

Service Transformation and Flexible Use of Capital Receipts Summary – Q3 2022/23

Service Transformation Summary

1. At the start of the year, the balance within the Transformation Reserve stood at £13.3m. In addition, the County Council's 2022/23 Flexible Use of Capital Receipts Strategy details that it has flexibility to fund up to £10.0m of qualifying transformation expenditure. The County Council will review transformational expenditure during the year and, if expenditure meets the Flexible Use of Capital Receipts statutory guidance conditions, will consider applying capital receipts funding. However, any final decisions will be taken at the year end.
2. There are a number of transformation projects currently underway which include the Smartcore Programme, Insourcing and Procurement of IT Services, Better Use of Technology within Children Services, Support Services Programme, Smarter Ways of Working Programme, Adult Services Professional Services Support and other smaller projects.

Smartcore Programme

3. Work is underway to replace our existing SAP system with Oracle Fusion as part of the SmartCore Programme. This is a complex programme which when implemented and fully embedded will improve processes in Finance, Payroll, HR and Procurement. The programme is at the Systems Integration Testing (SIT) phase and work towards a go-live date continues.

Insourcing and Procurement of IT Services

4. All prerequisites for transition to a hybrid cloud compute environment were completed during the third quarter. These prerequisites included rationalisation and subsequent targeted refresh of the Windows server estate to support transition to the desired hybrid cloud model and to facilitate the potential move of primary datacentre to smaller premises
5. In parallel with supporting the return of the Capita SSO contract, the IT Service concluded the review of key architectural components to inform imminent procurement activity to train and embed new cloud management skills within the inhouse IT operations team. These new skills will support implementation of a new Azure landing zone, new expertise will include tenant management (for multivendor tenants), group policy and enhanced security management as well as conversational artificial intelligence and knowledge/cognitive services to support the Council's digital agenda.

Better Use of Technology within Children's Services

6. A decision was taken by the Cabinet Member for Children and Young People in August 2021 to procure a recording system for Children, Young People and Learning. The contract commenced on 1st April 2022 for an initial period of two years, with an option to extend by up to two years. The implementation project

involves significant resource from across the Council for a period of 18 months. This will include business input, IT resource, training and project management.

7. Rationalising data systems in this way offers a major benefit to children, young people and families in terms of the better coordination of evidence-based services delivered to them.
8. Implementation of the recording solution (Synergy and Core+) is now underway. Admissions moved to using Synergy in September 2022 and Youth Justice are due to complete the move to Core+ in March 2023. Other work areas are on track to move to the new systems by September 2023.

Support Services Programme

9. The County Council's ten-year contract with Capita for internal support services ended on 30 September 2022, with Accounts Payable, Business Services Administration, Operational Procurement, Online Service Delivery (web team) and the Customer Service function moving to the Council. Employment Services, (including Payroll, Shared HR Services and HR Services to Schools), had already transitioned as planned in June.
10. The Graphic Design printing procurement concluded and the new service is in place. The induction of over 300 staff is well underway with a focus on maintaining service continuity and supporting the aims and objectives of the organisation as set out in the wider Council Plan.
11. Costs relating to the completion of the work within the programme to support the move of the services to the Council have now been finalised. These include legal support to award new contracts and novate the existing 3rd party agreements, transition costs and commercial consultancy support.

Early Years Property Support Project

12. Following the implementation of the revised Early Help model in West Sussex during 2021/22, a number of one-off and temporary costs have been incurred associated with the clearance and holding of properties. Work continues during 2022/23 to re-assign or dispose of vacated buildings, reduce holding costs and deliver savings in running costs across the estate.

Smarter Ways of Working Programme

13. The County Council continues to build on the learning and experience gained from the pandemic to help shape future working practices.
14. The first phase of this programme has been completed and the second phase of work is underway. The aim of the programme is to enable the Council to provide services from a reduced number of cost-effective workspaces with a significantly reduced carbon footprint, located and sized to meet the needs of our smarter working practices, our staff, our services and our customers.
15. Work is currently underway to redesign the floor layout at County Hall, building on the success of the Bridge House interior refit and reflecting industry best

practice. The revised layout will allow the Council to move staff from The Grange and Northleigh buildings, which is on course to be completed by the end of 2023

Adults Services – Professional Services Support

16. A programme of work has been agreed to oversee the delivery of the commitments made in Our Council Plan (2021-25) and the Adult Social Care Strategy (2022-25).
17. The programme is being delivered collaboratively with a combination of external resources with skills and experience in delivery of ASC programmes and in-house staff in the three core business areas (Commissioning, Operations and Safeguarding, Planning and Performance).
18. As at December, a number of workstreams within the programme have delivered the following:
 - The production of a Market Sustainability Plan and the completion of a cost of care exercise, which has been submitted to the Department for Health and Social Care, a requirement of all local authorities;
 - A review of current Section 75 arrangements with a clear commitment from the County Council and NHS Sussex to work collaboratively in the development of a new agreement during 2023/24;
 - The transfer of commissioning functions to allow for statutory activity to sit with the relevant responsible senior leadership;
 - The drafting of a new transition to adulthood pathway and revised protocol for young people with disabilities and young people with mental health issues;
 - Workstreams developed to enable future delivery of the adult social care charging reforms
 - Work has begun to agree a new model of care in respect of an integrated reablement service;
 - Business process mapping has been undertaken across the service to understand service processes and identify any areas for improvement;
 - Further development of community design, communications, engagement and co-production.
19. Collaboration between external resources and officers within Adults Services in delivering the outcomes above has been integral, as this will allow Adults Services to sustain the changes made over the longer term.

Waste – New Service Model (Recycling Credits)

20. In 2019/20, Cabinet allocated £2m to support District and Boroughs who commit to implement a New Service Model for refuse and reducing collections, to a specification and timetable agreed with the County Council, including separate food waste collections or alternative approaches which will improve performance and reduce costs.

21. Whilst the pandemic has impacted on the ability to drive this work forward, the County Council has continued to explore and incentivise household recycling and reduce demand pressure on the Council's waste services. A successful trial for segregation and disposal of food and absorbent hygiene products in Arun has now concluded and a further trial is underway in Mid Sussex. Other projects underway include:

- A collection service to gather kerbside waste electrical and electronic equipment (WEEE) in many areas including Adur and Worthing, Crawley and Horsham.
- Flat improvement project. The identification of potential flats in Crawley to understand barriers of waste minimisation and increase recycling quality.

Transformation Project Overview

Table 1 – Transformation and Capital Receipt Budget Allocations - Overview of Current Projects

Project	Total Transformation/ Capital Receipt Project Budget Allocated	Project Spend Forecast	2022/23 Expenditure - As At 31 st December
Smartcore Programme*	£14,070,000	£14,070,000	£2,855,694
Insource of Procurement and IT Services	£2,750,000	£2,300,000	£256,721
Better Use of Technology – Children's Services	£1,748,000	£1,748,000	£362,880
Support Services Programme	£1,200,000	£1,200,000	£349,237
Early Years Property Support Project	£847,000	£847,000	£192,121
Smarter Ways of Working Programme	£1,916,000	£1,871,000	£143,413
Adults Services – Professional Services Support	£1,950,000	£1,950,000	£1,118,131
Waste – New Service Model (Recycling Credits)	£2,000,000	£2,000,000	£30,387

Note:

*Smartcore Programme– Additional funding from schools to meet additional works to deliver their requirements (£0.857m) and one-off base budget (£0.250m) are not included in the budget allocation reported in this table.