



## Report of the Cabinet Member for Service Transformation

Cabinet – 20 April 2023

# Successful and Sustainable Swansea Corporate Transformation Plan

<b>Purpose:</b>	To seek Cabinet approval of the Corporate Transformation Plan for 2023-28
<b>Policy Framework:</b>	<ul style="list-style-type: none"><li>• 2022-27 Policy Commitments</li><li>• 2023-28 Corporate Plan</li><li>• Transformation and Financial Resilience Wellbeing Objective</li><li>• Corporate Risk Register</li></ul>
<b>Consultation:</b>	Access to Services, Finance, Legal.
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Approves the Corporate Transformation Plan at Appendices 1-3.
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### 1. Introduction

***In 2028 Swansea is a place that has a thriving mixed use city centre and local economy. It is a place where people can gain the skills and qualifications they need to succeed in life, where everyone can achieve their potential and where communities are resilient and cohesive. Swansea is a place where human rights are respected, and people are safeguarded from harm and exploitation. It is a place where nature and biodiversity are maintained and enhanced, and carbon emissions are falling.***

- 1.1 The challenge of achieving the council's vision above, cannot be underestimated, especially in the light of the huge problems it is currently facing, including:
- A growing ageing population with increasingly complex needs
  - The need to attract economic investment, high quality jobs, new technology and to address the skills gap.
  - The need to reduce the county's carbon footprint and support nature recovery to help tackle climate change
  - The need to tackle health and socio-economic inequalities
  - Inflation and the cost of living crisis
  - Recruitment and retention problems in key roles
  - Major macro-economic uncertainty
  - Geopolitical conflicts / changes that are impacting on resource availability and prices
  - Technological advances that are leading to changes in customer behaviour and expectations
  - Significant legislation and national policy requirements on public bodies that will influence service design and delivery
- 1.2 In addition, the council has never faced such a difficult financial outlook, exacerbated by years of austerity. As currently designed our services will soon become unsustainable as our costs rise but our funding is expected to fall in real terms year on year – the Medium Term Financial Plan (MTFP) predicts further savings of between £40-70 million per year by 2026-27 could be required.
- 1.3 Many of the above factors will continue to have an impact over the medium-term (i.e., to 2028) and even the long-term (i.e., to 2040). Against that background, if the council is to meet its statutory obligations and deliver on the commitments it has made, we will have to make significant changes to the council's operating model, technology, processes, and service delivery<sup>1</sup>. In other words, we will have to transform, working closer than ever with others, while continuing to ensure that everything we do is focused on meeting the needs of our population now and in the future.

## 2. Background

- 2.1 The council has been transforming since 2015. The *Sustainable Swansea Programme* ran from 2015-20 and the *Achieving Better Together Programme* followed between 2020-22, the latter primarily focused on helping the council respond to and recover from the COVID19 pandemic.
- 2.2 This corporate transformation plan is the next phase in the council's transformation journey. It has been developed under the banner of *Successful and Sustainable Swansea* the council's corporate plan for

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<sup>1</sup> According to CIPFA "Transformation involves significant change in approach to an organisation's operating model, technology, processes and/or service delivery to deliver better outcomes and improve efficiency"

the next five years. It is structured under the six corporate priorities contained the council's corporate plan.

### 3. Advice

- 3.1 The focus of this corporate transformation plan is the achievement of the council's vision. As such, while previous plans majored on the delivery of savings identified in the Medium Term Financial Plan, this plan is focused on delivering the most significant change programmes that the council needs to pursue to achieve the vision highlighted in section 1 above.
- 3.2 The delivery of the council's savings plans remain a priority but recognising that many planned savings do not involve transformation, only those which are linked to a specific transformation programmes will be monitored as part of this plan. A separate mechanism, is being established under our Performance Management Framework to ensure the effective monitoring and reporting of budget savings delivery from quarter 1 of 2023-24 onwards.
- 3.3 The diagram below shows the programmes that will be included in the plan. All have been drawn from the council's corporate plan and encompass many of the steps articulated therein.



- 3.4 The plan contains seven service specific<sup>2</sup> and five cross-cutting<sup>3</sup> programmes, all of which will have a long term impact on service delivery, ways of working and the financial resilience of the council. Even though each of the programmes is free standing, there are important connections and synergies between them and bringing them together into a single plan will help to ensure these are identified, optimised, and managed.
- 3.5 The programmes have also been selected as they are expected to have a significant impact on mitigating the following risks which are identified on our corporate risk register:
- Safeguarding
  - Pupil attainment and achievement
  - Impact of poverty
  - Cost of living crisis
  - Social cohesion
  - Local Economy and Infrastructure
  - Net Zero 2030 target
  - Medium Term Financial Plan delivery
  - Workforce recruitment and retention
  - Mandatory training
  - Cyber, data and digital security
- 3.6 Appendix 1 contains a description of each programme, the intended outcomes, outputs / benefits and governance arrangements. Appendix 2 provides a high level plan of key milestones for 2023-24. Detailed milestones for 2024-28 will be developed over the coming months as the programmes become more established. Each of the programmes will also be offered external support and advice on how coproduction can be incorporated into their design and delivery to ensure they are people focused.

#### **4. Governance Arrangements**

- 4.1 The diagram at Appendix 3 shows the governance arrangements that are now in place to manage the individual programmes and to oversee delivery of the plan as a whole.
- 4.2 Each programme has formal governance arrangements in place with Cabinet Member oversight. Every programme has a Director level sponsor with the relevant Head of Service being responsible for the programme's operational delivery.
- 4.3 The Transformation Delivery Board is established and has met twice to date. The Board's terms of reference are attached at Appendix 4. The Board's main remit is to ensure delivery of the overall plan and it will fulfil

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<sup>2</sup> Transforming Adult Services, Child and Family Services Transformation, Transforming Additional Learning Needs, Right Schools Right Places, Regeneration Programme, More Homes Programme, and the Future Waste Strategy

<sup>3</sup> Future Community Hub Model, Enabling Communities Programme, Net Zero Programme, Digital Transformation Programme and Workforce and OD Transformation Programme

this role by scrutinising quarterly performance reports from each of the individual programme board. Individual programme boards will meet more frequently, as required.

- 4.4 The Transformation Delivery Board will also be responsible for identifying and managing obstacles to progress and any interdependencies between the programmes.
- 4.5 Cabinet / CMT will review progress against the plan quarterly and will agree any additions to it over time, including those that may be initiated as part of future budget rounds. A formal progress report will be provided to Cabinet annually.

## **5. Integrated Assessment Implications**

- 5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts
  - Advance equality of opportunity between people who share a protected characteristic and those who do not
  - Foster good relations between people who share a protected characteristic and those who do not
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs
- 5.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental, and cultural well-being of Wales by acting in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 5.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.4 A full IIA has been completed and is attached at Annex 5. Overall, the IIA demonstrates that the Corporate Transformation Plan will have a positive impact on people and communities, transforming services and ways of working to deliver the council's vision for 2028 with twelve key transformation programmes. In addition to the full IIA each

project/system/service touched on within each programme will have an independent IIA completed as part of the development process recognising the impact on people and/or communities.

## 6. Financial Implications

6.1 Implementation of the transformation plan will lead to significant changes to services and ways of working, helping the council achieve its vision sustainably. At this point the programmes have identified potential savings of around £6.5 million per annum between now and 2026-27 (see table below), with further savings expected to be identified as the programmes are developed.

<b>Transformation Programme</b>	<b>Current forecast of potential recurrent savings between 2023-24 and 2026-27 (£000)</b>
Transforming Adult Services	3,450 <sup>4</sup>
Child & Family Services Transformation	200
Transforming Additional Learning Needs	725
Future Community Hub Model	580
Net Zero Programme	110
Future Waste Strategy	600 <sup>5</sup>
Workforce & OD Transformation	190
Digital Transformation Programme	560
<b>Total</b>	<b>6,415</b>

6.2 The bulk of costs associated with implementing the programmes are expected to be met from within existing budgets, including the capital programme. At this point there are three exceptions to this. Firstly, as Cabinet was advised in December 2022, the Net Zero Programme requires capital investment in excess of £150 million which will be entirely dependent on Welsh Government funding that has yet to be secured. Secondly, the Workforce and Organisation Development Programme, which is the subject of a separate report on Cabinet's agenda on 20 April, will require £391,000 in its first two years. Finally, the Digital Transformation Programme (also the subject of a separate report on Cabinet's agenda on 20 April) will require £2.042 million investment in the first two years to deliver key digital projects across the whole organisation.

6.3 Subject to Cabinet approving the digital and workforce reports on this agenda, £2.433 million from the council's Restructure Reserve will be set aside to support the delivery of these two programmes. The Transformation Delivery Board will keep the programmes under review and may recommend to Cabinet / CMT that these funds, including any underspends are reallocated to other programmes according to need

<sup>4</sup> Prevention and early intervention savings to be split across Adults and Child and Family Services

<sup>5</sup> Savings forecast to be £300,000-£600,000 dependent on future model

within the plan to meet specific unfunded activities (e.g., external consultancy advice).

- 6.4 It is expected that further investment will be required from 2026-27 to take forward further projects within these two programmes, and there may be additional requirements for other programmes that have not yet been identified. Given the council's financial position, and lack of certainty over future years' budgets, funding requirements for future years will be subject to consideration during future budget planning rounds.

## **7. Legal Implications**

- 7.1 There are no direct legal implications as a result of this report.

**Background Papers:** None

### **Appendices:**

Appendix 1: Programme descriptions

Appendix 2: High Level Plan

Appendix 3: Corporate Transformation Plan Governance

Appendix 4: Transformation Delivery Board Terms of Reference

Appendix 5: Full IIA