

**BRISTOL CITY COUNCIL  
CABINET  
5<sup>th</sup> April 2016**

**REPORT TITLE:** Change Board 6 Monthly Monitoring Report

**Ward(s) affected by this report:** All

**Strategic Director:** Max Wide / Strategic Director, Business Change

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**Purpose of the report:**

The Single Change Programme was initiated in October 2013 and is described in detail in the Cabinet report of July 2014 and updated in the Cabinet reports of October 2014, March 2015 and October 2015. In the former reports the operating principles, financial business case (including savings targets) and investment requirements are set out. This report is a scheduled update on progress to date with the programme.

**RECOMMENDATION for the Mayor's approval:**

1. Note the progress with the delivery of the change programme, the savings and improvements achieved to date
2. Note the updated risks associated with the programme and the actions being taken to mitigate those risks.
3. Note the scale of savings to be delivered in 2016/17 and the actions being taken to ensure the MTFP targets are achieved.

1. **Progress update:**

The 3 year Change Programme, aligned with the 2014-2017 Medium Term Financial Strategy, is now entering its final year. This will bring to a close step 1 of the Change Programme ('doing things better') as originally presented to Cabinet in July 2014 and have put in place the necessary changes to enable focus to move to step 2 ('doing better things').

To date, £33.3m of the £64m savings target have been removed from the cost base of the Council. Of the remaining savings, £17.8m has been identified through a range of initiatives and work is underway to release these. In accordance with programme management protocols, these remain at an amber status until the money is released. This leaves £12.9m benefits for which plans for 2016/17 are currently being finalised to identify the activities required to deliver the MTFs as well as the improvements in our service delivery. This work has been progressed through an intensive phase of activity undertaken with the Change Board, Corporate Finance and the associated Directorate Leadership Teams to create a savings plan and an accompanying delivery, plan for 16/17 and has followed the design principles to primarily target efficiency in what we do, then prioritisation of services, income generation and alternative delivery models to release savings.

Completion of this work will ensure that the change work for 16/17 is targeted and focussed to enable the organisation to release savings aligned with the future ambition of the services, at pace and in a way that ensures sustainability. This latter requirement becomes ever more important as we look to the next MTFs and associated savings target.

Currently, the programme has:

- Delivered and formally closed 20 projects to achieve the associated savings
- 28 live projects that are reporting progress on a monthly basis to Change Board
- Initiated 4 'cohorts' of our Applied Programme in Service re-design, a modular training scheme that equips service managers to deliver service improvements and savings;
  - Neighbourhoods and Place : 'Apply & Report' targeting £335k savings
  - Business Change 'Citizen Services' targeting 1.25m savings
  - People Directorate 'Better Care' targeting up to £3m savings
  - Business Change 'Internal Support Services and Self Service') targeting £4m savings
- Identified 7 organisation wide initiatives that provide the opportunity to work more efficiently and improve citizen and/or internal user experience. Work is underway to ensure we work in a consistent way as an organisation, using common systems and technologies and realising the benefits of the investments we have .

## 2. **New projects:**

Since our last update report to Cabinet in October, the following projects have been initiated:

1. **Corporate Booking System project** – as part of understanding how we can deliver a modern facilities management solution for all our office buildings, the need for an innovative Corporate Booking System was identified. Additionally this solution is a key enabler to the successful re-occupation of City Hall in line with the identified vision for the building's ongoing use. The type of things this system will provide include: information about all of the facilities available prior to booking; ability to capture information about those booking assets; allow the booking of a meeting room or function and all associated equipment; digital way-finding solutions at meeting room points; visitor management solution. This project is being progress through cohort 4 'Internal Support Services & Self Service'.

2. **Democratic Services Redesign project** (inc. new committee management system) – identified through cohort 4 ‘Internal Support Services & Self Service’ this work will redesign Democratic Services processes, improve working practices and implement a Committee Management System. This will be a key enabler to allowing the optimised use of new technology within the Council Chamber and Committee Rooms when City Hall is re-opened in 2016. Benefits include: a redesigned, efficient and modern Democratic Services function; an innovative technology solution that is integrated with other technology in City Hall and provides a visible demonstration of a modern forward looking council; online real-time electronic voting system; improved and maintained information on the new BCC website to provide timely and accurate public information; replacement of Councillor, and committee information, ward finder, election results and publication of committee papers; electronic document management removing the need for paper.
3. **Enforcement services redesign project** – will deliver efficiency savings and service improvements through taking a more joined up approach to our enforcement activities. Currently the enforcement activity carried out within BCC is broad and diverse, conducted by over 25 teams. Therefore, through organisational, process and technology change a series of incremental improvements – initially starting with our community enforcement activities – will be delivered. This project was identified through cohort 1 ‘Neighbourhoods & Place Apply & Report it’.
4. **Unified Communications project** - the council's current telephony network is very fragmented, with low functionality and with many elements now reaching end of life. Also, it is not capable of supporting the flexible and mobile working capability needed for the Bristol Work Place programme. Following a major procurement, we are ready to contract with a new supplier for a modern unified communications solution. This will provide fully integrated voice and desktop communications across all parts of the council, and will also replace our contact centre telephony. The target is to implement this solution during the first half of 2016.
5. **Resource Allocation System (RAS) Implementation project** – the RAS poses a series of questions to understand an individual's care and support needs, responses are weighted according to need and which equates to a personal budget. This ensures that money follows need, meaning provision is equitable and financially sustainable for the council. This project will implement a recalibrated and future proofed Resource Allocation System (RAS) for Adult Social Care, along with related culture change to embed the 3 Tier Model (‘help to help yourself’, ‘help when you need it’ and ‘help to live your life’). This project is affiliated with the work undertaken on cohort 3 ‘Better Care’.
6. **Information, Advice & Guidance and Online Self-Assessment project** – will provide potential service users with a high quality way of receiving information, advice & guidance (IAG) about Adult Social care services, specifically with the aim of enabling and increasing the rate of self-service. It is believed that improving the IAG, and providing a self-assessment tool should lead to a reduction in demand for the Care Direct service, as potential service users will be able to identify whether they are likely to be eligible for services, and also provide access to non BCC funded support options where appropriate. This work directly supports the RAS Implementation project and embedding of the 3 Tier Model

(‘help to help yourself’, ‘help when you need it’ and ‘help to live your life’). This project is affiliated with the work undertaken on cohort 3 ‘Better Care’.

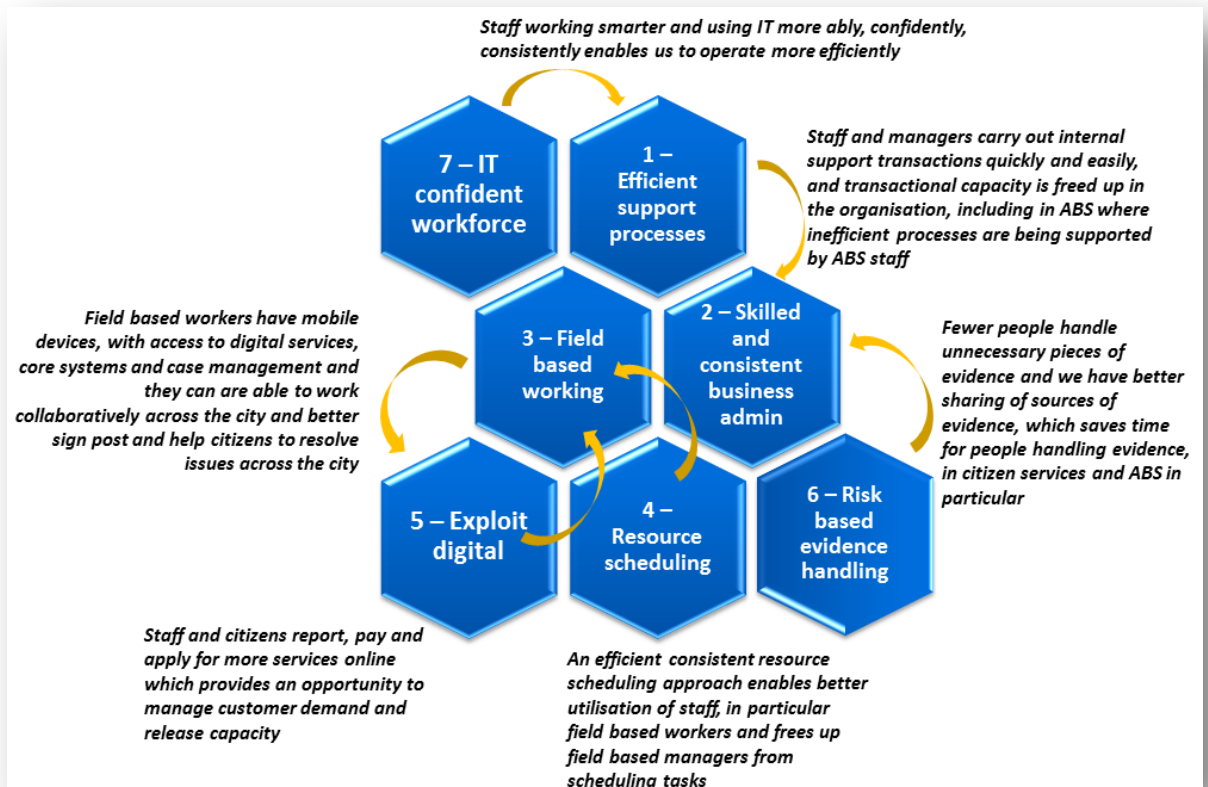
In addition to the above specific projects, the programme has initiated work on **7 cross cutting opportunities** with a view to driving our efficiency and improved service delivery through adopting a cross organisation approach. The 7 opportunities identified are:

1. **Efficient Support Processes** - standardise, and where possible automate, administrative end to end processes for highly transactional activities (e.g. new starters, leavers, raising a purchase order etc). Including creation of a ‘one stop shop’ for officers to access support services through a digital portal. This opportunity is being progressed through cohort 4.
2. **A skilled, consistent, standardised way of doing administration** - raised standards across administrative functions. Includes up-skilling staff, training, better use of technology, common approaches/ processes. (Delivery of opportunity 1 will be a key enabler to this).
3. **Multi-skilled field-based workforce with appropriate mobile technology** – progress opportunities where cross-skilled workforce and appropriate mobile devices support simple and standardised services ‘in the field’. Deliverables include cross-skilling, mobile devices with the right tools on them (e.g. calendars, email, web) and, where possible, integration with back office systems. (This includes work currently underway through the Enforcement Service Redesign project).
4. **Efficient approach to resource scheduling** - reduce the activity involved in resourcing and scheduling people to perform planned and reactive tasks, including automating common processes.
5. **Exploit digital functionality** - accelerating the digitisation of relevant elements of end to end processes by exploiting existing capability, identifying the areas where the capability will add greatest value and adopting a targeted and consistent approach to enabling channel shift.
6. **Risk based approach to evidence handling** - delivering a policy for risk based evidence verification and evidence handling, defining the checks and balances we actually need or are required, challenging those things we have always done. The work will also target those areas of organisation where a risk based verification approach will have greatest impact in simplifying administrative processes and roll out changes in practice. Solutions could include better sharing of evidence held by services (reducing duplication) and adopting a digital approach to verification where applicable.
7. **IT-confident ‘smarter’ workforce** - to define the ‘way we do things round here’ to ensure our staff are able to exploit technology to deliver their work more efficiently. This opportunity is different in nature from the others, in that it is an enabler across all of the change areas, as well as being a key organisational core competence.

Service Managers have applied to be Change Leads for the above initiatives and are now working with the change teams to confirm benefit savings and delivery plans. The sum of their work will represent a ‘model way of working’ across all services and all service managers will be challenged, through a Benefits Realisation Board, chaired by the City Director, to demonstrate how their working practices match the

model.

As demonstrated by the following diagram, the cross cutting opportunities are highly inter-related. Together they create the opportunity for services to reconsider how they are currently delivering and the associated improvements and efficiencies that can be realised through the exploiting of these opportunities.



### 3. Recent Deliveries:

Of the existing projects, a number of key delivery milestones have been successfully met since our last update to Cabinet:

1. **New council website is live** – the new Bristol City Council website was successfully launched at the end of 2015, delivering a full audit of published content, putting in place a new content management system, a new homepage, new website menu structure, improved searching capability, re-designed page templates and development of application forms and finders. New look and feel of the website was designed in alignment with best practice and direct feedback and engagement with our citizens. This launch marks a cornerstone in our journey to digital and has received very positive feedback from both officers and citizens.
2. **New e-tendering solution live** – new system went live on the 30th Dec 2015, which was followed by a 'soft launch' to 18,500 suppliers 18th January 2016 with an invite to log into the new system. Feedback to date has been positive and the organisation is identifying a number of ways to exploit the new 'dynamic purchasing system' capability the system offers as when used effectively it can lead to significant savings in the prices paid for routinely purchased goods and services through the more streamlined and flexible approach to procurement it

enables.

3. **Education Management System solution agreed** - following a significant period discussions with a number of potential suppliers, we have now contracted with Liquid Logic to deliver a new Education Management System. This will be delivered in phases during 2016 and 2017 and replace the many disparate systems used across our Education service. The new solution will enable integrated education information to be made available with much more powerful reporting capabilities. As the supplier currently provides our adult and children's case management systems, this also provides an exciting opportunity to provide integrates information about the family from a single source.
4. **Mayoral & City Director Correspondence solution built and roll out underway** – new case management technology solution and web form with document upload feature have been built to support the receiving, responding and managing of Mayoral and City Director correspondence. Training is underway and a communication plan is being prepared from roll-out. A phased approach will be adopted, whereby the team will start with one type of enquiry and iteratively add more in phased stages.
5. **New Transport Asset Management System is live** – the new Transport Asset Management system (Conform) has now been successfully rolled out to both the Street Works, Highways, Structures and Pavements teams. As a result, Inspectors have been out with their new hand held devices (with Confirm installed), removing the need for paper and files. The final roll out for 'Street Lighting' will be launched in Confirm at a later date due to contractual issues outside of the project's control.
6. **New digital Waste Forms are live** – citizens now have the ability to track the status of their waste request e.g. target completion date, outcome etc and cancel a waste job e.g. bulky waste collection or request for a new container etc online. This offers a convenient solution to our citizens who previously had to contact the Citizen Contact Centre or come into a Citizen Service Point to progress these services.
7. **New Housing Benefit evidence upload form is live** - citizens can now provide evidence in relation to a new Housing Benefit Claim via a new online service. This removes the need for citizens who are able to use this channel to need to come into one of our Citizen Service Points.

#### 4. **Costs and savings update:**

Spend on the programme is within agreed budgets.

##### Investment

The estimated total level of investment required in the Change Programme is £33.5m over 3 years, as set out in the Medium Term Financial Plan and Business Case to Cabinet July 2014. The year to date figures show that £19.3m has been spent to date and a further £10.8m has been earmarked for set spend items. It is currently anticipated that all remaining budget will be spent by the point of programme closure.

##### Benefits

To date, the Change Programme has realised £33.3m of the total £64m target set out in the MTFP. As we approach the last 12 months of the programme, benefit delivery confidence comes into sharper focus and adjustments have been made accordingly in

relation to original planned targets and some areas where risk to achieving the full saving as originally outlined has been identified.

Detailed work is now actively underway to create the savings plan for 16/17 which will provide detail as to how the £30.7m (all amber and red savings) will be achieved with an accompanying delivery plan detailing when and how.

The table shows the current status of savings realisation across the Change Programme:

Stage of benefits realisation:	Content (full year effect)	Sub Totals	Totals
<b>Benefits delivered</b>	Restructure – voluntary severance exercise with some high level redesign work	£21.1m	<b>£33.3</b>
	Category management – Domiciliary care, residential care, workforce panel	£8.1m	
	Income generation, fees and charges and debt recovery	£2.8m	
	Additional service redesign	£1.3m	
<b>Benefits identified and project work underway to release</b>	Category management	£2.0m	<b>£17.8m</b>
	Redesign - Applied Programme (minimum target)	£4.8m	
	Redesign – Cross cutting opportunities (mid-point)	£7.5m	
	Bristol Workplace (Asset release) – work initiated but timing to be confirmed	£3.5m	
<b>Benefits to be identified OR work yet to initiate</b>	Redesign work in progress	£2.7m	<b>£12.9m</b>

<b>And planned benefits currently at risk</b>	Redesign ops to be identified	£7m	
	Savings at risk		
	Digital Advertising	£0.5m	
	Asset Optimisation	£1.1	
	Facilities Management savings (at risk)	£1.6	
			<b>£64m</b>

## 5. Looking ahead

It is anticipated that the redesign work stream will need to deliver the majority of the remaining £12.9m savings yet to be formally identified and this work is in hand with each Directorate developing a change and savings plan as well as cross cutting initiatives being pursued, the detail of this will be available in the next update.

On the assumption that the remaining change programme, mayoral and legacy programmes are delivered in full by the end of the financial year 16/17, the current modelling suggest that an additional £75.3m will need to be saved by the end 2019/20.

We stated in the last report that “inevitably a time will come when the drive for **efficiency** within the Council starts to yield decreasing returns on investment. As that starts to happen, and as the next savings challenge becomes clearer the Council will increasingly have to look to other means of saving money and generating income”. It should be acknowledged that this time is with us now and an increasingly robust approach will need to be taken to ensure that efficiencies are driven out over the coming year. It is difficult to be precise about the ‘end’ of the efficiency journey as the technology picture is a moving one and, shared services and alternative delivery models may give us a way of continuing that journey beyond the current single organisation paradigm. It has been a cornerstone of the programme that we will do all that can be done to avoid cutting frontline services and whilst that continues to be the case, the cahllnege is increasing.

Step 2 of the Change Programme, the plan for beyond 16/17 is being considered now and continues to include:

1. **The development of multi-agency partnership and governance arrangements**, most notably the Health and Wellbeing Board, Leaning City Board and Property Board. These fora, Chaired by the Mayor, are bodies that have the potential to pool budgets, integrate services and take on additional funds and responsibilities through potential devolution arrangements.
2. **The growth of the capability to develop income generating alternative delivery models**, such as Bristol Energy and Technology Services, Bristol is Open and the newly formed Waste Company, with the potential to utilise this capability in other markets. Work is now underway to identify where a combination of social goals, market opportunity and Council competitive advantage might come together to signal the areas where the development of an alternative commercial approach is indicated.



3. **The use of combined data sets from across partner agencies and council services** to predict problems before they arise or notice them early, so that services can be targeted on early intervention and prevention. We developed a sector leading approach to this in our work with troubled families and we are actively exploring how this might be applied to other client groups
4. **The exploration of shared service opportunities with public sector partners** made possible through our own internal systems becoming more reliable and robust, enabling us to consider how we might work more closely together, particularly when agencies are serving the same citizens, and could therefore share back office and access arrangements to generate savings and improved services.
5. **The further development of our open digital platform** that will enable us to encourage the active contribution of citizens so that they can work better together to help each other as well as harnessing the creative contribution of developers to produce applications (apps) for public good that we can host on our platform.

We are now working to model the potential savings that could accrue from these five sources.

## 6. **Conclusion**

The Change Programme is progressing well with two thirds of benefits identified or delivered. However, driving out efficiency savings is becoming more and more challenging, we now need to accelerate the pace of delivery of the final tranche of savings.

As well as savings delivery there are clear benefits and performance enhancements being delivered as detailed in the project notes provided above. Consistent with the themes introduced in the last update report, a number of work streams are now underway to identify where the remaining savings in the current MTFP will come from as well as how we address the next round of savings to be outlined in the Autumn statement.

### **Consultation and scrutiny input:**

#### **a. Internal consultation:**

- **Strategic Leadership Team**
- **Executive Board**
- **Business Change and Resources Scrutiny**

#### **b. External consultation:**

**None**

## Other options considered:

N/A

## Risk management / assessment:

<b>FIGURE 1</b>							
<b>The risks associated with the implementation of the (subject) decision :</b>							
No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES  Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probability		Impact	Probability	
1	The programme may not deliver the required benefits and hence leave a gap in the MFTP which would have to be funded by unscheduled budget reductions	High	Medium	Fortnightly monitoring by Change Board ensures that project slippages are identified and acted on early. Additionally, monthly finance reports are produced tracking progress against targets and ensuring any deviation from plan is addressed immediately.	High	Low	Strategic Director of Business Change
2	The programme overspends on the agreed investments	High	Low	Project budgets are set by Change Board at the point at which a New Work Proposal is produced. Projects then report spend against budget on a monthly basis. Any forecast overspends are flagged and mitigating action is put in place proactively.	Low	Low	Strategic Director of Business Change
3	Service Managers do not have the capacity to deliver change projects through the Applied Course	High	High	Ensure that Directorate Leadership Teams have control over the planning of projects and the staff nominated for inclusion in the course. Ensure that support is available between modules to carry out the necessary work.	Medium	Medium	Service Director, HR

<b>FIGURE 2</b>							
<b>The risks associated with <u>not</u> implementing the (subject) decision:</b>							
No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK		RISK CONTROL MEASURES  Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK		RISK OWNER
		(Before controls)			(After controls)		
		Impact	Probability		Impact	Probability	
1	We fail to deliver the £64m required for a balanced budget as approved by Cabinet on the 18 <sup>th</sup> February 2014	High	High	Implement the change programme as described in the business case	High	Low	Strategic Director of Business Change
2	We will not be able to support the necessary levels of service redesign to deliver a flexible and efficient council required by the City Vision	High	High	Implement the service redesign projects within the change programme, enabled by the core building blocks	High	Medium	Strategic Director of Business Change

## Public sector equality duties (taken from the July 2014 Change Programme Business Case Cabinet Report):

The Single Change Programme itself has the potential for a number of impacts on both staff and service users. Full Equality Impact Assessments (EqIAs) have been undertaken for previously agreed change programmes, such as the Bristol Workplace Programme, Admin and Business Support Review and Organisational Redesign. These EqIAs have identified a number of impacts and proposed mitigation measures. This proposal, to agree the business case is unlikely to impact further on staff or service users.

Individual projects which result from the Single Change Programme will continue to require full EqlAs to identify potential impacts on staff and customers. EqlAs will also need to be carried out on any further services that change for customers as a result of internal restructuring.

Monitoring, on an on-going basis, any positive or negative impacts resulting from the Single Change Programme and taking action to mitigate against negative impacts will be key in ensuring the council continues to meet its Public Sector Equality Duties.

**Advice given by: Anneke Van-Eijkern (Equalities Officer)**

**Date:**

**Eco impact assessment:**

As this report is a non-key decision, an Eco-impact assessment is not required.

**Resource and legal implications:**

***Finance***

The savings in the Council's MTFS include the change programme savings discussed in this report. Performance against the savings target in the current year is considered as part of the corporate budget monitoring report to Cabinet.

The savings managed by the change programme are staged across three financial years

	£m
2014/15	12
2015/16	31
2016/17	<u>21</u>
	64

Savings are planned to be achieved in the relevant financial year. Any slippage in the projected savings would therefore impact upon the delivery of the councils financial targets. Where there is slippage in the programme timelines, re-profiled savings will be rolled forward into the next financial year and will need to be considered alongside the delivery of other in-year savings in order to manage spend within the budgetary envelope.

**Advice given by Julie Oldale, Service Director - Finance**

**Date 29<sup>th</sup> February 2016.**

**c. Legal implications (taken from the July 2014 Change Programme Business Case Cabinet Report):**

The proposals set out in the report are well reasoned and lawful, and are an important component of the Council's programme to ensure that it complies with its legal obligation to maintain a balanced budget.

**Advice given by Shahzia Daya, Interim Service Director Legal and Democratic Services**

**Date**                      **10<sup>th</sup> March 2016**

**d. Land / property implications:**

N/A

**e. Human resources implications:**

The progress set out in this paper is in line with the Section 188 notice issued in November 2013 at the outset of the Single Change Programme. At that time it was estimated that there would be a potential reduction of 971 employees during the three financial years covered by the MTFS and arising from the implementation of changes managed through the Single Change Programme. The organisation restructure that took place during the 2014/15 financial year resulted in workforce reductions of 523 FTE.

Full consultation with Trade Unions was undertaken throughout the period of organisation restructure and the Council will continue to consult with Trade Unions throughout the forthcoming financial year. Where further workforce reductions are required we will seek to reach agreement with the recognised Trade Unions on how to mitigate the need to make any further compulsory redundancies.

**Advice given by**            **Richard Billingham – Service Director HR**  
**Date**                            **10<sup>th</sup> March 2016**

**Appendices:**

**Access to information (background papers):**

N/A