

The Council's Transformation and Business Change Programme

Committee name	Finance and Corporate Services Select Committee
Officer reporting	Fiona Irvine – Transformation and Business Change Lead
Papers with report	Appendix 1 – The Council's Transformation and Business Change Programme
Ward	All

HEADLINES

This report provides an overview of the Council's current phase of the Transformation and Business Change programme and progress made since reset of the transformation programme in March 2023.

The ambition of the Transformation and Business Change Team is:

'Creating a sustainable Council that is easy to do business with, through a programme of facilitated transformation and business change which delivers a return on investment, underpinned by behavioural and cultural change'.

The Council's Corporate Management Team (CMT) are accountable for transformation. Fiona Irvine is the lead officer for Transformation and Business Change within CMT and will attend to answer Members' questions. She will be accompanied by Matthew Wallbridge, Chief Digital and Data Officer, Dan Kennedy, Corporate Director, Central Services and Andy Evans, Corporate Director, Finance.

RECOMMENDATIONS

That the Committee:

- 1. Notes the progress with Transformation and Business Change within the Council shown in Appendix 1.**

SUPPORTING INFORMATION

Contrary to some explanations, transformation is not simply about saving money. The starting point is looking at how resident demand can be met through the constant reviewing of how services are delivered, making use of latest innovations in the multiple sectors we work with, and being sensitive to the changing nature of the market conditions the council operates in. If this objective is achieved, then efficiencies and the best value of every pound spent will be improved. This said, the continued financial challenge facing the Council, like most councils, has increased the need for the pace and depth of transformational change across the council.

Similar to many other authorities in England, Hillingdon is grappling with budgetary pressures driven primarily by increasing demand for services and inflation-related cost increases. The Hillingdon Transformation programme aims to address these challenges by bringing together the necessary changes in digital, data, and technology, as well as other continuous improvement projects. The goal continues to be the delivery of better-quality services, positive outcomes, and value for money for the residents of Hillingdon guided by the Council Strategy.

Hillingdon's Transformation programme is focused on enhancing the Council's operations and is a crucial component in ensuring the Council can meet the financial and demographic challenges it faces in the coming years. The dynamic transformation programme continues at a rapid pace, with the Council reviewing its working practices, reshaping services, streamlining the back-office and adopting new approaches to maximise efficiency and deliver value for money for residents. The scope of the work is necessarily broad given the scale of the financial challenge with key themes including more effective use of assets, review of service delivery and commissioning models and maximising commercial opportunities.

A key focus for the Council is on the opportunity to make greater use of digital technology to deliver services to our resident's and improve the efficiency of the Council. This means actively challenging how services have been working and using the opportunity to maximise the use of digital technology to ensure that residents are at the heart of how services are delivered.

Additionally, Transformation and Business Change is delivered through change projects and programmes through the Council's established Programme Management Office (PMO). The Transformation and Business Change Team is responsible for overseeing the delivery and governance of Transformation and Business Change projects within the Council.

Key functions of the service include:

- Supporting and monitoring the delivery of projects in conjunction with service areas, including the change management aspects of projects
- Providing coaching to services to enable behavioural and cultural change
- Custodian of the project management methodology and documentation
- Ensuring project governance is adhered to by Project Lead's
- Ensuring that the business benefits of projects are realised and tracked

A corporate methodology for managing projects was established in March 2023, following a reset of the overall programme. All projects under the remit of Transformation and Business Change are registered with the Programme Management Office (PMO), overseen by the Transformation and Business Change Lead.

The overall programme has been designed to deliver directly on the Council's Five Strategic Priorities:

- Safe and Strong Communities
- Thriving, Healthy Households
- A Thriving Economy

- A Green and Sustainable Borough
- A Digital-Enabled, Modern, Well-Run Council

Currently there are 27 live Transformation and Business Change Projects within the Council, and these are grouped under the 6 directorates within the Council:

- Place
- Digital & Intelligence
- Finance
- Children's Services
- Adult Social Care & Health
- Central Services

Project Leads from the 6 directorates are required to submit a project status report monthly and attend a meeting with Transformation and Business Change Lead, and the PMO to report on progress. The projects are a mixture of invest to save, income generation, achieving efficiency and cost avoidance, which will all help with the delivery of the MTFE savings targets in the Council.

Progress to Date – Resources

- Investment and recruitment into a skilled and experienced Transformation and Business Change Team
- Establishment of the PMO
- Recruitment of Chief Digital and Data Officer
- Investment in new skills in technology, digital and data
- Capital investment (c£10m) approved to fund the three-year transformational Digital and Intelligence Change Programme
- Experienced Coach – ensuring that behavioral and cultural change is embedded. Projects can fail to achieve their anticipated value if changes are not embedded into the organisation. New working practices can regress to the previous state if support is not provided.

Progress to Date- Governance

- Robust governance arrangements in place for monitoring projects
- Project Management Methodology Documents:
 - Concept, Blueprint, Business Case, Project Closure and Benefits Realisation Tracker
- Regular dialogue on Transformation and Business Change weekly at Service Development Board (SDB). Chaired by the Chief Executive.
- Project Dashboards reviewed monthly with Directorate Project Leads
- Regular meetings with the Cabinet Portfolio Lead for Transformation and the Leader of the Council

PERFORMANCE DATA

Once projects are delivered, project leads are required to complete a project closure report and submit a quarterly report on the benefits realisation of their project. This is essential for specific points in project implementation and actualisation, as it ensures that the perceived benefits of a particular project are met. Further, some benefits of projects will be realised immediately or shortly after the project is delivered, such as a financial saving. Other benefits of projects such as health and wellbeing are expected to take effect over a longer period.

RESIDENT BENEFIT

Residents benefit from an organisation that is delivering on projects that improve the resident experience and ensures and takes care of its staff and enables them to work in a modern well-run Council. Transformation also drives our approach to efficiency - not only making the Council as efficient as it can be but importantly, it also drives services improvement both internally and externally at the same time from the point of view of the resident.

FINANCIAL IMPLICATIONS

Transformation and business change projects have made significant contributions to the Council's Medium-Term Financial Framework (MTFF), as well as delivering cost avoidance benefits. The Council has a strong track record in developing and delivering efficiency programs, enabling it to operate within an increasingly constrained funding envelope – with a cumulative total of £197m in savings across the period 2010/11 to 2024/25. However, the ongoing funding constraints, combined with persistent demand and inflationary pressures, are forecast to require the latest MTFF to identify gross savings of £52m over the next five years between 2024/25 and 2028/29.

In the context of the substantial savings achieved to date, meeting this new target will necessitate an increasing emphasis on driving transformational changes to Council services to improve efficiency and effectiveness, exploring commercial opportunities to generate additional revenue streams, and ensuring the Council's assets are utilised as efficiently as possible to maximise value. Underpinning these initiatives will be the material capital investment in digital technologies, which is seen as an increasingly important enabler of step changes in efficiency and service delivery.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.

BACKGROUND PAPERS

Nil

APPENDICES

Appendix 1 The Council's Transformation and Business Change Programme