

Joint Scrutiny Committee



Report of Head of Policy and Programmes

Author: Corinne Ede

E-mail: corinne.ede@southandvale.gov.uk

Wards affected: All

South Cabinet member responsible: Councillor Sam Casey-Rerhaye

Tel: 01235 635566

E-mail: Sam.Casey-Rerhaye@southoxon.gov.uk

Vale Cabinet member responsible: Councillor Andy Foulsham

Tel: 07977 416133

E-mail: Andy.Foulsham@whitehorsedc.gov.uk

To: Joint Scrutiny

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Update of the Corporate Transformation Programme

Recommendations

That Joint Scrutiny:

1. notes the content of the refreshed Corporate Transformation Programme and the plans for its further development over the coming months.

Implications (further detail within the report)	Financial	Legal	Climate and Ecological	Equality and diversity
	Yes	No	No	No
Signing off officer	SH	VW	JF	AW

Purpose of Report

1. To provide a summary of the refresh of the corporate transformation programme and key activities over the next three months.

Strategic Objectives

2. Future transformation activity at the councils is fundamental to our ability to enable our staff and services to meet and deliver our corporate objectives over the coming months and years, in what will likely be an increasingly challenging financial environment.
3. Both councils' corporate plans are currently being refreshed. The corporate transformation programme must align with the emerging strategic objectives of the new plans as they develop. Equally, the corporate transformation programme will need to influence the corporate plans, providing an articulation of future service delivery and the culture and organisation of the councils.
4. Both councils' five-year Medium Term Financial Plans (MTFPs), as agreed by full Council meetings in February 2024, include an expectation for ongoing savings of £100,000 per council per year from 2024/25 to 2028/29 to be delivered. Whilst transformation was always viewed as central to the councils' efforts to tackle the increasing budget gap, there is now further financial imperative to ensure that reducing cost is prioritised, and savings opportunities identified, across all transformation projects as the first line of attack against the financial challenges to come.
5. The contracts for several statutory and non-statutory services are due to terminate in the coming years. Strategic decisions are required to determine future delivery models for these services, and the impact these models will have on the councils' delivery through workforce demographic, organisational structures, skills, culture, technology and working practices. The corporate transformation programme must collate and drive these strategic decision points, with the aim of supporting Members to take well informed and timely strategic decisions aligned to the Corporate Plan, with a full understanding of wider holistic impacts and opportunities. A strategic view of long-term decisions would also ensure the council's finite support functions aren't overwhelmed by competing priorities, allowing for incremental step changes, where appropriate, rather than big bang approaches to change.
6. Given the links to the strategic objectives described above and the strategic importance of the corporate transformation programme, the programme has been refreshed and will continue to be developed over the next three months, as described in this report.

Background

7. In 2021, the Councils launched a transformation programme to bring together aspects of the delivery of the Customer Transformation and Technology Strategies approved by Cabinets in December 2021, and to ensure compliance with the Best Value Duty to seek continuous improvement. An update was provided to both cabinets in September 2022.
 8. Programme success since its inception has largely focused on technology, reflecting the imperative to separate our systems and data storage from Capita prior to the end
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of the outsourced contract in September 2025. Prioritising the technology infrastructure created the foundations for the IT Strategy, enabling more visible, customer focused transformation to be delivered in this next stage. Key achievements of the Programme so far include:

- Successful migration from the shared Microsoft Tenancy (M365), managed by Capita, to a new tenancy dedicated to South and Vale Councils, paving the way for cloud-based document storage and the use of collaboration tools,
- Transition from Rostrvm contact centre software to a new solution provided by Netcall, giving the councils improved call management functions, better access to performance data for reporting and improved workforce management for customer services,
- Implementation of a new engagement platform, Citizen Space, which has been used during recent consultations for the Joint local plan 2041 and the developing new iterations of the corporate plans for both councils,
- Statement of requirements completed for a new HR Information System covering the employee journey from recruitment to onboarding and ongoing learning and development,
- Preliminary work completed for a permit based online approach to garden waste collection to go live in April 2025.

9. Over the next 6 months, as part of the IT Strategy, the following applications will be migrated into the cloud as part of our overall drive to move all systems held in Capita's datacentre to cloud-based environments through software as a service:

- Legal Case Management (Iken),
- Democratic Services (Xpress and Mod Gov),
- Fraud and Investigations case management (Incase),
- Eforms and workflow system (Ebase).

10. The first phase of the planning review project has also been completed under the corporate transformation programme, achieving an ongoing base budget reduction of £300k, whilst improving service performance. Business requirements have been mapped and the identification of a replacement for the legacy Ocella system is progressing.

11. Delivery of the transformation programme was initially service led with corporate oversight. As the Programme progressed the need for more resource and corporate control was identified. A permanent transformation team has been created, reflecting the significance of the corporate transformation programme, and the requirement to further develop a culture of continual change, improvement, and adaptation across the councils, building resilience and agility within service delivery and developing these skills within our workforce.

12. Recent analysis identified 135 individual projects and programmes in delivery across the councils, ranging from large, strategic projects, such as the waste vehicles depot, to smaller, low-risk service improvements, such as replacement of a car park tariff board. While each of the projects have some form of project management in place, there is a lack of consistency in project approach and oversight, and a need to clearly define strategic projects and how they will be delivered and monitored in the future.

13. All good/successful transformation programmes constantly review and evolve. As such, the corporate transformation programme has now been refreshed to ensure it remains fit for purpose as it transitions into the next phase of delivery. Paras 2 – 6 above provide the drivers for change and the strategic objectives that the new programme will aim to address. A summary of the key changes is provided below, along with an overview of further development to be undertaken over the next three months.

Refreshed corporate transformation programme

14. Projects undertaken across the councils fall into one of three categories:

- strategic transformation,
- operational change,
- service improvement.

The characteristics of each category are described in the table at Appendix 1 with the corresponding arrangements for project delivery, oversight, finance, and change management.

15. Projects must meet three or more of the characteristics to be identified within the highest group: i.e., if a project has three characteristics of strategic transformation and four characteristics of operational change then it falls within the strategic transformation category. If a project has two characteristics of strategic transformation, three characteristics of operational change and four characteristics of service improvement then it falls within operational change.

16. Initial projects identified as being within the strategic transformation category, and therefore forming the refreshed Corporate Transformation Programme, are listed at Appendix 2. This initial list will evolve as further projects are reviewed and categorised against the above criteria.

17. All projects within the refreshed corporate transformation programme will be reviewed to identify their Minimum Viable Product (MVP) for delivery: the minimum requirements that need to be achieved for the project to be a success, which can be built upon and improved in the future, through service improvement, to realise additional benefits. This should speed up delivery and ensure resource is focused on the essential tasks, and the project's critical path, to ensure timely completion.

18. Delivery of the corporate transformation programme will adopt an agile approach, with a focus on swift, effective decision making and iterative delivery. We will develop a culture of 'failing fast', where assumptions and ideas can be tried and tested as quickly and efficiently as possible, to learn what works and respond to the outcome, instead of investing unnecessary time, resource and money into a paper-based analysis and justification of the best course of action.

19. While agile delivery and 'failing fast' can be invaluable in accelerating project delivery, it carries a risk that decisions are made in haste without fully understanding the impacts. To minimise this risk, the Internal Audit and Risk Team will collaborate on the development of processes and controls to ensure resilience within the programme. Risk will provide support to the Transformation team with risk identification, assessment, mitigation, and monitoring activities. Internal Audit will provide

independent assurance that risk management, governance, and internal control processes are operating effectively.

20. The Strategic Delivery Monitoring Group (SDMG) will be reestablished, meeting quarterly, comprising the Leaders, Deputy Leaders and Cabinet Members for Finance from each council, to support the refreshed approach. The SDMG will oversee the corporate transformation programme and the roadmap of key decisions discussed in paras 23 – 27.
21. Programme resourcing will be key to successful delivery. To support the transition to the new programme an interim transformation director has been engaged who will lead the refresh and initial delivery of this next stage of the programme. An interim change manager will also be appointed to support the changing delivery approach and provide focused development for the core transformation and programmes team.
22. The currently separate transformation team and the corporate programmes team will work together to support the corporate transformation programme. They will provide both project management expertise and programme management assurance to the programme. Colleagues from the finance teams and the people and culture team will also form a crucial part of the core delivery team, ensuring that people and budgetary implications are mapped, understood, and minimised.

Roadmap of key decisions

23. The councils have some key decisions to make over the coming months that will impact the form and function of the organisations moving forward. The contracts for five significant outsourced services, shown in the table below, are due to expire in the next two years and future delivery models need to be determined:

Service	Provider	Contract end date
Car Parks Management	Saba	30 Sep 2025
5 Councils Partnership: Land Charges, Revenues and Benefits, IT, Customer services - Switchboard and Out of Hours	Capita	30 Sep 2025
Waste and recycling collection services	Biffa	28 Jun 2026
Leisure centres	Greenwich Leisure Ltd.	31 Aug 2026

24. The decision has already been taken to insource IT services from September 2025, for which the corporate transformation programme has been preparing with the technology developments listed in paragraph 8. If decisions are taken to insource other services from the above list it would impact the future state of the councils in terms of workforce diversity, skills requirements, culture, technology requirements, terms and conditions, working practices, operational hours and building requirements, all of which will reframe the transformation of the councils.
 25. Additionally, the councils' capacity for change will also need to be assessed against any preferred model of delivery. Changing delivery models for too many services at the same time may not be possible within existing resources, would increase the
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councils' risk exposure, and may negatively impact business as usual during the transition period.

26. To enable effective future planning, and to enable all possible opportunities to be exploited from each decision, a roadmap of key decisions will be developed. The roadmap will highlight the timeline to making each decision, the interdependencies between the decisions, and the relevant body where the decision will be taken. All decisions will be taken at the earliest possible opportunity to provide maximum lead-in time to the enact the decision. This approach will ensure that cabinets and scrutiny are able to have advanced sight of key decision points, and these can also be better reflected within the budget process.
27. The roadmap will be created collaboratively between the transformation & programmes team, senior management team and lead members. It will evolve and continue to progress as certain decisions are taken and others added. The roadmap will form a key aspect of the work of the reestablished Strategic Delivery Monitoring Group.

Change management

28. The move towards swifter decision making and 'failing fast' is not something that will happen overnight. We need to create a safe environment for employees to fail and to learn from their failures, to create a supporting management environment where staff at all levels know that honest mistakes will not be rebuked but that there will be open and transparent conversations to enable lessons to be learnt. Concentrated, considered change management alongside supportive and reflective management behaviours are required to embed this culture within the councils.
29. The interim change manager, working alongside the Organisational Development (OD) team, will design and facilitate a series of internal communications, workshops, good practice and success sharing opportunities for colleagues to ensure there is a common understanding of the corporate transformation programme, its impact on the councils, its impact on all services and ways of working, the delivery approaches and behaviours, and how to contribute.
30. Above all, the corporate transformation programme and the agile way of working must become part of operational delivery, rather than something that happens corporately. Change will be a core part of the corporate vision and values and form a part of the organisational behavioural framework to be developed over the coming months, that will support delivery of the emerging corporate plans, as agreed with the lead cabinet members.
31. The interim change manager and OD specialists will also support the transformation and programmes team with the transition to becoming a centre of excellence for project and programme management within the councils.

Next Steps

32. The following activities will be completed over the next three months to further develop the refreshed corporate transformation programme:
 - MVP review of strategic transformation projects,
 - Financial analysis of project expenditure and potential savings opportunities,
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- Allocation of savings targets to individual projects and impact reflected in the MTFP,
- Heads of service engagement to refine the roadmap of key decisions,
- Refocus the corporate transformation board as a fixed part of Core SMT,
- Engage lead members and hold an all-member briefing to explain the changes,
- Develop a change management and communications strategy to relaunch the programme and initiate the culture change required to embed an agile approach.

Financial Implications

33. As noted in paragraph 4 above, both councils' five-year Medium Term Financial Plans (MTFPs), as agreed by full Council meetings in February 2024, include an expectation for ongoing savings of £100,000 per council per year from 2024/25 to 2028/29 to be delivered. This is central to the council's efforts to tackle the increasing budget gap, which would otherwise have to be met through changes to service priorities.
34. Council has approved a budgetary approach where council expenditure needs to remain within the identified MTFP budgetary envelope. This means that all non-inflationary cost pressures will need to be managed through the achievement of additional savings and efficiencies, or reductions in service priorities, in addition to the ongoing savings of £100,000 per year identified above.
35. As part of the budget setting process for 2024/25, the transformation team has been made contractually permanent. In addition to the budget for the team's salaries, there is also £510,999 available at South and £334,331 at Vale for one-off consultancy or other work to support transformation, being the remainder of the previous one-off growth bids for transformation in previous budgets.
36. Other than support provided by transformation team staff, costs associated with implementing transformational change (e.g. new systems costs) will be created as required in line with the councils' financial procedure rules.

Legal Implications

37. Any transformational activity across the Councils is intended to ensure robust discharge of the Best Value Duty (Local Government Act 1999) under which a local authority must be able to show it has arrangements to secure continuous improvement in how it carries out its work.
38. There are no specific legal implications with this report. As individual project activities are progressed, legal advice will be sought on terms of existing contracts, procurement of new systems and software including approval and preparation of contracts, where required.

Climate and ecological impact implications

39. A climate impact assessment has been completed and the implementation of the refreshed approach to the Corporate Transformation Programme does not result in a net impact on the environment. A climate impact assessment will be completed at the outset of each new project to identify any opportunities to enhance or mitigate any impact on the environment as required through project delivery. As far as possible,
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individual projects will seek to achieve the councils wider aims around climate and nature recovery.

Equalities implications

40. This report is for information only and there are no equalities implications.
41. All projects will recognise the organisational change policy, which forms part of the councils' collective agreement with Unison. An equalities impact assessment will be completed at the outset of each new project to identify and mitigate any adverse impact on equality of opportunity across the protected characteristics.

Risks

42. The risk management process needs to be embedded in the programme to:
- Enable the councils to make informed decisions throughout the programme,
 - Support the councils in taking and managing significant risks whilst successfully delivering transformation,
 - Enhance performance at all levels of the organisation demonstrating commitment to continuous improvement, the risk based decision making process will result in prioritised actions that focus on managing risks and directing resources to achieve maximum benefits and value for money,
 - Comply with the corporate governance reporting framework which stipulates transparent reporting of risks within an environment where there is sound risk management and internal controls.

Other Implications

43. None

Conclusion

44. The corporate transformation programme has been refreshed for the next phase of delivery. Projects will be reviewed with a financial imperative and the pace of change will increase through swifter, holistic decision making. Core SMT will form a Corporate Transformation Board and a Strategic Delivery Monitoring Group will be reestablished to review strategic decision points and monitor high level progress.

Background Papers

45. Appendix 1: Project Categories
46. Appendix 2: Strategic transformation projects
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