

Report of the Cabinet Member for Transformation and Performance

Council – 23 July 2015

SUSTAINABLE SWANSEA – FIT FOR THE FUTURE: DELIVERY PROGRAMME REVIEW

Purpose:	To revise the Delivery Programme for the <i>Sustainable Swansea – fit for the future</i> strategy following a review of progress so far and the changes required to address the targets contained in the Medium Term Financial Plan
Policy Framework:	<i>Sustainable Swansea – fit for the future</i> Medium Term Financial Plan and Budget
Reason for Decision:	To seek Cabinet approval for the revised Delivery Programme for <i>Sustainable Swansea</i>
Consultation:	Cabinet Members, Executive Board, Legal, Finance, Access to Services Team
Recommendation(s):	It is recommended that Council: 1. Approves the revised Delivery Programme for <i>Sustainable Swansea – fit for the future</i> as set out in the Appendix to this report.
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1.0 Introduction

1.1 This report contains proposals from the Executive Board to revise the Delivery Programme for the Council's *Sustainable Swansea – fit for the future* strategy following a review of progress and developments over the past last year.

1.2 The review report covers:

- **Background to the Review...** review objectives and how the review was undertaken

- **Sustainable Swansea Strategy**... conclusions and recommendations about the overall aims and shape of the programme and the 4 Workstreams
- **Delivery Strands Achievements**... a summary of what we have achieved so far for each of the 14 Delivery Strands
- **Future Delivery Strands**... proposals for the future Delivery Strands, including an estimate of savings across the next 3 years
- **Delivery and Resourcing**... an overview of delivery and a statement of resources allocated to the Programme, what these will achieve and how they will be deployed, including the development of Service Delivery Plans
- **Governance**... changes to the governance arrangements for *Sustainable Swansea*
- **Communications**... proposals for future internal and external communication and engagement on the programme
- **Risks and Issues**... statement of the top risks and issues and how these will be managed and addressed

1.3 It is proposed that, following Cabinet approval, a summary of the paper is reported to Council.

2.0 Background

2.1 *Sustainable Swansea – fit for the future* was approved by Cabinet on 15 October 2013 and was subsequently reported to Council on 22 October 2013. The first Delivery Programme was approved by Cabinet on 29 July 2014. Strategic savings targets for the Programme are contained within the Medium Term Financial Plan (MTFP) approved by Council on 24 February 2015.

2.2 Work has taken place since February 2015 to update the Delivery Programme. The review has addressed two key areas:

- **Savings**... the allocation of the additional savings across the Programme to meet the three year £80m target in the MTFP
- **Delivery**... what we have achieved so far and the future shape of the programme and the 4 Workstreams

2.3 The **Appendix** to this report (and its own Appendices) set out the conclusions of the review and proposals for a revised Delivery Programme.

2.4 This covering report provides a summary of each section.

3.0 Sustainable Swansea Objectives

3.1 The scale of the financial, demographic and sustainability challenges requires the Council to adopt a radically different approach to previous years. An approach that focuses on:

- *The core future purpose of the Council*
- *The transformation of services and the model of delivery*
- *Greater collaboration with other councils and local organisations, community groups and residents*
- *And, above all, sustainable solutions with prevention at its heart*

This ambition is set out in *Sustainable Swansea – fit for the future*. The Strategy is underpinned by our work on Innovation.

3.2 The conclusions and recommendations about the overall aims and shape of the programme and the 4 Workstreams are as follows:

- *The strategic aims should remain unchanged*
- *No changes are proposed to the 4 Workstreams*
- *Further work is undertaken to embed TASS, LAC and the Schools strategy as part of the Prevention Workstream Delivery Strands*
- *Each Head of Service should produce local actions to support the Change Plan “Working Together, Working Differently”*

4.0 Delivery Strands Achievements

4.1 This report summarises what we have achieved so far overall and for each of the 14 Delivery Strands. A number of changes are proposed to the Delivery Strands (the revised *Sustainable Swansea* Programme is illustrated in **Appendix H** of the report).

4.2 The overall picture described is where we might expect to be, given the maturity of the Programme and the transition from a “siloes” based approach to budget cuts to a strategic and cross Council approach. We have achieved a great deal but there are significant challenges ahead that we now need to address.

4.3 The conclusion of the review is that we need to focus a significant amount of our time and resources on three key areas that are vital to securing long term change and savings:

- Commercialism
- Commissioning
- Prevention

5.0 Future Delivery Strands

5.1 The review of the Delivery Programme has assured and produced a range of new savings proposals that will help to address the financial challenge.

5.2 The current assessment (bearing in mind the caveats and risks mentioned in the report and that the Council’s MTFP forecast will change year on year) shows an estimated gap of £2.587m in 2016/17 and a gap of £6.367m in 2018/19.

5.3 We need to undertake further work quickly to get to the position where savings targets are set for **all** Delivery Strands and to undertake further assurance and delivery planning to address the MTFP shortfall. We have engaged external support to help us to assess the size of the opportunity in Prevention and to provide further assurance based on evidence from elsewhere.

5.4 The projects in the Programme will inevitably require difficult decisions. If the Programme does not deliver, or the options produced are not accepted, Cabinet will need to consider further action in year to deliver a balanced medium term budget.

6.0 Delivery and Resources

6.1 The report provides an overview of delivery and a statement of the resources allocated to the Programme, what these will achieve and how they will be deployed, including the development of Service Delivery Plans

6.2 The additional resources agreed for *Sustainable Swansea* and the targeted use of external support are intended to address historical delivery problems and to build our capability to deliver.

6.3 Service Delivery Plans are intended to be a more productive way of delivering *Sustainable Swansea* as part our commitment to “*working together, working differently*”. Work will start on these now.

7.0 Governance

7.1 Governance arrangements have worked as intended and, consequently, few changes are considered to be necessary. The governance chart has been updated to reflect the proposed changes to the strands.

8.0 Engagement

8.1 We will build on our engagement so far with residents with a greater focus on:

- *What the Council will stop doing – with clear “stories” about why this is necessary and what this will mean for you*
- *Our future relationship with residents – helping you to help yourself*
- *Behaviour change – targeted social marketing to support demand management priorities*

8.2 We will engage employees in manager led conversations about the major changes facing the Council (including the Swansea Story, Corporate Plan, Future Council), within the context of the local service changes.

9.0 Risks

- 9.1 The report sets out the top risks and an action plan to address the key issues identified as part of the Delivery Programme Review.

10.0 Equality and Engagement Implications

- 10.1 The Equality Impact Assessment (EIA) process was used as part of the initial engagement on *Sustainable Swansea* and the budget process for 2015/16 (we have undertaken budget EIAs since 2011).
- 10.2 The EIA process will be used to assess the impact of particular proposals in the Delivery Programme. Some proposals will also require specific consultation exercises. The results of both will be reported to Cabinet before decisions are made.

11.0 Financial Implications

- 11.1 The Programme Review builds on the MTFP 2015/16–2017/18, approved by Council on 24 February 2015.
- 11.2 The MTFP includes three year savings targets by Directorate and by *Sustainable Swansea* Workstream (section 2 of the Appendix) to meet the estimated £80m savings requirement.
- 11.3 The review proposes the allocation of the strategic level Workstreams savings to specific Delivery Strands and Projects on the basis of a **target to aim for**.
- 11.4 The comparison between existing planned MTFP savings and the additional proposals in the Delivery Programme against the budget gap in the MTFP is as follows:

	Estimated Savings £000 (Cumulative Totals)		
	16/17	17/18	18/19
Planned MTFP Savings	12,772	20,554	20,554
Additional Savings	19,735	39,999	58,169
MTFP Requirement	35,094	58,214	85,090
Gap	2,587	(2,339)	6,367

- 11.5 Further work will be undertaken quickly to get to the position where savings targets are set for **all** Delivery Strands and to undertake further assurance and delivery planning to address the MTFP shortfall. External support will be used to assess the size of the opportunity in Prevention and to provide further assurance based on evidence from elsewhere.
- 11.6 The financial forecast is expected to change during the course of the year as a result of both UK and Welsh Government budget announcements. An update will be provided to Cabinet and Council in October/November as part of the Mid-term Budget Statement.

11.7 The additional resources for delivery will be met from the Transformation Fund.

12.0 Legal Implications

12.1 There are no specific legal implications arising from this report. Any collateral issues will be addressed if Cabinet approves this Delivery Programme and it is then put into effect.

Background Papers: None

Appendices: Appendix – *Sustainable Swansea – fit for the future*: Delivery Programme