

Finance

Communities, Customers & Partnerships

Benefits Breakdown

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Quality

Product Delivery (Tranche 1 and 2)

All Workstreams	All Products	Tranche 1	Tranche 2
Total Number of Products	221	166	55
Delivered	17	17	0
On Track	187	142	45
At Risk	0	0	0
Off Track	6	6	0
Pending/Other	11	1	10

Milestone Delivery (Tranche 1 and 2)

All Workstreams	All Milestones	Tranche 1	Tranche 2
Total Number of Products	387	223	164
Delivered	44	36	8
On Track	325	181	144
At Risk	1	1	0
Off Track	3	2	1
Pending/Other	11	0	11

Escalations & Awareness

- Dependency on Procurement sub workstream to complete contracts register to inform:

i) AO - technical WSs progression of IT applications strategy and policies risking insufficient lead in times and increased costs to support legacy applications (see 3.2 below)

ii) AO - property WS's progression of asset rationalisation baselines, activity and understanding of cash-benefits opportunities.

iii) Mapping of cash-benefits opportunities related to contracts

Finance WS have put mitigations in place - analyst appointed 20/5 to address data gaps and support identification of early benefits opportunities.

- Delay in LGR Savings allocations due to delay in amalgamating 5 Council's budgets (base data) (see 4.2) - this has impacted the pace at which WSs are able to identify additional cash benefits opportunities through service consolidation and the progression of wider SAI work. Finance expect savings to be allocated by early June and budget data to be provided (2-3 weeks slippage). Whilst WSs won't have service budget data as early as expected they are still progressing identification of early cash-benefits opportunities. Establishment data will also be required to support this and principles/guidance for any people related savings. A further workshop will be held before July on management and engagement of LGR Savings as part of the MTFP.

- People Org Structure and Recruitment - dependency with the work of these People Sub WSs, SAI and cash benefits. Scenarios for tier 1 appointment and subsequent tiers 2 and 3 need to be captured to enable cash-benefits modelling based on a range of scenarios. These scenarios, along with design principle - layers/spans of control, will also help SAI sub WSs ensure their delivery (i.e. service standard is aligned to day 1 structures. Opportunity to use PwC deep dive support (if required) to ensure robust programme planning and dependency management.

- Resourcing (see 5.0) - all but one WS are reporting resource pressures with a more profound impact in SAI with all sub WSs experiencing capacity pressure to manage BAU alongside LGR activity that risks delivery falling behind schedule (n.b. SAI products are currently on track but risk turning amber). A review of ways of working across the programme is underway to identify any duplication and address this to release some capacity. Other options to be kept under review include (i) prioritisation of LGR work over BAU where possible, recognising BAU work that cannot be stopped; (ii) de-scoping (iii) additional resource to target areas under pressure (accepting market challenges in recruitment).

Twelve vacancies remained in the PMO prior to interviews w/c 16th May - 5 offers made that include two internal promotions leaving eleven vacancies. Recruitment via Reed is live.

- Implementation budget risk in development - the risk around implementation budget being potentially insufficient is being elevated from a workstream to a programme risk. Finance leading this to agree risk levels and mitigations/controls with the programme. Mitigations to include links to redundancy budget; role of the Recruitment Protocol; Regular review; and prioritisation of delivery.

-TOM - CCP, Finance and SA&I workstreams have flagged that they need clarity regarding the TOM and when this will be detailed enough (timescales) to ensure that their functions are designed in line with the TOM. Workstreams are progressing work due to pace needed so any further delay to TOM will increase the risk of misalignment. The timing of developing bottom-up and top-down approach crucial to ensure alignment. The draft high level TOM has now been shared with PSG. Programme Board 24th May.

Other Commentary (position as at end April)

1. Scorecard population/mobilisation - 100% sub-workstream scorecards completed. (99 of 99 this time, up from 98 out of 98 last period). New sub-workstream is Heath & Safety (People)

2. There was a reasonable level of acceptance from Programme Board on 26th April of the tranche 2 scope and definition, and recognition and appreciation of the significant effort and work that has gone into this. However, in order for the Board and Implementation Executive to be confident in this scope and our ability to deliver it, further focus is required to confirm what will be delivered by when and the cash and non-cash benefits that will be achievable. A timeline of activity running to the 13 June 2022 has been mobilised to carry out this activity. Workstreams have been asked to ensure that all tranche 2 products have a detailed and resourced delivery plan with clear milestones, known dependencies and scenarios for these where appropriate. This will enable the benefits team to work with them to model the benefits opportunities. Workstreams should also be identifying options for additional cash-benefits opportunities that haven't yet been identified.

3. Programme Delivery

3.1 Two Workstreams reporting Amber overall. However, the confidence for the overall delivery for Vesting Day remains high.

• **Service Alignment & Improvement (SA&I) continues to report amber.** Despite only four of the sub-workstream scorecards being rated as not green we believe this is currently based on the ambition around product delivery and are reflective of some of the external or wider risk, issues and pressures being faced by subworkstreams. Where these pressures are starting to emerge is where we are also seeing sub-workstreams move behind schedule. Therefore we believe that an amber status more accurately reflects the current overall position of the workstream.

• **Assets Optimisation Technical WS: One Sub-WS shows Red RAG: Application Road Map**- the recruitment of the new lead will bring it back to amber, however likely to remain amber due to reliance on analysis of, and availability of, contract data. One area on **amber: Single Platform**. there will be a phased council by council migration, however, risk as data is migrated that there might be issues and breakages to certain apps, this will be monitored and mitigated by the WS as migration happens.

Escalation: Dependency on Procurement to complete the contracts register of IT applications contracts to inform the 'to be' applications strategy and policies, risk that vital applications contract end dates won't be identified and/or that an efficient roadmap isn't planned in sufficient time resulting in increased costs to support legacy applications.

3.2 8 out of 99 Sub- workstreams are behind schedule, but their leads are confident there is no impact on T1 product delivery with the exception of the ones listed in section 4.1.

4. Products Off Track and associated Milestones. Six Tranche 1 products off-track out of 166 products:

4.1 Applications roadmap, strategy and architecture: Recruitment for Project Lead has concluded. Introducing new sub-workstream lead. Dependency on procurement contract information, and their support is required. The delay in application roadmap will have an impact on SAI and CCP as a clear roadmap of application transformation will not be known until July and this may delay clear planning for service transformation until that time.

4.2 Business Case LGR Savings (Finance WS - LGR Savings) - Delay in re-casting and apportioning savings as the work to amalgamate all Council's budgets is incomplete; delay due to end of year, unexpected pressures (Council Tax Energy rebates and Ukrainian Households Scheme) and challenges in 'breaking up'/allocating budgets due to different employee structures/roles. Finance evaluating position to confirm expected timeframes. Whilst WSs won't have service budget data as early as expected they are still progressing identification of early cash-benefits opportunities through service consolidation activity. Note that LGR Savings will be managed as part of overall MTFP but the LGR Savings targets are being apportioned earlier due to pace required for cash benefits mapping for T1 and T2 delivery. Capture method will be consistent with MTFP workbooks to ensure no effort is duplicated. Focus will be prioritised on particular cash benefits if Accountancy resource restricts pace and progress.

4.3 Baseline Assessment to inform Commercial Investments Strategy - no impact on overall programme. Delay due to year-end pressures. Final Strategy not required for a number of months so time to catch up. One milestone that has slipped.

4.4 Savings Capture Process for Budget - Clarity around MTFP & unitary savings agreed - LGR savings process will be part of the overall MTFP process.

Draft Workbooks proposed for MTFP process and lines of enquiry for savings etc. Will be in place ready for launch of MTFP.

4.5 Redundancy Budget - Target date needs to be thought about taking into account dependencies on pace of the restructuring and people savings that's over the top of Tier 1, 2 or 3. Conversation we'll need to pick up as part of MTFP conversation.

4.6 Finance & Payroll System - Final business case subject to Discovery phase. Proposal and implementation plan being developed for PSG and Programme Board consideration.

5. Resources. Service Alignment & Improvement - Reporting a red RAG status for resources. All sub-workstreams feeding back that they are struggling to deliver LGR work whilst juggling BAU demands

from within their own organisations. Workstreams feel they cannot instruct staff to prioritise LGR work over BAU work in sovereign organisations and are seeking Programme Board directive / decision that all 5 Councils prioritise LGR work over BAU, recognising BAU work that cannot be stopped. Propose that Councils self-assess BAU work that should be prioritised to release capacity. Ideally this needs to be a unified approach so that level of service between districts is as level as possible.

5.1 All workstreams are flagging Amber for Resources except the Finance workstream (17 out of 20 of their sub-workstreams reporting as sufficiently resourced) however, it's noted that the Revenues & Benefits subworkstream is under increased pressure due to work required to administer Fuel rebate payments and Ukrainian refugee host payments.

6. New - 4 Tranche 1 products have now been delivered:

- Members ICT
- Principles of collaboration & co design (LCN Pilots)
- Continuing authority governance and democratic arrangements
- Approved structural changes order

7. Two 'Very High' Workstream Risks

- SA&I - Outsourced ground care and street scene function coming to end of contract term within vesting year
- SA&I - The risk of balancing delivering LGR work alongside delivering BAU