Annex B: Charting the Functional Leadership journey, by function



Civil Service HR

Where we started

Cost of HR per annum: £524m Cost of HR per employee: £1,060 HR to Civil Service staff ratio: 1:50

Duplication, e.g. 2,000 separate HR policies; 5,000 different classroom courses; 250 different leadership courses

Scope for greater professionalism. Some concern around reliance on external hire for senior posts

HR careers too often in departmental silos

2012

•3 cross Government Expert Services (Resourcing, Learning and Employee Policy) move from set up to full delivery.

•New Expert Service (OD&D) launched at no extra cost to Departments

2013

•CSHR model accounts for almost 100% of civil servants across 38 parent organisations.

•14,000 unique users access Civil Service Learning portal daily.

2014 and beyond

 New Expert Services coming on line: CSHR casework; Pay and Reward; SCS Recruitment; SCS Talent; Strategic Workforce Planning; High Potential Secondments Programme

 Work as One HR function driving transformation and continuous improvement for the Civil Service.

Enhanced Capability

•No direct input into HRD objectives in departments by the Head of CS or accountability for their performance.

•Growth of cross-Government HR community and improved circulation of talent.

 Appointment of a Head of Civil Service HR with overall accountability for the HR function.

•HR development schemes for HR SCS and feeder grades. 286 graduates over 7 cohorts of HR Fast Stream •Latest 2 HRDG appointments from internal talent pipeline.. •Head of CSHR performance manages 8 HR Directors alongside their Permanent Secretary on their delivery of HR strategic objectives

•Strengthened decision making in HR including new Business Board •HR function more capable, confident & flexible.

•Greater and more consistent strategic influence, business acumen and organisational change skills

Outcomes

•Cost of HR per annum: £307m

•Cost of HR per employee: £687

•HR to Civil Service staff ratio: 1:83

•Cost of HR per annum: £279m

•Cost of HR per employee: £647

•HR to Civil Service staff ratio: 1:95

•Cost of HR per annum: £257.5m (as at 31 March 2014)

•Cost of HR per employee: £614

•HR to Civil Service staff ratio: 1:102

•The HR function is the right size and shape to deliver. The focus will now be on deepening the capability and quality of the HR function and services.



Legal services

2012 2013 2014 and beyond Where we started •DCLG, MOJ and Home ·Shared legal service •DWP and DH legal teams •2016: TSol provides announced Office legal teams integrated integrated into TSol. DECC, DfT an integrated, and MOD to follow. into TSol Legal services coordinated and Cross •Total number of main govt effective service to all provided by a mix of depts using TSol for all legal Total number of depts using Total number of depts using departments. Government TSol and services = 5 TSol for all legal services = 8 TSol for all legal services = 13 Service departmental legal •Employment expert service •New Commercial expert teams expanded service set up No single view of legal resources •Managed moves model TSol takes on responsibility •Managed moves pilot to •Legal function more across government rolled out across TSol for delivering GLS training deploy staff in line with need capable, resilient & flexible. Knowledge not **Enhanced** •Increased investment in legal New knowledge management •Single government law consistently shared platform for government training programme set up Capability Reduced external •lawyers legal spend across teams •Increase in number of legal •Increased opportunity for staff trainees in TSol Limited career to specialise or move development and opportunities to specialise for staff •Client satisfaction •Client satisfaction •New improved measures of •Efficient legal function providing scores:96% scores:97% quality and efficiency consistently Outcomes •% of staff who feel they •% of staff who feel they excellent legal •% of staff who feel they have have opportunities to have opportunities to services across opportunities to develop their develop their careers: 39% careers: 51% develop their careers: 60% government.



Government Communication Service

Where we started

2012

2013

2014 and beyond

Government communications were disjointed and lacked overall control.

Government communications were insufficiently evaluated.

Economies of scale across departments were not exploited.

Opportunities existed to reduce duplication; increase standardisation and simplification; and enable greater comparability and transparency.

Cross Government Service •No shared services between departments

•Vision statement produced to provide a guiding vision for the GCS •Work begins to establish three shared services by 1 April 2014: design in MoJ, performance management in DWP and campaigns in the Home Office •Shared centres of excellence to enhance service delivery

•Corporate support service to co-ordinate cross-government activity – 2 cross government campaigns in place •25% of all communications activities delivered through Shared Services

•Potential for the GCS to become a single employer

Enhanced Capability

•Role of Functional Leader agreed

•Work begins to tackle weaknesses identified in strategy, capability, governance

 Mandatory standards introduced in campaigning, digital and evaluation •Establishment of dotted line reporting from Directors of Communication to the Functional Leader

•Ministerial GCS Board

•2,400 training places provided at £80 a head

•MI identified and wired into strategy

•Development plans and mandatory CPD for all government communicators •GCS Board agree annual plan; Directors of Communication to meet monthly to monitor delivery •All major government communications are strategic, evidencebased and assured, through group operating models and cross-government objectives for Directors of Communication

Outcomes

•55% reduction in spend and 44% reduction in headcount against a baseline of 2010/11 Strategic Annual Plan produced

•Financial controls reduce cost by 12%

•Improved staff engagement and internal communications

•Change programme fully implemented

•10% efficiency gains against projected spending

•Report of effectiveness against GC Plan

•ERG controls reduce planned expenditure by at least £40m

•Minimum ROI figure identified and used to direct funding decisions

•20% Cabinet Office headcount reduction



Technology

Where we started 2012 2013 2014 and beyond

IT solution development based on Enterprise Architecture approach.

Each department procure and managed its own infrastructure and customer facing IT solutions.

There has been an over-reliance on a handful of large suppliers and big contracts.

Civil Service doesn't act as an intelligent client . This makes services less efficient and less effective for users.

Cross Government Service •Government Digital Strategy published November 2012 and departmental strategies in December. •UK Government G-Cloud •Technology brought into GDS and the Office of the CTO (OCTO) established.

•Government Digital Services Framework launched

•Cabinet Office technology transformation started.

•Established the crown hosting service for legacy hosting needs

•The Public Services Network (PSN) team moved to GDS •Launch common

collaboration service in at least one department.

Civil servants will have IT at work at least as good as they have at home.
Government information and services opened up for 3rd party delivery via APIs

Enhanced Capability

•Digital Leaders Network established Spring 2012

•GDS Strategy actions on:

oDigital leadership

launched

oNew service manager role

Building departmental capability

 *Technology Leaders Network established in Oct 2013 - all Departments actively involved
 *GDS Recruitment Hub

established to help depts acquire technology specialists

•Published guidance for CTOs and the Technology Code of Practice.

•There will be a period of transition from old technology skills to new digital skills

•Capability will be developed through Service Delivery

•GDS assist Civil Service Learning to develop training

•New Digital and Technology (DaT) Fast stream established

•All departments will ensure they have the right levels of technology capability in-house, including specialist skills. Cabinet Office will support improved capability across departments.

Outcomes

•The strategy and the Digital Efficiency Report describe how delivering services digitally will result in savings of £1.7 to £1.8 billion each year.

•2012/13 savings on digital and technology were £500m

•£210m savings made in financial year 2013/14 by scrutinising digital and IT spend requests across government, by transitioning websites to GOV.UK and by transforming online services •The Digital Efficiency Report predicts total in-year savings are expected to rise to approximately £0.6 billion in 2014 to 2015 and £1.0 billion in 2016 to 2017.

•Take-up of digital services increases to meet targets set service by service •Total savings made over the remainder of the current spending review period are approximately £1.2 billion

•All new/redesigned digital services meet the DbD Service Standard



Digital

Where we started

2013

2014 and beyond

No concept of Digital by default

Services digitised pre digital business processes with no re design

No consistent approach to user experience across government online services

Half of transactional services had no digital channel at all: low levels of take-up where any existed.

Take-up of government online services lagged behind that of private

Cross Government Service

•Government Digital Strategy published November 2012 and departmental strategies in December., setting out how government will redesign digital services to make them so good that all those who can use them prefer to do so. •UK Government G-Cloud launched

2012

•Government Digital Strategy refresh December 2013. Departmental sites moved across to GOV.UK Oct 2013 •Transformation of 25

Framework launched

'exemplar' digital services begins

•Government Digital Services

•330 Agency/ALB sites moved to GOV.UK by Dec 2014 •4 exemplar services live by July 2014

•Digital by Default Service Standard fully live April 2014 •Government Digital Inclusion Strategy published April 2014 •Identity Assurance Platform to support transactional services

•25 Exemplar Digital Services live by March 2015.

•Gov.uk default for all government services •Government information and services opened up for 3rd party delivery via APIs

•GDS Strategy actions on **Enhanced** Capability

Digital leadership

•New service manager role

•Digital Leaders Network

established Spring 2012

•Building departmental capability

•All Departments have an active digital leader

•Service Manager Induction and Development Programme established Summer 2013 •GDS Recruitment Hub to assist depts acquire digital specialists

•Digital named as one of 4 priority areas in Civil Service Capabilities Plan

·Capability will be developed through Service Delivery.

· GDS assist Civil Service Learning and professions to develop digitall training for senior civil servants, etc

•New Digital and Technology (DaT) Fast stream established

•All departments will ensure they have the right levels of digital capability inhouse, including specialist skills. Cabinet Office will support improved digital capability across departments.

Outcomes

•The strategy and the Digital Efficiency Report describe how delivering services digitally will result in savings of £1.7 to £1.8 billion each

•2012/13 savings on digital and technology were [£XX]

•GOV.UK rated easier to use and faster than previous Directgov and Businesslink sites •£210m savings made in financial year 2013/14 by scrutinising digital and IT spend requests across government, by transitioning websites to GOV.UK and by transforming online services

•The Digital Efficiency Report predicts total in-year savings are expected to rise to approximately £0.6 billion in 2014 to 2015 and £1.0 billion in 2016 to 2017.

•Take-up of digital services increases to meet targets set service by service

•The total savings made over the remainder of the current spending review period are approximately £1.2 billion

•All new/redesigned digital services meet the DbD Service Standard



Crown Commercial Service

Where we started

2012

Cross-Government contracts

2013

2014 and beyond

Inefficient and ineffective buying of common goods and services across the system

Overly long procurements; extensions and framework agreements rather than open competition

Poor contract management practices and insufficient expertise

Poor commercial capability with over reliance on process; confidence & judgement issues set, driving better pricing and reducing costs

•CO manages spending controls driving savings on external resource, marketing and communications and spend with strategic suppliers using Crown Representatives •Commercial Reform Programme established to implement cross government efficiencies and improvements in central capability •Crown Commercial Service (CCS) established as Trading Fund.

•Managed commercial service for common goods & services on behalf of government

•Expert Advisory service supporting departments with their complex transactions •CCS handles all Government spend on common goods and services and supports depts in complex transactions; •Becomes an industry

•Becomes an indust leading commercial services provider

Enhanced Capability

Government

Service

•Procurement skills framework and professional curriculum

•L&D products for commercial professionals & non-specialists, including Lean sourcing and Commissioning Academy

•Achieving Commercial Outcomes part of CS competency framework Chief Procurement Officer has role in senior commercial recruitment, remuneration and performance management (incl reporting for departmental Commercial Directors)

•Commercial placements for generalist fast-streamers

•Cross-Gov review of major contracts

•Strategy to attract, develop and retain talent in place

•Commercial Recruitment Hub, fast stream and apprenticeships launched

•Profession-wide talent management begins

Programme of reviews of depts' commercial capability

 Central government has the excellent commercial capability (skills, experience, judgement, confidence) required to do business effectively - driving value from across the commercial cycle

Outcomes

•Savings from centralised procurement, spend controls and contract renegotiation £3.8bn

•Savings from centralised procurement, spend controls and contract renegotiation £5.4bn (subject to audit) •Savings from centralised procurement, spend controls and contract renegotiation exceeding 2013/14 results

•Savings from centralised procurement, spend controls and contract renegotiation exceeding 2014/15 results



Government Property

Where we started

Need to determine

Potential to exploit

economies of scale

Variable levels of qualifications and

shared services

profile

teams

Numerous

practice

organisational

structures but no

clear picture of best

•100+ separate Estates teams across central government

2012

•Early, limited integration between some Departments and their Arms Length Bodies

•Good central engagement on estates with Government Property Unit

2013

•Shared Service Programme commenced

•Ministers agree to rationalise the 100 teams into 6-8 clusters

•Range of operating models identified

2014 and beyond

•Cluster business cases in October 2014 to set out the future model and expected benefits

•Implementation of government property asset management cluster s in December 2014

•More effective deployment of resource across government

 Possible further consolidation. depending on outcome of early clusters

skills in property Enhanced

•Property Profession established

•Maturity gap analysis used to set annual targets for improvement for GPP

•Property Practitioners Competence Framework aligned with Civil Service Competence Framework

•Revised Property Profession Capability Plan including Talent Management and Standards and mandatory training/CPD

•New governance Board is in place

•Centres of excellence in property skills established in clusters

Outcomes

Cross

Government

Service

Capability

•£454m savings in 2012/13 against a May 2010 baseline

•13 square metres of space per FTE

•£5,324 cost of office space per FTE

•First Government Estate Strategy published

•£625m of savings in 2013/14 against a 2009/10 baseline

•11.9 sgm of space per FTE •£4,918 cost of office space per FTE

•£ 1.382bn freehold proceeds since May 2010

Publication of second

Government Estate Strategy •10 sqm per FTE by end of 2015 •Strategic Land and Property Review has identified scope to generate £5bn of receipts from land and property to support growth and drive efficiency 2015

•Continued focus on reducing the size and cost of the government estate

•8 sgm per FTE

 Smarter working established



Internal Audit

Where we started

• 11 departmental audit groups established

· XDIAS expands to include DfT and DfE

2012

FMR published Dec 2013

 Jon Whitfield established as Head of IA Profession in Dec 2013

· XDIAS transforms into 'Government Internal Audit Agency' in Sept 2014, a

2013

 Agreement reached with departments on timetable for their IA functions to migrate into the agency

shadow executive agency of

2014 and beyond

 Single Service established April 2015, with Group Chief Internal Auditors (GCIA) reporting to HoP

· First tranche of IA teams migrate in 2015

· Further tranches migrate in 2015 and 2016

 All internal audit services in government provided by a single integrated service as an independent agency of the Treasury

Individual internal audit services in every department/arms length body.

Duplication & lack of consistency – eg multiple audit manuals, training approaches.

Concerns around capacity and capability to deliver assurance where most required.

Low staff churn & over reliance on private sector for specialists

"Government does not get value for money from its internal audit service (NAO, June 2012)

Enhanced Capability

Cross

Government

Service

· Individual audit groups run local programmes to build capability & capacity

Single framework for specialist contractors (ConsultancyOne)

Standard approach to external quality assurance IA Leadership Group reset under Head of Profession

• IA People Committee IA Technical Committee

. HoP contributes to all GCIA

objectives & performance · Common people strategy & policies launched

Common audit manual

· Common payroll / T&Cs

• Integrated recruitment & resource management

· GCIAs directly accountable to HoP for performance

· Leverage IA specialisms · Defined career paths in/out of

· Reduced dependency on private sector

 Talented/aspirant staff matched to work across Whitehall that provides for

development of wider careers and more decisive interventions from

Outcomes

· Cross-profession initiatives launched to improve service quality and staff skills

Individual audit services enhancing skills and service deliver at departmental level

 XDIAS moving towards flexible resourcing model to deliver better outcomes for its staff and clients

· Road map for achieving outcomes set, including:

➤ Common 'Vision' for IA profession published

➤ Outcomes framework and Benefits Realisation strategy implemented

· Better value for money in our use of the private sector is reinvested into the service

· Accounting Officers begin to recognise a demonstrable improvement in the quality of internal audit and the assurance outcomes delivered

• Enhance range of skills and experiences for staff aligned to client needs, supported by clear career paths

•Increased likelihood of successful and cost effective delivery of government services as a result of activity and interventions by a highly skilled and effective Internal Audit Service



Government Finance

Where we started – a good place

- FDs are professionally qualified and have a seat on departmental Boards*
- The first ever Whole of Government Accounts published – 2011
- SR2010 spending reductions are one year ahead of schedule, while levels of satisfaction with public services have been maintained or improved
- The UK is one of only two countries that sets departments multi year budgets
- The UK's financial management arrangements rank third out of 100 countries for transparency

2013

2014 and beyond

Cross Government Service

The FMR model uses departments to drive change rather than adopting a shared services model. However, there will be a small central team providing HR support to the function and the operating model implementation committee is establishing whether there is a case for centres of excellence to provide cross-government services, with initial decisions expected in November 2014.

Moreover the FMR work, particularly that on data, will help support the wider shared services agenda, allowing for more effective sharing of services across government.

Enhanced Capability

- •Publication of Financial Management Review in Dec 2013
- •New head of finance function bringing together profession, wider function and HMT spending
- •Dotted line management of Finance Directors •Measures to improve Financial MI
- •Julian Kelly appointed as head of finance function
- •Senior finance leaders committee structure established to take FMR
- •Implementation committees formed to progress work on people, data, performance and planning and an operating model for finance.
- •Finance directors continue to have dotted line reporting to Julian Kelly
- Enhanced talent management
- •Finance Operating
- •Improved planning

Outcomes

- •No financial savings expected but plans for service improvements emerge out of FMR •Measures on spending controls to
- increase coherence
- •Action plans to be produced by implementation committees in June •First milestone for outcomes in November 2014
- •A finance model that supports the command and control necessary to assure high, consistent quality in finance delivery across government



right skills to deliver Assessments of departments to check capabilities and risks •4-5 projects to cost services against outputs

•A function with the