

Dear Member

**RESOURCES AND TRANSFORMATION OVERVIEW AND SCRUTINY PANEL - THURSDAY,  
16TH NOVEMBER, 2023**

Please find attached, for consideration at the next meeting of the Resources and Transformation Overview and Scrutiny Panel, taking place on Thursday, 16th November, 2023, the following reports that were unavailable when the agenda was published.

**Agenda No    Item**

6.    **Transformation Strategy Update (Presentation) (Pages 3 - 14)**

To receive a presentation update on progress with the Transformation Strategy.

Yours sincerely

**Democratic Services**

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New Forest  
DISTRICT COUNCIL

# Transformation Strategy Framework 2024-2028

November 2023

# About the strategy



The transformation strategy sets out how the council needs to change to meet the challenges it is facing over the next 5 years. It is about responding to these challenges to create a sustainable organisation that is fit for the future.



We are drafting a framework for NFDC's transformation strategy – but it must evolve over time.



It has been developed through different phases of work to clarify the case for transformation, working with senior leaders and managers and informed by customer research.



Strategy will be presented to EMT in November, Cabinet in December

# Future New Forest

Investing in our **people** and **services** to meet **customer** needs, protecting our **finances** and embedding **sustainability** to preserve our unique **place** by **transforming tomorrow, together.**

# The building blocks for this strategy

## Leadership workshops

- Maturity assessment with 27 managers
- Case for change
- Strategic objectives

## Benchmarking

- Analysed NFDC spend across 21 different services
- Benchmarked against nearest neighbours

## Staff Engagement

- 130 employees attended workshops
- 75 views from depots
- 250 suggestions
- Appetite for change

## Data Analysis

- Analysed data for ~360k contacts across telephone, email, webchat and in person.
- Deep dive into ~2k emails

## Customer Research

- ~4000 telephone surveys
- ~120 website surveys
- ~70 face-to-face surveys
- In depth focus group discussions with 14 NFDC residents

## Council Plans

- Medium Term Financial Plan
- Corporate Plan

# Our key challenges

01

## Modernising services

Our systems and processes need to keep pace with the advance of digital technologies and the impact these are having on people's lives and expectations.



## Financial constraints

Rising costs and new burdens mean we face a potentially significant and growing budget gap.

02

04

## Climate and sustainability

Meeting national and local targets to reduce emissions and support nature will require us to change the way we use resources and deliver services.

## Capacity and capability

Local government is struggling to attract and retain the skills it needs as well as lacking capacity to successfully implement change.

03

# Modernising Services

## The challenge

- We must respond to the growing demand for digital services
- We need to improve the customer experience by joining up our systems and data
- We need to make it easier for customers to find the services they need

## The evidence

- 99% of the UK is online and since the pandemic 65% of those have tried something new online, such as shopping or paying bills, and most (90%) have sustained this
- 63% of the population has High or Very High digital skills and 27% of the population has Very Low digital skills. Age and income are the greatest determiners of digital capability (Source: [UK Consumer Digital Index 2022](#))
- 93% of NFDC residents use the internet (Source: [Residents Survey 2022](#))
- 90% of customer demand is currently via phone or email, even if an online form is used (Source: analysis of customer contacts 2023)
- 47% callers to the council told us they could not find or do what they wanted online (Source: customer research 2023) while 82% said it was easy to phone (Source: [Residents Survey 2022](#))
- Customers told us they will use online services if they are easy and they can track their request (Source: customer research 2023)



# Financial Constraints

## The challenge

- We have identified potentially significant future budget deficits
- We must continue to prioritise to tackle the growing costs of service delivery and to respond to new challenges
- We must embed financial responsibility into all that we do

## The evidence

- External factors have put significant strain on council budgets, eg:
  - National pay awards and Living Wage increases
  - Reduced central government funding
  - Other price increases eg energy, vehicles, insurance
- The combined effect is a general fund budget gap that grows to £3.6m by 2027/28, or 15% of the net budget.
- The housing revenue account (HRA) faces the same external challenges as well as other pressures associated with meeting energy performance and greener housing targets which could cost £125m between now and 2050.
- The council's MTFP requires annual savings through transformation of £1.25m by 2027/28, plus an additional £500k for the HRA.

Source: [NFDC Medium Term Financial Plan 2023](#)

# Capacity and Capability

## The challenge

- We need new skills to deliver the changes we must make
- We must find new ways to recruit, retain and reward staff
- We need to release capacity so that we can focus more on strategic priorities
- We need to develop a more agile workforce to respond to a fast-changing world

## The evidence

- 94% of councils nationally say they are experiencing recruitment and retention difficulties (Source: [LGA 2022 Local Government Workforce Survey](#))
- At NFDC the percentage of vacancies filled first time has fallen from 92% to 81% over the past year.
- District councils are struggling to recruit and retain planning, legal, property, ICT and environmental health staff, as well as facing skills gaps around digitalisation, people management, managing change and commerciality\* (Source: [LGA 2022 Local Government Workforce Survey](#))
- Recent recruitment challenges at NFDC include key roles in housing, waste and environmental health, both at manager level and 'on the ground'
- We need to grow our skills and capacity to support transformation eg change management, enhanced digital delivery, customer engagement and research
- Workforce and succession planning is a key issue with an average workforce age of 48, slightly higher than other south-east councils (46).

# Climate and Sustainability

## The challenge

- We have committed to leading efforts to tackle the impacts of extreme weather and climate change in the New Forest, reducing emissions to reach net zero and supporting nature recovery
- We must work in partnership with residents, businesses and other public services to make a real impact
- We will need to make changes across all aspects of council operations

## The evidence

- 75% of New Forest residents feel worried about the impact of climate change (Source: [Residents Survey 2022](#))
- New Forest has the highest domestic and industrial emissions in Hampshire and the second highest transport and commercial emissions (Source: [UK Government, 2023](#))
- Due to climate change, sea levels are predicted to rise by 1.03m across Christchurch Bay and Harbour over the next 100 years and 1370 properties along the NFDC coastline between Christchurch and Milford on Sea are expected to be at risk from coastal erosion. (Source: [Christchurch Bay and Harbour Flood and Coastal Erosion Risk Management Strategy](#)).
- Climate change is the biggest long-term threat to the New Forest National Park. The impact of climate change on the New Forest is likely to be wide reaching, with warmer, wetter winters, hotter, drier summers, rising sea levels and an increasing frequency of extreme weather events (Source: [New Forest National Park Authority](#))

# Strategy Themes and Objectives

- **Objective F1**  
Through transformation, we will deliver agreed levels of savings in line with MTFP targets and council priorities
- **Objective F2**  
We will adopt a more commercial mindset, open to innovative service models and guided by strategic priorities
- **Objective F3**  
We will shift to a more empowered and accountable management culture



- **Objective C1**  
Our customers will be at the heart of our digital-by-design approach
- **Objective C2**  
We will use data and insight to plan services, manage performance and direct our focus for transformation
- **Objective C3**  
We will have the right systems, processes and devices to ensure work can be done in the right place, right time and the most efficient way

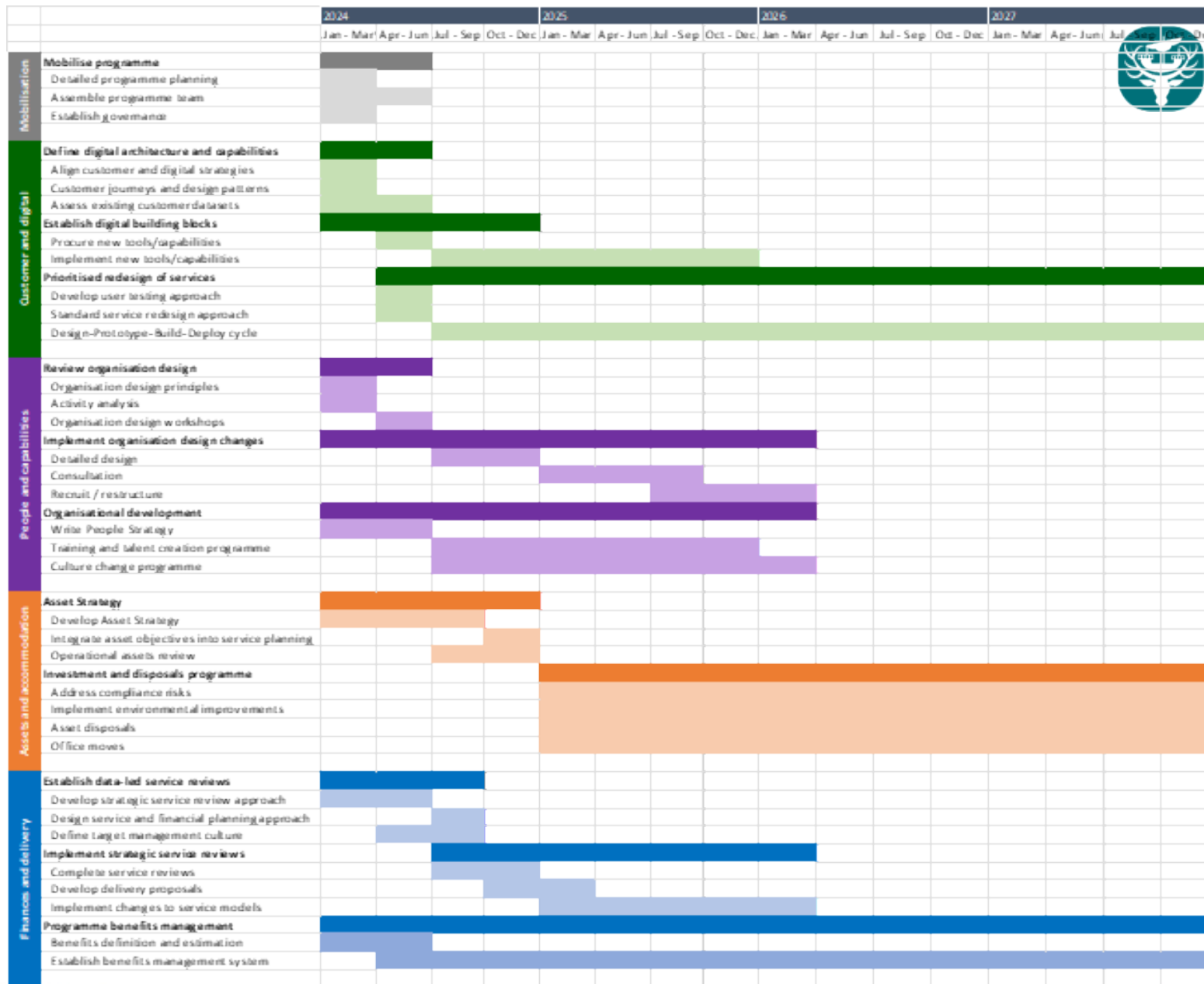
12

- **Objective A1**  
Our assets will support efficient and effective delivery of our future service provision
- **Objective A2**  
We will continue to challenge our asset portfolio to reduce environmental impact and enhance their financial contribution
- **Objective A3**  
Our accommodation will meet the needs of our staff, customers, culture and ways of working

- **Objective P1**  
We will ensure our values, behaviours and culture are aligned and support the future organisation
- **Objective P2**  
We will invest in our people to ensure we have the skills, experience and equipment that we need
- **Objective P3**  
We will ensure the work is done in the right way in the right place, reviewing roles and structures as necessary

# Roadmap

13



# Questions?