

REPORT FOR DECISION

MEETING: Council

DATE: 30 March 2011

SUBJECT: Transformation Strategy

REPORT FROM: Mike Kelly, Chief Executive

CONTACT OFFICER: Dionne Brandon, Head of Policy and Transformation

TYPE OF DECISION: COUNCIL

FREEDOM OF INFORMATION/STATUS: This paper is within the public domain.

SUMMARY: This report outlines the development of the draft Transformation Strategy, feedback from the consultation process and proposes a final version of the Transformation Strategy.

OPTIONS & RECOMMENDED OPTION Council is recommended to:

- Adopt the Transformation Strategy and Toolkit
 - Adopt the ten commitments, as amended following the consultation exercise.
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IMPLICATIONS:

Corporate Aims/Policy Framework:

Do the proposals accord with the Policy Framework? Yes

Financial Implications and Risk Considerations:

The council faces considerable financial challenges over the next four years – as outlined in the strategy.

Failure to adopt and implement the strategy would impact upon the council's ability to respond to these challenges and set a sustainable balanced budget.

Likewise, there may be missed opportunities in terms of improving services for residents.

Statement by Director of Finance and E-Government:

The strategy sets out the financial challenges facing the council, and presents a structured approach to reviewing council Services.

It is intended that this process will highlight opportunities to improve services to residents and identify efficiency savings to assist the council's budget-setting process.

The strategy links closely with the council's Medium Term Financial / Resources Strategy

Equality/Diversity implications:

An Equality and Cohesion Impact Assessment has been completed. This does not identify any implications for equality and diversity arising from this strategy.

Considered by Monitoring Officer:

Yes

Are there any legal implications?

Not at this stage. (Legal input will be given as and when necessary).

Staffing/ICT/Property:

To be considered as individual reviews are undertaken.

Wards Affected:

All

Scrutiny Interest:

Internal Scrutiny Committee

TRACKING/PROCESS

DIRECTOR: Chief Executive

Chief Executive/ Management Board	Executive Member/Chair	Ward Members	Partners
28 February 2011	24 March 2011	28 February 2011	28 February 2011
Scrutiny Commission	Executive	Committee	Council
Overview Management Committee 15 March 2011	Not applicable	Not applicable	30 March 2011

1.0 BACKGROUND

1.1 At the meeting of Council on 15 September 2010 the Leader announced his proposals to develop a Transformation Strategy, a 'Plan for Change' in order to

ensure there is a fundamental review of the council and its services. The Leader included details of the seven transformation principles which are included in the Transformation Strategy.

1.2 Between September 2010 and March 2011 a wide-ranging consultation process has been undertaken to develop a draft Transformation Strategy which was launched on 28 February 2011. Following consultation on the draft strategy, a revised strategy was developed, amended and considered by the leader on 24 March 2011.

1.3 This report asks Council, on the recommendation of the Leader, to:

- Adopt the Transformation Strategy and Toolkit
- Adopt the ten commitments, as amended following the consultation exercise.

2.0 ISSUES

2.1 Between September 2010 and February 2011 an extensive consultation process took place to ensure that a full range of views were able to inform the development of the draft Transformation Strategy. This consultation included:

- Managers' Workshops
- Employee Briefings at a range of date and times
- Inclusion in Team Talk
- Presentations to all political group meetings
- Presentation to Strategic Priorities Executive
- Presentations to public, private and community and voluntary sector partners
- Inclusion in Our Voice (delivered to every home in the borough)
- Meetings with the trade unions.

2.2 The draft Transformation Strategy was launched on 28 February 2011 and, again, a further consultation exercise was undertaken that closed on 20 March 2011. This consultation exercise included:

- Managers' Briefings
- Email to all staff
- Team Talk
- Six focus groups with residents
- Inclusion in Our Voice
- Members of the local strategic partnership (including the voluntary and community sector)
- Presentations to all political group meetings
- Presentation to Overview Management Committee
- Meetings with the trade unions
- Faith and community leaders
- Special web pages promoted on the homepage of Bury Council's website.

2.3 There was also wide-spread press coverage of the launch of the draft Transformation Strategy.

Feedback

2.4 The key messages and proposed responses from the consultation processes are outlined below.

2.5 Theme: Commissioning Services (rather than direct delivery) –

This issue raised by far the greatest number of responses. There is evidence of ideological opposition to external delivery and also concern from staff about employee relations when services are not delivered in-house. The key concern of wider respondents was democratic accountability and the potential loss of control over services that are not delivered directly and increased client costs to manage contracts. The issue of commissioning was discussed in depth at the six focus groups, with a recognition that given suitable control mechanisms, external delivery of services could offer benefits. There was also a view that the suitability of commissioning services depends on the function itself, with some services, such as safeguarding identified as needing to stay in-house due to risk and trust.

2.6 Proposed Response: Change Commitments 1 and 3

It is acknowledged that some of the wording in the original commitments 1 and 3 could have been clearer and it is proposed that the original wording is amended.

Commitment 1 states that “We will start with the assumption, that can be tested, that the council will not directly deliver services.”

It is proposed that this is changed to the wording below:

- **Revised Commitment 1 – In meeting the needs of residents the council will start with the assumption that directly delivering services is not the only option.**

The original commitment 3 did not include in-house provision as one of the examples of delivery options. It is proposed that this is now included (shown in bold below):

- **Revised Commitment 3** - Each STAR review will consider a range of options for providing the service in the future. These include commissioning, **continued use of in-house provision**, self-management by community or voluntary groups, stopping the service, volunteering and working with partners to secure best value.

2.7 **Theme - STAR Reviews of Services** – Respondents outlined the need for detailed and thorough consultation as proposals for individual services are developed, including staff, trade unions and residents. This is included in the model set out in the Transformation Strategy.

2.8 **Proposed Response:** Continue to ensure the STAR review process is open, transparent and demonstrate objectivity in reviewing options for service delivery and provide more detailed guidance in the Transformation Toolkit in respect of communicating with stakeholders and employees. As an example, when reviewing a particular service, the guidance will provide details on the

types of information that could be used to outline the views of stakeholders and employees. This could include previous staff surveys, customer surveys or feedback from specific focus groups.

2.9 Theme – Communications, Consultation and Involvement – Respondents acknowledged the importance the council placed on a structured plan for change and a comprehensive approach to engagement. Whilst there has been a high-profile communications process about the development of the Transformation Strategy, it is clear that there is still more to do on raising awareness and ensuring that all stakeholders can contribute to the development.

2.10 Proposed Response - We will continue to publicise the Transformation Strategy and the STAR process, and set out clearly the consultation process that will be in place as implementation plans are developed for individual services. Again, the Transformation Toolkit will be amended to include further guidance on how to ensure stakeholders' views are captured and considered as part of the STAR process.

2.11 Theme - Community Leadership – Respondees stated that it was important that we do not reduce the mandate of democratically-elected leaders, however there were issues raised about the current democratic structure particularly the number of councillors. This may have been prompted by awareness of proposals in other Greater Manchester boroughs to review democratic structures. The changing role of members and crucially members' primary responsibility to residents alongside promoting individual and community responsibility was recognised in the consultation responses.

2.12 Proposed Response – Member training to continue to provide development opportunities in respect of community leadership. Democratic structures to be reviewed as part of the transformation process.

2.13 Theme - Community and Voluntary Sector – Respondees identified that if the council is seeking to promote individual and community responsibility, there is a need to support and develop capacity in the community and voluntary sector, building on the existing council priority to strengthen community engagement and development.

2.14 Proposed Response - The desire from the community and voluntary sector to work with the council should be welcomed. The council, working in conjunction with Bury 3rd Sector Development Agency (B3SDA), will develop and deliver a plan for building capacity in organisations in these sectors.

3.0 CONCLUSION

3.1 The launch of the draft Transformation Strategy is a significant document as the Council seeks to set out its direction of travel and to provide a robust 'Plan for Change'. The ability to transform services to meet residents' needs and address the significant financial challenges is central to the council being 'fit for the future'. It will inspire confidence across all stakeholder groups that whilst there are a great many difficult decisions to be made their voice will be heard.

3.2 The lack of a structured plan, which fails to consider all the options, runs the risk of the council failing to show leadership and understanding at such a

crucial time. The Council further risks losing the confidence of residents and stakeholders where the default position to meet the financial challenges was to simply repeat the widely discredited approach to wholesale and swinging cuts to **all** services applied elsewhere. That approach would mean the council would do less, spend less and have little positive impact on the quality of people's lives locally.

List of Background Papers:-

Draft Transformation Strategy
Final Transformation Strategy
Transformation Toolkit
Consultation Summary

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