



Change Programme- Quarterly Update July 2016

For Board approval	
For Board briefing	
For Board steer	
For Board information	

Prepared by:

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Executive summary

1. At the Board meeting on 19th May, it was agreed that a short update on the Change Programme would be provided in July. This paper provides this update.

Establishment of the change programme

2. The core Change team of 3 is now complete. Tim Barrett joined as Change Manager on 1st July and Adam Lane, L&D specialist, took up his role on 20th June. They join Julie Parker who is on secondment from the Lotteries team as internal change lead.
3. The Change network of 24 change agents drawn from across the Commission is also now in place. Their role is to assist in communication and colleague engagement, particularly in encouraging feedback. One of the first tasks that change agents assisted with was the rolling out of the vision, target outcomes and drivers for change across the organisation.
4. A Change communications plan is in place to ensure that colleagues are kept engaged and informed and have the opportunity to input and feedback as the Change Programme delivers.

Progress on key activities

5. A mini on-line employee survey was completed in June which highlighted that we have made good progress in addressing issues raised in last October's survey, and though there is still much to do, it showed that we are on the right path.
6. A Leadership Team 'away day' to launch the Leadership programme has been scheduled for 9th September. This first session will concentrate on personal impact and collaboration. We will also use the occasion to launch a broader programme for the next tranche of management (working title 'Top 50').
7. To help ensure that resources can be monitored most effectively across all aspects of the Commission's work we have made a change to the governance arrangements. The Change programme will in future fall under the scrutiny of Business Plan Programme Board (BPPB) with any conflicts that arise being escalated to the Executive.
8. The Change programme is currently on budget (£864,000 in 2016/17).
9. Benefits reviews of all of the change initiatives has now been completed and revised. These will continue to be refined and validated as work progresses.
10. Work is also underway to turn our activity plans into an easily digestible road map that will help employees see where we are going and how we will get there. We are also undertaking an impact assessment to assess the risk around delivery of the business plan and the change initiatives which will be completed by 1 August. It may be that some of the initiatives will need to be re-planned for later delivery but it is not expected that any of the published business plan dates will be affected.

11. Mazars (our internal auditors) will shortly carry out a brief internal audit review of the way in which the programme has been set up and the benefits assessed, to give us further confidence in our ability to deliver.
12. The Board is asked to note this progress update.

Progress to date

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The three Change programme delivery areas are:

- Leadership Development
 - Learning and Development
 - Behaviours and cultural change
14. **Leadership Development** - A newly-hired L&D Manager, Adam Lane, joined the Commission on 20th June. The first key milestone is the launch of the Leadership Development programme for the Leadership Team on 9th September, supported by an external delivery partner. The aim is for this also to include the launch of the Top “50” managers programme.
 15. **Learning and Development (L&D)** - A detailed plan is in development, taking into account the decision to use the Civil Service Learning framework to select partners/specialist support who will work with us on the design and delivery of this work.
 16. **Digital Skills** - as part of L&D planning, we are exploring how best to develop digital skills across the Commission. The strategy includes the following:
 - to further improve our ability to regulate the on-line sector

- to enable smarter working to support efficiencies within the Commission and the way we work with partners and operators (such as e-enabling applications, documentation etc.)
 - to enhance our use of digital tools such as social media, and to integrate existing applications so as to improve the way we collaborate internally. This will support our employer brand and enable us to attract and retain high quality people to work with us
 - we are also in discussions with the Tech Partnership about how they may be able to support us. The Tech Partnership is a network of employers creating skills for the UK's digital economy. Its vision is that the UK is the go-to place for digital business.
17. **Behaviours and cultural change** - Scoping is in progress to confirm how we will integrate our leadership ways of working with the Civil Service Competency Framework. We are also planning how to embed the required changes in behaviour across the Commission through all initiatives and business as usual.
 18. In June, we conducted the first employee survey since October 2015. This was a mini questionnaire of just nine questions. It gave us good insight into what we are doing well (such as development and communication of the vision, adherence to target behaviours) and where we need to continue our focus (such as more consistent demonstration of required behaviours, support for the Resource Manager community). The results are being published across the Commission in July, together with confirmation of action plans.
 19. In addition, the Change team has made good progress in recruiting and mobilising a team of 24 change agents from across the Commission. They are both motivated by and challenging of what we are seeking to achieve, and are an excellent route into the organisation for input on ideas, and delivery and feedback on communication.
 20. Good progress has also been made on the 'satellite' parts of the Change programme. These are a combination of projects reporting into BPPB, and continuous improvement initiatives being conducted within workstreams.
 21. We are governing the Change programme in ways which reinforce the new ways of working we need. Every PD and Functional Lead has ownership or sponsorship accountability for a strand of work in the programme, and has objectives related to successful delivery of change across the board. In order to build business-as-usual accountability for managing change, the programme itself now reports in alongside business plan delivery to the Business Plan Programme Board (BPPB) on a monthly basis, and the Executive team has a standing weekly agenda item devoted to the programme of change. This provides an opportunity for escalation of challenges, whilst keeping accountability for delivery at the correct level in the organisation.

Implementation roadmap and impact on the organisation

22. An impact assessment is currently in progress to identify any pinch-points/areas of conflict between the business plan and change initiatives, and to agree solutions to these by the end of July. This may mean re-prioritising some workstreams for later delivery, subject to Exec agreement.

23. An updated version of the Change programme roadmap is appended in Annex 1 for reference.

Benefits

24. Benefits reviews of all of the change initiatives have now been completed and revised increased benefit figures are set out below, these will continue to be refined and validated as work progresses.

	Year 1	Year 2	Year 3	Cumulative over 3 years
Benefits described in Board paper, May 2016	£ 150k	£ 490k	£ 490k	£1.1 M
Revised benefits estimates, July 2016	£ 260k	£ 600k	£1.7 M *	£2.6 M

* This figure includes a target of c £1m savings based on external benchmarks linking engagement to performance, which we are validating internally.

Key risks

25. The top 3 risks to the Change programme and key mitigations are set out below:

	Risk	Key Mitigations
1.	The organisation (or parts of it) can't cope with the scale of change at any point in time.	<i>This is being mitigated by the impact assessment referred to above, and a time-boxed plan to confirm the roadmap by the end of July 2016. We are planning key initiatives – such as the People Strategy – across at least two years, so as not to overload the organisation. Our amended governance arrangements for the Change programme will enable us to keep resource constraints under focus and control.</i>
2.	Risk of not delivering all the planned benefits	<i>This is being mitigated by identifying benefits with initiative owners from the start, and setting up a benefits tracking process so that we can address any shortfall or risks as they appear.</i>
3.	(Corporate Risk) - The Change programme fails to deliver or negatively impacts the Commission such that motivation levels fall/people leave the organisation.	<i>This is being mitigated by engaging the Leadership Team in the roadmap and its progress, and by setting up a network of change agents so that we have early warning of falling motivation or disengagement. We have also now planned in some detail the Leadership Team development programme, scheduled to start on 9th September, and we expect this to equip our leaders to identify and respond to challenges around motivation.</i>

Note: The full risk register is available on request.

Recommendations

26. The Board is asked to note this progress update.