Annex 5

Transformation Programme

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1. Overview

1.1 Transformation means creating a sustainable council that can continue to deliver its ambitious agenda for the future. To achieve this, the council must become an exemplary modern council that ensures it creates maximum value from the resources at its disposal.

1.2 The council aims to build a more equal Nottingham with accessible, intuitive, responsive council services that enable residents and the city to thrive. Given the significant budget constraints within which the council has to work, this is a bold agenda that requires a transformation of the way the council operates as an organisation. It must focus on preventing low level need developing into substantial demand for services, helping people find the services they need as efficiently as possible, and ensuring services are designed to both improve outcomes and minimise cost. The transformation portfolio brings together the most significant programmes designed to achieve these objectives, and in so doing makes a substantial contribution to the financial sustainability of the council.

1.3 The key principles on which council transformation is based are:

1. Designing services *with* residents and communities
2. Building on individual, family and community strengths
3. Understanding people in the round rather than through a particular service's view
4. Joining up council interactions in order to streamline them and provide more holistic support
5. Reducing the variation in how the council does things, rationalising systems and standardising, simplifying, digitising and automating processes wherever appropriate
6. Supporting diversity at every level to promote understanding of communities and creative design of services
7. Deploying staff flexibly, to enable a focus on priorities and pace of change
8. Being smaller and more streamlined

1.4 The current portfolio of savings (gross) plus the new proposals contained within this report equate to a programme of £61.6m to be delivered by 2026/27. Within this MTFP period delivery of £59.4m is expected. This is shown in further detail below:

		2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2023/24 to 2026/27 total £m
	Table 1: Annual Gross Savings						
2022/23 MTFP	Customer	(0.329)	(1.319)	(1.647)	0.000	0.000	**(2.966)**
	Business Support	(0.340)	(0.340)	(0.690)	0.000	0.000	**(1.030)**
	Procurement – revenue	(0.331)	(0.662)	(0.414)	(0.314)	0.000	**(1.390)**
	Procurement – other funding streams	(0.370)	(0.707)	(0.497)	(0.278)	0.000	**(1.482)**
	Adults	(0.226)	(0.660)	(0.531)	(0.657)	0.000	**(1.848)**
	Children's	(0.539)	(3.018)	(3.775)	(1.999)	(0.809)	**(9.601)**
	Sub total	*(2.135)*	*(6.706)*	*(7.554)*	*(3.248)*	*(0.809)*	*(18.317)*
2023/24+ MTFP	Children's - Early Help		(0.902)	(1.143)	0.000	0.000	**(2.045)**
	Community		(0.705)	(0.163)	(0.300)	0.000	**(1.168)**
	Adults		(3.402)	(5.150)	(4.674)	(4.364)	**(17.590)**
	Customer Support		(1.879)	0.835	0.000	0.000	**(1.044)**
	Estates/New Ways of Working		(2.013)	(0.075)	0.000	0.000	**(2.088)**
	Homelessness		(0.522)	(5.569)	(3.266)	(7.949)	**(17.306)**
	Finance & Resources - IT		(0.249)	0.000	0.000	0.000	**(0.249)**
	Sub total		*(9.672)*	*(11.265)*	*(8.240)*	*(12.313)*	*(41.490)*
	TOTAL	**(2.135)**	**(16.378)**	**(18.819)**	**(11.488)**	**(13.122)**	**(59.807)**

Gross savings reflect the level of savings required to

1) mitigate savings from previous MTFP's,

2) align to savings against other funding streams as set out in the original business cases;

3) align to revenue savings captured in the 2022/23 MTFP and

4) the new proposals in this budget report.

The profile of investment to support the delivery of gross savings is profiled as follows and totals £22.4m with £10.4m to be spent from 2023/24 onwards. This is funded from the Flexible use of Capital Receipts.

Table 2: Investment							
	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2023/24 to 2026/27 £m
PMO	0.789	1.216	0.753	0.011	0.000	0.000	**0.764**
Training or academy	0.332	0.221	0.000	0.000	0.000	0.000	**0.000**
Academy backfill	0.027	0.695	1.216	1.277	0.000	0.000	**2.493**
TOTAL #1	**1.148**	**2.132**	**1.969**	**1.287**	**0.000**	**0.000**	**3.256**
Customer	0.311	2.029	0.000	0.000	0.000	0.000	**0.000**
Business Support	0.000	0.600	0.000	0.000	0.000	0.000	**0.000**
Procurement	0.216	0.405	0.000	0.000	0.000	0.000	**0.000**
Adults	0.018	0.330	0.185	0.120	0.000	0.000	**0.305**
Procurement & Commissioning		0.469					**0.000**
Childrens	0.374	3.634	4.499	0.274	0.502	0.000	**5.275**
Childrens - Early Help	0.000	0.000	0.167	0.020	0.000	0.000	**0.187**
Community	0.000	0.000	0.212	0.139	0.000	0.000	**0.351**
Adults	0.000	0.000	0.183	0.408	0.000	0.000	**0.591**
Customer Support	0.000	0.000	0.283	0.000	0.000	0.000	**0.283**
Homelessness	0.000	0.000	0.183	0.000	0.000	0.000	**0.183**
TOTAL #2	**0.920**	**7.467**	**5.710**	**0.960**	**0.502**	**0.000**	**7.172**
Contingency		0.261					**0.000**
TOTAL	**2.068**	**9.860**	**7.679**	**2.248**	**0.502**	**0.000**	**10.429**
Total 2021/22 to 2022/23	**11.928**						

The above figures do not include funding for feasibility and development of new areas of opportunity nor any associated redundancy costs that may be incurred.

2. Transformation portfolio 2022/23

2.1 The council has made good progress on establishing a transformation portfolio in line with these principles in 2022/23.

Adult Social Care

2.2 Adults Health and Social Care in Nottingham is facing a number of key challenges, such as increasing demand, workforce retention and financial pressures. To address this, the existing programme of change was developed to improve service quality, provide better outcomes for citizens and deliver financial savings for the Council.

2.3 The programme is designed to work towards delivering the outcomes from the Social Care Futures enquiry:

"We all want to live in the place we call home with the people and things that we love, in communities where we look out for one another, doing things that matter to us".

2.4 The 5 key changes that the programme is working towards are:

1. Communities where everyone belongs
2. Living in the place we call home
3. Leading the lives we want to live
4. More resources, better used
5. Sharing power as equals

2.5 The projects within this programme cover three key areas of transformation:

1. Promoting independence, preventing and delaying the need for longer term care;
2. Developing the service offer to provide better outcomes; and
3. Strengthening and developing the workforce.

Children's Social Care

2.6 The Children's service transformation programme will cover all of Children's Social Care, from Early Help (EH), through Child in Need (CIN), Child Protection (CP) to Children in Care (CIC). It aligns work planned in early 2022/23 with implementation of the recommendations from the council's 2022 Ofsted inspection. The primary aims of the programme are to:

- Help families stay together more safely and with greater resilience, using effective targeted interventions. This will significantly reduce the trajectory of growth of children in care in Nottingham
- Ensure the most timely and effective support is consistently provided from EH through CiN and CP. This will be a significant driver of improved service quality and reduced risk as well as reducing future workforce growth requirements

- Reduce bottlenecks and improve processes and ways of working to help staff spend more time helping young people, and gain greater satisfaction from their roles

- Improve commissioning and recruitment processes of residential and foster careers

- Support the council on the journey to maintain consistent good practice

Customer First

2.7 The Customer First programme works across the whole council with the aim of rapidly improving key customer services through a programme of process redesign and simplification based around customer needs. Simpler, faster processes improve customer satisfaction and reduce costs for the council.

2.8 This rapid process-by-process improvement is accompanied by a consolidation of contact points for customers, providing a more effective triage and support service based on whole customer need rather than specific service requirements. The implementation of effective digital channels is a key element of this programme, providing rapid 24/7 access to council services where appropriate.

Procurement

2.9 Over 70 per cent of the council's annual revenue budget is spent with in excess of 3,500 external suppliers and third parties. This change programme:

- Identifies opportunities that will enable NCC to reduce and better manage the spend with specific third parties

- Has developed and will implement a new operating model for a commercial, commissioning, procurement and contract management work. This will improve the strategic approach to, and management of, this annual revenue expenditure

Business Support

2.10 This programme simplifies, standardises and streamlines the way in which the Council delivers business support activities, thereby reducing the effort spent on internal processes whilst improving how effectively they are delivered.

3. Transformation portfolio 2023/24

3.1 Having built a platform from which to transform the overall operations of the council in the first wave of programmes, the council has increased its transformational ambition. The development of the current MTFP has merged operational savings plans with more largescale transformational opportunities, which has resulted in a number of programmes captured in the budget consultation that, if approved, will be added to the

transformation portfolio with fully developed business cases and implementation plans. These are:

- Acceleration of the Customer First and business support programmes
- Children's Early Help strategy and operating model
- Adult Social Care independence and prevention approach, including:
  - Community interventions
  - Developing strengths-based practice
  - Assistive technology
  - Occupational therapy and adaptations
  - Mental health reablement
- Implementation of corporate landlord operating model
- Implementation of a new strategic commissioning model
- Homelessness services operating model
- Corporate centre services review

Acceleration of Customer First and Business Support programmes

3.2   The existing Business Support transformation programme identifies activities and processes within the council, seeks to improve them and create efficiencies through digitisation and automation. This leaves the business with the same activities but provides more effective ways to deliver them.

3.3   The acceleration of this programme will rationalise the management and delivery of these activities into an expert hub model, in line with the Customer First operating model. It will consist of the five projects set out in the **Table 3** below.

Table 3 : Customer First and Business Support projects		
#	**Project Name**	**Description**
1	Transition	Transitioning teams and posts associated with Customer Contact and Business Support to centralised operating models consisting of Hubs, supporting *external customers* (residents, businesses, partner organisations), and *internal customers* (teams associated with service delivery), providing an excellent experience and efficient service.
2	Process Improvement	Through discovery, identifying opportunities for improving processes, reducing effort and transforming the ways in which the organisation delivers services to both internal and external customers, to improve the customer experience and support more efficient service delivery.
3	Automation	Developing the in-house skills and capability to enable the design and delivery of automated solutions as part of business as usual, to reduce the level of manual (human) effort currently required to undertake low level admin activities, such as copying and pasting information from one system to another.
4	Webform build	Designing and developing webforms as the default mechanism for customers wishing to contact us via the website. This reduces the number of emails we receive, ensuring customers provide the required information first time and requests can be directed to the people best placed to provide a response. End to end processing becomes more efficient, and the experience for customers is improved.
5	Continuous Improvement	Introducing a continuous improvement framework, enabling teams within the new operating model to use performance data to understand how each respond to customer demand, identifying where processes and procedure are inefficient and implementing efficient operational solutions.

Children's early help strategy and operating model

3.5 The council will work with its partners to create a city-wide Early Help Strategy. This will be underpinned by the Supporting Families Programme's principles, giving a solid foundation for the Early Help strategy

3.6 Supporting Families is a high-profile national programme, which attracts income to the City through a Payment by Results process and transformation grant. In order to build the longer-term strategy, **£0.500m** per year of this programme will be reinvested in current Family Support Workers posts.

3.7 The four elements that comprise this programme are set out in the **Table 4** below.

Table 4 : Children's early help strategy and operating model projects		
#	Name	Description
1	Grant Funding	● An annual grant of £1.2 million is provided in each of the three years of the programme. This will total £3.6 million over the three year period. ● £500,000 per year of this programme will be reinvested in current Family Support Workers posts.
2	Payments by Results	● In addition to the grant funding, the Supporting Families programme offers the opportunity to receive payments by results funding up to a cap of £500,000 per year. ● Based on the programme's targets, the programme has the potential to achieve £1.47 million in payments by results funding over the three year period. ● This will be re-invested in the service to enable its establishment, development and growth
3	Future Cost Avoidance	● It is widely recognised that early help minimises the escalation of challenges within families, improves outcomes and ultimately reduces referrals to and pressure on social care services. ● It is estimated that the Supporting Families Programmes has the potential to provide a cost avoidance of £236,104 during its three years of activity. This has been included in the total savings estimate for this programme
4	Early Help Strategy & Transformation	Nottingham has just completed a Peer review from Essex Council. This was a two day assessment and diagnostic which was carried on the Early Help service on 11th & 12th January 2023. The outcome and formal report will feed in to a transformation plan for the service.

Adult Social Care independence and prevention approach

3.8   The existing Adult Social Care programme contains a number of existing transformation projects which are already delivering better outcomes in a more cost-effective way. However, there is a need to go further and faster in order to continue to improve service user experience while also meeting pressing financial challenges and managing demand by reducing, preventing and delaying the need for Adult Social Care services. Therefore, this programme comprises five further priority projects as detailed in **Table 5** below.

Table 5 : Adult Social Care independence and prevention approach projects		
#	Project Name	Description
1	Community interventions	Working with and empowering community and voluntary sector organisations to support and grow a diverse range of community activity and interventions that promote wellbeing and independence
2	Developing strengths-based practice	Develop our wider workforce to have strengths-based conversations at the earliest opportunity to support more people in maintaining independence for longer, preventing and delaying the need for longer term care
3	Technology enabled care (assistive technology)	Provision of increased, effective and creative use of assistive technology to maximise independence of citizens
4	Occupational therapy and adaptations	Improve access to occupational therapy assessment and provision of equipment and adaptations that enhance and promote independence, whilst reducing the need for commissioned support.
5	Mental health reablement	Provide short term mental health interventions to maximise independence and reduce or delay the need for longer term social care services

Implementation of corporate landlord operating model

3.9 The creation of a corporate landlord operating model for the council will establish a single consolidated function to oversee and manage the council's operational estate. This will:

- Accelerate the asset challenge programme to bring forward higher levels of capital receipts, quicker and to identify under utilised assets for repurposing
- Deliver revenue savings in current corporate landlord-related activities
- Improve property technology systems. This will have the effect of improving control of the property estate to support the asset challenge process with better data on values, size, utilisation, condition and running costs
- Create smooth decision making process
- Increase the visibility of compliance data
- Create a more strategic approach to maintenance spend

3.10 The programme has a number of objectives that will be delivered through a range of projects involving technology, process, people and property (see **Table 6** below).

Table 6 : Corporate Landlord objectives and outcomes		
#	Objective	Outcome
1	Deliver financial benefit both in terms of revenue savings and capital receipts	The Corporate Landlord project has the potential to deliver £4.25m of revenue savings within 2 years
2	Create more efficient ways of working for the property management function	The implementation of Corporate Landlord will include written processes and procedures that simplify the current ways of working and decision making. Improved technology will allow better reporting and data management reducing manual methods
3	Improves the technology available to the property management function including better reporting	By implementing the new structure, improving the technology and creating efficient processes, staff can focus on activities that add strategic value to the Councils core objectives.
4	Simplifies, standardises and automates ways of working	Provide templates and frameworks for new and revised operating procedures and processes to be put in place. The governance recommendations, once implemented will simplify decision making. Improved technology will also automate many day to day tasks and administrative functions particularly for property management, compliance and FM
5	Generates a more strategic approach to property management that adds value and supports NCC's corporate objectives	As part of the implementation, a Strategic Asset Management Plan will be developed which links the property portfolio to the Councils economic, social, political and environmental policy and objectives
6	Create a more agile organizational structure able to respond to wider Council transformation and change programmes	Consolidating all property management functions, including Strategic Asset Management, Commercial and Investment Property, Development and Disposals, Property Finance, FM and Building Services reporting into one Directorate will enable workload to be better managed, synergies to be created between interlinked property activities and a more collaborative team working culture to be created that can flex as the Council's priorities and needs change
7	Ensures Best Practice and Compliance with Statutory Obligations	Undertaking and monitoring all property related compliance actives as a centralised function will ensure that financial and reputational risks are reduced and best practice is followed

Implementation new strategic commissioning model

3.11 In September 2022, the council approved the established of a new strategic commissioning function. Effective strategic commissioning is required by NCC to provide a strong grip on use of resources and to cultivate new perspectives on service delivery to improve outcomes and reduce cost . Strategic commissioning

ensures a strong focus on outcomes and best value, shapes more resilient markets and communities, and builds more effective partnerships. The implementation of this model is a substantial undertaking and it will sit within the transformation portfolio. The core elements that will be developed by the programme are set out in the **Table 7** below.

Table 7 : Strategic Commissioning model objectives and outcomes		
#	Objective	Outcome
1	Core centre of excellence	Define and promote consistent commissioning approaches ot driving better outcomes for the service users and the council
2	Strategic and operational commissioning	Deliver activities across the commissioning cycle for Adults' and Children's Services
3	Market development	Build sustainable and sufficient provision in local markets, working with providers
4	Contracts and quality assurance	Delivery of effective operational contract management in Adults' and Children's Services
5	Brokerage	Undertake sourcing of a range of suitable support options that meet individual needs

Further development of the transformation portfolio

3.12 Further business cases are in development for implementation for a new operating model for Housing Aid/homelessness services and a review of corporate centre services. The expectation is that as new proposals emerge in-year, they will be assessed for scale and impact and if of sufficient scale and/or strategic importance to the council, will be included in the transformation portfolio.

3.13 Funding for feasibility and development of new areas of opportunity do not form part of the above financial analysis.