



To: **Members of the Joint Audit & Governance and Performance Scrutiny
(Transformation) Sub-Committee**

***Notice of a Meeting of the Joint Audit & Governance
and Performance Scrutiny (Transformation) Sub-
Committee***

Thursday, 25 July 2019 at 10.00 am

Rooms 1&2 - County Hall, New Road, Oxford OX1 1ND

A handwritten signature in blue ink, appearing to read 'Yvonne Rees'.

Yvonne Rees
Chief Executive

July 2019

Committee Officer: **Colm Ó Caomhánaigh, Tel 07393 001096; E-mail:
colm.oocaomhanaigh@oxfordshire.gov.uk**

Membership

Chairman – Councillor Liz Brighthouse OBE
Deputy Chairman - Councillor Nick Carter

Councillors

Paul Buckley
Mike Fox-Davies

Tony Ilott
Liz Leffman

Charles Mathew
Glynis Phillips

Notes:

- **Date of next meeting: 17 October 2019**

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, **or**

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*.

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines.

<http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Glenn Watson on **07776 997946** or glenn.watson@oxfordshire.gov.uk for a hard copy of the document.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. **Election of Chairman for the Council Year 2019/20**
2. **Election of Deputy Chairman for the Council Year 2019/20**
3. **Apologies for Absence and Temporary Appointments**
4. **Declarations of Interest - see guidance note**
5. **Minutes (Pages 1 - 4)**

To approve the minutes of the meeting held on 18 April 2019 and to receive information arising from them.

6. **Petitions and Public Address**
7. **Quarterly Review of the Transformation Programme (April to June 2019) (Pages 5 - 28)**

This report updates Members on progress with the Council's wide-ranging Transformation Programme. It follows the first quarterly report presented to the Joint Sub-Committee on 18 April 2019 and reflects progress towards substantial service improvements, whilst delivering £49.7m of annual savings by 2022/23.

The Sub-committee is RECOMMENDED to note and comment on the report.

8. **ICT Digital Strategy (Pages 29 - 40)**

A presentation on the ICT Strategy, including key themes, the findings so far and next steps.

9. **Future Meetings and Work Programme (Pages 41 - 42)**

To agree any items at future meetings and dates for future meetings.

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JOINT AUDIT & GOVERNANCE AND PERFORMANCE SCRUTINY (TRANSFORMATION) SUB-COMMITTEE

MINUTES of the meeting held on Thursday, 18 April 2019 commencing at 10.00 am and finishing at 12.00 pm

Present:

Voting Members: Councillor Nick Carter (Deputy Chairman - in the Chair)
Councillor Liz Brighthouse OBE (Chairman)
Councillor Paul Buckley
Councillor Mike Fox-Davies
Councillor Tony Ilott
Councillor Liz Leffman
Councillor Charles Mathew
Councillor Glynis Phillips

Officers:

Whole of meeting Yvonne Rees, Chief Executive; Claire Taylor, Interim Assistant Chief Executive; Nick Graham, Strategic Director Resources; Lorna Baxter, Director for Finance; Colm Ó Caomhánaigh, Committee Officer.

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

9/19 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda Item. 1)

There were no apologies for absence from Members of the Committee. Philip Dart, Interim Transformation Programme Director, sent apologies as he was on annual leave.

10/19 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE

(Agenda Item. 2)

There were no declarations of interest.

11/19 MINUTES

(Agenda Item. 3)

The minutes of the meeting on 17 January 2019 were approved and signed.

Councillor Mike Fox-Davies asked what the procedure would be for the election of a Chairman and Deputy Chairman for the new Council Year. It was confirmed that this will take place at the start of the next meeting of the Sub-committee.

12/19 QUARTERLY REVIEW OF THE TRANSFORMATION PROGRAMME (JANUARY - MARCH 2019)

(Agenda Item. 5)

Claire Taylor summarised the report and presented slides on the governance and themes. She drew particular attention to paragraph 2.3 which outlines some refinements to the implementation strategy. It has been decided that a more incremental approach to new technology is more appropriate to underpin the new operating model. Any decision to adopt a whole new platform, for example, will be a longer term project.

Members raised the following issues:

- Who is on the Transformation Cabinet Advisory Group and when do they meet?
- What kind of issues are escalated to the Programme Board?
- Is there a mechanism to deal with opportunities that arise requiring a quick decision?
- Can communications to all Members be improved to ensure that nothing comes at them 'out of the blue'?
- Where does PwC sit in the structure?
- Some of the transformation terminology is odd for example would "pre-front door" be better described as "community engagement"?
- What has led to the change of mind on technology?
- Are the partnership arrangements with Cherwell District Council flexible enough to include other councils if they should decide to go in that direction?

- Where indirect savings from transformation or partnership working arise, such as an impact of housing on social care, where will they be recorded?
- Given that capacity is an issue why is it still foreseen to reduce the number of staff?

Officers responded as follows:

- The membership and meeting dates of the Transformation CAG will be circulated. Each meeting focuses on the next tranche of work. The Chief Executive also has regular meetings with the Cabinet Member for Transformation.
- For example, issues regarding family safeguarding have been escalated to the Programme Board and it would also deal with anything affecting the business case.
- Any new opportunities will be subject to the same governance.
- The peer review drew attention to weaknesses in internal communications and that has been taken as an action to improve.
- PwC help out on some elements and other consultants are used where appropriate. When this happens, the Council ensures that expertise is shared with staff.
- While officers may dislike some of the terminology used, the terms need to be retained for continuity of reporting.
- The thinking on technology is shifting from having one big system for everything towards getting separate systems to 'talk' to each other. There is a danger that, in some areas, centralising can result in losing the link to the front line.
- Partnership working has been tried in the past with little success but the difference this time is that it is fully backed-up at a political level. It needs to deliver with Cherwell first – there currently isn't capacity to involve others – but the Council is definitely open to that in the longer term.
- It may be difficult to specifically identify which savings arise as an indirect result of transformation or partnership working. However, the savings will benefit the Council's financial position as a whole.
- Capacity can be a matter of getting the right people as much as the number of people. The Council is currently too lean in some places but savings are linked to a reduction in overall staff numbers in the long-term.

13/19 INTERFACE BETWEEN THE CHERWELL PARTNERSHIP AND TRANSFORMATION PROGRAMME

(Agenda Item. 6)

Claire Taylor gave a presentation on how the Cherwell Partnership and the Transformation Programme are linked.

Members were enthusiastic about how the partnership had been working so far. They felt that Transformation had changed the mindset and there were a number of good news stories emerging from the partnership and the Growth Board, especially in the area of housing.

The Chief Executive stated that, contrary to what some believe, the partnership was not forced on Cherwell when it became clear that their partnership with South Northamptonshire Council had to end. They had a number of options but there was full support to pursue the arrangement with the County Council. Cherwell's separation from SNC is not complete yet so people need to be patient regarding developments with the County Council.

Councillor Tony Ilott confirmed that partnership working is regarded as normal at CDC. It was unfortunate that the arrangement with SNC had to end but it is happening with good grace.

Councillor Liz Leffman welcomed the developments but expressed concern that West Oxfordshire District Council may be left out on a limb to some extent as the other councils develop partnerships.

Councillor Glynis Phillips asked that public health issues be included in the housing agenda and that the aim should be to create healthy communities. The Chief Executive agreed and pointed to progress in Bicester.

Members thanked officers for their work with the transformation and partnership programmes.

14/19 WORK PROGRAMME
(Agenda Item. 7)

It was agreed to cancel the meeting scheduled for 13 June 2019 so that the next meeting will be on 25 July 2019.

Claire Taylor stated that they would have the base-line document on ICT for that meeting. The Chairman asked that the issues of capacity and dashboards be addressed at that meeting.

..... in the Chair

Date of signing

Division(s): all

Joint Audit & Governance and Performance Scrutiny (Transformation) Sub-Committee – 25 July 2019

Quarterly Review of the Transformation Programme (April - June 2019)

Report by the Interim Assistant Chief Executive

1. RECOMMENDATION

- 1. The Sub-Committee is RECOMMENDED to note and comment on the report.**

2. EXECUTIVE SUMMARY

2.1 Overall programme progress

This is the second quarterly report on the progress of the Transformation Programme, covering the period April to June 2019.

Considerable progress has been made in bringing together within the programme, a total of 49 projects and activities that are planned or already 'in-flight'. Collectively this programme seeks to improve services whilst at the same time delivering £49.7m of annual savings by 2022/23, with £4.6m now confirmed as already delivered in 2018/19. Implementing this scale of change through formal programme arrangements has improved both our understanding of, and grip on the challenges that this scale of improvement presents. Clear governance of the programme, with accountability sitting with 'CEDR' - the Chief Executive's management team - is established, and governance on a day-to-day basis discharged through the Transformation Programme Board.

The arrangements continue to strengthen as they bed in, consolidating existing Transformation activities that were approved as part of the Medium Term Financial Plan (MTFP) and bring into scope further new Transformation projects. Whilst not without challenges, the Chief Executive and CEDR are optimistic that officers have accelerated both the scale and pace of change.

This report includes for the first time a quarterly progress 'dashboard' (at Annex 1) intended to be made available for members, with the ability to click through to further information and case studies (held on the council's intranet pages) that highlight the achievements being made.

Beyond the £26.2m savings already agreed through the specific projects and activities agreed in the Medium Term Financial Plan, there remains a further £18.5m of savings required from the Transformation Programme. For 2019/20 the savings target is a further £1.5m and indications at the end of the first

quarter of this financial year, are that we have already identified a minimum of £700k and work to find the remainder continues at pace.

This is predominantly because substantial activity has occurred in the last three months with respect to redesigning and restructuring the following functions:

- Finance - how we plan and manage our finances.
- Strategic Capability - strategy and policy development, project and programme management, quality assurance and performance management, communications, consultation and engagement.
- The Provision Cycle – the way we commission, procure and manage contracts with our supply chain.

Collectively this work seeks to radically improve our processes so that we can do the same or more, with less, do more of what matters for our residents and the combined total for annual savings target in these three areas alone totals £4.6m (full year effect). Latest projections suggest that this target will be surpassed and that an annual recurring saving of £5.4m may be possible.

Work has already commenced to plan activity for 2020/21, with a further savings target of £7.5m.

In addition, and building on the initial work at the beginning of April to develop our Digital Strategy, we have begun to improve our School Admissions process. This builds on the existing technology capabilities that the council currently has, as a test of how we can rapidly redesign services incrementally, and much more focused around our residents' needs. We will roll out this approach to other council functions in the next six months, where we know we have the opportunity to improve our residents' interaction with us at key points in their lives.

2.2 Adherence to Business Case and Design Principles

The Programme continues to oversee a projected total of £49.7m in savings, of which £4.6m is confirmed as having been delivered in 2018/19, against a target for the year of £4.9m. The remaining £0.3m will now be delivered in 2019/20.

A further £26.2m of planned Transformation savings are included in the Medium Term Financial Plan covering the period 2019/20 to 2022/23 and all projects related to these savings have been brought formally into the scope of the programme, in order to ensure their delivery.

Of the remaining £18.5m savings required during that period, £1.5m is required to be delivered in 2019/20 and plans are well advanced to ensure that this is capable of being delivered. A further report will be provided to the committee in October 2019.

The Transformation Programme Board's role is beginning to achieve 'steady state' – shifting from its initial focus of ensuring that the governance and remit of the programme is coherent and functioning, to carrying out its two formal programme management roles:

- as the 'Design Authority' – ensuring that all proposals for redesigning services and functions meet the Programme Objectives and adhere to the Design Principles that have been agreed.
- as the Benefits Realisation Board – ensuring that both service improvements and savings result from the programme.

As we reach the six month point in the Programme, we will formally review the Transformation business case for the first time. This will be considered by the Chief Executive's Management Team ('CEDR') during August and will be reported to this Committee in October 2019. The review will cover scope, design, service improvements, savings and costs.

2.3 *Changes in implementation strategy*

The previous report highlighted the ways in which we have developed our thinking since the Transformation Business Case was approved in September 2018, about the improvements possible in Technology and Business Administration Support Services were being considered as part of the programme.

The Transformation Programme Board in conjunction with the Interim Assistant Chief Executive and the Deputy Director for Human Resources and Organisational Development, is beginning to plan the aspects of how we develop the council's culture, values and behaviours.

3. BACKGROUND

3.1 Programme Objectives

The overarching objective for the programme agreed between CEDR and the Programme Board remains that:

'The Council delivers an ambitious and successful transformation programme which helps it to achieve its strategic objectives and meet the financial targets set out in its Medium Term Financial Plan.'

3.2 Programme Governance and Accountability

As the programme arrangements continue to mature, a short diagnostic review was conducted in May 2019, in order to assess compliance with the widely recognised 'Managing Successful Programmes' methodology.

The diagnostic found that, while the programme demonstrated a clear scope and vision that aligned with OCC strategy, there were improvements to a number of elements of the organisation and governance of the programme that could be made. These included clarifying how transformation governance integrates with existing governance structures within OCC, improving the quality of management information that informs decision-making and improving consistency in the approach to benefits realisation. The review also concluded that the Programme Management Office, which coordinates the programme, could be further empowered to provide challenge to the rest of the organisation and that internal communication of the programme could be improved.

As a result of the review, an action plan for improvement was developed and is being implemented. Recent improvements include providing greater clarity to the rest of the organisation on the role of the Programme Management Office and how to work with them, improving communication of the programme to internal stakeholders and using data and insights to improve the quality of management information. Further improvements to the governance of the programme are still being considered in order to simplify the overall arrangements, link to other governance arrangements (for example, in relation to capital financing or management arrangements within Directorates), and more closely align with digital and technology driven service improvements that are being made, particularly where they have direct impacts for our residents.

3.3 Risk and Issue Management

The programme controls that have been put in place include rigorous management of risks and issues, in line with our corporate approach to identification, quantification and mitigation of risk. This is in place right down to individual project level, with appropriate escalations to the workstream boards and the Transformation Programme Board. Substantial progress has been made in this regard over the last three months.

The programme's risk register was reviewed by CEDR on 10th July, a summary of which is below. Failure to deliver the Transformation Programme may result in the following impacts:

Risk Impact	Initial Risk Rating	Control Measures in Place	Residual Risk Rating	Further Action Required
A reduction in service quality, sustainability and delivery	High	Every project clearly identifies the benefits to be delivered and the long-term financial implications, supported by detailed planning and milestones where appropriate	Medium	Continue to ensure that detailed planning and monitoring of projects fully understands interdependencies between projects
Failure to deliver savings and reduced financial sustainability	High	Clear financial benefits realisation articulated in all project plans, regularly monitored through monthly highlight reports and integrated with corporate budget monitoring process	Medium	Update the Transformation Business Case in line with the emerging Service and Resource Planning Process, and expand the scope of the programme where further savings are required
Failure to deliver the transformation programme results in failure to meet growing service demand and strategic priorities	High	Systematic service improvement activity focused on demand management, and developing a more preventative approach to our services	Medium	Ensure the Transformation Programme is fully aligned to, and supportive of the corporate priority setting and planning process
Failure to allocate the right capacity, governance and resource to support the transformation results in lack of timely and effective delivery of the programme	High	All project resourcing considered monthly, roles allocated and additional 3 rd party support commissioned where there is a lack of internal capacity or skills	Medium	Transformation Board and CEDR to regularly review the programme's fitness for purpose, as part of quarterly reviews reported to members

3.4 *Structure of the Transformation Programme*

The structure of the programme continues to pull together existing Transformation projects approved as part of the Medium Term Financial Plan, with new projects that will be designed to make service improvements whilst seeking to save a further £18.5m over the next three years.

The grouping of projects under the three Workstream Boards (that support the Transformation Programme Board and the structure of which was reported to this Sub-Committee in April 2019) continues to reflect the way the business case set out how the Council would systematically work through the implementation phase of the operating model.

Work continues to ensure that the findings of the Peer Review that was carried out in March 2019, are integrated where appropriate and that the overall Transformation Programme complements ongoing service improvement work that is being led by directorates.

4. PROGRESS TO DATE

4.1 *Overview of progress to date*

Consistent with the implementation plan that was agreed at the end of 2018, a series of transformation workstreams has been initiated. A number of these cover core components of the future operating model – these include Finance, Strategic Capability, Provision Cycle and Business Administration Support (BAS).

In addition, the Transformation Programme has instigated a series of activities to ensure that the other transformational projects and interventions identified in the Medium Term Financial Plan are being driven at an appropriate pace and with sufficient rigour. Each of the three Workstream Boards comprising the Programme's governance arrangements, is responsible for providing additional oversight for these projects and for doing what they can to support the achievement of the desired outcomes.

To assist with this, a series of performance dashboards have been developed (a suggested version for members is included as Annex 1). The dashboard provides a high level assessment of the Programme overall. It covers progress against planned timescales, the scale of benefits achieved against target, the proportion of the identified investment committed, critical issues and risks and an overview of some of the key dependencies.

The Transformation Programme currently comprises 49 projects and interventions, of which 11 are 'in flight', 32 are in the planning or preparation phase and six are complete. The majority of the projects are on track to deliver. However, as would be the case with any complex change programme of this scale, some projects are having to be realigned as the work progresses (as indicated by the dashboard). In some instances, it has been necessary to re-profile some of the anticipated savings, making up any shortfall from existing, as well as new areas of activity. Overall, the Programme

has gained both pace and traction and is on course to help ensure the Council meets its financial requirements.

Further detail on the projects associated with some of the core functions associated with the new operating model is set out below.

4.2 Finance

The redesign of the Council's Finance function – a core component of the Enabling and Support Services layer of the new operating model – has now been completed. Over the course of four months, a working group comprising officers from the Finance team, supported by consultants from PwC, has been meeting to review the functions ways of working and opportunities for improvement.

The group has revised the customer offer associated with the future Function, developed an interaction model indicating how the function will work with Directorates and partners, reviewed and redesigned its core processes, identified specific opportunities for joint working with Cherwell District Council and developed a detailed implementation plan. In addition, a new organisational structure has been developed by the Accountable Officer for the Finance workstream.

The outputs from this work have been reviewed through the Transformation Programme's governance arrangements and CEDR and have been signed off by the Accountable Officer. Detailed analysis of the savings this redesign will release is ongoing, but it is likely the target saving of £500k per annum will be exceeded (with short, medium and long term savings being realised over a one to three year period).

The Finance workstream is now moving to implementation of the new model. For the most part, this will entail carrying out formal consultation with impacted staff ahead of populating the new organisational structure.

4.3 Strategic Capability

The Strategic Capability workstream – which focuses on a number of corporate functions (e.g. policy and strategy, communications, performance management, programme and project management) – is on track to be completed within the anticipated timescales.

As with Finance, a working group of officers, with external support, has been meeting to develop a customer offer and set of design principles, describe the way the future function will work with services and other partners, its processes and ways of working and an implementation plan. The Accountable Officer for the workstream has designed a new organisational structure for a joint function with Cherwell District Council and, subject to further discussion at Transformation Board and CEDR, it is likely this will now be taken forward for formal consultation with impacted staff.

The Strategic Capability workstream was set a savings target of £1.9m per year. Early analysis of the savings that will be recognised as a result of this workstream suggest that the target will be achieved (as with Finance, short, medium and long term savings will be realised over a one to three year period).

4.4 The Provision Cycle

The Provision Cycle workstream covers elements of Commissioning, Procurement and Contract Management. This workstream is also on track to deliver on time and on budget. Its working group has agreed anew customer offer and design principles, developed an interaction model and redesigned the majority of its core business processes. The group is currently working on a detailed implementation model, while the Accountable and Responsible Officers for the workstream develop a new organisational structure. As with the other workstreams, the scope of the redesign covers Oxfordshire County Council and Cherwell District Council.

In addition, because of the close tie up between commissioning activity in Adult Social Care and the Health Service, additional efforts have been made to ensure views are sought from the Clinical Commissioning Group.

Detailed financial analysis of the projected savings associated with this work is underway to determine the extent to which a target savings of £2.2m per annum can be achieved.

4.5 Digital Strategy and Proof of Concept – School Admissions

In the digital workstream, the main focus has been on the development of a digital strategy. To inform this, an immersion event was held in April which was attended by participants from across the Council. Attendees co-authored the first version of the strategy and agreed that it would act as blueprint for how the Council would design and deliver better customer outcomes, through the pragmatic application of digital technologies and other innovative ways of working.

The strategy was then tested through the development of a proof of concept project with the School Admissions Team – with the aim of setting an example of ‘learning by doing’ and starting to embed a legacy of sustainable service design activity. Working with the School Admissions Team, the Digital team developed a range of customer facing interventions – including creating a new In Year Transfer form (a major pain point for the School Admissions team), building a catchment area mapping application, and simplifying the existing (complex) web content.

Through delivery of the proof of concept, the Council has demonstrated that it can realise benefits from a pragmatic approach to digital. Further work is required to address the challenge of scaling this approach to delivery and improving collaboration between the Digital Team and service areas.

4.6 ICT Strategy

Following on from the ICT Healthcheck conducted earlier in the year, work has now commenced to develop an ICT strategy for the next 3-5 years that will focus on how we can improve our infrastructure, systems and processes to support the council’s organisational goals. A first major improvement will be the replacement of our data centre. A more detailed paper on our approach is being presented to this Sub-Committee on 25th July.

4.7 Business Administration Services (BAS)

Unlike some of the other workstreams, this was one aspect of the redesign of the operating model was felt to need further testing before detailed construct and implement activity could be carried out.

Over the course of the past few months, a number of meetings and workshops have been held to canvass views on how radical any transformation of this area should be. What has emerged from these discussions is a consensus that BAS should not be centralised (there is a lack of confidence that such a model could be made to be effective), but rather that a hybrid model be adopted – one that would see a level of consolidation within Directorates.

In addition, the views of a wide variety of staff have been sought at the annual Staff Conference and further analysis of the business processes and volumes of activity currently performed by administrative and support staff has been carried out.

It has been determined that the redesign of BAS services will form a core component of the next phase of the transformation programme, given its potential to enable significant savings to be achieved over a relatively short timeframe.

4.8 Culture, Values and Behaviours

Initial work has also begun to scope how the council's overall organisational culture, values and behaviours can begin to be developed over the next 6 months.

4.9 Communications

Internal communications with our staff about the Transformation Programme continue to increase, with a concerted push from the end of April, building on the communications plan that has been developed. There remains much more to do on this, in order to better engage both our staff and members. The Transformation dashboard (see paragraph 4.1 and Annex 1) has been developed to provide a high level view of progress across the programme, with the ability to 'click through' to further background information and case studies.

5. PHASE 2

5.1 Scope and approach

Given the imminent completion of the first wave of Transformation Programme workstreams, consideration is being given to the next phase of activity. Consistent with the operating model business case approved last year, and its associated implementation plan, phase 2 of the programme will focus on demand management and our approach to preventative services, customer contact and how we assess our residents' needs. As indicated above, Business Administration Support will also be accelerated during the next phase.

While the precise details of the work that will be carried out are still being determined, it is likely that the work, which is due to commence in August, will entail a detailed review of the way in which the Council currently serves residents through the contact centre and via its online presence. Steps will then be taken to optimise the capacity already in place and examine the opportunities to integrate the service with those in Cherwell District Council.

In addition, the next phase will entail a more extensive redesign of all 'front office' capabilities. It is important to note that this work will focus on the experience of the Council's customers and is likely to result in a significant shift of emphasis towards more customer enquiries and requests for service being satisfied at the first point of contact.

The work will also build on the progress made during the current phase in relation to digital. We anticipate developing further proofs of concept, ensuring that these relate to opportunities to manage demand or prevent avoidable contact wherever possible (consistent with the work on the Pre-Front Door layer of the operating model).

Much of the work that will be taken forward under the next phase will be highly dependent on the Council's approach to technology. It is highly likely that critical technology decisions will need to be made either at the conclusion or possibly even during phase 2. This was anticipated within the original operating model business case which was agreed by Cabinet last year.

Other areas likely to be covered during the next phase include BAS and activities designed to accelerate the implementation of transformation across Finance, Strategic Capability and the Provision Cycle. Finally, steps will be taken to extend the Council's thinking in relation to its innovative partnership with Cherwell District Council, as well as potential collaborations with other partners (e.g. through the Integrated Care System).

It is widely acknowledged that the approach taken during the current phase has worked well, and that the Council's revised relationship with its Strategic Partner has enabled the work to move at pace and achieve the required outcomes. This will be built on during the next phase, during which the Council will ask additional suppliers to support aspects of the work (e.g. technology suppliers), at the same time as drawing on the ongoing support from its Strategic Partner. This is consistent with the Council's desire for a 'mixed economy' approach in relation to how it supports the Transformation Programme.

Capacity was also cited as an issue by the LGA Peer Review Team. This included specific reference to the Council's ability to support transformation, and in particular the Organisational Development support that will be needed to help drive culture change, as well as other challenges related to the delivery of priority areas, such as the growth agenda.

5.2 *Opportunities*

Going forward the success of the Transformation Programme will, to a greater or lesser extent, be influenced by how effectively it can flex in order to take advantage of new opportunities for change likely to emerge over the course of the programme. For example:

- Opportunities to expand and extend the Council's innovative partnership with Cherwell District Council and, where authorities are willing, to engage in closer collaboration with the council's other district and city partners, whether by way of formal partnership or on a project-by-project basis.
- The introduction of the Integrated Care System.
- The ongoing development of the Oxford-Cambridge-Milton Keynes Arc.
- The emergence of new technologies.
- Opportunities to secure productivity gains and cultural change alongside the delivery of the Transformation Programme.

6 OTHER CONSIDERATIONS

6.1 *Equality and Inclusivity*

At the time of writing, no new Service and Community Impact Assessments (SCIA) have been completed, but each functional redesign will have an updated SCIA developed as part of the formal staff consultation documentation.

6.2 *Staff Implications*

The first phase of restructuring proposals for Finance, Strategic Capability and the Provision Cycle are in the process of being considered and signed off by the Transformation Programme Board and CEDR, between the end of May and the end of July 2019. This will lead to formal staff consultations commencing with those members of staff directly affected by the proposals as early as mid-July. Given the required timescales for full and meaningful consultation, the first structure to be implemented with staff in new roles, will be that affecting the Finance function, with an estimated implementation date of November 2019. Strategic Capability and the Provision Cycle restructures will follow shortly afterwards.

6.3 *Financial Implications*

The financial implications of the Transformation Programme overall were provided to the Sub-Committee at its inaugural meeting on 17th January 2019 and the first

quarterly update at its second meeting on 18th April 2019. A separate update for the period April to June 2019 is included at Annex 2.

6.4 *Climate Change and Sustainability*

The Transformation Programme will begin to routinely assess the climate change and sustainability implications and opportunities of the proposals that are being developed.

Annexes

Annex 1: The Transformation Dashboard

Annex 2: The Transformation Programme's Financial Outlook

Background papers

Transformation Business Case (August 2018):

<http://mycouncil.oxfordshire.gov.uk/documents/s43280/Annex%201%20Operating%20model%20business%20case.pdf>

Claire Taylor, Interim Assistant Chief Executive

July 2019

Contact details

claire.taylor@oxfordshire.gov.uk



Members' Transformation Update

July 2019



£49.7m

Total savings target

Savings target for transformation programme 18/19 to 22/23

SEE A BREAKDOWN OF THE SAVINGS TARGET



£15.0m

19/20 savings target



15%

% of 19/20 savings target achieved



£17.9m

Planned spend

Total planned spend on transformation 18/19 to 22/23

SEE A BREAKDOWN OF PLANNED SPEND



£1.8m

Spend to date

Total amount spent so far on the transformation programme



49

Number of planned projects

Number of projects planned as part of programme



6

Number of completed projects



200

Attendees at the Managers' Conference 2019

Held 6th June 2019



1,184

Page views of 60 seconds with Claire Taylor



951

Page views of the transformation intranet front page

SEE MORE ABOUT A COMPLETED PROJECT

SEE THE LATEST MANAGERS BRIEF

READ THE 60 SECONDS ARTICLE

READ THE INTRANET FRONT PAGE

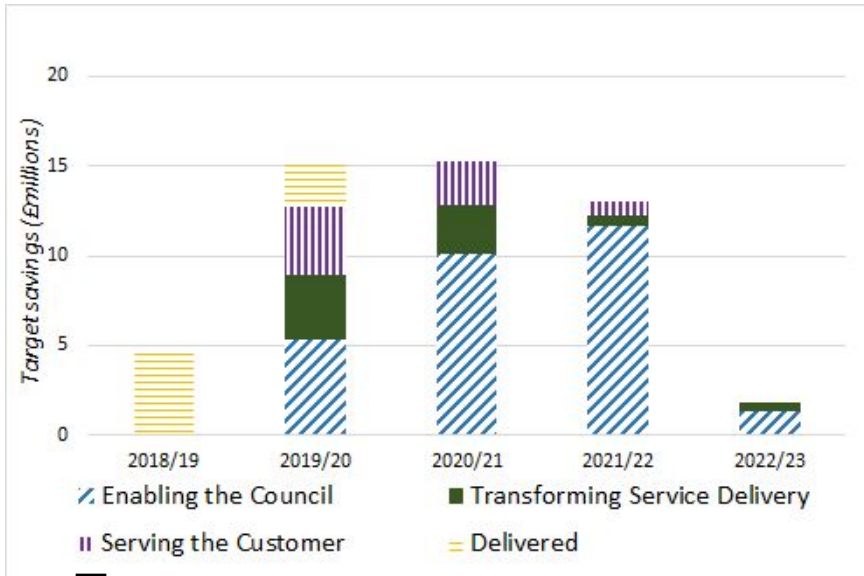
Key achievements this quarter

- Redesign of Council's Finance function now complete. [Click here to see a spotlight on the Finance project](#)
- Continued progress on **Strategic Capability and Provision Cycle** projects. [Click here to see more on these projects](#)
- Preparations for **employee consultations** for Finance, Strategic Capability and Provision Cycle projects and discussions with Unions
- Further improvements to **Digital Strategy and School Admissions proof of concept**, and review of **ICT Health Check**. [Click here to see more on how revamped ICT systems can transform residents' lives](#)
- Further embedding of **governance** and improvements to data reporting
- CEDR discussion of **Peer Review** and lessons learned for transformation
- Continued **engagement with rest of the organisation** on transformation including at the Managers' Conference

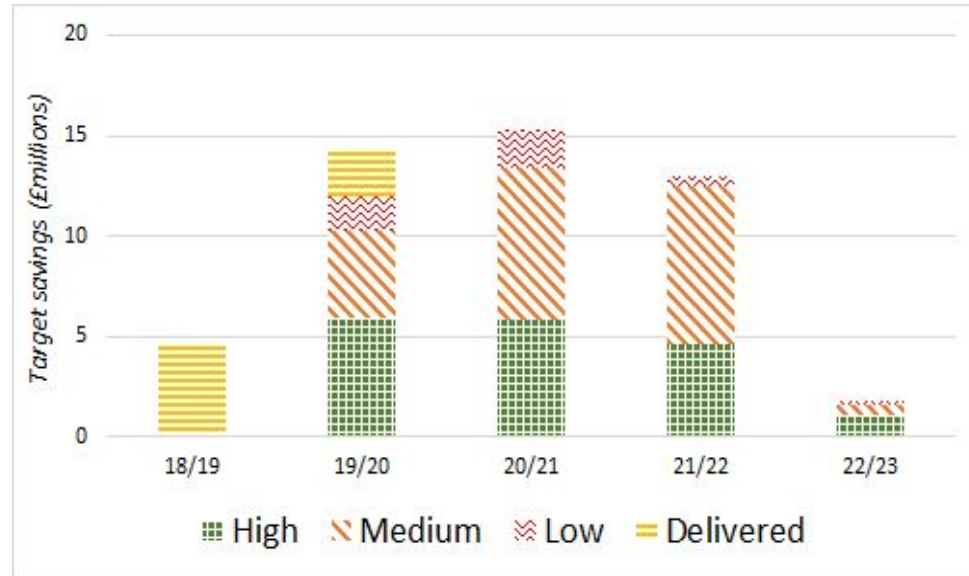
Focus for next quarter

- Start work to **refresh business case**. [Click here to see the business case approved in September 2018](#)
- Consider further improvements to the **governance** of the programme. [Click here to see the current governance structure](#) and [Programme Board Terms of Reference](#)
- Confirm scope of **next phase** of transformation work, to focus on service improvements for residents
- Develop project plan for **Business Administration Support work**
- Continue work to improve **internal communications** with staff about the Transformation Programme
- Develop plan for **Organisational Development and Culture** work

Target savings by workstream

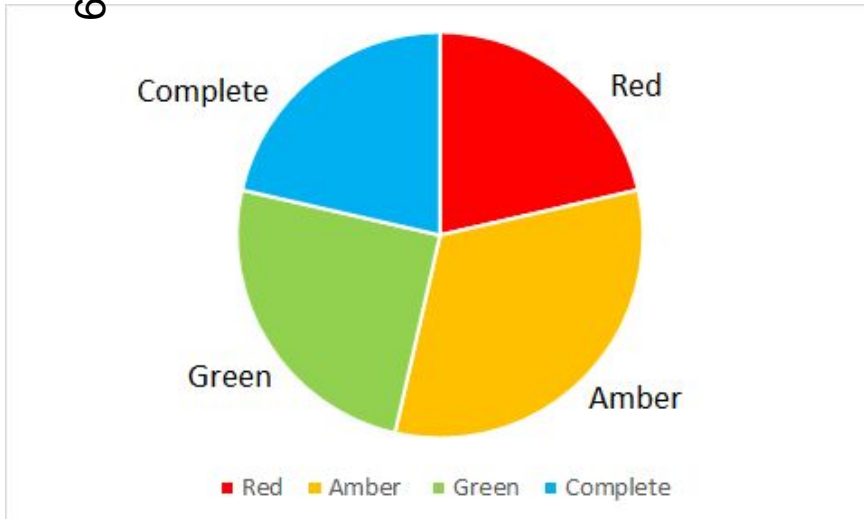


Target savings by confidence of delivery

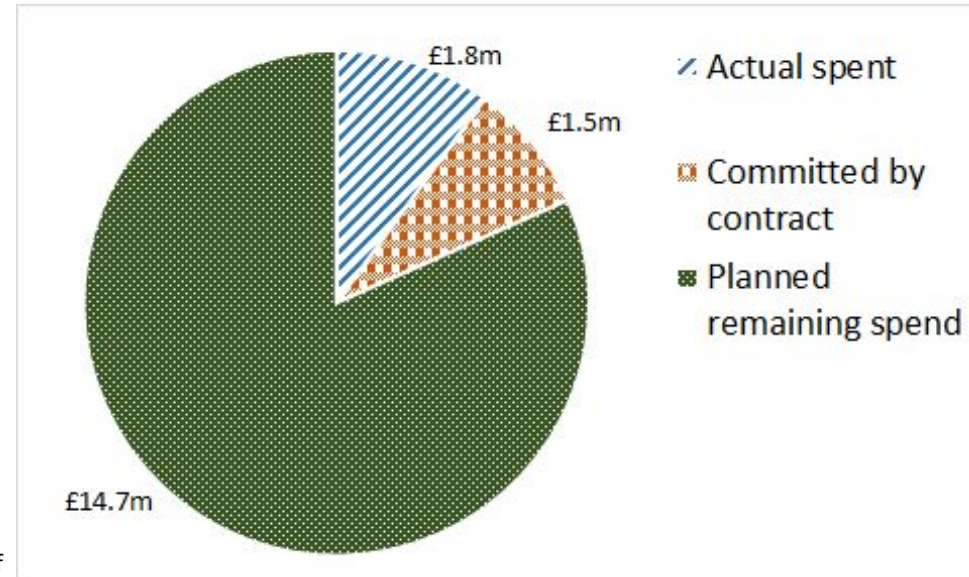


[Click on the graph to see more about each of the workstreams.](#)

RAG rating of projects*



Transformation implementation costs



*projects are RAG rated for their progress against delivery plan, taking account of cost, scope, benefits, timescales, risks

Service improvement benefits

Non-financial benefits - *Examples of the expected non-financial benefits reported from live transformation projects*

Project	Benefit
Family safeguarding plus model	<ul style="list-style-type: none"> • More preventative approach leads to better outcomes and reduced numbers of families reaching crisis point • Better levels of safeguarding with parents and children • Improved engagement with practitioners
Strategic Capability	<ul style="list-style-type: none"> • A redesigned Strategy team that drives stronger strategic decision-making, policy-making, performance management and corporate reporting • A data-driven approach supporting evidence-based service improvements for residents • A single view of change across both CDC and OCC
Provision Cycle	<ul style="list-style-type: none"> • More strategic approach to managing spend leads to greater value and quality from services procured • More joined up ways of working and collaboration, including between CDC and OCC • More robust and informed decision-making with lower level of bureaucracy • More consistent and standardised approach to contract management
Parking management	<ul style="list-style-type: none"> • Increased utilisation of off-street parking • Clear and transparent charging for customers and improved customer experience • Additional parking income

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A project spotlight on...

Finance

Key things to know...

Project start: February 2019

Expected savings: £600k - £1m

Workstream Board: Enabling the Council

People involved: Finance team, PwC consultants, representatives from service areas

Accountable
Officer:



Lorna Baxter

What is our aim?

The aim is to transform the finance function of OCC. We will challenge the status quo, build a culture of continuous improvement, drive decision making and deliver pace and clarity in ways of working.

What have we done so far?

The redesign of the Council's Finance function – a core component of the Enabling and Support Services layer of the new operating model – has now been completed. Over the course of four months, a working group comprising officers from the Finance team, supported by consultants from PwC, has been meeting to review the functions ways of working and opportunities for improvement.

The group has revised the customer offer associated with the future function, developed an interaction model indicating how the function will work with service departments and other partners, reviewed and redesigned its core processes, identified specific opportunities for joint working with Cherwell District Council and developed a detailed implementation plan. A new organisational structure has also now been developed by the Accountable Officer.

The outputs from this work have been signed off by the Transformation Programme Board and by CEDR.

What is next?

The Finance workstream is now moving to implementation of the new model. This will entail carrying out formal consultation with impacted staff ahead of population of the new organisational structure.



Want to know more?

Click on the links below to find out more about the transformation programme:

[Click here to access the Transformation Intranet pages](#)

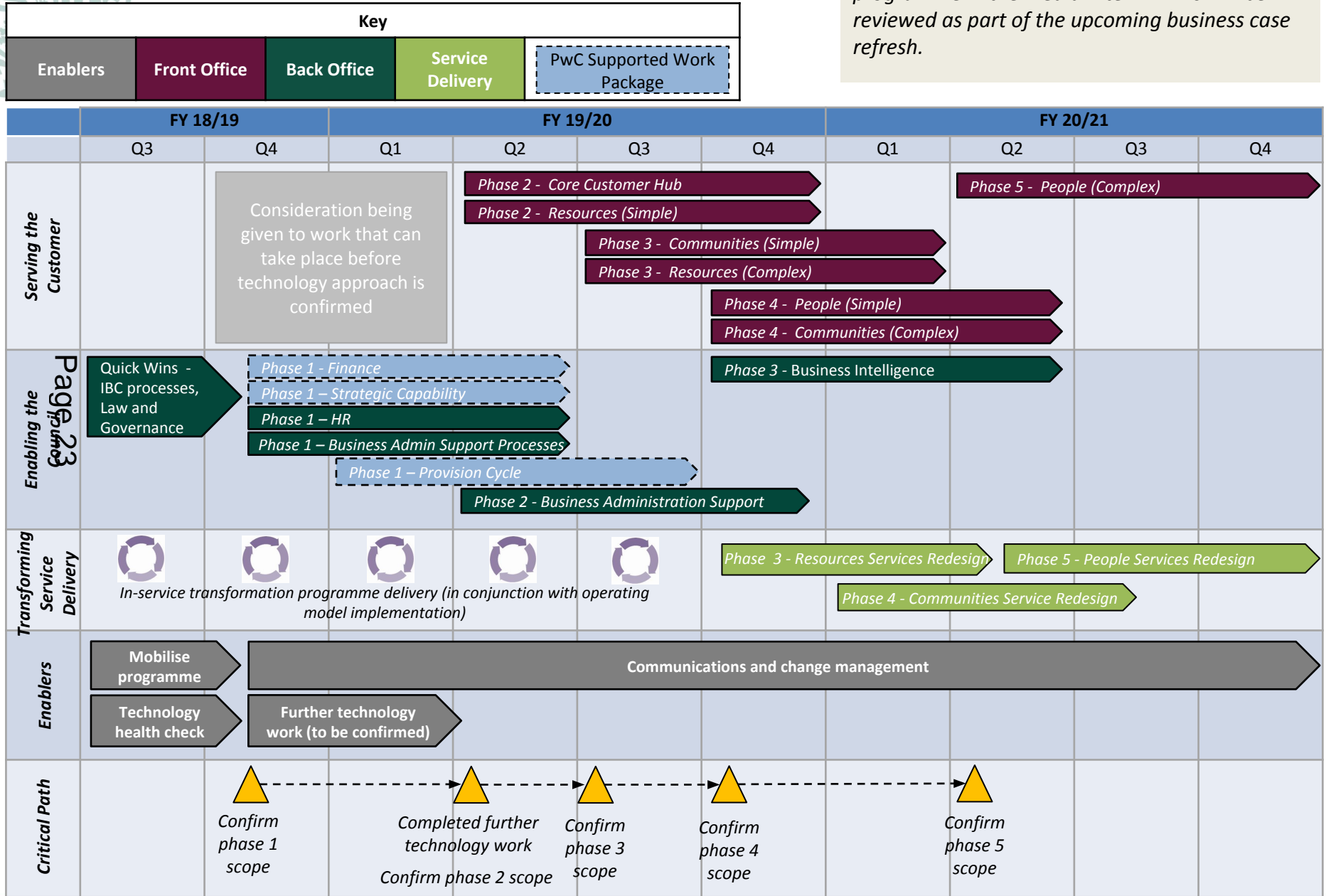
[Click here to hear from Claire Taylor, Interim Assistant Chief Executive, and Phil Dart, Interim Transformation Programme Director, on their roles and vision for the Transformation Programme](#)

[Click here to read the Business Case underpinning transformation](#)
Note: the business case is being refreshed in July/August 2019

[Click here to read the Design Principles which underpin the Transformation Programme](#)

Transformation programme plan

The transformation programme plan below outlines the high-level timelines for the programme in the medium term. This will be reviewed as part of the upcoming business case refresh.



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Annex 2– The Transformation Programme’s Financial Position (April-June 2019)

1. This report supports the Quarterly Review of the Transformation Programme (April to June 2019) in terms of the delivery of savings in year and the forecast going forwards.
2. The Transformation programme is committed to delivering at least £49.7m of savings between 2018/19 and 2022/23.
 - £4.9m was from previously agreed transformational activity deliverable in 2018/19,
 - £26.2m from specific improvement activities in the approved Medium-Term Financial Plan between 2019/20 and 2022/23,
 - £18.5m to be found from additional core transformation programme activities, that support the delivery of the Transformation Business Case agreed by Cabinet in September 2019.
3. The Medium Term Financial Plan includes £18.5m of savings to be delivered from the Core transformation programme
4. **Table 1 – forecast delivery of core transformation programme savings**

Core Transformation Programme Activity	Total Target £m	19/20			20/21			21/22		
		Original Target £m	High £m	Medium £m	Original Target £m	High £m	Medium £m	Original Target £m	High £m	Medium £m
Finance, Strategic Capability & Provision Cycle			-1.000			-1.831			-2.582	
Service redesign still to be scoped out							-4.169			-5.918
Total Service redesign	-15.500	-1.000	-1.000	0.000	-6.000	-1.831	-4.169	-8.500	-2.582	-5.918
Reducing Third Party Spend	-2.000	0.000			-1.000		-1.000	-1.000		-1.000
Increasing Income	-0.500	0.000			-0.500		-0.500	0.000		
Other Efficiencies - proposal to be agreed by CEDR	-0.500	-0.500		-0.500	0.000			0.000		
Total Core Transformation Programme	-18.500	-1.500	-1.000	-0.500	-7.500	-1.831	-5.669	-9.500	-2.582	-6.918

5. Latest projections indicate £5.4m savings will be delivered from the service redesign of Finance, Strategic Capability and Provision Cycle, against an original target of £4.6m. These new functions and associated staff structures will be implemented later this year.
6. £10m remains to be delivered through future service redesign. Dialogue has commenced with the Strategic Partner to scope out the opportunities to start the next phase of work to meet the savings required.
7. Savings of £3m are to be delivered by reducing third-party spend (following the implementation of a new Provision Cycle function), increasing income and other efficiencies. Proposals for these targets are still being developed, and proposals for other efficiencies will be considered by CEDR during the next quarter.

2019/20 Savings

8. Table 2 – forecast delivery of 2019/20 savings targets

Component/Workstream	CONFIDENCE OF SAVINGS DELIVERY					Revised Target £m
	Original Target £m	19/20				
		Delivered £m	High £m	Medium £m	Low £m	
Service Redesign	-2.282	0.000	-0.777	-0.775	-0.755	-2.307
Reducing Third Party Spend	-10.027	-2.308	-2.998	-3.026	-1.695	-10.027
Increasing Income & other	-2.415	0.000	-2.115	-0.550	-0.050	-2.715
Total Transformation	-14.724	-2.308	-5.890	-4.351	-2.500	-15.049
<i>CEF - 19/20 reprofile (subject to Cabinet decision)</i>	0.755				0.755	0.755
Total Transformation (Revised)	-13.969	-2.308	-5.890	-4.351	-1.745	-14.294

9. The revised savings target in 2019/20 includes £0.3m of 2018/19 undelivered savings (which are now on-track to be delivered in 19/20) and assumes that Cabinet accepts the proposals to re-profile £0.8m savings in Children's Services associated with service redesign (16th July decision).

10. The remaining savings where there is currently low (red) confidence of delivery are the Children's third-party savings (£1.3m) and the delay in the 'Transforming Care for service users with Learning Disabilities' project (£0.3m). CEDR has been briefed on the challenges that the Children, Education and Families Service faces in reducing third-party spend in this year and have an action to explore how this shortfall can be addressed.

11. Savings reported with a medium (amber) level of confidence of delivery include:

- £2m in Adult Services - reducing home care support prices and reducing the cost of care packages for service users with a Learning Disability.
- £1m in Children, Education and Families Services, reflecting the difficulties in delivering savings on transport for those with Special Educational Needs and/ or Disabilities (SEND), reducing third party spend and service redesign.
- £1m in Communities and Resources directorates - savings that require further clarity of approach.

Finance colleagues are working with all relevant services to validate the risks with these proposals.

12. Core transformation programme savings of £0.5m are also reported amber. A number of options are currently being considered.

Future Savings

13. Table 3 – forecast delivery of savings required across the remaining MTFP

Component/Workstream	CONFIDENCE OF SAVINGS DELIVERY											
	20/21				21/22				22/23			
	Original Target £m	High £m	Medium £m	Low £m	Original Target £m	High £m	Medium £m	Low £m	Original Target £m	High £m	Medium £m	Low £m
Service Redesign	-7.300	-2.300	-4.531	-0.469	-9.750	-3.350	-6.400	0.000	-0.500	0.000	-0.500	0.000
Reducing Third Party Spend	-6.883	-2.940	-2.470	-1.473	-2.925	-0.950	-1.400	-0.575	-1.180	-0.930	0.000	-0.250
Increasing Income & other	-1.110	-0.610	-0.500	0.000	-0.330	-0.330	0.000	0.000	-0.115	-0.115	0.000	0.000
Total Transformation	-15.293	-5.850	-7.501	-1.942	-13.005	-4.630	-7.800	-0.575	-1.795	-1.045	-0.500	-0.250

14. The Children's Services proposal to Cabinet on 16th July 2019 addresses the savings targets in the current financial year as an immediate issue. It is expected that the future savings targets beyond 19/20 will be reprofiled in the service and resource planning process to align savings with expected service delivery.

15. Currently 62% (£18.6m) of the savings required in the next three years are reported as low or medium confidence of delivery. However, this includes £4.3m of Children's Services' savings that are expected to be reprofiled to match service delivery (in the forthcoming service and resource planning process) and £12.6m of Core Transformation Programme savings for which plans are currently being developed with support from strategic partners.

Transformation Spend and Funding

16. The business case identified £18m of implementation costs to deliver the Transformation Programme, excluding redundancy costs. Costs of implementation are being monitored against that initial forecast and the plan is continually being refined. To date £3.3m of the £18m has been spent or is committed (by contract).

17. Funding the implementation costs will come from corporate reserves (£9m) and the Capital Programme (£5m). £4m of funding is still to be identified.

Ongoing Reporting and Decision Making

18. Both savings and spend are reported to the Transformation Board monthly, with the board having delegated responsibility for approving spend against the implementation budget of £18m.

19. Significant variations to the budgeted savings or spend, and requests for further funding will be escalated to CEDR and the Joint Audit & Governance and Performance Scrutiny (Transformation) Sub-Committee as appropriate.

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ICT Strategy 2019 - 2024 Update Presentation

Peter Marsden and Tim Spiers



25 July 2019

Enabling the Corporate Plan

Corporate Objectives



we do the best we can for residents

we strive to find the best solutions

Technology is a critical part of our everyday personal and working lives

Without a significant change ICT will undermine the Council's future plan

ICT acts as the catalyst for change in almost everything we do

Strategy Drives Change

we work together in a supportive and honest way

we are open to change and doing things differently

Digital engagement online cannot be delivered without ICT investment aligned to a strategic plan

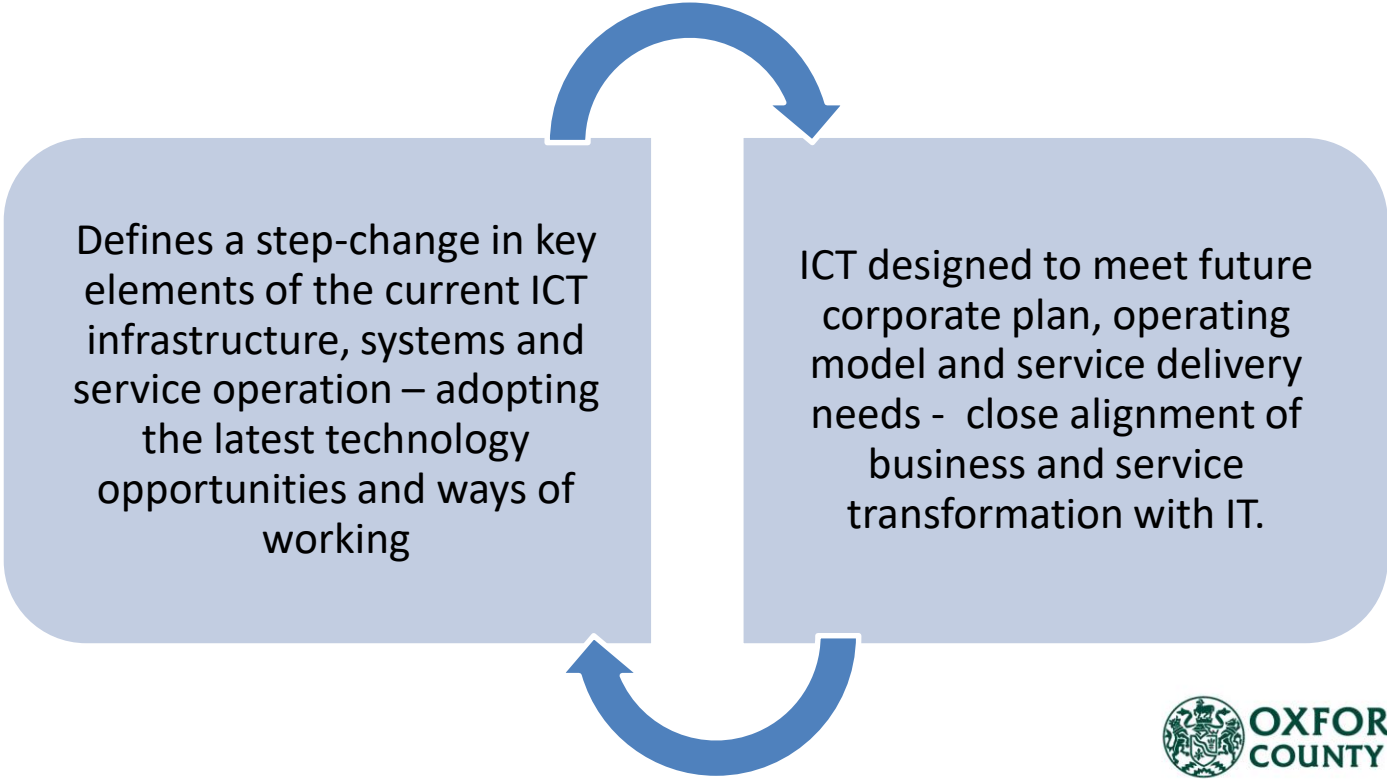
ICT underpins and enables services and allows for adaptation in a changing world

our values



Why do we need an ICT Strategy?

Our ICT Strategy links the technology solutions we deliver and how we work with the business plan and service objectives





A Vision for ICT

..... To employ technology which enables the cost effective, efficient and adaptable delivery of Council services, places the customer (both internal and external) at the heart of what we do, and ultimately enhances the agenda for thriving communities across Oxfordshire....

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Values:

Open to change and adaptable
– strive to find the right solutions – transparent and work together – do the best we can for our users

Outcomes:

To establish a modernised, resilient and cost effective ICT to support and enable an effective and fully equipped digital workforce



Key Themes of the Strategy

Getting the basics right!

Secure, resilient, simple infrastructure – sound foundations

IT Service designed to meet the needs of the Council and applying best practice

Consistent and 'fit for purpose' use of applications - designed around customer and staff needs

Future-proofed and flexible arrangements

Consistent application of energy efficient solutions & working practices

Transforming the IT Service!

Designed around customer, staff and partner needs

Continuous application of technology and best practice

Applying industry experience, innovation and adapt quickly

Strong links between IT and the business – continuous engagement

Focus on service delivery not housekeeping – sustained improvement

Invest to run the IT Service at a reducing cost base



A Recap on Current ICT?

- Struggling to provide a good service
- Not acting as an enabler
- Performance and resilience issues with IT infrastructure
- No fit for purpose Disaster Recovery / Business Continuity
- Not providing value for money
- Not commercial and customer orientated
- Lack of ownership and leadership from within the service

What are we covering in the ICT Strategy?

Assessment of Current Technology Standards, Skill Sets & Future Fit

Technology Visioning / Market Trends / Future Gazing / Government Sector

Digital Transformation Alignment / User Computing / Citizen Engagement

Data Centre Provisioning / Hybrid Delivery Options

Infrastructure Solutions

Unified Communications

Cloud Solutions

Virtualisation

Data Storage

Backups

Wide Area Network (MPLS)

Local Area Network

WiFi

Voice

Unified Messaging

Conferencing / Video

Mobility

Applications Portfolio

Technology Service Offerings (i.e. SaaS)

IT Service Re-Development

Governance & Operational Running

Commissioning & Sourcing

Capabilities, Culture, Values and Guiding Principles


Quality Standards, Security & Information Management

Partner Engagements, Shared ICT & Services




OXFORDSHIRE
COUNTY COUNCIL

Key findings so far?




Data centre refresh / backups migration to Cloud will reduce costs & strengthen resilience


Potential for consolidation and streamlining of business applications




IT Service re-development will significantly improve service and reduce costs



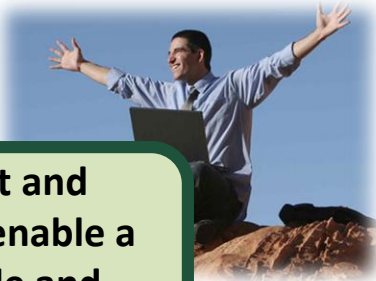
Wide area network re-procurement will simplify design and drive down costs



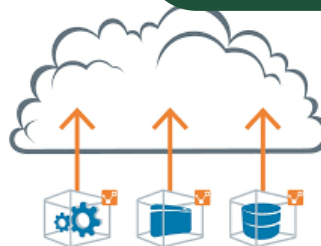
Great potential for phased future cloud migrations (where cost effective)



Redesigned and streamlined IT service will ensure shift to customer delivery rather than maintenance

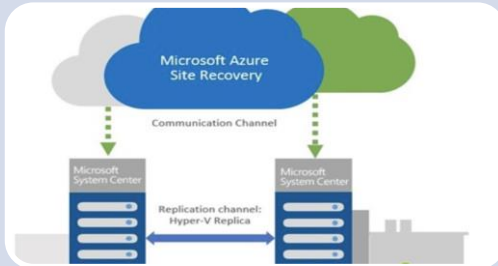


Investment and support will enable a more mobile and flexible workforce



Strategic ICT Risk Assessment Completed

Carbon Footprint Reduction



Disaster Recovery migrating from Data Centre to the Azure Cloud.

63% reduced power consumption/year

Office 365 migration and removal of Data Centre hardware.

81% reduced power consumption/year

Desktop PCs replaced with laptops in County Hall and elsewhere (Win10 Project)

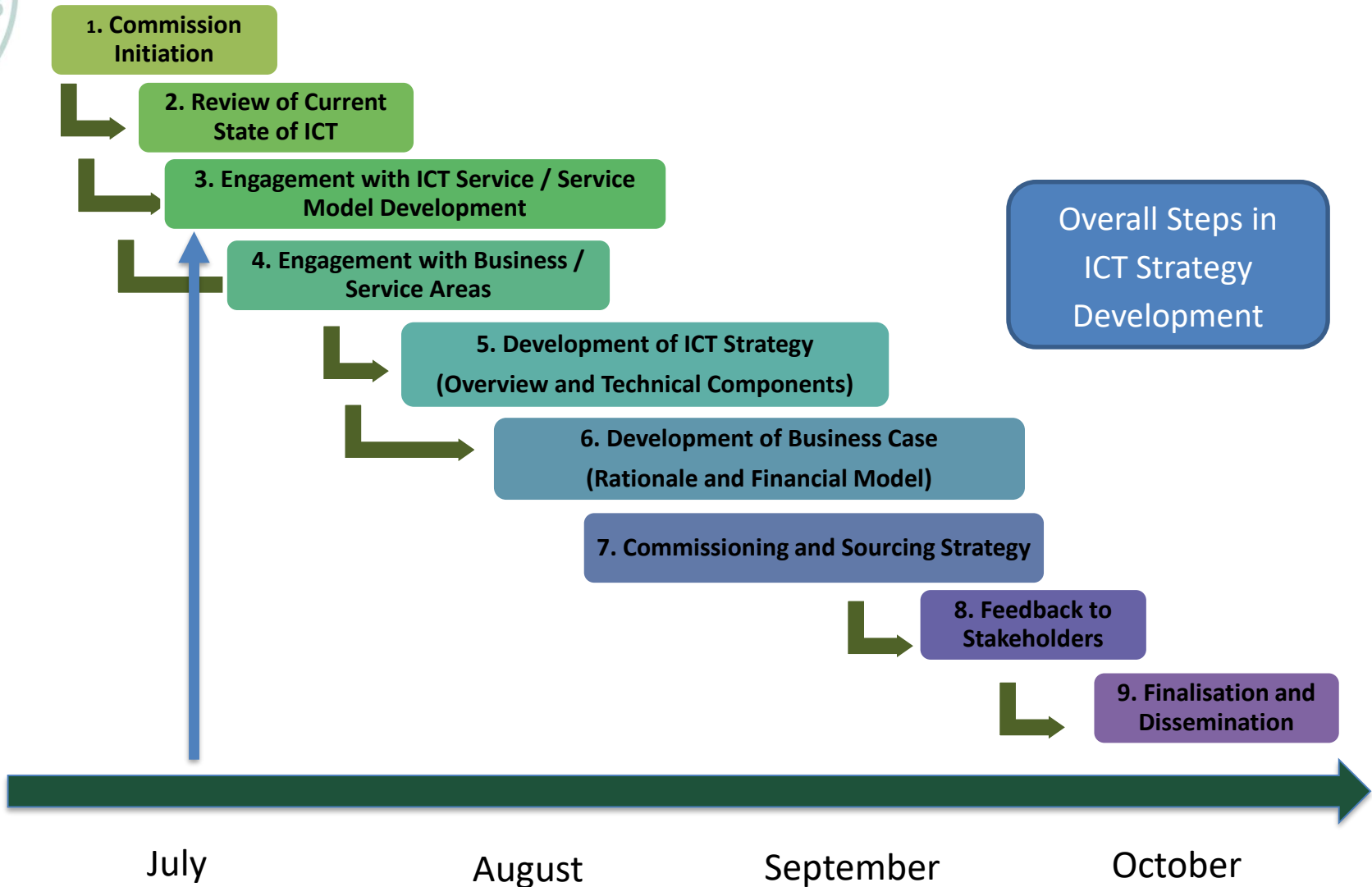
30% reduced power consumption/year

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- Inclusion of low energy criteria in device procurement
- Implementation of energy saving settings for all devices. (i.e. power down / low energy operation)
- Progressive migration to the Cloud reducing energy footprint
- Procurement of carbon neutral solutions / supplier selection.

Microsoft have been carbon neutral in their Azure datacentres since 2012, using sustainable energy sources such as wind, solar and hydro-electric generated power.

What next?



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Questions

Benefits of Change

- Investment to streamline IT will reduce ongoing costs and improve service to customers.
- Operational efficiencies and improvements through new IT.
- A more robust, resilient and secure IT landscape.
- Enabling business transformation with modern, 'fit for purpose' IT platforms.
- More effective, responsive and closer engagement of IT resources with business areas.
- Potential for further savings through joint working arrangements and business systems replacements.
- Flexibility across IT to respond to internal and external change.
- Increased motivation, morale and engagement within IT service

BENEFITS

Transformation Sub-Committee Work Programme

It is proposed to meet quarterly as follows (10am on Thursdays excepted where stated):

17 October 2019 (already in the diary)

30 January 2020 (**instead of 5 December 2019**)

30 April 2020 (2pm start)

23 July 2020

22 October 2020

28 January 2021

Item	Notes
17th October 2019	
Quarterly Performance Report	To include performance dashboards, capacity to deliver projects and a comparison between projected and actual savings
Refreshed Business Case (provisional)	To consider an updated Transformation Project business case
January 2020 tbc	
Quarterly Performance Report	To include performance dashboards, capacity to deliver projects and a comparison between projected and actual savings

Future Items to be Scheduled:

Item	Notes
HR, Organisation Development Review	

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