



Classification	Item No.
Open	

Meeting:	CABINET
Meeting date:	21st July 2021
Title of report:	Transformation Strategy
Report by:	Councillor Tahir Rafiq, Cabinet Member for Corporate Affairs & HR
Decision Type:	Key
Ward(s) to which report relates	All

Executive Summary:

This report summarises the Council’s work to establish the foundations for a Let’s Do It! Internal transformation strategy to be delivered during 2021/22 and 2022/23, across the following programmes:

- Let’s do it ... Once! (Contact and transactions)
- Let’s do it ... Flexibly! (Estate rationalisation)
- Let’s do it ... Well! (Internal savings and performance improvements)

This will be a fundamental change strategy which will achieve budget reductions and improve performance. The report includes the advice received from an external partner and sets out the forecast savings to be achieved, as a basis for immediate action.

Recommendation(s)

The Cabinet is asked to:

- Note the internal progress to date in developing the transformation strategy
- Endorse the overall proposed approach as a basis for action and approve investment proposals.
- Note an updating report will be provided to cabinet in January 2022

Key considerations

1 Introduction

As part of the *Let's do it!* Strategy launched in 2020 there was a clear commitment to improving public services within reducing resources, by working together on a place-based approach with a focus on prevention, partnership working and communities.

Within the Council it has been accepted and reported previously that there is much work to do to establish the capabilities required to deliver this approach. Further, the Council continues to face significant financial challenges with a projected funding gap of circa £11M by 2024/25 even after previously agreed savings of £22m are accounted for and are assumed to be fully delivered. The gap is likely to widen further due to increasing demand and the (yet unknown) further health and economic impacts of Covid.

As a Council we have signalled strategic intent to transform our ways of working and an internal transformation strategy has been agreed, with early actions and a commitment to deliver ongoing savings of £5m by 2022/23 included in the 2020-2025 Medium Term Financial Strategy (MTFS). To inform the identification and implementation of savings opportunities the Council engaged an external partner, Ameo, between January to March 2021, to provide the insight and approach required to identify priority areas for change and improvement and deliver savings already agreed as well as identifying longer-term opportunities.

This report provides the 'blueprint' for the delivery of an ambitious transformation programme for Bury Council over the financial years 2021/22 and 2022/23. It includes the feedback and recommendations from Ameo and sets out the strategic objectives for the programme; the proposed architecture for the next two years and an outline cost/benefit analysis. This report builds and draws on all existing projects and work relating to transformation and brings it into a single programme.

2 Background

2.1 *Let's do it!*

In 2020 the Council led the Team Bury partnership to develop and agree the ten-year vision and strategy for the borough of Bury: "to be a place which stands out as achieving faster economic growth than the national average, with lower than national average levels of deprivation". Underpinning this ambition are seven core outcome measures:

1. Improved quality of life
2. Improved early years development
3. Improved educational attainment
4. Increased adult skill levels and employability
5. Inclusive economic growth
6. Carbon neutrality by 2038
7. Improved digital connectivity

The strategy to achieve this vision is for public services to secure a very different relationship with residents, where people are more self-reliant within their networks and empowered to take greater responsibility for themselves and control over resources. Meeting this ambition will require a high performing council that gets its basics right; creates a culture of community collaboration and enables self-reliance through the conditions of economic growth and quality of statutory services. The Council recognises the need for a programme of transformation to develop these capabilities.

2.2 The MTFS

The Council's Medium-Term Financial Strategy was updated and reported to Cabinet and Full Council in February 2021. At that time, it was reported that the Council was facing a financial gap of £60.3m of which £27.3m was considered to be short term (largely Covid related because of temporarily increased expenditure which will now reduce and income deficits which will return) and was to be funded from reserves. The remaining £33m was considered to be long term and in response to this, savings totalling £21.9m over the 4 financial years were agreed. This includes £5m to be delivered through transformation. A further £11m is to be identified in 2023/24 and 2024/25.

It was recognised that this strategy does however contain some significant risks and will be updated throughout the year and updated to reflect changes including funding/income assumptions and also demand, for example pressures in Operational Services. It is therefore likely that the gap will widen and that the financial challenge will be greater than that assumed in February 2021.

As has been previously reported, financial planning for Local Authorities is particularly difficult and there are many factors that will impact on the strategy. It is therefore important that the Council not only focusses on ensuring that the savings already agreed are delivered but looks to the future and what actions can be taken to reduce the gap between the level of funding required and that available. An approach that combines savings with growth and investment as well as transformation is needed.

In recognition of the need to transform, a transformation reserve of £5.8m was agreed by Full Council in February 2020. This funding is one-off and needs to be targeted at pump-priming initiatives that will deliver on-going savings. The majority of this funding remains available for investment.

2.3 Connection to Reform, including Health and Care

The Ameo work upon which this transformation strategy is based was focused primarily on the transformation of the processes and operation of the council in the context of the council financial savings target over the next 3 years. It is recognised of course that many of those processes and transformation programmes are very closely aligned to the work of the CCG and reflected in the health and care transformation programme. For example, the progress made in health and care on strengths-based working and on integrated neighbourhood teams which include health, social care, children's services and wider public services. The changes currently underway across GM within Health and Social Care also pose a level of financial uncertainty across the council which adds weight to the strategy being implemented and delivered. We will work to ensure there is a

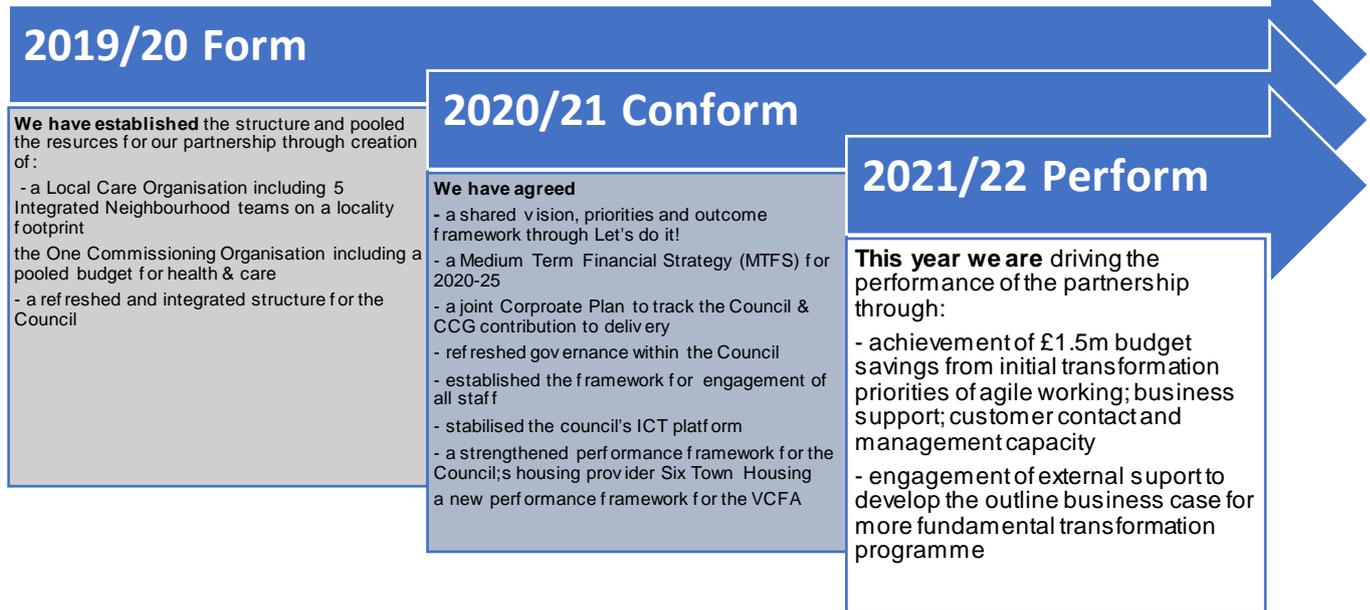
connection that recognises this mutual dependence and ensure the work of the transformation strategy is reported through the emergent new health and care partnership arrangements.

More widely, the changes proposed in this strategy will strengthen capabilities within the Council and CCG to drive the Public Service Reform principles which underpin *Let's do it!*. Public service reform means supporting more people to become independent and self-reliant, reducing dependency on public services. It involves working more closely with our partners so that services are not delivered in silos and bring together our combined resources to support shared priorities. Reform also means a greater emphasis on evaluating what we do and generating good evidence, to track the impact that our investments have on residents and on levels of demand for public services. In time, this approach has been proven to improve outcomes and will be central to the council's financial resilience in the medium term. The associated savings strategy is owned by the One Commissioning Organisation and being developed in parallel with this internal transformation strategy.

3 Transformation – Work to Date

The Council has already agreed to the principle of a transformation strategy. A phased approach was agreed, beginning with work on the core foundations, to create a sustainable platform for more fundamental change. Work to date, the majority of which has been delivered at the same time as the emergency response, has focussed on:

- Organisation structures, leadership, IT and governance;
- Integration of services, structures and commissioning functions across health and care;
- Developing the overarching vision and business planning frameworks for delivery;
- Establishing the resources for transformation including creation of a £5.8m reserve for business-case led investment in changes that will drive improvement and reduce the council's cost base.



Of the £5m saving to be delivered through transformation by 2022/23, £1.5m is to be delivered in the current financial year. In response to this, the Council has agreed to pursue specific transformation activity within the following functional areas:

- Business Support
- Contact and Access to Services
- Agile Delivery
- Management Structures.

It is acknowledged that the scope for improvement and longer-term sustainability is significantly greater than these short-term changes. Therefore, a transformation partner, Ameo, was commissioned to develop an evidenced baseline of the current organisation and identify immediate areas of opportunity for savings through service transformation and improvement.

4 External Assessment & Advice

During Q4 2020-21 Bury Council officers worked with Ameo to analyse and understand the Council's delivery baseline; the scope for efficiency; opportunities for improvement using digital technologies and the potential role for culture change and new ways of working.

Ameo have undertaken similar work in other councils and were selected for their industry knowledge and proven methodology. The work began with a piece of in-depth activity analysis, developed across seven known levers of transformation:

- Business support
- Customer Contact
- Data management and analytics

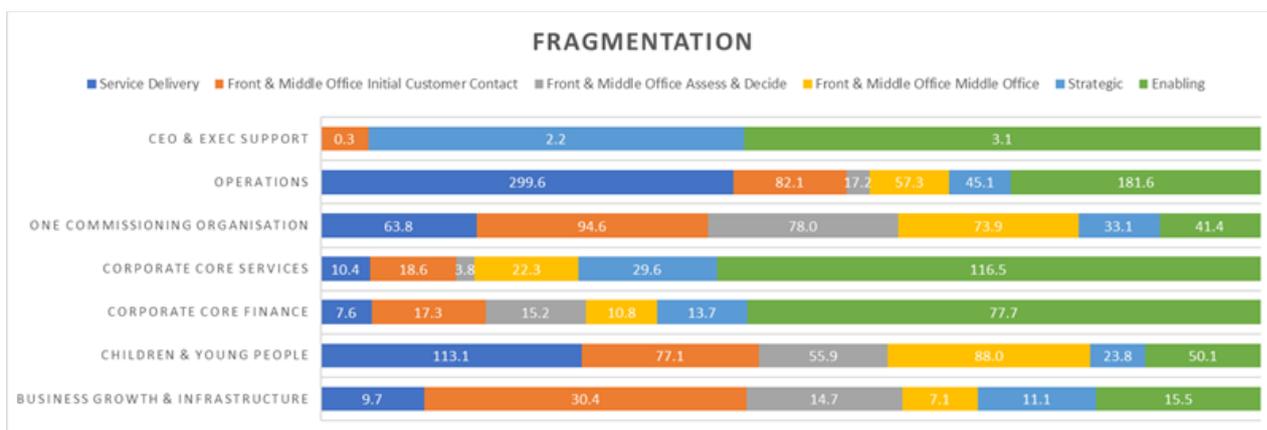
- Digital change
- Contract management and procurement
- Agile working
- People management

An overview of advice from each area of activity is described below and included in the Council’s proposed transformation programme set out in Section 5. Ameco provided detailed feedback on each of the areas described below which is available for inspection.

4.1 Activity Analysis

The Activity Analysis (AA) process established where effort and resources are currently spent across key council processes and functions (excluding schools; Six Town Housing and Persona), and how this aligns with outcomes and priorities. Overall, the review found a siloed approach:

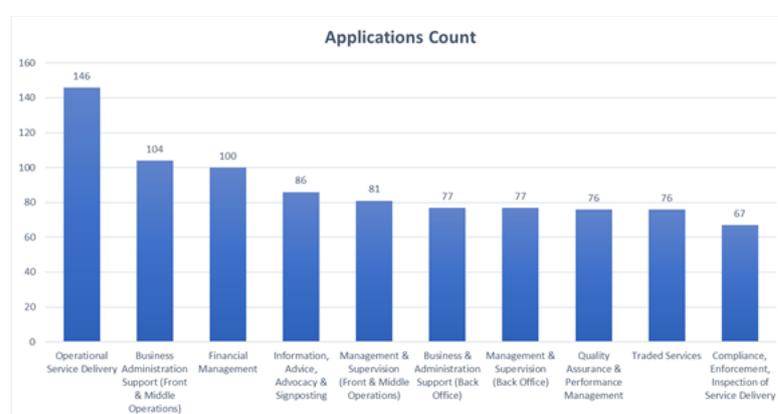
- Significant fragmentation of processes as shown below, where business problems are being resolved through varied methods, fragmented business processes, and divergent system architectures. The analysis highlighted limited-service integration and joined-up decision making. Multiple contact points were identified for accessing services, which may lead to inconsistent experiences and less ability to share data with a single view of residents and families where needed:



- An imbalance between front line service delivery and back-office support, compared with other metropolitan / borough councils. Much of this appears to be due to a disproportionate amount of effort expended on contact handling, with analysis highlighting that just over a quarter of our resource effort is spent on dealing with enquiries and case management compared to other councils which are much more efficient. As such, Ameco’s advice is that a 20% saving should be achievable.

	Bury	London Council A	London Council B	South City Council	LA Average
Service Delivery	26.4% 504	34.6% 1,429	45.1% 1,770	41.3% 1,521	40.30%
Initial Customer Contact & Assessment	26.4% 505	17.6% 726	16.6% 651	13.8% 508	16.00%
Middle Office	13.6% 259	14.2% 588	14.4% 567	17.2% 635	15.30%
Enabling & Strategic Support	33.7% 645	33.6% 1,384	23.9% 940	27.7% 1,017	28.40%
Total FTE	1,913	4,127	3,928	3,681	

- There are over 379 IT systems/applications being used across the Council, of which 177 were classed by teams as business critical. For a council the size of Bury this was considered to be excessive and an optimised systems and applications portfolio could be rationalised by approximately 25%.



An overview of further findings from the further six “deep dive” assessments is below.

4.2 Agile

Ameo endorsed the basis of decision taken to implement an agile working model as part of the wider culture change and savings strategy. A series of “next steps” were defined which have all been responded to in the Cabinet decision of 26 May 2021. This included the definition of a single workstyle and organisation principles; an overarching programme plan and team; staff engagement and Trade Union consultation.

Ameo highlighted significant interdependencies between the agile and digital strategy and the scope for savings / capital receipts of c£5m from office estate rationalisation. In response, a phased implementation plan has been agreed as follows:

- Stage 1: an agile-first workstyle to be adopted for all staff, subject to the requirements of their role, from Stage 4 of the national roadmap out of lockdown which is currently assumed to be July 2021. The model will be implemented using current buildings and technology and with limited further investment. M365 will be rolled out fully by this time to support implementation.
- Stage 2: structured evaluation at the end of the calendar year to inform the longer-term approach and a potential significant business case to reduce the office

buildings footprint and reinvest in digital infrastructure and shared facilities within the remaining estate.

4.3 Business Support

Ameo endorsed the Council's objectives to achieve a focussed business support team which achieves savings through adopting best practice models of reduced demand (digitally supported) but offers an improved career structure and enriched role design for staff.

A forecast saving of 20% cost reduction was proposed to be achievable. In addition, further potential savings were highlighted from reduced postage, printing, paper-based document storage and the greater resilience of a single corporate team.

The maturity assessment indicated limited progress currently against the Council's strategic objectives for business support, together with a relatively high level of resource as a result. The strategy to address this, consistent with an agile delivery model and greater digital-first ways of working, included the following recommendations which will be built into a revised approach:

- Define a future service offer which is based on self-service, with appropriate technology and user training;
- Establish a paperless/"working light" workstream;
- Create a single "Hub and Spoke" structure (i.e. corporately managed; departmentally delivered through a business partner model) with a Head of Service and defined career pathways;
- Implement on a phased basis: bring all teams together; restructure and evolve.

4.4 Contract Management and Procurement (Commissioning)

A high level of fragmentation and therefore potential duplication was identified in relation to contract management, quality assurance and strategic procurement. The extension of the emerging corporate services Business Partnering model may better co-ordinate and reduce this approach.

Ameo also identified the potential for an efficiency margin from external contract spend of £160m. As an indication, a 2% efficiency on current spend which would be achieved from investment in Contract Management, Quality Assurance and Strategic Procurement would achieve savings of £3m. To support this, the review recommended an approach that would create a more focussed contract management approach and develop a category management approach that would develop the role of strategic procurement across the Council.

As well as driving financial savings from strategic procurement there is also scope to drive more social value from the council's external contracts and suppliers in pursuit of an inclusive local economy. The Council has previously received advice from the Centre for Local Economic Studies (CLES) and will be working to update and apply this through the CLES Community Wealth Building model as follows:

CLES Community Wealth Building Model
1. Plural ownership of the economy - promoting various models of enterprise ownership such as municipal enterprises, worker ownership, co-operatives, community ownership and local private ownership
2. Making financial power work for local places – switching public investments from global markets to local schemes; Mutually owned banks are supported and regional banking charged with enabling local economic development are established.
3. Fair employment and just labour markets - promoting recruitment from lower income areas, inclusive employment practices, committing employers to paying living wage and building progression routes for employees.
4. Progressive procurement of goods and services to drive local supply chains and support the ecosystems of local enterprises
5. Socially productive use of land and property – ensuring that the land owned by local authorities and anchor institutions is run by and for the people, for example through transferring under-utilised assets to Community Land Trusts or working through Public-Commons Partnerships

4.5 Initial Contact and Access to Services

There are high costs in such areas as initial contact routes into the Council, including face-to-face options and multiple access points. The Ameco analysis also identified high-cost assessment and response activities which, if addressed, will provide opportunities for demand management and channel shift. There is also an opportunity to standardise, consolidate and digitise core internal transaction processes to reduce complexity and simplify/standardise ways of working. Specific issues highlighted include:

- High levels of duplication and fragmentation in transactional processes;
- Poor online functionality limiting channel shift and self-serve options;
- Processes that are overcomplicated, paper based and involve multiple handoffs and duplication;
- Rekeying, double-handling and paper-based processes are commonplace;
- Call handling and first contact resolution lacks investment and is not enabled.

The Council has been advised that increased take up of self-service options and the automation of processes may achieve a potential 20% efficiency from the “middle office”.

Recent operational experience has validated this conclusion, particularly within the Operations Department where a number of front-line contact functions have been identified which would benefit from investment to improve the user experience and provide scope to reinvest efficiencies in wider delivery capacity.

4.6 Data Management and Analytics

The Council has made progress in bringing together all performance experts into a single team. Ameco’s feedback is, however, that:

- Corporate capacity remains insufficient to deliver the scale of ambition. A team of 30 was recommended against which current capacity is 17 FTE.
- There remains a high level of fragmentation in terms of collating, consolidating and cleaning data.
- Data quality is poor and there are a number of gaps.

Addressing these issues is necessary to provide the scope to improve demand management through data insight; predictive tools and data-enabled decision making by defining:

- The social problems we are tackling;
- The definition of the cohorts of people experiencing those problems; and
- A system to identify the people who meet that definition.

With this information there is scope to develop the impact of the neighbourhood model by designing:

- A new delivery model that will, through case coordination and targeted intervention and early help, have a measurable impact on outcomes and cost;
- A financial model showing the multi-agency investment in the new delivery model and the return on that investment in the form of demand and cost reduction; and
- A change programme showing how current ways of working will be replaced by the new delivery model.

4.7 Digital

Ameo acknowledged the work of the current IT Team and significant achievements over the last two years including:

- The move from approximately 100 users logging on remotely to council networks per day, to over 1000 users a day in less than three weeks.
- Accelerated infrastructure refresh programme to ensure servers and devices were upgraded to current versions and fully supported to provide a resilient and secure environment despite two floods in the data centre and remote working challenges.
- Agreement of a three-year Microsoft Enterprise Agreement approved at Cabinet in February 2020 and the accelerated roll out of Microsoft Teams and Office 365 (now M365) to council employees and elected members.
- Delivery of the first virtual Full Council meeting in May 2020, live streamed, and with all our Elected Councillors able to fulfil their democratic duties.
- Implementation of a new telephony system in July 2020, across all council phones, switching all call centres over to a new contact management system and installing soft phones for all remote users.
- In November 2020, completion of a significant upgrade to a new Customer Relationship Management (CRM) System from an outdated legacy system with complex links to other council systems, including workflow software and payment systems.

- The end of 2020 was marked with another significant project, the move of our HR system from on-premise servers to a cloud-hosted environment. This work had to be done within a very short period to avoid disruption to the payroll systems of the council and our external clients, including schools.

At the time of this intervention the M365 roll out was around one third complete and advice was that this is completed on a “high velocity” basis, within a wider package of functionality and strategy, as below.

- ✓ **Phase 0** already deployed approx. 280 users with most staff having access to an email account and Microsoft Teams
- **Adopt an accelerated delivery approach namely “high velocity”** to the remainder of your M365 programme – high velocity rollout in to 2 initial phases:
 - **Phase 1** M365 + Windows 10 + Exchange Online + BYOD + SharePoint Online Intranet + Learning Pathway as a single drop
 - **Phase 2** Enterprise Telephony + Data Analytics + SharePoint Online data migration + full deployment Intranet
- **Phase 3 +**
 - Device replacement programme
 - Ongoing embedding of user adoption and change to drive our productivity improvements linked to processes and new ways of working

A shared digital and technology vision and associated strategy with agreed priorities and a common delivery approach was recommended by Ameo, without which the view was that the Council will continue to be focussed on solving discrete business problems with individual technologies delivered by teams in isolation. Evidence of the current approach is reflected in some of the findings from other review areas.

The importance of digital and its ability to influence and transform the Council and support the delivery of savings in other areas was highlighted. However, to achieve this, some significant investment in key areas was identified and the proposed approach included details on the extent of this.

The work undertaken by Ameo, and verified through though industry experts Gartner, has highlighted the impact of historical under investment in IT services, resulting in a lack of capacity to deliver business as usual and support the transformation outlined in this report. In March 2021 Gartner conduct a budget assessment of IT spend and provided benchmark analysis against local government and public sector comparators. The IT spend as a percentage of the overall Council budget in 2021 was 3.3% compared to an industry average of 4.7%, with additional savings targets still being applied. Gartner’s analysis indicated an average spend per employee on IT services within Bury Council of approximately £1,900 per year compared to an industry average of £6,800.

Whilst this may be acceptable in organisation with a modern, secure and low maintenance IT & Digital estate this is not the position in Bury. Therefore, a full review of the Operating Model for IT & Digital needs to be undertaken, alongside the re=profiling of revenue and capital budgets. This will require investment in the management structure within IT to undertake the work, and further support from external advisors to ensure a

target operating model fit for the future given the Digital First ambitions of Let's Do It! And this transformation strategy. This is funding is contained within the investment proposals in this report.

4.8 People

Ameo highlighted the urgent requirement for a People Strategy that ensures the Council has the right people, with the right skills, in the right place, at the right level and at the right cost. They recommended an overarching strategy should be produced which includes:

- Culture, values and behaviours
- Organisational design
- Leadership
- Performance
- Reward and recognition
- Talent and career opportunities through internal and external apprenticeships; core skills development programmes and meaningful career pathways

At the heart of the strategy, will be inclusion and equality.

Progress in meeting some of these requirements was acknowledged, including the investment in an accountable leadership role (the Director of People and Inclusion who has now taken up post); the ambitious inclusion strategy; definition of "Let's" principles as a basis activity to shape the future organisational culture; an improvement plan for the HR service and the establishment of a corporate performance framework which provides a backbone to staff performance management. Several risks were also highlighted, including:

- Weak data and intelligence
- The pay and grading structure is in need of urgent review
- Leadership and management skills need focus
- Staff performance management needs to be embedded and compliance monitored more effectively

The People baseline also highlighted scope for savings from more consistent and efficient organisation design; by reducing the high agency spend and relatively poor levels of staff attendance.

5 Proposed Transformation Strategy

Informed by Ameo's advice the Council has a significant opportunity to:

- Improve access to services and user experience while achieving channel shift and reduced costs;
- Achieve efficiencies by establishing integrated and flexible ways of working; and
- Build a sustainable and resilient organisation through improvements and investment in key areas such as digital, data and its people

The Council is therefore proposing to embark on a strategy starting this year and for the next two years which will focus on the three key delivery programmes focussed on internal delivery; the user interface and transformation of the council's estate. The programme is designed to bring immediate return on investment, supported by four enabling workstreams.

The programme will be:

- Led by an Executive Board chaired by the Deputy Chief Executive and comprised of Executive Directors acting as Senior Responsible Owners for different programmes, to ensure the meaningful engagement of every department
- Delivered by (operational) delivery boards for each of the three programmes

A summary of the objectives and priorities for each programme and supporting workstreams is provided in the following section.

Let's do it! Internal Transformation Programmes 2021-23

<p>Let's do it ... Well! Internal Performance to establish the structures, values and behaviours to drive a high performance organisation</p> <p>Savings from business support, procurement spend, structural and digital efficiencies and improved staff attendance</p>	<p>Let's do it ... Once! A contact and transact strategy which harnesses digital-first delivery through a single, digital front door providing integrated self-service access to back office processes</p> <p>Savings from</p> <ul style="list-style-type: none"> • implementing a self-service-first web and mobile strategy, reducing demand on the contact centre • reducing repetitive, manual internal processes through self-service and automation 	<p>Let's do it ... Flexibly! Transformation of the council's land and property portfolio including the office estate; land and commercial property portfolio</p> <p>Savings and/or scope for reinvestment will be achieved from capital receipts and reductions in estate running costs</p>
<p>Workstreams</p> <ul style="list-style-type: none"> • Business support • Internal performance including savings from attendance & agency spend • procurement savings • Savings & efficiencies from digital • Implementation of org. design approach • People strategy & HR policy review • Behaviours and values 	<p>Workstreams</p> <ul style="list-style-type: none"> • Contact and Channel shift Strategy including a new target operating model for web and mobile access, phone and face to face • Efficient internal transactions through automation including internal self service; reporting and assessment process review & improvement 	<p>Workstreams:</p> <ul style="list-style-type: none"> • Commercial Estate • Corporate Estate • Land Holdings • Corporate Landlord • Agile
<p align="center">Enablers</p>		
<p>Data and Intelligence: Data cleansing and insight; demand modelling and evaluation</p>		
<p>IT & Digital Cloud migration; full M365 roll out and further infrastructure development to improve collaboration and remote working, including data analytics.</p>		
<p>Workforce: I-Trent data cleanse and upgrade; workforce change management; Change Agent network leadership & HR support to structural changes</p>		
<p>Finance: Investment models; finance systems, processes and structure; Benefits realisation & savings tracking</p>		

5.1 Transformation Workstream 1- *Let's do it ... Well!*

SRO: Executive Director Children and Young People's Services

Programme Lead: Director People & Inclusion

The Council has a vision to be a high performing organisation. Ameo's feedback is that achieving this ambition requires improvement across structures, systems and processes. Specific initial priorities for the next two years are as follows:

Organisation Design – We will develop a set of clear Organisation Design principles which establishes a consistent approach to organisation tiers and spans of control. Ameo have recommended no more than 6 tiers and up to 8 direct reports to each manager. Removing layers of management and improving communication flows between front line staff and managers; empower the workforce consistent with the "Together" principle and improve the speed of decision making. It will be crucial that the implementation of a new organisational design model enhances and does not negatively impact on organisational performance. Success here will therefore be closely tied to the delivery of the enabling workstreams, data and intelligence, IT and workforce.

Instilling a **performance culture** which will be:

- Led by the annual Corporate Plan, quarterly reporting exercise and annual objectives and reviews for all staff
- Underpinned by an improvement in the quality of core management capabilities
- informed by the improvement in quality of internal data and production of regular reports to inform action, in particular through the i-trent cleanse and upgrade
- An enabler of one-off savings from better use of resources including reductions in sickness absence and the use of agency workers
- Facilitated by developing a consistent "Business Partner" model of professional support to managers across all back-office functions

A new **business support** model as basis for consultation which:

- Is established as a corporate service, providing consistent support and resilient capacity across every department
- Is c20% smaller in size due to the greater opportunity for user self-service which agile working and M365 and other digital capabilities provide
- Provides appropriate support to a larger number of users and an expanded service offer including information management (Freedom of information and Subject Access requests, complaints management and case work support to councillors)

Ongoing implementation of the **Digital Strategy** to deliver savings from application and storage rationalisation

Savings in procurement costs through efficiencies from contracts on and the Council's Contracts Register

Development of a **People Strategy** which will align the **policies**, processes, **values** and culture with the *Let's do it* ethos. The People Strategy will primarily be a product for Bury Council but will align with the CCG and overarching partnership strategy.

5.2 Transformation Workstream 2 – Let's do it ... Once!

SRO: Executive Director Operations

Programme Lead: Director of Transformation

The Council will establish a new contact and channel shift strategy which improves service and response which reduces cost through a digital-first, self-service approach to information capture and assessment. Investment in web and mobile-led assessments and communications will reduce the level of resource we need in our service enabling functions, helping us to focus more of our resources on the front line. The work will be organised into two workstreams as follows:

1. A resident, business and partner Contact and Channel-Shift Strategy with:

- A web and mobile access and response solution for information, self-service transactions and reporting which increases digital inclusion
- Enhanced use of contextual information provision and data to provide residents with tailored information which reduces enquiry volumes;
- A renewed phone and Interactive Voice Response (IVR) strategy including a single front door which consolidates and streamlines the number of contact centres into a single corporate service with high service standards
- A face-to-face response in neighbourhoods including the new hubs and libraries to increase an inclusive approach using local wi-fi and self-service.

This work will include a review of all user **contact and assessment processes** to:

- Make them simple, efficient and remove unnecessary duplication;
- Integrate reporting to reduce duplication and streamline activities to reduce costs and improve outcomes through a more “joined up” service;
- Introduce automated rules based assessment to release specialised resource to focus on more complex assessment
- Develop a paperless/working light model as recommended by Ameo

2. A new model for efficient internal back-office processes and transactions through automation including:

- Internal self-service
- Automated routine processes relating to dealing with requests and appointment bookings,
- High volume transactions such as invoice payments to reduce rekeying
- Integrated workflows

Intended outcomes include:

- Higher quality user experience and “right first time” information and advice
- Doing everything ONCE only. Reduced rekeying and manual processes
- Less errors through automating batch processes
- Reduced contact and transaction costs through less expensive digital communication channels and the economies of scale.
- There will be a strong focus on delivering this work in a way which keeps Bury's inclusion aspirations at its core and recognises and mitigated the potential barriers faced by the borough's different communities

5.3 Transformation Workstream 3 – *Let's do it ... Flexibly!*

SRO: Director Regeneration

Programme Lead: Assistant Director Regeneration Delivery

A fundamental plank of the Council's transformation programme is the potential to make substantial and long-term savings by operating a much more efficient land and property portfolio. This includes:

- The commercial estate
- The corporate estate (i.e. operational buildings)
- Land holdings

Let's do it ... Flexibly! has the following objectives:

- To fundamentally review and reduce the council's land and property portfolio through a strategic asset plan which will:
 - Deliver the agreed accelerated land and property disposal strategy
 - Further corporate objectives through an appropriate estate including agile working; the neighbourhood delivery model and carbon reduction.
 - Reflect wider system strategies including the One Public Estate model and Neighbourhood Asset Review
 - reduce the Council's annual property operating costs by c£1.5m by the end of the 3-year period
 - release c£5m capital receipts (for which Ameo applied a 30% confidence rating) from disused office buildings and use these flexibly to deliver savings and/or reinvest in the residual estate
- Oversee a decision and lead implementation of options in relation to the future of the Town Hall
- Review all staffing resources involved in managing property and facilities management and establish a corporate landlord function within an agreed timetable to manage the retained estate
- Drive, evaluate and develop the agile model for office based staff to:
 - Contribute to the culture change objectives lead by *Let's do it Well!* and the Workforce enabling stream
 - Develop a business case for potential further investments in digital infrastructure and the modernisation of all retained estate, funded from property disposals

The outcomes of this workstream include:

- A smaller, modernised and high performing estate
- Revenue and capital savings from disposals and efficiency
- Working conditions which harness the *Let's do it!* Principles, culture and behaviours, in particular the agile strategy and the ambition for colleagues to work together locally, in neighbourhoods and in collaboration.

5.4 Enabling Workstream – Workforce

Lead – Head of Human Resources

The Workforce workstream will provide technical people management support to the delivery of operational changes proposed. This will include:

- The technical work to refresh i-Trent data and deliver the system upgrade functionality already agreed. The roll out strategy to drive internal self service will be overseen by the Let's do it Once programme
- Change management support to staff in support of this programme, including workforce communication; the engagement of Change Agents; outplacement support and occupational health advice
- Technical HR advice to support the implementation of structural changes including structure design; job evaluation and employee relations leadership
- Investing in the skills of leaders, managers and staff to ensure everyone is equipped to contribute and has career pathways to develop and progress. This will involve defining the mandatory training and skills requirements for all posts, including a leadership development programme for senior managers, as well as meeting specialist development needs such as ethnography skills for those working within and supporting front line services and digital skills to ensure all office-based staff have the skills and confidence to optimise M365 functionality

5.5 Enabling Workstream – Data & Analytics

Lead – Chief Information Officer

The Corporate Core Performance & Intelligence Unit has already begun to bring together specialists, researchers, data analysts and technologies to deliver highly valuable business intelligence and insight. A performance framework is now in place which is tracking outcomes and internal Key Performance Indicators to inform the use of resources.

The team will develop its specialisms over time through the creation of a data management infrastructure and development of complex data analytic capability, enabled by a M365 data lake, which will help the council to understand and influence the demand for services. Specific deliverables for this workstream will include:

- A data management strategy, enabled by a document management system
- A data quality framework
- Development of predictive tools better management of demand
- Data integrated from across key systems into a single source (data lake)

The new framework will improve the Council's ability to:

- Delivering better outcomes to residents and communities by better targeting support and services to where they are most needed

- Saving money through operational and financial efficiencies by removing duplication and waste; enabling users to serve themselves and targeting resources / aligning supply more closely to demand.

5.6 Enabling Workstream – IT & Digital

Lead – Chief Information Officer

The IT & Digital workstream is a central dependency for the wider transformation programme. The existing IT programme will be restructured around four headings to enable the programme through technological capability and user behaviour:

- **User experience** - including refreshing the council website and replacing email-based interaction with digitised solutions as a priority; implementation of new digital platforms and the redesign of service to introduce digital services across all areas of contact and engagement.
- **Employee empowerment** - including enabling modern ways of working through the rapid deployment of M365 followed by increased collaboration through the deployment of other Enterprise Agreement products includes OneDrive, SharePoint and Teams Telephony.
- **Organisation enablement** – including enhancing the council data analytic capability to enable evidenced and inform decision making and proactive preventative interventions, enabling internal self-service and automating reporting capabilities for employees.
- **Technology foundations** – including implementation of firm infrastructure foundations to support the council digital ambition, based on resilient and cost-efficient cloud services; continuous review of the application portfolio enable effective consolidation and rationalisation.

Progressing these priorities will deliver a fit for purpose architecture from which further savings can be made, through applications efficiency, electronic data storage and the fragmentation of processes and systems defined in the Ameo activity Analysis.

The Council has entered strategic partnerships with technology providers to support our cloud strategy and the implementation of our Enterprise Agreement. A two-year delivery programme will be developed with these partners to achieve the deliverables above and deliver the improvements and savings identified. Further investments will, however, be required in accordance with Ameo's advice, as follows:

- Short-term resource to direct current Microsoft partners to ensure optimal configuration and faster delivery outcomes from strategic investments in M365
- Introduction of digital capability & improved outcome-based programme and project management using agile methodology to deliver digital benefits early and often, iterating as necessary to increase value gained

- Introduction of a corporate data analytic platform and data management capability to enable better demand management, forecasting and informed decision making based on an integrated view of Council held data.
- Completion of the Cloud migration project to ensure early delivery of value
- Consolidation and rationalisation of the Council application portfolio & adoption of reusable services component to streamline service redesign and delivery.

6 Investment and Benefits model

6.1 Benefits Realisation

The proposed strategy presents significant potential for financial savings which, if successful, would support the Council in managing the financial gap in future years. There is however a financial investment required to build the new capabilities and infrastructure which will drive efficiency. Such investment must be captured in a benefits realisation process to ensure that costs and savings are understood and mutually reinforcing. A benefits realisation methodology, which captures financial deliverables within an agreed timeframe, is currently being developed and will be a key component of the programme management approach.

6.2 Savings Forecast

In concluding their work, Ameo provided a set of proposals that, if implemented, could deliver annual savings of £8-18m on an ongoing basis, subject to a confidence rating.

The Council has triangulated this advice with the detailed baseline, other external advice and the wider sector experience. Final detail is described below and varies slightly from Ameo's advice on the basis that:

- Proposals below £50,000 have been removed, e.g. postage, subscriptions and stationery savings, on the basis these are de minimis for a strategic business case. The detail will, however, continue to be pursued and will form part of the budget setting review process
- Agency spend reductions have been absorbed in relevant savings option proposals as there was some double counting. A refreshed process for workforce cost control will, however, be established to maintain cost control and oversight of savings opportunities
- Savings from data storage through digital have been removed as the conversion of extensive paper records to digital storage is expected to be an area of investment not saving. There is not currently any budget assigned to this change
- Additional savings have been included from building revenue savings e.g. new rental income and/or reductions in running costs through building closure
- The advised potential savings target of £650,000 from demand management will be considered as part of the One Commissioning Organisation budget setting process for 2023/24 but have not been included in this programme. Delivery of these savings is, however, dependent on a high-quality data and intelligence function which the Enabling workstream in this programme will seek to establish.

Proposed potential revenue savings are as follows

Let's do it ...	Activity	Savings			Total
		21/22	22/23	23/24	
Revenue		£m	£m	£m	£m
<i>...Once</i>	Digitisation & channel shift	0.100	1.300		1.400
<i>... Well</i>	End user device strategy	0.000	0.420		0.420
	Applications Rationalisation	0.000	0.280		0.280
	Business Support	0.900			0.840
	Organisation Design		0.200		
	Agency reduction		0.065		
	Contract Management		2.100		2.100
<i>...Flexibly</i>	building revenue reductions	0.5	0.5	0.5	
Sub Total – Revenue		1.500	4.865	0.5	6.865

In addition capital receipts of c£5m as recommended by Ameo will be pursued but £1.5m of receipts have been netted off for potential reinvestment into delivery. A detailed delivery plan is being developed which will profile receipts over the two year period. This figure is potentially in addition to the receipts from the land and property disposal programme already underway.

6.3 Investment Requirements

The Council has recently invested in several leadership roles which will all play a key role in delivering this programme, in addition to their operational responsibilities.

In developing the opportunities for savings Ameo also indicated additional investment needs to deliver the infrastructure required, largely digital capabilities, which ranges from £4.2m - £6m. The Council has analysed this advice; mapped the digital investments to the current IT & Digital strategy (appended) and determined additional requirements for specialist employee relations and estates support.

On this basis the final investment proposition for this and the following two years is as follows

Workstreams	Funding source	Investment			Total
		21/22 £m	22/23 £m	23/24 £m	
Digital: - Power BI design & build - 2 year staff digital skills development – webinars; videos & super users - Infrastructure build including applications & end user experience	Transformation reserve	1.300	1.200		

Workstreams	Funding source	Investment			Total
- Website & intranet re-build - New operating and funding model					2.5
Workforce support – - Strategic HR & OD - Management & workforce development	Transformation reserve	0.250	0.250		0.5
Digital - Hybrid meeting provision - Document mgt storage & security design - Contact management	ICT capital fund	1.8	0.7		2.5
Estates	Capital receipt re-investment	0.500	0.500	0.500	1.5
Investment Cost		3.85	2.65	0.500	7

6.4 Summary

The programme is therefore forecasting **total ongoing savings of £6.8m over a three year period**. This means that the £5m savings target already reflected in the MTFs will be delivered and a further c£1.8m is potentially available to support the on going funding gap or for reinvestment in future years.

The programme is forecasting c£5m of capital receipts but of these £1.5m will be reinvested back into the transformation reserve (subject to changing the capital strategy) to fund external estates expertise to drive delivery. If fully achieved the receipts will increase the reserve from the original £5.8m to £9.3m. Net capital receipts will support the capital programme in future years and reduce the borrowing requirements of the Council, therefore reducing the future revenue costs of borrowing in line with the current capital strategy.

The one-off costs of the programme have been assessed at c£7m. However, we will look to capitalise IT investment where appropriate or replenish the reserve from savings. There is also the potential to drive out more savings and this stretched target will form part of the delivery programme.

7 Governance

The development of detailed plans for this programme will be led by the Delivery Unit (Programme Management Office) which was established in 2019 and for which a team of three FTE officers have now been appointed.

Delivery will be driven and managed by:

- A fortnightly Delivery Board, chaired by the Deputy Chief Executive (Corporate Core) with attendance by workstream and enabling leads at the most senior level. This Board is accountable for:
 - Overall delivery and decision making against the strategy
 - Performance reporting and Change Control against key milestones
 - Maximising benefits of the programmes and ensuring savings are delivered as per plan through robust benefits tracking framework
 - Managing interdependencies across the programmes in scope and wider activity e.g. Health and Care Transformation
 - Co-ordination and prioritisation of enabling capacity across the workstreams and wider programmes

- Programme delivery boards chaired by SROs will manage the detail of delivery plans for each Programme and be accountable for:
 - Drive and manage delivery within the programme
 - Manage risk and issues within the programme
 - Track benefits within the programme
 - Escalate risks/issues to delivery board for resolution

- Management and staff engagement in the overall plan will be overseen by the Workforce enabling stream and managed through the new engagement networks which are:
 - The Senior Leader's Forum
 - The Senior Manager's Forum
 - The network of staff Change Agents

The Inclusion Working Group will also be critical in ensuring the views of the Council's diverse communities of identity are considered as part of this work, maximising opportunities to further inclusion in support of our Inclusion Strategy and assuring due regard in relation to our legal equality obligation.

8 The Implementation Plan

Appended to this report is a high-level recommended roadmap for delivery.

9 Recommendations

The Cabinet is asked to:

- Note the internal progress to date in developing the transformation strategy
- Endorse the overall proposed approach as a basis for action and approve investment proposals.
- Note an updating report will be provided to cabinet in January 2022

Community impact/ Contribution to the Bury 2030 Strategy

The transformation programme will develop the internal behaviours and service capabilities to deliver the Let's do it! Strategy and plan

Equality Impact and considerations:

24. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:
A public authority must, in the exercise of its functions, have due regard to the need to -
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
25. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

These proposals do not yet define proposed changes for a policy, service or strategy. It is therefore not possible or appropriate to undertake Equality Assessments. The projects within individual delivery programs will however be subject to robust equality assessment during their development and prior to any implementation decisions being made.

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
<ul style="list-style-type: none">• The proposals are in the very early stages and hence further work will be required to refine individual proposals and firm up the level of savings which each can deliver• The interconnection between some of these proposals has not been established in all cases so there may be some element of double-counting• Many of the proposals will require up-front investment to deliver, and this will have to be delivered within the constraints of the Council's overall financial position. However, a significant element of the identified investment will be in new and upgraded technology capability, and this will be capital expenditure allowing the Council draw on available capital resources (e.g. capital receipts, borrowing) to fund the investment.• The proposed programme is significant in scale and scope and will impact	

every area of the Council. It will be important that individuals are supported and given the capacity required to engage meaningfully in this work, recognising the impact of change on individuals. This is significantly compounded by the current national emergency and recovery context	
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Consultation:

Consultation was undertaken on the Council's budget including the proposal for a significant contribution to savings from transformation and the areas of focus for 2020-22.

Legal Implications:

The transformation programme will be supported by legal services throughout to ensure that appropriate and timely advice is given in relation to each of the workstreams. The Council will ensure compliance with all legislative requirements to those on permanent and casual contracts. All policies and procedures will be complied with in accordance with current Council policy and in conjunction with the employee consultation toolkit. Updates on progress will be provided to cabinet, the medium term financial plan update will track progress in delivery of financial savings.

Financial Implications:

The Council continues to face significant financial challenges and these have been exacerbated by the pandemic. The previous medium term financial strategy identified a projected funding gap of circa £11m by 2024/25 after full delivery of an agreed savings programme of £22m. Some of these savings schemes are already coming under pressure to deliver.

Within the 2020/21 budget approval in February a £5.8m transformation reserve was established which needed to deliver ongoing recurrent savings of £5m per annum by year 3. The Council's MTFs will be updated in the autumn to reflect changes in assumptions, the 2020/21 outturn position and emerging pressures in operational services.

Revised savings projections are included within the paper at 6.2 which identifies projected revenue savings of £1.5m this financial year, £4.6m in 2022/23 and a further £0.5m in 2023/24 bringing the total to £6.6m, thereby exceeding the original target of £5m by £1.6m. However, any slippage of the delivery of these savings in each year will have an impact upon that year's budgets.

There are also expected capital receipts of £5m from the disposal of surplus Council buildings. However, subject to Cabinet approval to amend and update the capital strategy and programme as appropriate it is proposed that £1.5m of these would be reinvested

back into the transformation programme either to supplement the existing ICT capital programme which will under go a full scale review and reprioritisation process or to support the estates agenda. The reinvestment of £1.5m of the capital receipts into transformation will increase the original reserve from £5.8m to £7.3m. Expenditure on transformation is now expected to reach £7m, £4.5m of which is revenue and £2.5m of which is ICT capital

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Background papers:

Accelerated land and property disposals – report to Cabinet 24 November 2021
Accelerated land and property disposals – phase 1: report to Cabinet 24^h March 2021

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
PSR	Public Service Reform
MTFS	Medium term Financial Strategy
Ameo	The external consultancy who have provided short term advice

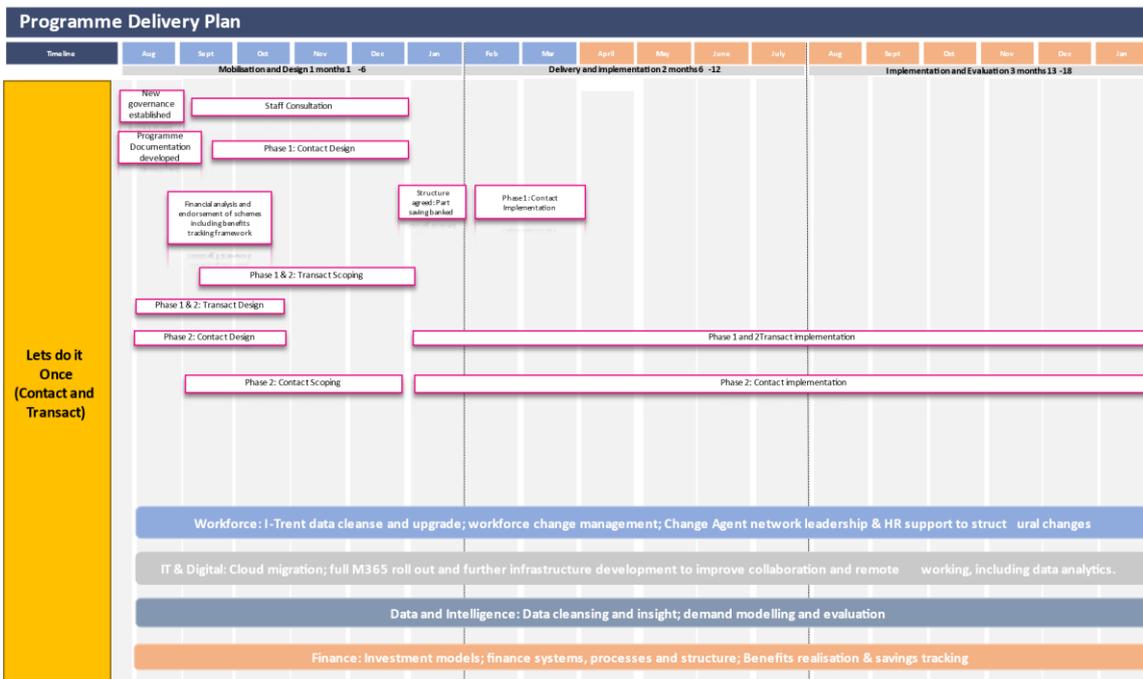
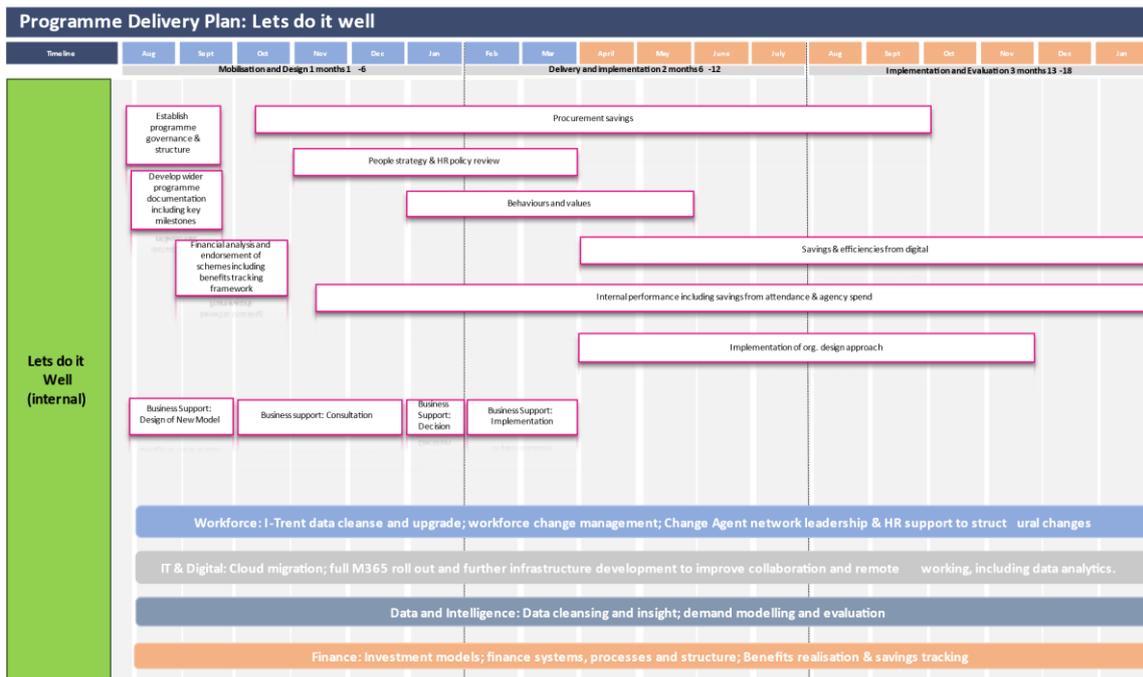
Appendix 1 – Detailed digital investment requirements

Investment	Capability	Rev / Cap	Yr1	Yr 2	Details
			21/22	22/23	
			£000k	£000k	
Employee empowerment	Hybrid working	Rev	£65	£85	Support to further promote agile working including user of an external modern workplace advisor to support with training and rollout
	Hybrid working	Cap	£250		Investment in new facilities to support remote working including for Elected Members
	Information Security	Rev	£120	£80	Review of Information storage and access, design of new intranet and document management system
	Intranet refresh	Cap		£150	Utilisation of Microsoft SharePoint to build / refresh corporate intranet into a digital workspace
	Telephony	Cap	£60	£60	Implement further improvements to telephony, including use of Microsoft Teams
	End User Device Review	Cap	£120		Mobile device replacement and Intune environment upgrade and rollout as the default solution
User Experience	Website	Rev	£60	£60	Refresh of the website and ongoing refresh based of data analytics and user feedback
	Website redesign	Cap	£200		Website redesign including user testing of several options
	Contact and transaction Platforms – reusable components	Rev	£250	£100	Utilisation of existing investment or procurement of new. Selection and deployment of reusable components including payment, notification, address lookup

	Online forms	Rev	£75	£75	Migration of email and .pdf documents to online forms as part of a service and process redesign
	Contact centre telephony	Cap		£150	Replacement of existing contact centre telephony taking into account the use of Microsoft Teams as an option
Organisation enablement	Self service improvements	Rev	£200	£100	Use of business analysts to re-design workflows and introduce new policies
	Electronic document and records management	Cap	£250		Selection, deployment, and rollout of the cross organisation Electronic document and records management System (EDRMS)
	Streaming Council Meetings	Rev	£50	£50	Interim investment until permanent future hybrid meeting mode designed and deployed
Foundations	Senior Manager / Chief Technical Officer	Rev	£100	£100	Senior role to work with the CIO to design new operating model and lead review
	New Target Operating Model	Rev	£57	£57	Continue work with external partner to develop value propositions and agree new substantive structure for IT& Digital function
	Data platform	Cap	£150		Leveraging of existing investments in Microsoft and the future investment in Azure to deploy a data analytic platform
	Phase 1 Demand Management	Cap	£150		Deployment of BI accelerator for the contact, finance and social care business units
	Phase 2 Demand Management	Cap	£140	£300	Deployment of BI extended capability starting with priority areas

	Data centre & cloud platform	Cap	£440		Cloud migration utilising a partner to move workloads to the Azure cloud service environment
	Business Intelligence Function	Rev	£375	£390	Enterprise architecture support and business design capacity as required to support demand management workstream
Estimated Totals		Rev	£1,352	£1,097	
		Capital	£1,760	£660	
		Total	£3,112	£1,757	

Appendix 2 High Level Delivery Milestones



Programme Delivery Plan

