

REPORT OF: CHIEF EXECUTIVE

TO: POLICY AND RESOURCES COMMITTEE

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TRANSFORMING PENDLE PROGRAMME

PURPOSE OF REPORT

This report represents a key part of the Transforming Pendle governance framework by providing the Policy and Resources Committee with a quarterly review (quarter 2), and a summary of progress to date, for the development and delivery of the Transforming Pendle Programme (Transformation Programme).

RECOMMENDATION

To note the progress to date, and to approve the proposed next steps toward the continued development and delivery of the programme.

REASON FOR RECOMMENDATION

To continue to develop and deliver the Transforming Pendle Programme.

ISSUE

1. The Transforming Pendle Programme is focussed on the development of an approach and delivery mechanism for the more complex organisational initiatives and changes required to deliver on corporate priorities. The Programme is designed to create an organisation that is high performing, financially sustainable and fundamentally customer focussed.
2. This report is the second quarterly review of the development and delivery of the Transforming Pendle Programme. As agreed by the Committee on 21st March 2022 the review is structured around five key themes:
 - Development of the Programme
 - Progress against milestones
 - Financial Savings
 - Key issues for consideration
 - Proposed next steps

Development of the Programme

3. Attached, as Appendix 1, is the current iteration of the Transforming Pendle Programme. It is structured under the three headings of Strategic, Service and Corporate and the relevant projects are grouped under each heading. Each project is highlighted and incorporates initial milestones, details of the responsible officer or officers and current RAG (red, amber, and green) rating to indicate progress.
4. A green rating relates to an activity being completed or a high confidence level that it will be completed as stated. An Amber rating is for a planned activity that is yet to be completed and a Red rating applies when a milestone will not be achieved, and further project support or guidance is required.
5. The programme is updated every two weeks as part of the Leadership and Transformation Board agenda and activities highlighted fully in green are completed and demonstrate the progress since quarter 1.
6. There are two new additions to the programme:
 - Enforcement Review – To ensure a consistent approach to enforcement across all service areas. The review will be scoped out in September and will be a discussion item for the forthcoming Member Reference Group.
 - Business Support Review – To consider the future options for business support and bring forward options for consideration that address the necessary business continuity and consistency of management requirements.

Progress against milestones

7. Overall the programme is on track with significant progress being delivered particularly in key strategic project areas:
 - Liberata – Over recent months, high level discussions with senior level Liberata representatives have created the platform to take forward joint contract discussions. Contract reset workshops commenced 15th September with the initial 'setting the scene' workshop designed to communicate the project overall approach to ensure consistency for each individual service task and finish group. Joint governance arrangements have been agreed and revised service specification proposals will be costed and discussed with the Members Reference Group prior to implementation. The review period has been set at 10 weeks.
 - Leisure Review – Pendle Leisure Trust are now in a position to undertake feasibility on options for a sustainable model for indoor leisure provision. Once the feasibility is complete the Trust will bring forward proposals for the Council to consider. The Trust are also developing proposals to mitigate escalating utilities costs.
 - Waste Management Review – The initial service assessment is complete and the draft report on findings is due at the end of September. The findings will then provide the basis for proposed improvement actions for discussion with the Members Reference Group.

8. An overview of the progress for the programme as a whole is included in appendix 1.

Benefits realisation including financial savings

10. Since the quarter 1 review, work has been ongoing to identify financial savings targets for the programme. To date the target is a range between a low estimate of £1.525m and a high estimate of £2.025m. The range has been applied mainly in relation to the ongoing work with Liberata to reduce contract costs. The target will be set once the Liberata service review is complete.
11. The target range is comprised of:
- £0k - £100k for Corporate Services.
 - £675k for financial management which includes a base revenue budget review. The base budget review has already secured £125k savings in quarter 1 (subject to other pressures outlined in the monitoring report).
 - £0k - £250k for improved contract performance of the Leisure Trust. The utilities position is being dealt with separately at this point.
 - £500k - £1m range for the Liberata contract.
 - A target will also be applied to the Corporate Estate project once the analysis is complete.
12. A key focus for the programme governance and performance framework is an emphasis on benefits realisation. Project benefits need to be clearly identified as part of the project initiation or analysis stages and then tracked throughout the project delivery cycle. Benefits can be service improvement, efficiency and/or financial. In all cases a strong customer focussed ethos needs to be maintained.

Key issues for consideration

13. **Member Reference Group** – It is proposed that the September Member Reference Group considers the scope for both the Enforcement and Business Support reviews. The group will also receive an update on the revenue budget position.
14. **Project Resources** – The refocusing of internal resources continues to be a development area. Some initial changes have been successfully implemented but further coaching and development is required to service the skills and capacity required to deliver the programme.
15. **Communications** – the Transformation communication strategy is in place and working well. Regular updates are being provided via staff briefings and the dedicated Transformation intranet page. The staff suggestion scheme has been well received and is contributing to service improvement on a regular basis.

Proposed next steps

16. **Member Reference Group** – To continue to develop member engagement and co-production through planned agenda items, best practice examples and, where appropriate, site visits.
17. **Financial targets** – To provide regular updates on the achievement of financial savings and, in particular, progress with the Liberata contract review.

18. **Resources** – To continue to refocus officer resources to deliver the agreed programme projects. Any implications will be properly considered and where necessary be subject to business cases.
19. **Communications** – To continue to deliver the communications strategy to encourage staff involvement in the programme.

IMPLICATIONS

Policy

It is likely that some of the projects included in the emerging transformation programme will have policy implications. Once any policy implications are identified it will be the responsibility of the assigned Project Executive to ensure that due process is applied and the necessary agreement is in place prior to the project being delivered.

Financial

The financial implications are referred to in the body of the report and will be tracked regularly as part of the proposed performance management arrangements.

Legal

It is also likely that some of the projects included in the emerging transformation programme will have legal implications. As is the case with Policy any legal implications that are identified will be the responsibility of the assigned Project Executive to ensure that due process is applied and the necessary agreement is in place prior to the project being delivered.

Risk Management

Project Managers will be required to complete and manage a risk management profile for each project they are assigned to. The management approach will include mitigating actions and the escalation of any issues via the agreed governance framework.

Health and Safety

Project Managers will also be required to identify any Health & Safety issues and engage the relevant service specialists to resolve issues or identify safe working practices as required.

Sustainability

Developing a sustainability approach to project design and delivery will be a key component of each project included in the programme.

Community Safety

As above re project management responsibilities.

Equality and Diversity

As above re project management responsibilities.

Appendix 1 – Transforming Pendle Transformation Programme

Theme / Workstream	Milestones	Responsible Officer	Transformation RAG
STRATEGIC			
Liberata			
Commence high level dialogue to reset contractual parameters	Mar-22	Mike Poulter	Green
Engage with Burnley BC to compare and contrast contractual arrangements and service improvements	Mar-22	Mike Poulter	Green
Consider revised terms of reference for contract and agree areas for progress	May-22	Mike Poulter	Green
Agree programme of transformational activity	Jul-22	Mike Poulter	Green
Set high level financial reduction target	June-July 22	Rose Rouse	Green
Agree implementation of joint service reviews	Sep-22	Richard Gibson/Mike P	Amber
Reviews completed	Sept - November 22	Richard Gibson/Mike P	Amber
Incorporate financial reduction into the MTFS	Nov-22	Richard Gibson	Amber
Implementation of revised service models	November onwards	Richard Gibson	Amber
Leisure			
Familiarisation with the strategic studies and current position	Mar-22	Mike Poulter	Green
Site visits to assess configuration and maintenance	Mar-22	Mike Poulter	Green
Joint working with PLT to develop approaches to improve revenue position	Apr-22	Mike Poulter	Green
Joint working with PLT to complete the strategic review and bring forward options for consideration	April - July 22	Mike Poulter	Green
PLT first draft report completed	Jul-22	Mike Poulter	Green
PLT refinement and engagement of draft report	Aug-22	Mike Poulter	Green
PLT to commission feasibility	Sep-22	PLT CX	Amber
PLT preferred option feasibility completed	Dec-22	PLT CX	Amber
PLT business case for option delivery agreed	Dec-22	PLT CX	Amber
Agree methods of implementation and delivery programme	Dec-22	PLT CX	Amber
Agree transitional actions to deliver revenue spend improvements	Jan - 23 onwards	PLT CX	Amber
Environmental Services Review			
Full business analysis of Waste Management to determine transformation activity	Aug-22	David Walker/Sarah AW	Green
Castlerigg commissioned	Aug-22	M Poulter/ D walker	Green
Base data provided to Castlerigg for analysis	Aug-22	D Walker/G Dickson	Green
Service meetings underway	Aug-22	D Walker/G Dickson	Green
Review Report Completed	Set 22	D Walker/G Dickson	Green
Further workstreams identified following business analysis	Sept 22 Onwards	David Walker	Amber
Project workstreams implementation	Sept 22 Onwards	David Walker	Amber
Corporate Estate			
Completion of an initial corporate property review	Jul-22	Julie Whittaker	Green
Identification of target assets to consider repurposing, disposal etc	July - Aug 2022	Julie Whittaker	Green
Prepare options for consideration	Sep-22	Julie Whittaker	Amber
Agree implementation plan	Sep-22	Julie Whittaker	Amber
Democracy & Governance			
Initial analysis of 'as is' position completed	May - June 22	Howard Culshaw	Green
Development of work streams to deliver improved service and efficiencies	June - July 22	Howard Culshaw	Green
Work stream implementation	July 22 onward	Howard Culshaw	Amber
Senior Management Structure			
Consider the future senior management requirements of the organisation	Jul-22	Rose Rouse	Green
Develop proposals for new senior management structure and undertake consultation	Jul-22	Rose Rouse	Green
Implement new structure	Sept - Oct 22	Rose Rouse	Green
Consider alignment of management capacity with existing and emerging corporate priorities	Jan - Mar 23	Rose Rouse	Amber

SERVICE			
Planning			
Initial assessment of services, demand, systems and management	April - May 22	Castlerigg/Neil Watson	Green
Services 'as is' and SWOT analysis completed	April - May 22	Castlerigg/Neil Watson	Green
Report and recommendations completed	May-22	Castlerigg/Neil Watson	Green
Implementation of recommendations	June 22 onward	Neil Watson/Mike Poulter	Amber
Building Control			
Completion of LABC service analysis	Apr-22	LABC/Neil Watson	Green
Service actions agreed	Apr-22	LABC/Neil Watson	Green
Implementation of actions	June 22 onward	LABC/Neil Watson	Green
In House Printing Service			
Service 'as is' completed to properly assess current business model	Aug-22	Daniel M/Mike P	Green
Options developed to inform future service model	Aug-22	Daniel M/Mike P	Green
Options appraisal completed and capital/revenue impacts clarified	Aug-22	Daniel M/Mike P	Green
Preferred option agreed	Sep-22	Daniel M/Mike P	Amber
Implementation of revised model if required	September 22 onward	Daniel M/Mike P	Amber
Pest Control			
Service delivery options developed	Jun-22	Julie Whittaker	Green
Options appraisal completed	Jul-22	Julie Whittaker	Green
Implementation of model	Sep-22	Julie Whittaker	Amber
Enforcement Review			
As is analysis undertaken	TBD	TBD	TBD
CORPORATE			
Base Budget Review			
Development of fit for purpose budget format	March - April 22	Richard Gibson	Green
Baseline review of service budgets completed	June - July 22	Richard Gibson	Green
Budget consolidation and savings identified	Aug - Sept 22	Richard Gibson	Amber
Revised budgets in place	Oct-22	Richard Gibson	Amber
Digitisation			
Progress the identification of digital processes	May-22	Mike P/Kathryn Halton	Green
Confirm next phase of digitisation in tandem with Liberata	Sept 22 onward	Mike P/Kathryn Halton	Amber
Develop delivery plan	Sept 22 onward	Mike P/Kathryn Halton	Amber
Agree implementation	October 22 Onward	Mike P/Kathryn Halton	Amber
Procurement			
Spend analysis	TBD	TBD	Amber
Approach to category management	TBD	TBD	Amber
Business Support Review			
As is analysis undertaken	Sep-22	Mike Poulter	Amber