

## **Transformation Report – as at 31<sup>st</sup> March 2020**

### **Summary**

1. The County Council earmarked £13.2m in a reserve for spending on transformation projects, the bulk of which relate to our whole council design approach to service led improvement.
2. The total 2019-20 expenditure on transformation activities related to our whole council design approach to service redesign was £2.2m. During 2019-20 we paused to review the corporate transformation programme to gain assurance about its effectiveness. As a result, we acted decisively to curtail activities that were unlikely to prove fruitful. We also redeployed resources onto other transformation work, including the Children First Improvement Plan and the Fire and Rescue Service Improvement Plan. The continuing transformation work includes the replacement of the current Enterprise Resource Planning (ERP) system. This supports the Council's HR and Finance processes and will enable the automation and improve the efficiency of existing business processes. The new ERP system will enable the Council's workforce to work more effectively and efficiently, not least by supporting staff to undertake more tasks via self-service.
3. On 18th October 2019, County Council approved a Flexible Use of Capital Receipts Strategy, which enables the Council to fund the revenue costs of Council transformation projects from capital receipts. The total spending on whole council design approach to transformation projects in 2019-20 that is eligible for charging against capital receipts was £0.7m.

### **Transformation Reserve as at 31<sup>st</sup> March 2020**

4. The Reserve had a balance brought forward into 2019-20 of £13.2m. As at 31st March 2020, £1.4m has been spent in year from the Transformation Reserve to leave a balance of £11.8m.
5. The table below details the 2019-20 transformation reserve spend by Transformation Theme. A further £6.578m is allocated for spend in future years, leaving an unallocated balance of £5.232m. However, the current review of our service redesign projects could curtail or stop spending on some of the approved service redesign projects and the current Covid-19 outbreak could delay continuing transformation activities.

<b>Transformation projects</b>	<b>Total reserve funded spend in 2019-20 £'000</b>	<b>Reserve summary £'000</b>
<b>Total funds available</b>		<b>(13,247)</b>
<b>Whole council design approach to service redesign programme</b>		
Accelerated activity programme	39	
One Council (Smartcore)	505	
Other WCD projects	36	
		580
<b>Previous programmes</b>		
Legacy programme	263	
		263
<b>Other transformation activity</b>		
Children's Social Care Q&D Board projects	284	
Adults Services projects	100	
Other transformation projects	126	
Voluntary severance or redundancy	84	
		594
		1,437
<b>Transformation Reserve closing balance 31<sup>st</sup> March 2020</b>		<b>(11,810)</b>
Allocated Spend 2020-21	5,208	
Allocated Spend 2021-22	1,370	
		6,578
<b>Unallocated Transformation Reserve</b>		<b>(5,232)</b>

6. A further £0.7m spend on transformation projects has been funded by the flexible use of capital receipts in 2019-20.

<b>Transformation projects</b>	<b>Spend funded by capital receipts in 2019-20 £'000</b>	<b>Total spend funded by capital receipts in 2019-20 £'000</b>
<b>Whole council design approach to service led improvement programme</b>		
Community Programme	260	
Customer Programme	411	
Other WCD Projects	50	
		721
<b>Previous programmes</b>		
Legacy programme	28	
		28
<b>Total transformation expenditure funded by capital receipts</b>		<b>749</b>

## **Staffing**

7. For 2019-20 the Transformation Portfolio Office (TPO) establishment was funded for 15.85 FTE at a total cost of £1.128m per year, including £0.261m funded by the Transformation reserve. A significant amount of TPO resource has been embedded for the majority of 2019-20 supporting the priority Children's and Fire and Rescue Service improvement projects. These secondments and vacancies arising has only required a drawdown of £0.016m from the Transformation Reserve.

## **Savings and Benefits**

8. The County Council had a clear plan in March 2020 for refocusing and remobilising service led transformation. However given the Covid-19 lockdown, the future is now much more uncertain. The County Council will take forward service led improvement as part of its wider, post COVID reset planning.