

REVISED - Transformation Update for Corporate Scrutiny Committee (18 October 2023)

Summary Report

1. Purpose

- a) This report has been prepared to provide the Corporate Scrutiny Committee with an update on **progress against 2023/24 Transformation savings targets**
- b) This report will focus predominately on the savings classified as **Transformation savings**
- c) The figures presented are at **Period 2** reporting

2. Executive summary

- 2.1 The transformation programme is now in its second year of delivery with MTFP gross savings to be delivered in 2023/24 of £15.671m in addition to the savings target of £1.765m set in 2022/23.
- 2.2 The gross 2023/24 transformation savings of £15.671m is made up of both transformation led and service led savings. Transformation led savings target is £12.537m and Service led target is £3.134m. The focus on this report is on the Transformation led savings.
- 2.3 This report will summarise the programmes and what they are trying to achieve. Specific detail on the Children's and Adults transformation programmes will be presented as 'deep dives' as a supplement to this report given the size of the programmes and the in-year savings target.

3. Savings summary

- 3.1 The gross 2023/24 transformation savings across several programmes being led by either by transformation or directly within the service is £15.671m. The table below reports the performance of all the programmes in scope.
- 3.2 The table below tracks the overall in-year actual cashable benefit that each programme has either delivered (blue), is on track for delivery (green), requires further activity to realise including opportunities to convert non-cashable to cashable savings (amber) or is at risk of non-delivery (red). Red rated savings are reported within the council's overall financial position which also outlines further mitigations addressing the council's overall reported overspend.
- 3.3 As at period 2, across the total target of £15.671m, 15.57% is either delivered or on track to deliver (blue, green) and 50.14% is at risk of non-delivery (red). Broken down across the two categories (Transformation and Service), this is 42.51% of red non-delivery of Transformation savings and 80.70% of non-delivery against Service led

Transformation Savings	Gross Saving £m	% On Track or Delivered	Blue - Delivered £m	Green - On Track £m	Amber - At Risk £m	Red - Non- Delivery £m
2023/24 Savings - Transformation led	12.537	22.20%	0.707	2.070	4.431	5.329
2023/24 Savings - Service led	3.134	16.10%	0.135	0.370	0.100	2.529
Transformation savings 2023/24	15.671	20.90%	0.842	2.440	4.531	7.858
% of programme overall			5.40%	15.60%	28.90%	50.10%

3.4 This report will focus on the programmes that are transformation led. These comprise of: Adults, Children's, Homelessness, Customer Support and Corporate Landlord.

3.5 The next table below provides a position statement on the 2023/24 transformation savings at period 2. The savings are all categorised as transformation savings within the MTFP, however, the table has been split to reflect the savings where transformation are currently leading and those currently led by the service. Within the £15.671m of savings, £9.672m relates to new projects, all at various stages of delivery including Outline Business Case development. This is contributing to a significant level of savings at risk until further clarity on project timescales, deliverables and due diligence of benefits realisation and budget monitoring is completed.

Programme (Transformation led)	Gross Saving	% On Track or Delivered	Blue - Delivered	Green - On Track	Amber - At Risk	Red - Non- Delivery
Adults	4.062	28.80%	0.047	1.170	0.273	2.845
Children's	3.018	0.0%	0.000	0.000	1.718	1.300
Customer	3.538	25.44%	0.000	0.900	2.638	0.000
Procurement	0.662	0.0%	0.000	0.000	0.000	0.662
Corporate Landlord	0.735	89.8%	0.660	0.000	0.075	0.000
Homelessness	0.522	0.0%	0.000	0.000	0.000	0.522
Subtotal 2023/24 £m	12.537	16.51%	0.707	2.070	4.431	5.329
% of programme			5.64%	16.51%	35.34%	42.51%

Currently led by service

Children's - Early Help	0.902	33.26%	0.000	0.300	0.000	0.602
Community	0.705	9.93%	0.135	0.070	0.000	0.500
Finance & Resources - IT	0.249	0.0%	0.000	0.000	0.000	0.249
Estates/New Ways of Working	1.278	0.0%	0.000	0.000	0.100	1.178
Subtotal 2023/24 £m	3.134	11.81%	0.135	0.370	0.100	2.529
% of programme			4.31%	11.81%	3.19%	80.70%

Transformation savings within MTFP	15.671	15.57%	0.842	2.440	4.531	7.858
% of programme overall			5.37%	15.57%	28.91%	50.14%

3.6 To support the successful delivery of the transformation programme, Directors as Senior Responsible Officer (SRO) and the programme leads working with colleagues are reviewing options to ensure that savings are delivered during 2023/24. Some of the savings at risk could be mitigated through departmental actions and acceleration or changes to existing and new projects. This is in alignment to the actions being taken to address the P2 2023/24 budget monitoring forecast.

3.7 A series of mitigations are in place across these programmes including acceleration of projects, targeted interventions, and one-off mitigations such as holding vacancy posts. As the majority of the red 'at risk' of non-delivery relates to Adults' and Children's Services a deep dive in to those areas will be presented as a supplement to this report.

3.8 Saving targets that are based upon reducing third party spend are likely to be impacted by increased price inflation and increased demand for services beyond the original metrics used to determine savings targets or growth within baseline budgets. Savings relating to staffing reductions will also be impacted by cost of living and agency spend to fulfil key operational delivery roles but will see a benefit for positions where vacancies can be held. Achievement of savings may also be impacted if duplicated across programmes and within programmes, particularly the cross-cutting customer programme which is creating a centralised customer service hub. Whilst the saving is held centrally, work is underway to transition budgets and staffing from Directorates into the customer hub.

4. Transformation Programmes: description and mitigations

4.1 The transformation led savings are made up of five key programmes: Adults, Childrens, Homelessness, Customer Support, Corporate Landlord. Procurement is now tracked at service level.

4.2 Below provides a summary of each programme

Programme	Description	Mitigations
Adults	A large programme of change across numerous parts of the Adults Social Care service. Particular focus on promoting independence, prevention and delaying the need for longer term care. Giving vulnerable adults the best chance to live happy lives.	There are a number of additional opportunities and projects that are underway that will be overdelivering and support the current programme e.g., Strength Based Reviews The programme has also had a resource review and additional project capacity is now in place to support the in-year savings
Childrens	A full review and redesign of working practice relating to Children in Need and Child Protection, Preventing Long Term Care Starts, Achieving Permanence Out of Care, and Modernising Fostering.	A set of additional opportunities are being explored to support the in-year savings target including additional foster panel meetings to <u>fast track</u> approvals and investigating opportunities around residential starts for over 18s that may reduce care package costs
Homelessness	Restructure and growth of the Council's homelessness and housing aid services, to refocus on early prevention and tailored housing solutions for households. Reducing the use of expensive nightly paid/hotel temporary accommodation.	Accelerating recruitment into the Housing Aid/Housing Solutions team to support the reduction of expensive temporary accommodation. Exploring the prevention offer along with assessing potential policy changes will also be considered

Cross-cutting programmes	Description	Mitigations
Customer Support	Cross-cutting programme to deliver a consistent and efficient experience for external customers. Improving processes for colleagues who are internal customers of our business support function. Centralising colleagues undertaking both sets of activities within Customer Services, ahead of the delivery of a new hub operating model, encompassing both customer access and business support	Programme largely on track. Savings to be delivered via vacancy management
Corporate Landlord	Delivery of the Corporate Landlord operating model and management of the Council's property assets	Programme is in design phase

4.3 Each programme is being closely monitored and whilst the programme is experiencing challenges in delivering savings, there is examples of really positive actions to manage demand and changes in working practices that can be demonstrated and shared through the established programme boards. The challenge is ensuring the outcomes deliver cashable savings.

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