looks at how local authorities have transformed but how they plan to transform in the next five years. This research provides powerful evidence that underpins the iESE Way.

Our research has found Chief Executives support the view that local authorities need to switch their priorities in order to survive, moving their organisation away from one that provides all of the services their community needs, to becoming a local authority that helps enable the community to meet its own needs.

We found the priorities of local authorities had completely switched in the five years prior to 2015 and what Chief Executives anticipated would be their priorities in the following five years to 2020. Prior to 2015, 20 per cent said reinvention was a low focus area, with 80 per cent stating reviewing and remodelling was a high focus. However, for the five years ahead to 2020, 90 per cent said reinvention would be a high focus (see graph A).

It also found that when it came to addressing fiscal challenges, only 63 per cent said the focus would be on cost control, whilst 79 per cent said organisational transformation would be a priority (see graph B). Furthermore, councils were more optimistic about achieving financial savings in the short rather than the long-term (see graph C).

Our most recent White Paper, Digital Local Public Services: The path to an effective Digital Transformation Strategy for local government, argues that a local authority with reducing resources cannot keep meeting the demands of a society living longer and having more complex medical conditions as it ages. Without an entirely new approach - with a starting point of communities having to meet their own needs - the public sector will simply run out of money.

In 2013/14 iESE carried out a trial exercise to demonstrate how using procurement power could have a positive impact for both resident and council. The winter storms of 2013/14 caused damage to many homes along the Sussex coast, including blocks of flats privately owned by retired residents.

iESE looked at the supply of materials for repairs and was able to source them for 20 per cent of the original price. In one block, two of the ten residents would have otherwise used all their life savings making the repairs. The procurement exercise kept money in residents’ pockets and potentially prevented them needing outside funding for care in the future.

The Innovation Mandate

While Chief Executives see the need for transformation, how to achieve that can be less clear. The Innovation Mandate is a key part of iESE’s strategy for helping local authorities map out their transformation.

The Innovation Mandate can be used prior to transformation, with what is learnt helping set the parameters for subsequent activity, or it can be used as a sense check on progress and collective understanding during transformation. It can also help to get the change agenda approved by elected council members.

The Innovation Mandate:
- Provides a clear framework for change
- Sets out design rules
- Unites an organisation’s leadership and staff in transforming services
- Avoids wastage resources
- Ensures effort is focused on the right transformations done the right way

CASE STUDY
Surrey County Council: A Councillor’s view

iESE ran an Innovation Mandate workshop for Surrey County Council. Richard Walsh, a Surrey County Councillor, attended the workshop and found it beneficial for himself and other councillors taking part.

Cllr Walsh said he found the way the workshop was presented and the tasks that got the participants thinking “outside of the box” were stimulating and helped the councillors understand that the
The iESE transformation toolkit

The Innovation Mandate is one key tool iESE uses to assist with transformation planning but we also have a host of other consultancy aids.

The tool iESE can help a local authority deploy is the free online Self-Assessment Improvement Tool. The tool is part of the Transformation and Innovation Exchange (Tie X project) commissioned by the Local Government Association (LGA). Co-designed by iESE, the tool helps local authorities understand where they are on their transformation journey.

Each local authority which takes part responds to a series of statements about the organisation related to the characteristics of an effective council. The aim is to help the council identify how it is currently performing and what it would like to achieve in the future.

The model behind the tool has been designed using the research and learning over the past decade on what makes an effective council and aligns to the three tiers of transformation in the iESE Transformation model: Service, Customer and Community.

The tool works by allowing senior managers and leaders of an organisation to individually compile responses to statements on the different key areas. They respond by choosing whether the statement is something the organisation currently understands, plans, does or is reviewing.

The areas assessed include: role of the authority, use of data and intelligence, use of digital and technology and procurement and commissioning. The model is also complemented by critical success factors which need to be in place to enable successful change: leadership and management, approach to change and getting the best staff from.

Once senior managers and leaders have individually completed their responses, the participants come together to form an official council standpoint. A nominated person then inputs the official view.

Once the official view is submitted, the council receives the table of results to show them where they are performing strongly and where there is potential for improvement. They can then decide whether to submit the results to allow other leaders and senior managers to see an anonymous summary for benchmarking purposes. The LGA will be able to see the results whether the council decides to make the results available to other users or not.

Also included within the tool is a large searchable online library of case studies, methods, additional tools and contacts. These aim is that these provide further guidance on innovation and transformation happening in other local authorities.

To use the LGA Assessment tool visit https://tiex.esd.org.uk
Earlier this year iESE launched CareCubed, its new secure online tool designed to give care commissioners clarity on the cost of care and help manage care spend. iESE has demonstrated its commitment to ongoing investment in CareCubed with some exciting developments already this year, including launching in Scotland, releasing a comprehensive suite of performance reports and now a children’s version is available too.

CareCubed, which is the successor to iESE’s Care Funding Calculator, has been well received since its introduction and the user-base continues to grow with more than 60 organisations currently subscribed. The product, which can be used across mobile devices, contains model data updated every year. By inputting information about an individual’s care needs and other details, such as the location of the care setting, the model data allows a guide price to be generated as starting point for negotiation with the provider. The tool records the data so that next time there is a discussion between a care commissioner and provider about a case they can see what was agreed last time and why.

iESE is committed to the ongoing development of CareCubed and has now made a children’s version for pricing children’s care available for the first time. Figures show that severe funding shortages and huge demand led to councils overspending on children’s social care budgets by £800m last year. The feedback gained from local authorities when building the children’s version of the tool was that it is currently difficult to reach a clear understanding with providers regarding what is included in the price for children’s placements and in working out how what is being provided relates to the price given. It is not uncommon for prices for placements to be quoted in the region of £3–4,000 a week.

As with the adult tool, the children’s version contains model data updated every year. There’s much less published data on cost of care in children’s services, so iESE created its own data set combining a range of sources and original research. Diana Sherwood, negotiator and CareCubed consultant, said: “Some local authorities believe that the providers set their prices and will not negotiate. However, this is not the case, children’s providers have never been challenged on their costs and needs and this is why the prices remain high.”

As well as being committed to the continual development of the tool, iESE also provides its users with ongoing support. One way it does this is by hosting regular user forum events, with the most recent one held in September. Vanda Leary, Digital Business Lead at iESE, said the event went well. “It’s a fantastic opportunity for local authorities to share their experience on how they are using CareCubed, not just the nitty-gritty of the tool, but the wider business perspective on what they are achieving for their authority and the people they are supporting with their care provision.”

Mark Armstrong, Team Manager at Essex County Council, who attended the forum said the event had been good to stimulate ideas and see what other local authorities were doing. He added that the tool itself was easy to use and had given the organisation a much better way to evaluate proposed costs.

Victoria Bayley, Contracts Officer at Wiltshire Council, said the event had been really positive. The organisation uses CareCubed to benchmark costs and as a way of opening negotiation with providers. “It’s given us some really good data on the level of support somebody needs compared to what their care costs are,” she added.

For more information contact carecubed@iese.org.uk or visit www.iese.org.uk/carecubed

CareCubed: Hierarchy of Needs

ESE has designed a Hierarchy of Needs table (see graphic) to assist CareCubed users when commissioning care. It aims to avoid the default position of opting for one-to-one support by working through a table of other potential solutions first. This could also reduce the hours of care commissioned and help the client retain independence.

iESE Business Consultant Jim Weir said that from going into authorities to teach them about CareCubed it was clear that not many are yet looking at care commissioning in relation to the hierarchy of needs. “The hours being input for care are all extremely high. Our Hierarchy of Needs table is available to CareCubed users to act as a graphic reminder of the options,” he said.

Using the example of someone who needs to be supervised eating, he said that one-to-one care will often be commissioned. “This is the most expensive type of care available. If we look at the table we would first consider how technology could help. If the person needs a reminder to eat, rather than someone sat with them, electronic notification reminders could be all they need. At the next level, there could be family and friends or a volunteer who could sit with the individual. At the next level, the person commissioning care could check what other background support is being paid for and whether they could fulfil that function. After this, they could see if there is more than one person who needs to be supervised when eating and whether they could eat together. The last level considered should be the one-to-one support,” Weir explained.

To find out more about CareCubed and the Hierarchy of Needs contact carecubed@iese.org.uk or visit www.iese.org.uk/carecubed

Is your organisation really doing what matters for its customers?

We review how customer experience compares to what senior management teams believe takes place on the ground.

Our diagnostic review using the iESE Customer Focus Wheel is based on evidence obtained through:

• observing direct customer demand
• interviews with staff
• a review of the organisation’s strategy and policies

Find out more about the Customer Focus Wheel at www.iese.org.uk/customer-focus-wheel
The iESE Innovation Club runs a series of regional showcase events throughout the year. These events, which are hosted by local authorities and other public sector organisations, allow members to see innovation in action.

The most recent iESE Innovation Club event, which took place in August, saw members visit East Ayrshire Council in Scotland. East Ayrshire won the iESE Council of the Year award in 2017 and has continued to innovate and transform since. The council also won two gold (Community Focus: Place and Environmental Services) and one bronze award (Innovation) in the iESE Public Sector Transformation Awards 2019.

The visit was well-received by attendees who were taken on a tour of the council’s projects and achievements such as their transformation in health and social care and community regeneration projects. Attendees visited the prestigious stately home, Dumfries House, where they heard from Cllr Douglas Reid, Leader of East Ayrshire Council, and came together for a meal. Overall, the event provided much inspiration for attendees to take back into their own authorities.

As part of iESE’s commitment to showcasing innovative organisations that work in the public sector, the event was also attended by Netcall, a customer experience software supplier. Simon Pike, Market Solution Specialist at Netcall, said it had been fantastic to meet people he would not normally get to meet and explore how local authorities were using different methods to be innovative. “It gave us an opportunity to look at where local authorities are investing their time and money and how can we assist with that,” he added.

The iESE Innovation Club provides an independent arena for public bodies to network, hear and learn from sector experts, industry leaders and, most importantly, its own members. We provide a safe environment to share ideas and concerns, giving members a platform for frank exchanges around successes and challenges and the opportunity for troubleshooting and problem solving.

Uniquely, our club is open to both officers and councillors and enables our members to leverage benefits for the whole organisation for the cost of just one membership. We believe bringing officers and councillors together is the key to successful development of public authorities - offering a greater shared understanding and allowing the development of council priorities from both perspectives.

As a not-for-profit organisation, our aim for the club is to support the sector. There is an annual membership fee to cover costs, which allows attendance for up to two members or officers to each event throughout the year, and complementary or preferential rates for other events hosted by iESE and its partners.

To find out more about the iESE Innovation Club visit: www.iese.org.uk/innovation-club