

**CORPORATE OVERVIEW SELECT
COMMITTEE
DATE: 21 MARCH 2019**



**TRANSFORMING THE COUNCIL TO BETTER SERVE
RESIDENTS - UPDATE**

Purpose of report: To update on progress so far in transforming the council, enabling Corporate Overview Select Committee (COSC) to provide input to the next phase of work and identify approaches to ensure effective ongoing scrutiny

Introduction:

1. Over the last year the council has embarked upon an organisation wide programme of change and improvement to address a number of performance, financial and cultural shortcomings in order that we can help secure the very best outcomes for the people of Surrey.
2. On 13 November 2018, Council endorsed a strategic and financial direction for the council in response to the agreed Community Vision for Surrey in 2030¹. This included a major [programme of transformation](#) for the next three years (2018-2021), designed to secure the council's financial sustainability and fundamentally reform the function, form and focus of the organisation.
3. Through the work to date we have established the foundations for longer term change and improvement, including a stabilised budget position. We have also started to introduce new service models and approaches that signal different ways of working with our residents and partners. For example, the Effective Family Resilience Model in Children's Services and the new practice model for "front door" conversations in Adult Social Care are starting to help prevent problems earlier and better support residents and communities to be independent.
4. Broadly speaking, we are now moving from a phase of stabilising the organisation and mobilising transformation proposals and plans, into the practical delivery of change. Marie Snelling, the council's new Director of Transformation, is currently reviewing progress so far to identify key lessons that will be designed into the next phase of transformation. Views from Members of COSC will helpfully inform this.
5. The purpose of this report is to present for scrutiny the following aspects of transformation:
 - Overall progress and direction of transformation across the council
 - Those (enabling) projects under the remit of COSC

¹ The Organisation Strategy 2019-2023, 'Our People' 2021 – Workforce Strategy, Preliminary Financial Strategy 2019 – 2024, Transformation Programme (Full Business Case)

- A proposed new Business Planning and Performance Management Framework

Overall progress and direction

Ambition

6. Transformation on this scale represents a new and complex challenge for the council. It is an ambitious and far reaching transformation portfolio to address a range of fundamental issues the council faces in responding to the changing needs and expectations of residents and communities. By transforming we will become a very different organisation, working in new and innovative ways with our residents and partners to achieve the ambitions in our Community Vision for Surrey in 2030.
7. Whilst transformation will make a significant contribution to required savings and demand management – delivering savings of £12m in 2018/19 and £52m in 2019/20 – it must be and is much more than a savings programme or even a collection of projects and programmes.

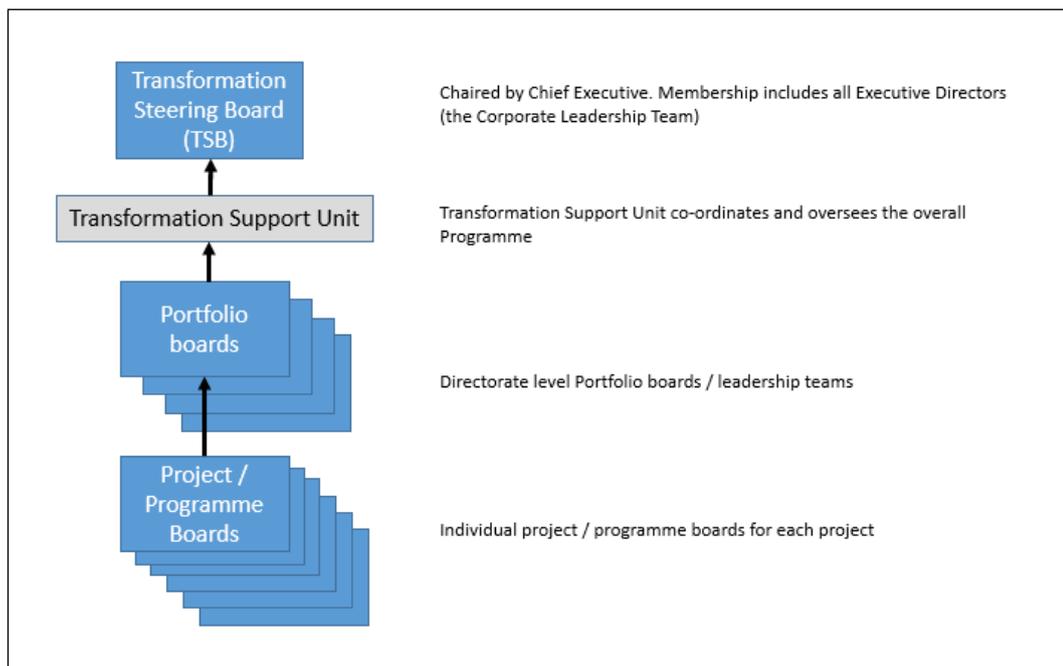
Progress so far

Foundations:

8. Given the scale and depth of the performance, financial and cultural challenges faced by the council the focus of work over the last year has been on stabilising the organisation and mobilising the programme of transformation. The council has not, in recent years, undertaken a single integrated programme at this scale so significant work was required to set the foundations for change. This has included:
 - Setting a new strategic direction to deliver on the shared ambitions our residents and partners have articulated
 - Stabilising the 2018/19 budget and minimising the use of reserves originally planned in the budget
 - Agreeing a 2019/20 budget that will not require the use of reserves
 - Establishing the capacity to deliver transformation², including expert external challenge and support
 - Designing new service models that promote independence
 - Agreeing next steps for the transformation of key services following public consultations³
 - Engaging with colleagues across the organisation to develop our culture and behaviours, supported by revised pay and reward mechanisms and a new style of performance reviews
 - Developing stronger working relationships with our partners
 - Setting up governance and routines to oversee and drive transformation
9. The officer governance in place to oversee and track the delivery of the programme and projects is set out below.

² Council (5 February 2019) agreed the allocation of £31.4m capital receipts to enable critical transformation work through to 2020/21

³ Children's Centres, Special Educational Needs and Disability (SEND), Libraries and Culture, Community Recycling Centres (CRCs), Concessionary bus travel



10. The Transformation Steering Board (TSB) use a “4Ds” tool to help track the overall progress of the programme – it provides a headline picture of progress against the four phases of any major programme⁴ and enables key actions to be identified (see latest assessment of the 4Ds in Annex A).
11. At this stage of mobilising a long term programme it is expected that some areas will not be fully developed (“green”). With the base foundations now broadly in place, the lessons learnt review by the new Director of Transformation will identify actions to strengthen the overall health of the programme. In particular as we move into the delivery phase there will be focused attention on communication, engagement and involvement.

Impact

12. At the heart of the transformation programme is the need to develop very different service models and approaches that can help prevent problems earlier and better support residents and communities to be independent. These approaches are now being proactively applied in a number of areas and we are starting to see the positive impact this can have for residents.
13. In Adult Social Care a new practice approach focused on peoples’ strengths and independence is being introduced, and importantly this new type of conversation happens at the very first point of contact (the “front door”).⁵ The principle of supporting independence is also central to the work of the new specialist team for people with [Learning Disabilities and Autism](#) that has been established.
14. The recently launched Effective Family Resilience Model provides a framework for how we will work differently with partners to support families and children as

⁴ Direction, Design, Delivery, D-day

⁵ See Adults Transformation Update to the [Adults and All Age Learning Committee](#), 13 February 2019

soon as problems emerge.⁶ We have established a new [Children's Academy](#) to attract, train and support the staff from across multiple agencies who will put the new approach into practice.

15. The principle of working in partnership to prevent problems and support independence can and will be applied across all service areas. For example, it underpins the current public consultation on the [Surrey Fire and Rescue Service](#) which proposes a shift to preventing emergencies by investing in community and business safety. We will be developing further proposals and changes across the transformation programme that support this new direction and importantly prevention is at the heart of the draft [long term strategy for health and wellbeing](#) that we have developed alongside our partners and are currently consulting on.

Enabling projects

16. Within the transformation programme (see Annex B for the full list of projects) there are a sub-set of projects that are acting as “enablers” to transformative changes in frontline services. These are set out below along with some headline points on progress and next steps. The latest “Red, Amber, Green” status for each project is shown in brackets.
 - *Customer experience*: Progressing the “single front door” approach by moving all customer contact into the single customer contact centre, with a new Children’s Services front door set to go live at the end of April and SEND enquires to be incorporated by the end of July. There is further work to complete next with Adult Social Care. The project is also moving customer contacts and enquiries online to improve the customer interactions, starting with Highways, Transport and Environment services. (Current status: Amber/Red)
 - *Digital*: The project aims to make the council ‘digital by design’ including automation, the internet of things and integration of systems and data. Improved automation of customer reporting for potholes and trees/vegetation has been completed so this is easier and quicker. Currently working through the final stages of procurement for new approaches and tools for customer relationship management and data integration. (Current status: Amber/Red)
 - *Agile working*: Running case study tests of agile working tools (e.g. hybrid devices and applications to work on the move), with positive feedback so far. Also piloting the use of collaboration tools to reduce travel and allow people and teams to keep connected to each other virtually. Agile working is being incorporated into the planning for the move out County Hall. (Current status: Amber/Red)
 - *Performance Management and Management Insight*: Drafted a new performance framework including new regular reporting through eight key “lenses” (see section below). Continuing to automate data reporting through the online Tableau tool. (Current status: Amber)
 - *Commissioning*: The new Strategic Commissioning hub and framework approach is now in place and being applied to key issues (e.g. Domestic

⁶ See Family Resilience update to the [Children and Education Select Committee](#), 6 March 2019

Abuse) and the design of future health and social care commissioning.
(Current status: Green)

- *Fees and charges*: The revised Fees and Charges policy agreed by Cabinet in December 2018 will be embedded across all services. Initial work focused on Highways, Transport and Environment and identified £260k of additional income from fees and charges, with work is underway to bring this total to £2m in future years across a number of services. (Current status: Amber)
 - *Finance Improvement Programme*: Following the CIPFA report on financial management, a major restructure of the Finance senior management structure has now been completed, alongside work to improve financial accountability and reporting. Training is being designed to improve financial management across the organisation. (Current status: Green/Amber)
 - *Spans and Layers*: Highways, Transport and Environment (HTE) have piloted a leading practice DMA (Decision Making Accountability) methodology which identifies ways to change structures so they enable effective and responsive decision making. This will inform the next phase of HTE restructures and the DMA approach will be built into other such reviews. (Current Status: Amber)
 - *Orbis Value for Money*: An external review is currently being undertaken with a view to securing agreement on the future structure and remit of the partnership. (Current status: Amber)
17. These projects are critical to embedding the Target Operating Model (TOM) design principles, which are guiding how we develop and change our services and ways of working to ensure we become a responsive, modern and effective organisation (see Annex C).
18. Progress on each of these enabling projects will continue to be closely managed and tracked through the project, portfolio and programme level governance in place.

Business Planning and Performance Management Framework

19. As part of improving the way the council works – and ensuring that we can track and understand the impact of our projects and programmes - we are updating our Business Planning and Performance Management Framework for 2019/20. This involves putting the following key aspects in place:
- Designing a new Vital Signs Report which will report on eight aspects, or “lenses”, of organisational performance and corporate health with supporting measures:
 - Our customers
 - Our staff
 - Our finances
 - Critical service indicators
 - Risks
 - Transformation
 - Progress towards the Target Operating Model

- Service improve activity
 - Annual report to residents – covering high level outcome measures on Surrey County Council’s contribution to the Surrey 2030 Community Vision.
 - Outcome Delivery Plans – these will be short documents covering critical activity and delivery against the 10 strategic outcomes in the Organisation Strategy. They will also include measures of success that will be tracked as part of the Vital Signs Report outlined above.
20. These new aspects are set out in the attached draft Business Planning and Performance Management Framework (Annex D). They will be finalised ahead of starting regular reporting from Quarter one 2019/20.

Conclusions:

21. The transformation programme has made important immediate contributions to the council’s performance and financial position, and has started to introduce new service models that are changing the way we are work with residents and partners – shifting the focus to the prevention of problems and better enabling people and communities to be independent.
22. Broadly speaking, we are now moving from a phase of stabilising the organisation and mobilising transformation proposals and plans, into the practical delivery of change. A number of enabling projects will play a crucial part in driving new ways of working and maximising use of technology so the council can improve resident experiences and outcomes while also making savings.
23. To manage and track the impact of our work a new performance framework will be put in place, including a new Vital Signs quarterly insight report.
24. The work to transform the council will continue to evolve and develop over time. Whilst there is a current defined set of projects and programmes to deliver, we will need to keep reviewing our progress and re-assessing our plans and priorities, responding to the new opportunities that will emerge through closer working with our partners and residents, new legislation, and technological advances.

Recommendations:

25. It is recommended that COSC:
- (1) Note the overall progress on transformation to date and identify any areas that need to be designed into the next phase of work (para 6-15)
 - (2) Consider the key enabling projects and agree what role to play in supporting and scrutinising these projects (para 16-18)
 - (3) Consider the draft Business Planning and Performance Management Framework and products and provide feedback (para 19-20)
 - (4) Receive and review the new quarterly Vital Signs Report from Q1 2019/20 (July) and quarterly thereafter

Next steps:

- COSC to receive summary exception reports on the enabling transformation projects in May 2019 and complete a more detailed “deep dive” review of a priority project.
- COSC to review the new Vital Signs Quarterly report in July 2019 and quarterly thereafter.
- COSC to review a further update on the overall council-wide transformation programme in six months’ time (September 2019).
- From April 2019, more regular and comprehensive communications will be developed to keep all Members up to date on developments across all areas of transformation.

Annexes

Annex A: 4Ds assessment of Transformation Programme

Annex B: List of Transformation Projects

Annex C: Target Operating Model

Annex D: Business Planning and Performance Management Framework (draft version)

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Sources/background papers:

- A Community Vision for Surrey in 2030, Report to Council 9 October 2018
- Organisation Strategy, Preliminary Financial Strategy, Transformation Programme and ‘Our People’ Strategy, Report to Cabinet 30 October 2018
- Transformation Proposals – Delivering Better Services for Residents, Annexes 1- 5 Cabinet Report 29 January 2019

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