

**Audit Committee**  
**29 April 2022**

<b>Title of paper:</b>	Together for Nottingham Theme Seven: Service Design and Delivery	
<b>Director(s)/ Corporate Director(s):</b>	Ita O'Donovan	<b>Wards affected:</b> All
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<b>Recommendation(s):</b>		
<b>1</b>	To note this report	

**1 Reasons for recommendations**

- 1.1 This paper sets out for Audit Committee Members the progress made on implementing Theme Seven of the Together for Nottingham Plan and the associated transformation programme

**2. Background**

- 2.1. A refresh of the City Council Recovery and Improvement Plan, rebranded as Together for Nottingham, was approved by the Executive on 10<sup>th</sup> January 2022. That document contained a refreshed theme seven, which described the council's approach to reviewing the design and delivery of services. Specifically, the refreshed theme has the following objectives (delivering on financial and non-financial benefits):
- To maximise our ability to achieve our priority outcomes by increasing the efficiency of service delivery
  - To rationalise and simplify our modes of delivery and influence under a coherent strategy
  - To build on existing core capacity and capability in those areas where we excel
  - To reduce the administrative overheads associated with complex and inconsistent delivery methods
  - To make the most of the digital tools at our disposal to make it easier for citizens to transact with the council, promote a viable self-serve model and reduce duplication
  - To maximise residents' capacity to support themselves and their community
- 2.2. The key deliverables for this workstream as set out in the Together for Nottingham plan are:
- First wave of business cases for service transformation in November 2021
  - Second wave of business cases for service transformation in January 2022
  - Third wave of business cases for service transformation in March 2022

- Execution of new delivery plans
- 2.3. The appended Overview and Scrutiny Report sets out subsequent progress with development of business cases and implementation for service changes in the following areas where business cases have been approved:
- Adult Social Care Service
  - Children’s Social Care
  - The way the council organises it’s back-office business support
  - The way the council organises and administers procurement of goods and services
  - The way the council enables residents to access council services
- 2.4. It also sets out progress towards business cases for the following:
- The way the Council manages its property
  - The Council’s commercial services
  - The way the council manages it’s ICT
- 2.5. This paper will set out the mechanisms the council has established to ensure and assure delivery of these programmes and identify and manage risk.

#### A Transformation Office

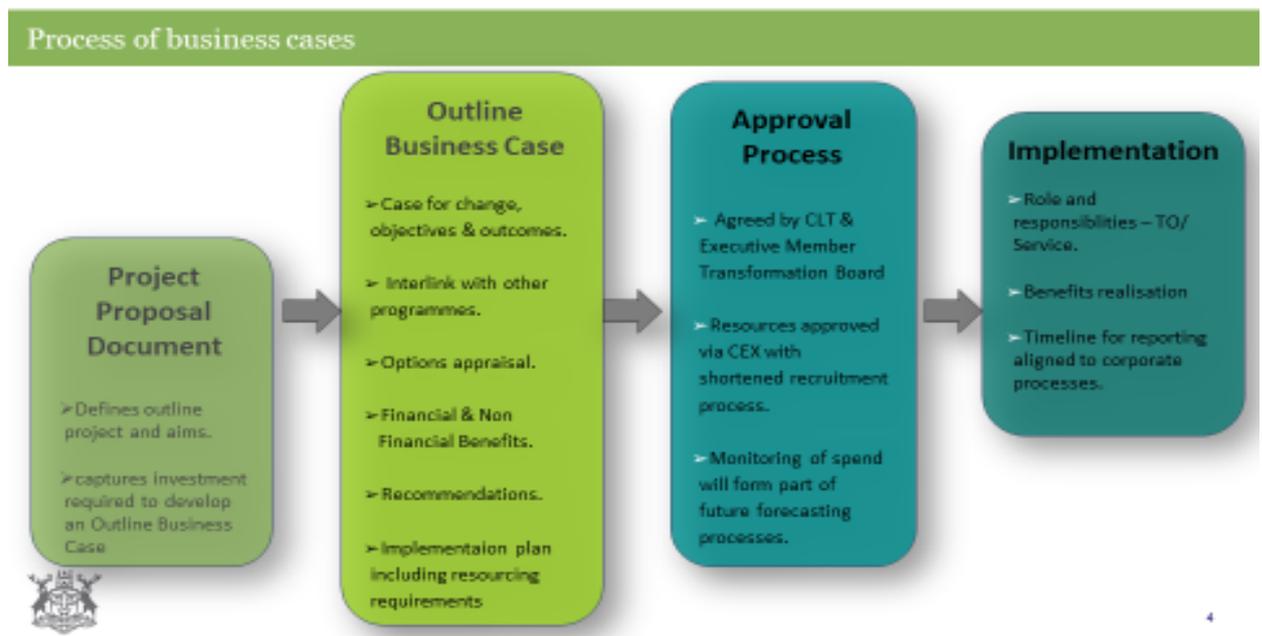
- 2.6. A Transformation Office (TO) has been established at the centre of the council to oversee and manage delivery of the service redesign portfolio – i.e. the collection of programmes and projects that will deliver the required service changes. The role of the TO is to:
- Link strategy to delivery
  - Carry out portfolio-wide benefit and milestone tracking
  - Manage interdependencies - co-ordinate and manage overlaps, gaps and dependencies between programmes and projects
  - Support Portfolio Holders, Senior Managers and programme leads to unblock issues and problem solve in areas requiring assistance
  - Provide portfolio level prioritisation & review – ensuring the right investments are made, and projects undertaken and ceased if ineffective
  - Enable the flow of relevant information to decision makers
  - Ensure that those affected by portfolio outcomes have clear communication and are able to take on the change
  - Build change capability across the organization – i.e. provide a centre of excellence
- 2.7. The TO consists of:
- Transformation Director
  - Portfolio Execution Lead
  - Head of Commercial Finance (Transformation Finance Lead)
  - Programme Manager
  - 2 x PWC managers
  - Communications Lead
  - Programme Delivery Leads for the Adults’, Children’s and Customer First Programmes (i.e. the most substantial change programmes in the portfolio)

- Change Academy graduates (see paragraphs 2.15 and 2.16 below)

### Governance

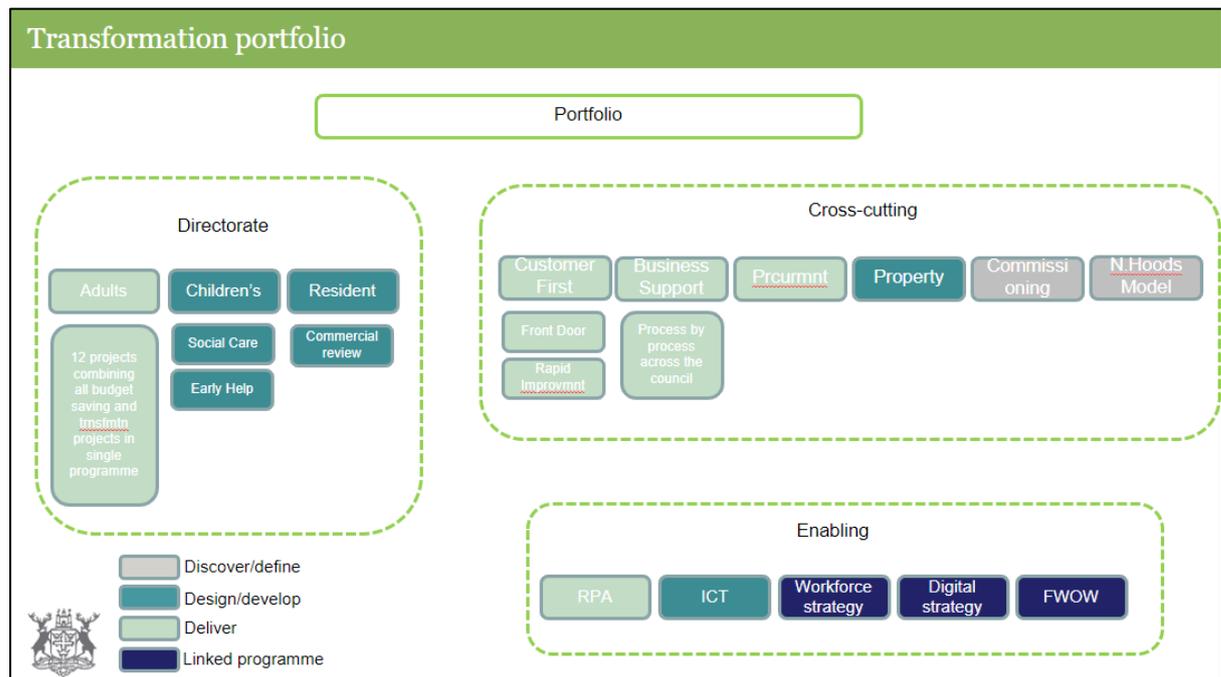
- 2.8. The Executive Member Transformation Board (EMTB) oversees approval of business cases for change programmes to proceed to implementation. A clear, simple process is in place to clarify decision-making for both Members of the EMTB and lead officers. The process has three stages: project proposal; business case; and approval by EMTB. Once programmes move into implementation, EMTB receives monthly reports on progress, risks and issues and a series of deep dives into each of the programmes is being initiated to enable Members to gain a deeper insight into, and assurance of, progress towards intended benefits. This process is set out in figure 1 below.

Figure 1



- 2.9. Standard documentation is used for project proposals and business cases, which ensures both transparency and comparability between proposals. The project proposal and business case templates are attached as Appendices 1 and 2.
- 2.10. Governance of implementation takes a number of different forms, covering weekly, monthly and less frequent reviews and other activities. The TO monitors operational delivery actions and risk management on a weekly basis. Individual programmes that are in delivery all work to programme boards on a monthly basis. These boards then report through Directorate Leadership Teams or, in the case of programmes that cut across the council structure, through a cross-cutting board. The Boards share common terms of reference, adjusted for their specific objectives. As new programmes are accepted into the portfolio, they will follow a similar model. Figure 2 outlines the structure of the portfolio and associated programme governance.

Figure 2

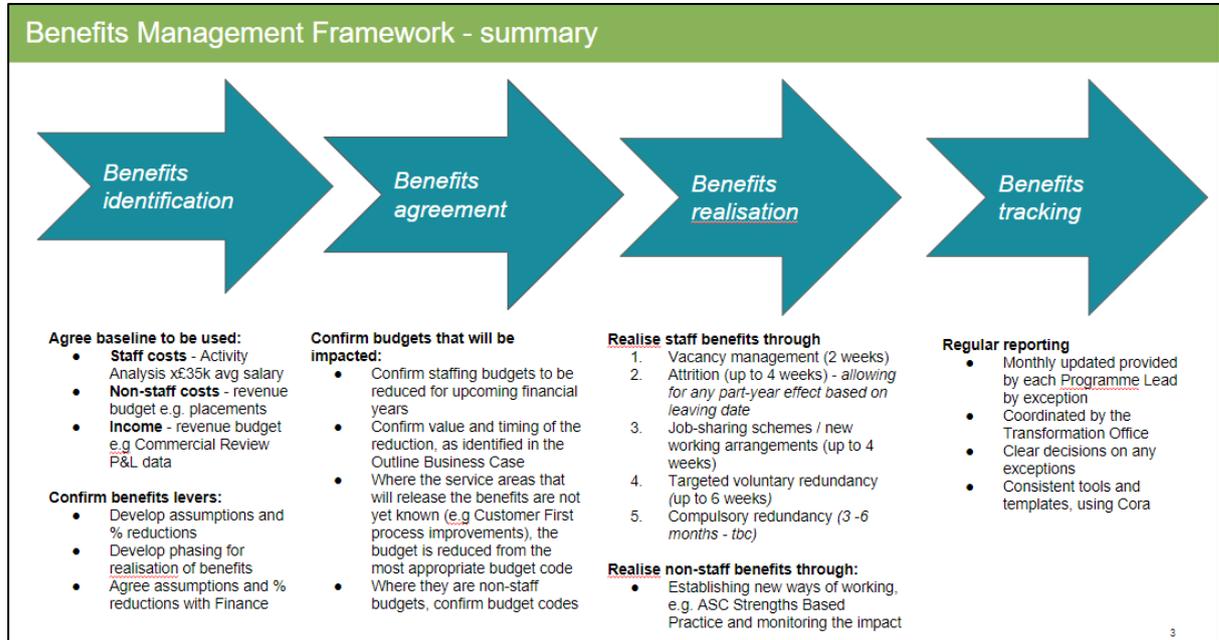


## Funding and benefits management

- 2.11. In July, the Council approved a fund of £15m to be set aside for improvement and transformation work to support the delivery of the Recovery and Improvement Plan (now the Together for Nottingham Plan). The fund provides investment over a four year period. Business cases to access this fund for transformation support are required to demonstrate at least a 3:1 return on that investment. Moreover, it is insufficient for transformation cases to be based purely on a savings target. There are six core transformation principles on which a business case can be based. To be successful, a business case must satisfy the first principle and *at least* one of the other five. The principles are:
- Delivers financial benefit
  - Joins up services for residents and businesses
  - Makes services more accessible
  - Simplifies, standardises and automates ways of working
  - Enables early intervention and prevention
  - Supports the move from traditional provision to participation
- 2.12. Benefits management is the key process to ensure change activity delivers successfully. It is a process for identifying, calculating, validating and then tracking benefits generated by programmes and projects. A benefit is the quantifiable and measurable improvement resulting from a programme or project and is normally expressed in a tangible way in monetary, resource or performance terms. Therefore, it is critical that the transformation portfolio has a clear and consistent approach to the management and

delivery of benefits. Figure 3 sets out in high level terms the benefits management framework being used by NCC. The full framework is attached at Appendix 3.

Figure 3



## Risk management

2.13. Delivery of the transformation portfolio follows a traditional risk management approach with each constituent programme and project identifying and managing its own risk log. More strategic portfolio risks are managed at the TO level and reviewed on a monthly basis by the Executive Member Transformation Board. The current TO portfolio risk log is attached at Appendix 4 with financial risks included in council budget reporting.

### Workforce skills and capacity

2.14. The council has lacked the capacity within its establishment to complete all the work required to initiate and complete business case analysis and transformation planning. In addition, as the resource required to deliver subsequent change has become clear, the council has recognised that it needs to develop some of the delivery skills required at some pace in order to be self-sufficient in project delivery. Consequently, a number of external staff have been recruited for fixed periods of time from both the interim market and external consultancies. The composition of the TO reflects this mixed model of resourcing.

2.15. This model is not financially sustainable, does not provide organisational resilience for the future, and nor does it provide the development opportunities the council wants for its staff. Therefore, the council has developed a Change Academy in partnership with PWC. The Academy is

an innovative model whereby fifteen council staff attend a nine-week development programme providing skills, tools and accreditation in project management and business analysis. They train alongside PWC internal staff covering the same curriculum and thereby learning from people doing similar jobs in different industries. At the end of the nine weeks, the Academy graduates are seconded to the council's TO for twelve months and deployed onto change specific programmes. Their substantive roles will be backfilled to ensure that council services do not suffer the pressure of losing staff. Five further staff are completing procurement training.

- 2.16. The Academy has been popular. An internal recruitment process received c.50 applicants for the fifteen places, which were filled through a competitive selection process. The first five graduates are now working on the programmes outlined above and a further ten will graduate at the end of May. Over the course of the summer, Change Academy staff will replace PWC staff currently covering much of the council's transformation activity.

### **3 Background papers other than published works or those disclosing exempt or confidential information**

- 3.1 None.