



Report of the Cabinet Member for Business Transformation and Performance

Scrutiny Programme Committee – 10 September 2018

Key Headlines: Cabinet Member for Business Transformation and Performance

Purpose: This report outlines notable activities and key achievements made within the Business Transformation and Performance portfolio. It also describes some of the improvements made and the impact of these activities in terms of delivering key priorities within this portfolio. The report also seeks to identify anticipated achievements in the near future, key challenges and significant decisions that are anticipated for Cabinet over the next 12 months.

Report Author: Joanne Portwood

Finance Officer: Paul Roach

Legal Officer: Debbie Smith

For Information

1.0 The Portfolio for Business Transformation and Performance

1.1 The key responsibilities within the portfolio for Business Transformation and Performance include;

- Agile programme lead,
- Budget tracking & financial savings monitoring,
- Capital Programme lead,
- Commissioning Review lead,
- Contact centre,
- Financial Services,
- Health & Safety Policy,
- Human Resources / Organisational Development (HR/OD),
- Information & Business Change (inc. ICT),

- Legal Services,
- Modernisation of Council services,
- Pensions,
- Performance management & improvement,
- Poverty Reduction,
- Procurement & Frameworks,
- PSB Lead,
- Risk & Resilience,
- Strategic Estates & Property management,
- Sustainable Swansea - Fit for the Future programme Lead

1.2 This report highlights the progress made in delivering key priorities within this portfolio including; the Sustainable Swansea – Fit for the Future programme, commissioning reviews, the Agile programme, Information and Business change (inc. ICT), Budget tracking and financial savings, the Capital programme, Performance Management and improvement, risk and resilience and other notable achievements. This report also considers the impact of Well-being of Future Generations Act (Wales) and Swansea’s PSB on the delivery of key activities within this portfolio.

2.0 Sustainable Swansea – Fit for the Future

2.1 The Council are continuing to roll out its transformation programme - Sustainable Swansea Fit for the Future (SSFFF). The programme currently consists of three strands of activity; Transformation, Digital and Future Council. The Transformation strand includes work related to the commissioning review process and their implementation, the modernisation of services and the development of new cross cutting commissioning reviews. The Digital strand focuses on the implementation of the Council’s Digital strategy and the Future Council strand includes activity related to organisational development, the modernisation of the workforce, co-production and commercialism.

2.2 The Sustainable Swansea programme is reviewed annually and the current review is already underway, revisiting the original 2014 strategy and core principles. The revised strategy and implementation programme will be presented to Cabinet aligned with the Medium Term Financial Plan. The Council has achieved £60 million pounds in savings since the inception of Sustainable Swansea through a range of projects, including the implementation of the commissioning reviews. The implementation of the commissioning reviews has included the development of new delivery models, increased income generation and commercialisation, in-house transformation, tendering opportunities for the private sector, the disposal of assets and greater levels of community involvement and action.

- 2.3 In terms of the considering the impact of the Well-Being and Future Generations (Wales) Act and the Sustainable Swansea - Fit for the Future programme - the programme underpins decision-making with clear budget principles that reflect the ways of working (including sustainable outcomes/ prevention, engagement, everything is included and new models of delivery (often working with partners). The programme's three strands of activity; Transformation, Digital and Future Council, highlight the programme's long-term focus. Budget consultations have involved residents, community groups, partners, employees, the School Budget Forum, Joint Phase Head Teachers, Trade Unions and others.
- 2.4 The Sustainable Swansea – Fit for the Future programme has enabled the development of flexible working practices which supports Swansea's Well-being Plan's cross cutting action – Sharing for Swansea. Steps associated with this objective include reviewing how assets and the estate are used, and planning for joint delivery on a cross organisational and cross disciplinary basis. PSB Partners have made a commitment to take part in a formal review of assets and services in pilot the Services in the Community pilot. The community benefits of Services in the Community and mobile working also support the Strong Communities Local Well-being Objective

3.0 Commissioning Reviews

- 3.1 A total of 17 service areas commissioning reviews have been undertaken and 15 have been completed. A commissioning review of Housing is also about to commence. Most of the service areas commissioning reviews are currently being implemented. Examples of implementation include the development of new delivery models, increased income generation and commercialisation, in-house transformation, tendering opportunities for the private sector, the disposal of assets and greater levels of community involvement and action.
- 3.2 A number of cross-cutting reviews such as Transportation and Services in the Community (which include more than one department or service) are also underway and embedded in the programme. The Services in the Community project is currently being piloted in Clydach. The project has involved creating a 'community hub' which aims to co-locate and integrate a range of services provided by the Council and other key partners. A significant feature of the Services in the Community pilot was the relatively high level of involvement from Councillors, staff, trade unions and residents / service users in the pilot design and delivery. The approach has informed the development of the Council's Co-production strategy. Training on co-production will be delivered to all Councillors in the next 12 months. It is also anticipated that the Services in the Community project will be rolled out during the next year with the creation of a further four 'community hubs' in different communities across Swansea.

- 3.3 The commissioning reviews have taken into account the principles of the Well-Being and Future Generations (Wales) Act and informed both the criteria and process for review.
- 3.4 The contacts and knowledge gained through membership of the PSB have assisted in developing an integrated approach to commissioning and the development of Swansea's Well-Being plan.

4.0 Agile Working

- 4.1 The agile working programme is well underway with more than 400 staff at the Civic now working in an agile environment. Following the transformation to agile for all staff at the Civic centre it is estimated that by mid 2019 a further 1400m² of office space will be released within the building. This will be achieved by continuing with the current basic principle of 7 desks to 10 full time members of staff but with the knowledge that further space is being released by reducing these ratios further.
- 4.2 The plan is to continue to transform the way staff work at the building with Capital finance already secured for programme of ICT roll out and changes to the office environment over the next 12 months. To date 2000m² of office accommodation has been made available through the agile programme enabling a lease with Swansea University School of Management to be completed. This lease is currently providing £350,000 pa of revenue income with a further £40,000 pa of savings on NNDR for the authority. If additional lease agreements are put in place for the 1400 m² released space then this could achieve further income/cost saving of up to £275,000 pa. Corporate Property are already negotiating a lease agreement with Welsh Government for office accommodation within this area, with the potential for more public sector partners taking space in the future. Lettings are on short term unsecured basis so that any income would continue until a decision is made on the programme for a relocation to a new Civic site or continued occupation in the current Civic Centre.
- 4.3 The Agile programme was awarded a national award for innovation in the public sector from professional body Aces - the Association of Chief Estates Surveyors and Property Managers in the Public Sector in December 2017.
- 4.4 The Well-being goals are pivotal to the design of the agile working programme. For example, to contribute 'to a Wales of vibrant culture and thriving Welsh Language' an Agile Welsh Language Zone is being developed so Welsh speakers can gain confidence in an environment where 'business welsh' is actively spoken around them. Agile working is having an impact in reducing travel to meetings by using video conferencing and reducing commuter activity as staff work at home or on site. This is having not only positive productivity and financial

outcomes but is reducing scope three carbon emissions. As part of the Well-being of Future Generations (Wales) Act and our Corporate Social Responsibility, the Council are visiting companies that can reuse and recycle at least 80% of existing furniture. This is a new and innovative approach to the purchase of furniture; it will promote sustainable principles, minimise environmental impact, reduce our carbon footprint and contribute to the social and economic development of the local economy.

5.0 Information and Business Change (inc. ICT)

- 5.1 Over the past 18 months, there has been a strong focus on delivering the high priority projects in relation to ICT and Digital First. Examples include improvements to the external website to provide 24 hr access to Council services so citizens are able to do business with us at a time and place that suits them. A more user-friendly site, task focused and mobile / tablet responsive site has also been developed. Planning is underway to develop a single digital identity for citizens, visitors and businesses.
- 5.2 Improvements to Digital tools (e.g. Skype for Business, Office 365 & Office 2016) have also enabled smarter and more agile working. The Council have also increased self-service capability and both employees and Councillors can do more on-line. New digital capabilities have been rolled out to support agile working and improved resilience, e.g. Office 365 tools. The Council is also now advising others looking to implement a corporate roll out.
- 5.3 Digital is also delivering service based improvement projects and change proposals where technology is the enabler such as: All Wales Community Care Information System (WCCIS) integrating Social Care and Health around service-users / patients, Hwb rollout to schools and 21st Century Schools, which is a Welsh Government infrastructure Investment programme running alongside Swansea's QED2020 (Quality in Education) programme.
- 5.4 In terms of the development of a Contact Centre, the call centre has been moved and an internal self-service switchboard has been implemented. Corporate complaints and complaints about Social Services, in addition to the Welsh Translation Unit have also been moved to customer services.
- 5.5 The planning and investment in Information and Business change (inc ICT) has taken account of the long term and acted on future trends intelligence.

6.0 Budget Tracking and Financial Savings

- 6.1 The Savings and Revenue Tracker has been developed further this year. Given the nature and scale of the savings challenge during

2018/19, there has been continued and enhanced monitoring and tracking of progress in achieving budget savings which have been reported to Corporate Management Team, Financial Strategy and Transformation Group and Cabinet.

- 6.2 Cabinet considered a report on the Revenue and Capital monitoring for the 1st quarter of 2018/19 at its meeting on the 16th August 2018, which provided projected variations (mainly shortfalls) in relation to budget savings agreed by Council in March 2018 and service pressures e.g increased demand, in relation to revenue budgets. The initial scale of potential overspends for 2018/19 remain in excess of any potential sums available to offset that shortfall and a number of actions have been undertaken to pursue additional savings across the Council. These include the implementation of a Management and Business Support Review, reducing the pay bill, increasing commercialism, implementing all of the commissioning reviews, developing the Leading Learners transformation programme for Education, further implementation of the Adult Services Saving Plan and strengthening further spending restrictions.
- 6.3 The Council's financial grip on monitoring budgets and savings remains tight and accurate, even during this unprecedented time of austerity, financial challenges and a growing demand for services.
- 6.4 The budget setting process for 2018/19 saw the introduction of the five ways of working via a series of questions designed to challenge thinking. For the 2019/20 budget, the Council plan to further develop this approach by adapting the Future Generations Framework for Service Design. This question-based approach not only requires the Council to consider key corporate strategies and those of partners, but sets out how longer term interests and challenges can be met considering Welsh Government Future Trends.

7.0 The Capital Programme

- 7.1 The Swansea Bay City Deal is progressing through UK and Welsh Government's business case assessment process. The Joint Committee Agreement has been agreed and signed by all four Councils. The City Deal Business cases have been signed off by both the UK Government and the Welsh Government. The City Deal grant terms have been received and the grants have been sent to the Councils.
- 7.2 Key decision on the future capital programme ambition and overall affordability will come to Cabinet in Autumn. Work is underway on developing a Capital strategy for formal approval in conjunction with technical developments proposed by CIPFA. There is a potential review of the Minimum Revenue Provision strategy. Given scale of ambition and previous scrutiny interest it is likely that this will be subject to detailed further scrutiny once ready for Cabinet consideration.

8.0 Performance Management and Improvement

- 8.1 The Council adopted a new Corporate Plan 2017/22 in August 2017, which set out the Council's five priority Well-being Objectives. Since then, the Council has reported performance on a quarterly basis to Cabinet through the performance monitoring reports. The end of year results for 2017/18 showed that 51% of priority indicators met their targets and 56% improved compared to the previous year. Our national results showed that we met 63% of our national indicator targets and 65% improved compared to the previous year. Service Plan templates and guidance have been revised to help services better demonstrate how they are contributing to the Council's Well-being Objectives through the FG Act's 5 ways of working.
- 8.2 The Council is refreshing its Corporate Plan for 2018/22 and will produce an annual report on progress meeting its Well-being Objectives during 2017/22.
- 8.3 The Council are undertaking a process to streamline performance measures in order to better measure what matters. For example, the Council have altered the target setting process to give services different options for setting targets that are appropriate to what the performance indicator is trying to achieve (e.g. stretch targets when we want to drive improvement and range targets when it is more appropriate to monitor performance is within certain parameters). This is part of an increasing change in focus from outputs to outcomes. Service planning also now incorporates a qualitative way to track contribution to the well-being objectives and five ways of working so that progression over time and distance travelled can be better communicated. This 'softer' form of recording where and how we make a difference in contributing to our well-being objectives can give a fuller picture than focusing exclusively on traditionally quantifiable metrics.
- 8.4 The Council are developing population measures as part of the PSB's Performance Measurement Framework will inform Council services and vice versa. The shift to an outcomes rather than an outputs based approach is being led by the PSB.

9.0 Risk and Resilience

- 9.1 Cabinet approved a new Risk Policy in August 2017. The policy is now being implemented. As part of this, the Council's Corporate Risks were reviewed and revised and recorded onto the Corporate Risk Register before the start of the financial year. Cabinet now has joint-ownership with CMT of the Corporate Risks. All Cabinet members now have access to the Council's Corporate Risk Register. The Corporate Risks are reviewed each month and, going forward, will be jointly review by CMT and Cabinet each quarter. Since the approval of the new policy, Audit Committee receives a report each quarter on the overall status of risk in

the Council. Audit Committee has access to the Corporate Risk Register and a copy is now included in the Audit Committee public reports pack.

- 9.2 The Council will continue to work to implement the new Risk Policy. This will include (pending the availability of ICT resources) amending the Council's online ICT risk register system and (pending the availability of staffing resources) developing staff and member training on the new Risk Policy. CMT and Cabinet will continue to review the Corporate Risks and the overall status of risk in the Council and the Corporate Risks will continue to be overseen by Audit Committee.
- 9.3 The way the Council defines and manages risk was reviewed in 2017 in line with the Well-being of Future Generations (Wales) Act. The new Risk Management Policy sets out how we manage and communicate risk throughout the Council by incorporating the sustainable development principle's five ways of working. It governs how the Council manages risks to achieving its priorities and objectives, risks arising from service delivery, risks to corporate and financial health and governance and the longer-term risks facing the Council and the community.
- 9.4 The Council tries to understand and address short and medium as well as the longer-term risks and challenges facing the Council and the community. There is a need to prevent risks from occurring and to mitigate their impact should they occur. The Council may need to work with others to prevent risks from occurring or to control and manage them and be mindful that dealing with risks does not create risks and issues for other public bodies. Involving clients, customers and citizens in helping to prevent and to control and manage risks will help too. When considering how to respond to risks, the Sustainable Development principle will be applied. There is also scope within the policy through the incorporation into the policy of the 'involvement' principle of the Well-Being of Future Generations Act, for responsible officers / risk owners to involve citizens in identifying, evaluating and controlling risks where that is deemed relevant and appropriate by them. We are now in the process of implementing the policy.
- 9.5 In terms of considering the impact of the PSB and Swansea's Well-Being Plan, Risk Trackers have been used to mitigate and manage risk.

10.0 Other notable activities in relation to Business Transformation and Performance

- 10.1 The Council have maintained its portfolio of contracts, re-tendering and extending contracts where necessary to ensure contracts are live and in date. A new RFQ (Low value procurement process) has been implemented which has resulted in a more streamlined and efficient process. The Council have continued with public engagement in relation procurement, via meet the buyer events with further support from Business Wales to provide guidance and support for local businesses in the tendering process. The Council have signed up of the Welsh

Government's Code of Practice on Ethical Employment and continued close working with trade unions and key stakeholders across the Council to implement the commitments of the Code. The Council continues to have good working relationships with all recognised trade unions at local level and through the work of the monthly Trade Union Meetings and JCC, for example, the Ethical Procurement Charter, "Dying for Work.

- 10.2 Key developments within Human Resources and Organisational Development have included an appointment to the Senior Management Team. A new HR Operating model ("New Ways of Working") has been established and a review of the Salary Re-grading Policy has been undertaken. There are plans to review the Constitution and the process relating senior management appointments. Progress with updating terms & conditions is ongoing and are being reviewed through a working group .
- 10.3 The Council have developed an Organisational Development Strategy which proposes a phased implementation over four years to ensure the Council's workforce has the skills for the future. The work is underpinned by the principles of the '21st century public servant' and '21st century Councillor' developing people's skills and behaviors alongside the Council's future strategy and culture.

11.0 Legal Implications

- 11.1 There are no specific legal implications contained in this report.

12.0 Financial Implications

- 12.1 There are no financial implications contained within this report.