

# Case Study

## Eastbourne Borough Council: Transformational change

### **The challenge**

Back in 2008, Eastbourne Borough Council was a poorly performing authority. It had just received the lowest rating under the comprehensive area assessment (CAA). There were significant financial concerns in terms of both viability and reporting. A review of the key external and internal stakeholder perceptions of the council had highlighted a negative culture and an infrastructure that was not fit for purpose.

Eastbourne has whole-council elections every four years, and in 2007 the Liberal Democrats gained control. Facing a period of political stability, the Leader, Councillor David Tutt, and cabinet were keen to tackle the challenges facing the council. They began the process with a consultation exercise, asking council staff, stakeholders and community groups: “What’s wrong with the council?”. The resulting report stretched to more than 100 pages.

### **A plan of action**

The first step was to restructure the corporate management team in order to address key weaknesses in four areas: governance, efficiency, people and assets. Robert Cottrill was brought in as Chief Executive and Julian Osgathorpe as Deputy Chief Executive.

The leadership team, which included senior councillors and officers, devised and launched an integrated transformation programme, DRIVE – delivering real innovation and value for Eastbourne. The programme would run from 2010 until 2015 and would systematically address each of the key pressures facing the organisation.

## **New ways of working**

The first key stream of work was the agile working programme, which aimed to create ways of working that allowed service delivery to be moved to wherever the customers needed it.

It included moving to truly digital information systems, with the removal of physical records from the council's processes. All paper information arriving at the council now passes through a digital mail room where it is scanned and distributed electronically. Agile working has also reduced the cost of accommodation for staff and provided more flexible ways of working. For example, analysis of work roles showed that 70 per cent of staff did not need a dedicated relationship with a physical space or desk – including all management, right up to the chief executive. Staff are now free to work wherever they and their customers wish. Some previously leased buildings are no longer needed and others are now being used purely as civic and community hubs.

The focus then turned to Eastbourne's future operating model. The aim was to move from 'silos' to 'customer centric' ways of working in order to balance the competing pressures of reduced resources and increased customer demand.

This work has resulted in a radical new organisational structure which reinvents the relationship between traditional services within the council. In April 2013, Customer First was launched – a team of customer advisors, neighbourhood officers, case managers and professional specialists all under a single management, process and information structure.

It represents one of the biggest cultural changes that the council has ever introduced. The advisors will handle a diverse range of telephone and face-to-face enquiries, with specialist officers only pulled into the process when their input is necessary. A planner, for example, would only be involved when their professional judgement was needed. It is an approach that combines efficiency with good customer service: processes will take less time and residents will have a dedicated case manager.

## **Cost savings**

The agile working programme cost £2.6 million and the benefits include a £340,000 annual reduction in reduced lease costs and 10 per cent efficiencies in the staffing budget arising. Payback of the investment sum, plus an additional £3 million, will be achieved within 10 years.

Once Customer First has been rolled out across the whole council, there will be a reduction in the council's cost base of about £1.5 million. The first phase of the programme cost £1.25 million, and payback is expected in less than three years.

## **Learning lessons**

What makes the change management process work, says Julian Osgathorpe, is clear, effective, unequivocal leadership, along with good communications.

“First, you must understand your organisational context. Once you understand that, you need to develop a really clear narrative about why you want to change; why you're not good enough. After this, it's as simple as knowing what you want to become so you can plot the best course for your journey.”

## **Into the future**

Every element of the DRIVE project has been costed on an evidence-based business case. Instead of salami slicing its budgets, Eastbourne has taken a more radical approach, transforming the organisation and setting up ongoing annual savings that stretch into the future. Customer access and service will improve, while services will benefit from an extra layer of protection.

Eastbourne's experience shows that large-scale transformation programmes can be an effective and appropriate response to the pressures of reduced funding and increased customer demand and expectation.

Through the Local Government Association's (LGA) productivity expert programme Eastbourne are now working with South Hams and West Devon District Councils using their experience and learning to help these councils to implement agile working approaches to achieve efficiency savings.

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