

## Decision Report

Committee: Executive

Meeting Date – 4 November 2024

Key Decision – No



---

### **Improvement and Transformation Programme – October Progress Update**

Chair of Committee: Cllr Bill Revans – Leader of the Council

Executive Member(s): Cllr Theo Butt Philip – Lead Member for Transformation and Human Resources and Localities

Local Member(s) and Division(s) affected: N/A

Executive Director: Alyn Jones - Executive Director for Resources, Strategy and Transformation

### **Executive Summary**

This report updates Executive on the progress made on the Improvement and Transformation Programme over the past month (September-October). The attached Monthly Programme Report Dashboard provides an overview of programme and workstream status, product delivery, activity and risk. The dashboard will evolve as the Programme matures.

The approach to whole Council transformation is encompassed within the **Improvement and Transformation Programme** which brings together the activity required to deliver our vision, redesign our organisation, reshape our workforce, transform our services, and deliver our savings. The Programme currently comprises five component parts which run concurrently:

- New Organisational Design
- Workforce Programme
- Innovation and Change Programme
- Partnerships, Devolution and Localities Programme
- Savings Delivery Plan

### **Recommendations**

That the Executive note the latest progress update report including:

- Progress made in the month from 12 September – 11 October, including the product and milestone for delivery contained within Appendix A.
- The current assessment of programme risks, which includes the programme risks that have a score of 16 or higher and that might occur during the change process, and the status of actions to reduce these.

## **Reasons for Proposals**

To ensure continued awareness of the approach to transformation, noting the progress on delivery of the expected outputs of the component parts and the management of risk associated with the Somerset Council Improvement and Transformation Programme.

Report Author: Alyn Jones - Executive Director for Resources, Strategy and Transformation, Louise Routley - Improvement and Transformation Programme Lead, Strategy and Performance

Contact Details: [alyn.jones@somerset.gov.uk](mailto:alyn.jones@somerset.gov.uk), [louise.routley@somerset.gov.uk](mailto:louise.routley@somerset.gov.uk)

### Background and purpose of report

1. The approach to whole Council Transformation was initially presented to Scrutiny on 07 March 2024, following Executive approval on 07 February 2024 to reset the Council's approach to transformation and open a voluntary redundancy (VR) scheme as one of a number of actions that will be undertaken to reduce the pay-bill. This recognised the need to deliver a radically different way of working as a Council, operating with fewer staff and with a reduced sustainable budget, whilst increasing our influence and impact.
- 1.1 The new Council transformation approach will bring together transformation and change programmes across the organisation in line with the new Values, Behaviours, Organisation Design Principles, and a new operating model that delivers our purpose and vision for the people of Somerset. The approach will establish the foundations to enable future organisational wide change that is necessary for financial sustainability and implementation of the new organisation vision and design. The current scope and organisation of the Programme is set out in appendix C.
- 1.2 **Programme Delivery Progress**  
The Monthly Programme Reporting Dashboard has been developed to complement the fortnightly workstream progress reporting, by providing a monthly overview of progress that can be shared with programme stakeholders, including members. The overview is compiled in a dashboard format, covering the period of reporting as well as delivery that is due over the next month. The dashboard has evolved and now includes an overview of benefits associated with the Workforce Programme. The dashboard will continue to be developed as the Programme develops. **The dashboard to 11 October can be found in appendix A.**
- 1.3 The previous update report was presented to Executive in August, since this update the following has been achieved:
  - LGA Transformation Peer Review - The LGA Transformation Peer Review was undertaken in July over 2 days. The observations and considerations for next steps were provided at the end of the 2 days and we subsequently converted these observations and next steps into an action plan to enable improvements for the whole council transformation approach to be developed and implemented.
  - Submission of the Improvement and Transformation Plan to the Ministry for Housing, Communities and Local Government on 27 August.
  - Target Operating Model adopted by Executive on 2 September.
  - Rescoping of the Partnership, Localities and Devolution Programme.
  - Layer 2 – 3 recruitment and selection completed with the new structure due to be live on 1 November.

The Workforce Programme previously reported in July that consultation on the restructure would launch on 30 September. It was identified in the last reporting period (Aug/Sept) that this wasn't possible due to further mapping of financial data being required.

The Design Authority approved in this reporting cycle (Sept/Oct) a revised timeline and approach to informal engagement launching on 2 October to be followed by formal consultation on 24 October.

The changes to the timescales associated with the Workforce Programme have been communicated to both staff and members through:

- Staff briefings led by the Chief Executive followed by a question-and-answer session
- All staff emails and Dragons Pens (Chief Executive Blog)
- Joint Scrutiny and Audit committee workshop held on 30 September
- All member briefing sessions held on 14 August and 2 October

Future briefing sessions and the formal consultation period will provide further opportunities for engagement and influence.

#### 1.4 Programme Risks

All programme risks are now managed through Ideagen. This includes risk scores, internal controls, monitoring of mitigating actions in progress and completed. All risks were updated at the end of September; therefore, the next review cycle is outlined below. Automated prompts for updates have been implemented as part of the review cycle which run concurrently with risks being actively managed and updated to maintain real-time risk oversight.

##### **Review cycle**

- High (red) risks are next due for updates 1 Nov 2024
- High and Medium (amber) risks are next due for updates 6 Dec 2024
- High, Medium and Low (green) risks are next due to updates 3 Jan 2025

High risks are reviewed monthly, medium risks are reviewed bi-monthly (every 2 months) and low risks are reviewed quarterly. The risk report is collated on the first Friday of each month and is used for onward reporting.

The current programme risk overview is:

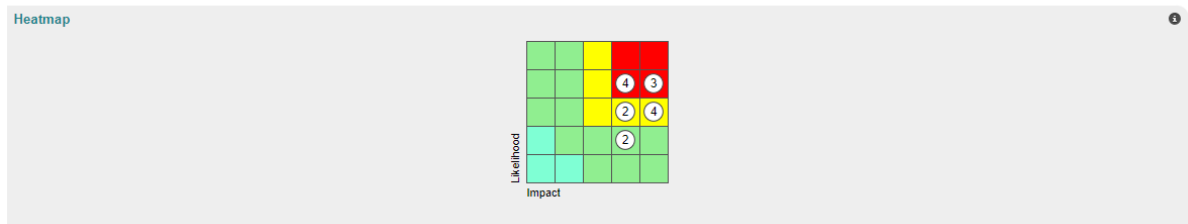
Improvement and Transformation Risks-

**15**  
All Risks

**7**  
Red

**6**  
Amber

**2**  
Green



Area of Programme	Number of Risks
Programme Level/Cross Cutting	1 Red, 4 Amber
Workforce	1 Red, 2 Amber, 2 Green
Innovation & Change	1 Red
Partnerships, Devolution & Localities	4 Red
Total Live Programme Risks	15

Since the last report, there have been some additions and amendments to Programme risks:

- Four new high risks added this period – relating to Devolution (transfer of assets and services from Somerset Council to city, town and parish councils) (specifically regarding resource and ability to deliver desired outcomes of the Devolution programme)
  - ITP0013 Devolution programme does not have a sufficient number of lead officers with the required knowledge and experience to lead devolution projects
  - ITP0014 Devolution process does not have sufficient draw on resources in key service areas (such as Assets, Legal etc.) to support and deliver the programme
  - ITP0016 Devolution process does not have sufficient project management resource capacity to assist the lead officers to support and deliver the programme
  - ITP0017 Somerset Council is unable to deliver the desired outcomes of the devolution programme.
- Two Workforce programme risks have increased as a result of progressing the Council restructure:

- ITP0006 Council struggles to recruit and retain required talent and knowledge has moved from medium to high.
- ITP0009 Excessive loss of staff with talent and organisational knowledge has moved from low to high.

Appendix B details the full risk report including an update on the mitigating activity that is being taken.

### **Links to Council Plan and Medium-Term Financial Plan**

2. The overarching transformation approach is key to closing the budget gap for 2024/25 and to support long-term financial stability. The workforce reduction programme within the Improvement and Transformation portfolio delivers the single largest financial benefit in 2025/26 (c.£40m) and is therefore an essential element toward future financial stability.
3. The ambitions within our Council Plan are enabled by the resources available. Our budgetary position affects the level of impact that can be achieved for our communities. Moving towards a financially sustainable council will help safeguard our ambitions.

### **Other options considered**

4. See February 2024 Executive Report on Developing the Approach to Transformation - [Developing the Approach to Transformation.pdf](#) ([somerset.gov.uk](http://somerset.gov.uk))

### **Key considerations for the Council**

#### **Scrutiny comments / recommendations:**

5. Feedback from Corporate and Resources, Scrutiny Committee regarding the monthly progress update report and programme report will be obtained at the meeting on 28 October 2024, with a verbal update being provided to Executive on 4 November 2024.

### **Consultation and feedback**

6. There is no requirement for consultation or engagement with customers, communities, partners and providers as part of this progress update report.

### **Financial and Risk Implications**

7. The report is not asking for Members to agree any savings in a particular area. The wider transformation programmes, within the transformation approach, will bring forward individual business cases, where financial implications will be detailed for approval.

8. The risks related to the delivery of the Council’s Improvement and Transformation Programme, including delivery of financial savings, are detailed in the report in section 1.4 and Appendix B.

Current Risk Score:

Likelihood		Impact		Risk Score	
------------	--	--------	--	------------	--

Projected risk score if recommended actions are agreed and delivered:

Likelihood		Impact		Risk Score	
------------	--	--------	--	------------	--

### Legal and Procurement Implications

9. There are no legal or procurement implications resulting from this progress update.

### HR / Workforce Implications

10. The workforce and HR implications associated with the Improvement and Transformation Programme will be significant and will be considered separately as the Workforce Programme develops. The workforce reduction element of the Improvement and Transformation Programme will reduce the staffing budget by c.22% across the whole Council, affecting all levels of management. As detailed in this progress update, phase 2 of the Somerset Council restructuring business case is currently under development for implementation September 2024 – March 2025 to ensure Somerset Council is resilient and sustainable. The Workforce Programme scope is detailed within Appendix C.

### Equalities Implications

11. An Equality Impact Assessment (EIA) has been developed for the Workforce Programme element of the Improvement and Transformation Programme and shared with Executive in February 2024. EIAs are currently under development for the other elements of the Programme and will be developed as a result of any consultation requirements for individual service change (where applicable).

### Community Safety Implications

12. There are no community safety implications associated with this report, but any service specific impacts on community safety will be considered separately as the programme develops.

### Climate Change and Sustainability Implications

13. Somerset Council have declared both a Climate and Ecological Emergency. Through that, the Council has committed to working towards making the whole county, including our own estate and operations, ‘Carbon Neutral’ by 2030 and to take positive action to reverse the damage on our natural habitats by man-made activity. We have also pledged to ensure that Somerset is resilient to, and prepared for, the effects of Climate Change. There are no climate change and sustainability implications directly arising from this report however separately it

would be appropriate for the Council to consider the impact of this programme and other national changes on our targets

### **Health and Safety Implications**

14. There are no direct health and safety implications from this update report. However, any specific impacts and implications will be considered separately as the programme develops.

### **Health and Wellbeing Implications**

15. We recognise that any period of change can be unsettling. Our employee assistance programme has a range of resources available to staff to help with their physical and mental wellbeing. As part of the Workforce programme, we will ensure that an extensive communication and engagement approach is maintained through the 'Supporting People Through Change' workstream. A SharePoint site has been created as a one stop shop for all existing and new manager and staff health and wellbeing resources.
16. Any specific impacts and implications on population health and wellbeing and impacts on preventing ill health or reducing health and social inequalities, will be considered as part of any decision making as the programme develops.

### **Social Value**

17. There are no Social Value implications directly arising from this update report. However, any specific impacts and implications will be considered separately, for example, social value will be a key consideration particularly for the Partnerships, Devolution and Localities programme and will be built into measures of success and impact.

### **Background Papers**

18. Somerset Council Improvement and Transformation Progress Update – October update report to Scrutiny, Corporate & Resources [Agenda for Scrutiny Committee - Corporate and Resources 28 October 2024](#)
19. Somerset Council Improvement and Transformation Progress Update – August update report to Executive 5 August 2024. [Agenda for Executive on Monday, 5 August 2024, 10.00am –](#)
20. Somerset Council Improvement and Transformation Progress Update – July update report to Scrutiny, Corporate & Resources [Agenda for Scrutiny Committee - Corporate and Resources on Wednesday, 24th July, 2024, 10.00 am - Modern Council \(somerset.gov.uk\)](#)
21. Somerset Council Improvement and Transformation Programme – June update, report to Executive 5<sup>th</sup> June 2024. [Agenda for Executive on Wednesday, 5th June, 2024, 10.00 am - Modern Council \(somerset.gov.uk\)](#)



22. Improvement and Transformation Programme, report to Scrutiny Corporate and Resources, 29<sup>th</sup> May 2024. [Improvement and Transformation Programme pdf \(somerset.gov.uk\)](https://www.somerset.gov.uk/Improvement%20and%20Transformation%20Programme%20pdf)
23. Developing the Approach to Transformation – Future Council, report to Executive 8<sup>th</sup> April 2024. [Developing the Approach to Transformation pdf \(somerset.gov.uk\)](https://www.somerset.gov.uk/Developing%20the%20Approach%20to%20Transformation%20pdf)
24. Developing the Approach to Transformation, report to Scrutiny 7<sup>th</sup> March 2024. [Developing the Approach to Transformation pdf \(Somerset.gov.uk\)](https://www.somerset.gov.uk/Developing%20the%20Approach%20to%20Transformation%20pdf)
25. Developing the Approach to Transformation, report to Executive 7<sup>th</sup> February 2024. [Developing the Approach to Transformation.pdf \(somerset.gov.uk\)](https://www.somerset.gov.uk/Developing%20the%20Approach%20to%20Transformation.pdf)

**Note** For sight of individual background papers please contact the report author.

## Appendices

26. Appendix A – Monthly Programme Reporting Dashboard to 11 October 2024
27. Appendix B – Improvement & Transformation Programme Risk Register – position as at 4 October 2024
28. Appendix C – Scope of Improvement & Transformation Programme

## Report assurance

	Officer Name	Date Completed
Legal & Governance Implications	Scott Woodridge Jill Byron	22/10/2024 23/10/2024
Finance & Procurement	Nicola Hix	23/10/2024
Workforce (*)	Dawn Bettridge	23/10/2024
Asset Management (*)	Simon Lewis	N/A
Executive Director	Alyn Jones	23/10/2024
Executive Lead Member	Cllr Theo Butt Philip	23/10/2024
<b>Consulted:</b>	Councillor Name	
Local Division Members	n/a	
Opposition Spokesperson(s)	Cllr Faye Purbrick Opposition Spokesperson for Transformation and Human Resource	Shared on 22/10/2024
Relevant Scrutiny Chair(s)	Cllr Bob Filmer for Scrutiny Corporate & Resources Committee	Shared on 22/10/2024