**BRISTOL CITY COUNCIL
AUDIT COMMITTEE**

30 September 2011

Report of: Strategic Director (Corporate Services)

Title: Grant Thornton Review of Bristol's Change Agenda

Ward: Citywide

Officer presenting report: Richard Powell, Chief Internal Auditor

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RECOMMENDATION

The Audit Committee note, and comment as appropriate, on Grant Thornton's review of Bristol's Change Agenda.

Summary
We concluded that the change agenda continues to facilitate organisational change and deliver some cashable savings, but as yet the Council has still to demonstrate that it can deliver significant benefits through this approach.

The Council's Strategic Options Delivery Board has responsibility for managing and prioritising the change agenda. The Board's role is developing and due to capacity restraints has to focus on those areas likely to be most beneficial. However, these priorities have to be in line with the strategic priorities of the Council, which are currently being developed.

The overall Governance arrangements have been strengthened and a Benefits Realisation Board (BRB) has been introduced. The BRB should ensure that all the programmes are delivering both cashable and non-cashable benefits and outcomes.

The New ways of Working programme was considered in detail in 2010. Since that review the Council has decided to issue a new business case, the Council aims to issue this in November 2012.

The Council should ensure it actively monitors the effect of change on service delivery to ensure the impact is minimised.

The review raised concerns that the Council does not fully understand what has been achieved through the Social Care Reform Grant. We recommended that the Council should establish the outcomes achieved, both to demonstrate value for money and to ensure clarity around those elements subsumed within the new programme. In addition, we recommended that a robust business case should be developed for the new Health and Social Care transformation programme.

Policy

None affected by this report. The Audit Commission has statutory responsibility for inspection and assessment at the Council. Grant Thornton are the Council's appointed external auditors. In carrying out their audit and inspection duties they have to comply with the relevant statutory requirements. In particular these are the Audit Commission Act 1998 and the Code of Audit Practice with regard to audit, and the Local Government Act 1999 with regard to best value and inspection.

Consultation

> **Internal:** Grant Thornton consulted with Senior Officers before finalising the report.

> **External:** not applicable.

1   Introduction

1.1   Grant Thornton is required to provide a value for money conclusion (VFM). This report will inform our VFM conclusion.

1.2   We considered the progress made to implement the recommendations made in our review of business transformation in 2010-11, including the New Ways of Working programme and phase 1 of the Shared Transactional Service. In addition we considered the programmes in place within the Health and Social Care Directorate.

1.3   Grant Thornton's partner, John Golding, the appointed auditor

responsible for the City Council's audit will be attending the Committee, and will be pleased to answer Members' questions.

Other Options Considered

Not applicable.

Risk Assessment

Not as a result of this report.

Equalities Impact Assessment

There are no issues arising from this report.

Legal and Resource Implications

None arising from this report.

Appendices:

Appendix 1: Grant Thornton's Review of Bristol's Change Agenda

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: None

Bristol City Council

Review of Bristol's Change Agenda

September 2011 - FINAL

Content

1   Our audit approach

Introduction and background

In 2010, as part of our 2010-11 audit programme we completed a review of the business change programme at Bristol City Council (the Council). Our findings and recommendations were reported to the Council in September 2010.

We concluded that the Council had established a change programme with a view to creating a modern and successful organisation that would deliver significant savings. Gross savings were achieved in 2010-11, but savings in excess of costs were not expected until 2011-12 and that in light of the economic climate the Council should consider if the existing change programme provided the necessary rate of return.

Since completing our original review the financial restraints on the Council have increased, as the Council is now required to make savings in the region of £29m in 2011-12, accumulating to £70m by 2014-15. The Council recognises that savings of this magnitude will need to be achieved through changing the way it operates and delivers services if the impact on front line services is be minimised.

In addition the Council has reorganised its internal management structure, reducing the number of Strategic Directors from six to four. The change portfolio is no longer led by a Strategic Director of Transformation and the programmes have been aligned with one of the new larger Directorates. Overall responsibility rests with the Strategic Leadership Team, as the Council begins to take a Council wide approach to managing the portfolio of change.

Scope of audit work

This report includes the following:

- follow-up of progress and recommendations made in 2010. This involved looking at the overall arrangements, the New Ways of Working programme and phase 1 of the Shared Transactional Service.
- consideration of the programmes in place within the Health and Social Care Division.

Work has begun on obtaining comparisons across the core cities. Discussions are underway with the appointed auditors to establish what information could be efficiently collected and compared. We will continue to progress this in 2011-12.

Code of Audit Practice

Under the Code of Audit Practice, we are responsible for issuing a conclusion on whether we are satisfied the audited body has proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Our VfM conclusion for 2010-11 at the Council will be informed, in part, by this review.

Use of this report

This report has been prepared to advise the Council of the matters arising from our work and should not be used for any other purpose or be given to third parties without our prior written consent.

Our report is part of a continuing dialogue between the Council and ourselves and should not be relied upon to detect all opportunities for improvements in management arrangements that might exist. The Council should assess the wider implications of our conclusions and recommendations before deciding whether to accept or implement them, seeking its own specialist advice as appropriate.

We accept no responsibility in the event that any third party incurs claims, or liabilities, or sustains loss, or damage, as a result of their having relied on anything contained within this report.
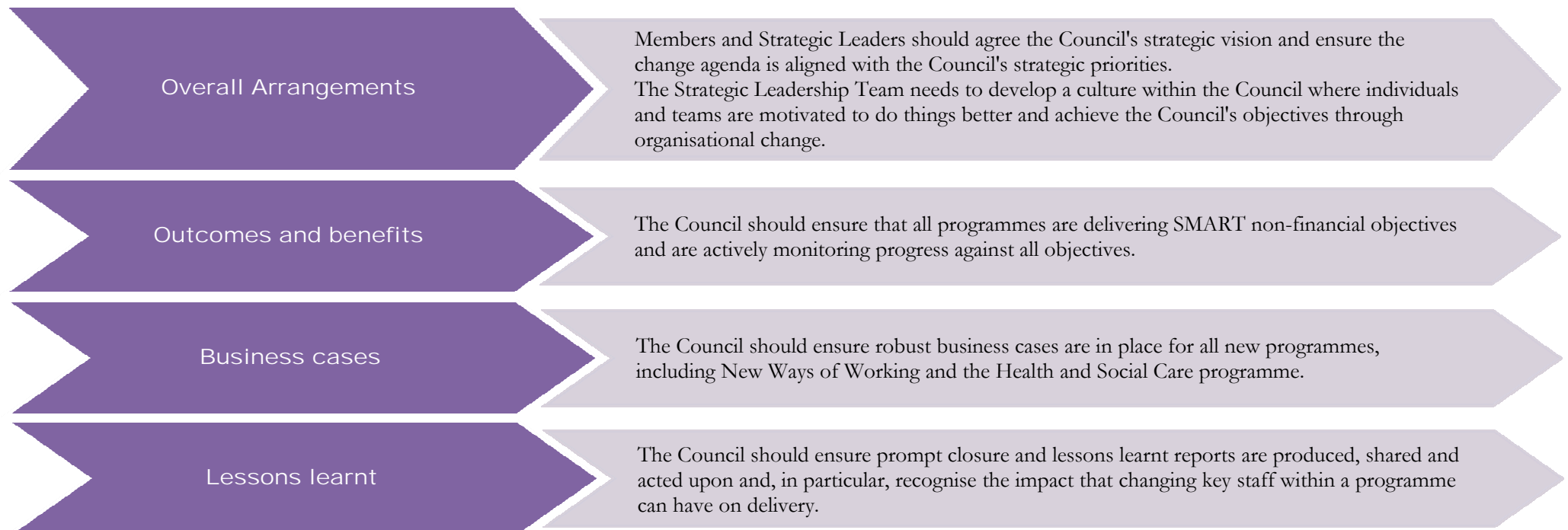
Acknowledgements

We carried out this work through discussions with Council Members, Strategic Directors and officers, and by reviewing key documentation. We would like to record our appreciation for the assistance and co-operation provided to us during our work by Members of the Council and officers.

2. Executive summary

The change agenda continues to facilitate organisational change and deliver some cashable savings, but as yet the Council has still to demonstrate that it can deliver significant change and benefits through its change agenda.

With the reduction in central government funding the Council is now required to deliver significant savings. The Council recognises these savings will need to be delivered through organisational change if the impact on service delivery is to be minimised.

The Council has strengthened its governance arrangements and has begun to take a Council wide approach to managing the change portfolio. We consider that these arrangements are important to ensure effective monitoring and delivery of change going forward.

Overall Arrangements	Members and Strategic Leaders should agree the Council's strategic vision and ensure the change agenda is aligned with the Council's strategic priorities. The Strategic Leadership Team needs to develop a culture within the Council where individuals and teams are motivated to do things better and achieve the Council's objectives through organisational change.
Outcomes and benefits	The Council should ensure that all programmes are delivering SMART non-financial objectives and are actively monitoring progress against all objectives.
Business cases	The Council should ensure robust business cases are in place for all new programmes, including New Ways of Working and the Health and Social Care programme.
Lessons learnt	The Council should ensure prompt closure and lessons learnt reports are produced, shared and acted upon and, in particular, recognise the impact that changing key staff within a programme can have on delivery.

3 Detailed findings

Strategic Vision

A strategic vision is a view of what an organisation should look like in the future, agreed by the leadership (officers and Members), supported by clear strategic objectives against which delivery can be monitored and assessed.

Bristol City Council (the Council) aims to set out its strategy and strategic vision within a Corporate Plan. However, due to the local elections in May 2011 and the political timetable in which the Council finds itself, it does not have a current Corporate Plan.

The Council aims to have an agreed Corporate Plan in place by February 2012, at the same time as its Medium Term Financial Plan.

We consider that the ability of the Council to deliver change and to ensure that change is aligned to the Council's strategic objectives is hindered and affected by the lack of an agreed cross party strategic vision/corporate plan.

Portfolio Management

Portfolio management is the strategic approach which considers whether the change initiatives taken are ones which will deliver the benefits and investments required, and most effectively deliver the Council's priorities and objectives.

Within the Council's revised governance structure (as set out in Exhibit 2 below), portfolio management is the responsibility of the Strategic Options Delivery Board, with final approval and decisions being taken by Cabinet.

In our previous report, we raised the following high level recommendation:

The Council, Strategic Leaders and Members, should regularly re-evaluate the Business Change Programme to ensure the overall scope and individual programmes:

- remain focused on delivering the Council's core objectives and priorities;
- are focused and prioritised to ensure optimal contribution to the delivery of the Council's immediate and medium term priorities; and that
- the Council has sufficient financial resources available to enable it to deliver the necessary rate of return within the context of wider organisational change, the impact of the economic downturn and the pressure created by long pay back periods for some projects and programmes.

In order to address this the Council replaced the Portfolio and Commissioning Board with the Strategic Options Delivery Board, whose main purpose is to ensure strategic alignment of the change programme.

The Strategic Options Delivery Board, a function of the Strategic Leadership Team, considers the change portfolio on a monthly basis and has introduced improved processes to enable it to ensure the programmes achieve existing priorities, are managed as one portfolio and are sustainable in the long term. These processes include:

- ensuring savings expected through the change programmes are aligned to the Medium Term Financial Plan (MTFP). The savings are clearly flagged if they are at risk of not delivering;
- assessing and agreeing key decisions for individual programmes, including agreeing business cases; and
- performance managing the programmes.

The Council recognises that the role of the Strategic Options Delivery Board in Portfolio Management is developing. Capacity constraints mean that the focus has to be on areas which are likely to be the most beneficial to the Council, such as Health and Social Care and Children and Young People's Services.

The Council has begun the process of Cabinet Members considering and prioritising services. These priorities should be considered in conjunction with the change agenda and the priorities which will be set out within the revised Corporate Plan. In line with the Office of Government Commerce guidance on Portfolio Management, Members and Strategic Leaders should ensure the change agenda is aligned with the Council's strategic priorities.

Recommendation 1
Members and Strategic Leaders should agree the Council's strategic vision, for the next three to five years, and ensure the change agenda is aligned with the Council's strategic priorities.

In addition, in order for the Council to deliver long term sustainable change the Council needs to ensure the Corporate Plan is based on a medium to long term strategic vision.

In addition the Strategic Leadership Team is aware that in the current economic climate significant change and savings are required. It recognises the need to encourage change within the culture of the organisation to ensure delivery. Portfolio management uses the term energised change culture, where the energy, commitment and drive of an organisation results in change. In our view the Strategic Leadership Team needs to develop a culture within the Council where individuals and teams are motivated and managed to do things better and achieve the Council's objectives through organisational change.

We consider that the motivation to change should also address change across the Directorates as well as within them and should consider how integration across the Council can be improved. To date the Council has a culture which has been focused within individual Directorates, and this approach needs to change if the Council is to make significant improvements going forward.

Recommendation 2
The Strategic Leadership Team needs to ensure that individuals and teams are encouraged and performance managed to do things better and deliver the Council's objectives through organisational change.

Change Agenda – costs and savings

Exhibit 1 illustrates the revised costs and savings achieved to date and expected up to 2015-16. It also compares the cumulative net savings with those reported in September 2010 in our previous report.

The Council has readjusted the portfolio to deliver net savings in 2011-12, one year ahead of the schedule reported last year. This is as a result of overhead costs being reduced in 2010-11 due to the removal of the Transformation Directorate, some costs such as IT reconfiguration moving to 2011-12 and an increase in costs to support the large programmes coming on stream in 2011-12.

The overall affect is that by 2015-16 cumulative net savings should increase by £41m to £109m.

should simplify the arrangements in place and ensure that just one Member committee is involved in performance managing the change agenda.

Exhibit 1

| Programmes and support services	2008-09 £000	2009-10 £000	2010-11 £000	2011-12 £000	2012-13 £000	2013-14 £000	2014-15 £000	2015-16 £000
Costs June 2011	2,525	9,381	4,758	18,934	5,030	3,627	2,409	1,276
Savings June 2011	(11)	(4,130)	(9,849)	(19,785)	(29,097)	(31,510)	(30,771)	(31,756)
Net (savings) costs June 2011	2,514	5,251	(5,091)	(851)	(24,067)	(27,883)	(28,362)	(30,480)
Cumulative net savings June 2011	2,514	7,765	2,674	1,823	(22,244)	(50,127)	(78,489)	(108,969)
Cumulative net (savings)/costs June 2010	2,514	8,338	11,810	8,029	(6,444)	(26,195)	(45,886)	(67,641)

Overall Governance Arrangements

In 2009-10 we reviewed the overall governance arrangements in place to support the change agenda. We concluded that the governance arrangements were complex and developing as the Business Change Programme matured. We were also concerned that the roles and responsibilities of the Transformation Strategy Board were unclear and at time duplicated those of the Resources and Scrutiny Commission. As a result we recommended that all participants of the Transformation Strategy Board should understand their roles and responsibilities, that the links and relationships within the structure should be clarified and clear terms of reference should be in place for all boards and groups.

Following the local elections and changes in the political balance of the Council, a decision was made in July 2011 to transfer the functions of the Transformation Strategy Group to the Resources and Scrutiny Commission. The primary function of the Transformation Strategy Board was to provide a cross party forum for all political parties and this will be achieved through the Resources and Scrutiny Commission. This

Exhibit 2 – Governance Structure July 2011
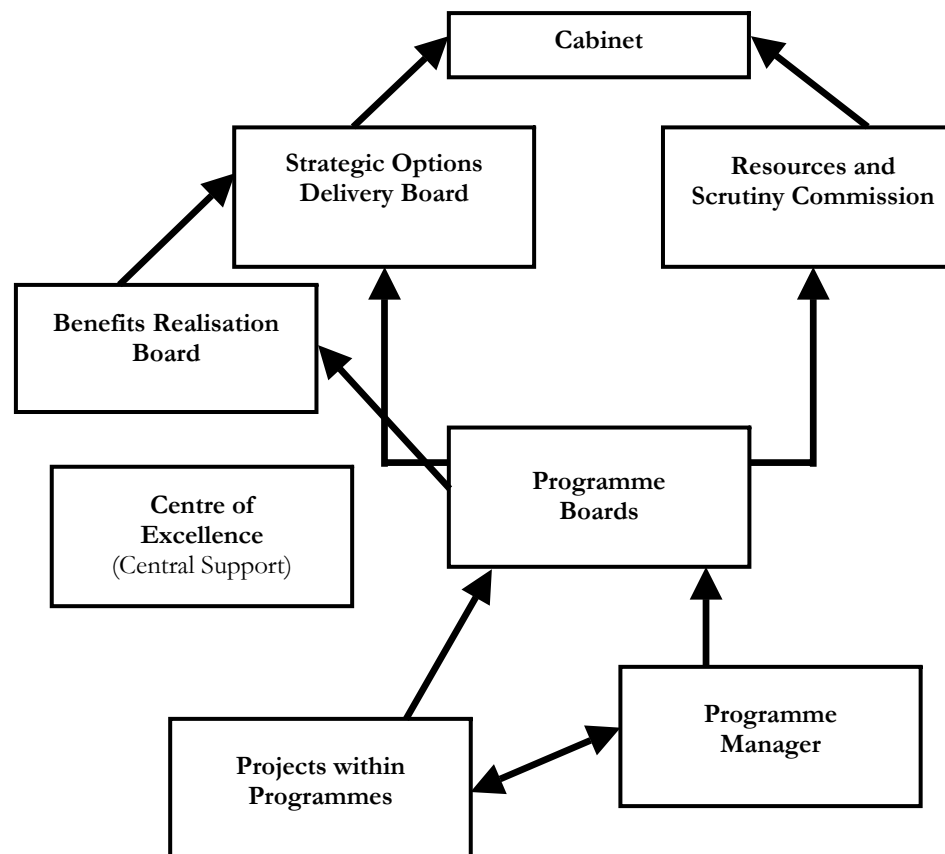
Management of Intended Outcomes/Benefits

In our previous review we identified that robust business cases for the Shared Transaction Service (STS) and New Ways of Working (NWOW) were undermined by a lack of baseline information. This lack of baseline information had neither been acknowledged in the original business cases or action taken at a later date to address this.

The lack of baseline information continues to be an issue for the Council and has an impact on the Council's ability to understand its current performance and its ability to assess delivery of outcomes within business cases.

Our focus on STS in 2010 had established that the Council did not have SMART non-cashable objectives and benefits against which progress could be effectively monitored. The last element of the STS went live on 1 February 2010 but performance metrics against which progress can be measured have yet to be introduced. The Council is aware of this issue and is in the process of implementing internal service level agreements for the STS service against which performance can be measured and improved.

However, if the Council is slow to implement performance metrics this has an impact on its ability to change and deliver improvements. We consider that effective performance monitoring can have an impact on delivery, as indicated in recommendation 2.

In addition we recommended that:

The Council should ensure all programmes are delivering non-financial outcomes, as well as financial, by:

- identifying and profiling all benefits;
- developing benefits realisation plans; and
- clearly and consistently monitoring and reporting achievement against the plan, throughout the agreed governance structure.

The Council has begun to address this recommendation through the establishment of the Benefits Realisation Board (BRB). This Board chaired by the Strategic Director of Corporate Services, is responsible for holding the programme and project officers to account for delivery of the cashable and non-cashable benefits. The BRB was established in March 2011 and requires the programmes and projects to agree to a benefits contract against which progress will be monitored by the BRB.

The BRB has assessed progress for the STS phase 1 programme and identified that the Council is still not yet able to monitor and measure progress against the following original objectives:

- faster processing times; and
- increased productivity.

The Council sees the establishment of the BRB as a key part of its governance structure to ensure delivery of required benefits and as a result has increased the frequency of meetings. We agree with this approach, but in the longer term consider that the responsibility and accountability for benefits delivery should rest with the Directorates.

Recommendation 3
The Council should ensure all programmes are delivering SMART non-financial objectives and outcomes, which are aligned and considered alongside the outcomes for other programmes and are actively monitored.

Management Information

Information provided to Members and Strategic Leaders should be clear and concise to enable them to assess and understand how the portfolio is delivering in line with objectives. The Council has modified the style of the information provided to the Resources and Scrutiny Commission and the Strategic Options Delivery Board, separately reporting the savings delivered through closed programmes and those in delivery stage. However, this style of reporting has not been discussed with new Members in office following the recent local election.

We consider that further improvements could be made to the information provided, including reporting the progress and savings for the overall portfolio, as illustrated in exhibit 1. In view of the revised structure as illustrated in exhibit 2, the Council should ensure that the information and documentation produced remains appropriate for the function for which it is intended and should continue to review the documentation it produces for Members and Strategic Leaders.

Recommendation 4
The Council should continue to review the documentation it produces to support the change agenda to ensure it remains appropriate for the function for which it is intended.

New Ways of Working Programme

This programme was considered in detail in 2010 and we recommended that the Council should develop a robust business case for the NWOW programme to include clear and measurable non-financial outcomes against which progress can be monitored.

The Council had originally planned to revise the business case, but following a change in programme manager has decided to extend the scope of the review and to issue a new business case. The programme is now expected to include a far greater number of buildings and partnership working with other public sector bodies.

The NWOW business case will be reviewed by the Strategic Options Delivery Board in September. It is our intention to review the business case as part of our 2011-12 audit programme to assess if recommendation 4 has been addressed.

It is our understanding that the NWOW approach aims to provide efficient accommodation for the workforce and functions of the Council, taking into account the number of employees and the different ways in which they may carry out their roles. However, the ability to produce a robust business case is dependent on the Council being clear about its priorities, how it will achieve them and understanding the impact that those priorities and possible choices will have on the functions and workforce of the Council, as well as understanding what new ways of working means for Bristol City Council.

The NWOW programme will also be affected by the other change programmes and as a result it is not expected that the NWOW will deliver any benefits until 2012-13.

Recommendation 5
The Council should develop a robust business case for the NWOW programme which clearly sets out what the programme aims to achieve and includes measurable non-financial outcomes against which progress can be monitored.

During this review we have established that the Council still needs to establish across the NWOW stakeholders what the programme's intentions are and what it is hoping to achieve. This should be clearly set out within the business case.

The programme has developed from an accommodation strategy in 2008, to a NWOW programme in 2009, with a change in scope and meaning in 2011. Effective communication with stakeholders is essential to ensure delivery of the programme. The Council should now ensure that it reviews the stakeholders in the revised programme, and communicates effectively with them.

Recommendation 6
The Council should actively engage stakeholders in the New Ways of Working programme by identifying and profiling the stakeholders and developing a communication plan.

We are aware that a gateway review was completed for the NWOW programme in June 2011. This should provide the Council with independent findings to enable it to improve and benefit in the future. This approach is in line with our recommendations of last year.

Business as usual

During periods of change it is important that the consequences and knock-on effects of change are understand and monitored in order to reduce and mitigate the impact. We established in our 2010 review that plans were in place to minimise disruption, but the likely impact on front line services was linked and should be considered as part of the change programme.

In order to ensure this can be achieved the Council should either develop new performance metrics or use existing performance indicators to enable direct monitoring of those services likely to be affected by the change. We are concerned that at both an operational and strategic level, the impact that individual programmes may have on business as usual is unclear.

Monitoring the impact that organisational change will have on business as usual becomes more difficult for large complex programmes, such as Health and Social Care Transformation and Children and Young People's Services Programme, but vital to ensure the effect is understood and minimised.

Recommendation 7
The Council should ensure it monitors the effect on services (business as usual) of organisational change to ensure the impact on performance is understood and the risk of any reduction in standards minimised.

Programme Completion

Programme completion reports provide a formal opportunity to consider the lessons learnt and to evaluate a programme against its original objectives. In 2010 we identified that the Council had not completed any reports for STS or the NWOW programme.

Prompt reporting of lessons learn and completion reports is important to ensure transitional arrangements can be implemented and lessons learnt can be shared.

Phase 1 of the STS programme was completed in February 2010. However, the programme closure report was not completed until May 2011, 15 months after the programme had ceased.

Recommendation 8
The Council should ensure prompt reporting of lessons learnt and completion reviews following closure of projects and programmes.

The STS closure report evaluates and identifies some key lessons relevant to the STS service, but also to other programmes, for example:

- stakeholder engagement was not focused on phase 1 of the programme;
- the communication team were pulled back into "business as usual" at the time of delivery; and
- resource planning could have been managed better.

The closure report also considered the impact of gaps in senior management and a succession of programme managers.

However, our review indicates that these lessons learnt have not been shared with the other programme managers.

Recommendation 9
Lessons learnt should be shared with all programme managers.

Health and Social Care

Health and Social care is recognised as a priority area within the Council, both with regards to delivering value for money and improving service delivery. In recent years the Directorate has experienced increased demand and spending above planned.

Putting People First

From March 2008 to March 2011 the Council has received £4.184m in Social Care Reform Grant (SCRG). This grant was ring fenced and was intended to deliver the statutory changes required by the Department of Health which included how councils deliver social care - moving from crisis intervention to prevention and increasing client choice and control.

In order to deliver these changes the Council introduced its Putting People First in Bristol (PPFB) programme in 2009, with the Senior Leadership Team agreeing the business case in December 2009.

This programme stopped on 31 March 2011, at the request of the Interim Strategic Director for Health and Social Care. The last programme board was held in December 2010, when monitoring of the programme then moved to the Directorate Leadership Team to which the programme manager was not included.

A programme closure report was completed in May 2011. However, although this report includes a review against the business case original objectives, the assessment of the project's delivery was based on the judgement of the programme officer and was not based on a full evaluation of the benefits. In addition the closure report indicates that the majority of objectives were only partially achieved.

In our view the Council is unable to demonstrate whether this programme delivered value for money. The Council needs to ensure it is able to demonstrate that the programme has achieved the outcomes required by the Social Care Reform Grant. This is important to both demonstrate value for money, but also as a number of the desired outcomes and projects have transferred and are subsumed within the new Transforming Health and Social Care programme.

Recommendation 10
The Council should establish that it has achieved the outcomes required by the Social Care Reform Grant, both to demonstrate value for money and to ensure clarity around those elements transferring to the new programme.

The PPFB programme underspent on both the revenue and capital elements of the budget. The underspend has been carried forward to fund the new programme.

The closure report also includes a number of key lessons learned which have not been shared with the new programme managers for Health and Social Care or other programme managers within the Council.

In line with the closure report reviewed for STS, the issue of consistent leadership and programme management is raised again. This programme was affected by a lack of consistent senior management, senior responsible officers and business change managers. We consider that the likely success of the Transforming Health and Social Care programme will depend on ensuring consistency of key personnel across the Directorate and within the programme and this has now been addressed.

Transforming Health and Social Care (HSC)
The Council's Strategic Options Delivery Board agreed an outline business case (OBC) for the HSC programme on 19 July 2011 and this will progress to Cabinet for approval in October 2011.

We have considered the content of the OBC as part of this review and we recognise that the content is confidential which limits the specifics which can be raised within this report.

We consider that the OBC needs to be based upon more robust financial and outcome data and recommend that this should be addressed as the detailed business case is developed. In addition we are concerned that the outcomes are not supported by SMART outcomes which enable progress and delivery to be monitored. The objectives within the OBC are process measures and will not ensure delivery of outcomes.

Recommendation 11
The Council should develop a robust full business case for the Health and Social Care programme which includes measurable outcomes and objectives.

In addition the Council needs to ensure that business cases become working documents which are reviewed and updated as programmes progress. Evidence to date suggests that once a business case is produced and updated, progress against the outcomes and objectives on an on-going basis is limited and business cases are not updated through the life of the programme.

Good practice suggests that as a minimum, a business case should be reviewed at the end of each tranche, or every six months if the tranche ends are spaced over longer periods.

Recommendation 12
The Council should ensure that progress against outcomes is regularly reviewed and that business cases become working documents and are updated through the life of a programme.

The HSC transformation programme is a large and complex change programme which will require strong and effective leadership. We are aware that the two interim programme managers will be leaving the Council before a detailed business case and the existing proposals have been approved by Cabinet. We are aware that this was a conscious decision made by the Council in order to introduce consistency of personnel in the longer term and ensure value for money.

The Council should recognise the concerns raised in previous closure reports and consider the impact that this may have on delivery. Ideally a programme manager should be responsible for leading and managing set up through to delivery of new capabilities and benefits and this has now been put in place.

Appendix A – Action Plan

Rec No	Recommendation	Priority	Management Comments	Responsibility and deadline
1	Members and Strategic Leaders should agree the Council's strategic vision, for the next three to five years, and ensure the change agenda is aligned with the Council's strategic priorities.	High	A three year change plan, aligned to the MTFP is currently being developed. This will enable Members and strategic leaders to set clear plans aligned to the Council's priorities. The Council's newly developed strategic design principles specifically identify this requirement (Design principle1)	Strategic Director for Corporate Services November 2011 (aligned to the budget setting process)
2	The Strategic Leadership Team needs to ensure individuals and teams are encouraged and performance managed to do things better and deliver the Council's objectives through organisational change.	High	Bristol Performs sets out the target culture for the council. Through the Strategic Options Delivery Board (SODB), a much more tightly integrated portfolio is being established which will include much better coordinated communications about our target culture and how the change programme will support this.	SODB (Chief Executive) December 2011
3	The Council should ensure all programmes are delivering SMART non-financial objectives and outcomes, which are aligned and considered alongside the outcomes for other programmes and are actively monitored.	High	The scrutiny of business case development, and the clarity of outcomes and benefits to be delivered, has already been substantially strengthened. Benefits contracts are now being put in place for all programmes and projects, giving clearer accountability for delivery. The Benefits Realisation Board reviews progress with benefits on all programmes and projects on behalf of SODB, and also challenges for opportunities to increase benefits delivery. The Centre of Excellence for PPPM supports the delivery of these functions.	SODB (Strategic Director for Corporate Services) Ongoing
4	The Council should continue to review the documentation it produces to support the change agenda to ensure it remains appropriate for the function for which it is intended.	Medium	It is accepted that improving the quality, timeliness and clarity of reporting on progress and risks for the overall portfolio of change needs to be significantly improved. This is a priority for the CoE for PPM.	Service Director: Change and ICT December 2011
5	The Council should develop a robust business case for the NWOW programme which clearly sets out what the programme aims to achieve and includes measurable non-financial outcomes against which progress can be monitored	High	The NWOW programme has largely completed the development of a new business case and options are currently being discussed at Member and senior office level. Independent reviews of the emerging business case have been undertaken, both through an external gateway review and also by PWC Consultancy who have reviewed the robustness of costs and benefits in the draft case.	Strategic Director for Neighbourhoods and City Development (SRO) November 2011

Rec No	Recommendation	Priority	Management Comments	Responsibility and deadline
6	The Council should actively engage stakeholders in the New Ways of Working programme by identifying and profiling the stakeholders and developing a communication plan.	High	Engagement of senior officers and Members on the business case options is well underway, with further informal cabinet briefings planned. A stakeholder management and supporting communications plan is being developed for the programme.	Strategic Director for Neighbourhoods and City Development (SRO) November 2011
7	The Council should ensure it monitors the effect on services (business as usual) of organisational change to ensure the impact on performance is understood and the risk of any reduction in standards minimised.	High	It is accepted that this is not currently built into council's planning and performance management processes. Options on how this can best be achieved will be developed by the CoE for PPPM for approval by SODB.	Service Director: Change and ICT January 2012
8	The Council should ensure prompt reporting of lessons learnt and completion reviews following closure of projects and programmes, .	Medium	All projects and programmes now have mandatory closure reports, including lessons learned, and these are reviewed by both the Benefits Realisation Board and signed off by SODB	Service Director: Change and ICT Ongoing
9	Lessons learnt should be shared with all programme managers.	Medium	Lessons learned reports are now shared across the programme and project management community. We have also built in the requirement for lessons learned from similar projects to be built into the business case approval process for new programmes and projects..	Service Director: Change and ICT Ongoing
10	The Council should establish that it has achieved the outcomes required by the Social Care Reform Grant, both to demonstrate value for money and to ensure clarity around those elements transferring to the new programme .	High	As part of the development of the high level business case, we will review the achievement of outcomes from the Social care Reform Grant and ensure there are clear plans in place to deliver the elements transferring to the new programme.	Interim Director for Health and Social Care October 2011
11	The Council should develop a robust full business case for the Health and Social Care programme which includes measurable outcomes and objectives.	High	A high level business case has been reviewed by SODB for HSC Transformation. It is recognise that this needs to be further developed to ensure that there are clear plans aligned to benefits and that measures are in place. This work is underway through the programme team.	Interim Director for Health and Social Care (SRO) November 2011
12	The Council should ensure that progress against outcomes is regularly reviewed and that business cases become working documents and are updated through the life of a programme.	Medium	Benefits delivery is regularly reviewed by the Benefits Realisation Board. The CoE for PPPM supports this by regular review and challenge at programme and project boards to ensure business cases are updated.	Service Director: Change and ICT Ongoing

Grant Thornton