

**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**CORPORATE SCRUTINY COMMITTEE – TUESDAY, 20  
FEBRUARY 2024**



<b>Title of Report</b>	<b>APPROACH TO TRANSFORMATION</b>	
<b>Presented by</b>	Paul Stone Director of Resources	
<b>Background Papers</b>	<a href="#">General Fund Budget and Council Tax 2024/25</a>	<b>Public Report:</b> Yes
<b>Financial Implications</b>	A proposal to provide funding of £0.5m will be considered as part of the General Fund Budget 2024/25 Report at the Council meeting on 22 February 2024. This will provide resources to support the transformation approach as described in paragraph 2.9 of this report.	
	<b>Signed off by the Section 151 Officer:</b> Yes	
<b>Legal Implications</b>	There are no direct legal implications arising from the report.	
	<b>Signed off by the Monitoring Officer:</b> Yes	
<b>Staffing and Corporate Implications</b>	There are no staffing implications.	
	<b>Signed off by the Head of Paid Service:</b> Yes	
<b>Reason Agenda Item Submitted to Scrutiny Committee</b>	To update Corporate Scrutiny Committee in respect of the work completed to date in progressing and developing the Council's transformation approach.	
<b>Recommendations</b>	<b>THAT THE COMMITTEE NOTES THE DETAILS OF THE WORK COMPLETED TO DATE.</b>	

**1.0 BACKGROUND**

- 1.1 The key guiding principle of the Council's financial strategy is to ensure financial sustainability over the medium term. In setting the budget for 2023/24, the Council identified a funding gap of approximately £4m by the 2027/28 financial year. Significant work has taken place in preparing the proposed budget for 2024/25 which has resulted in a substantial reduction in the budget gap over the medium term. However, there is still a funding gap and the uncertainty of the impact of a proposed business rates reset in 2026/27 remains.
- 1.2 If the funding gap is left unaddressed, it could lead to financial instability, service deterioration and statutory failure. Therefore, the development of a transformation programme will contribute towards closing the funding gap.
- 1.3 Transformation is not just about closing the funding gap, it aims to improve the performance, efficiency and effectiveness of the Council. The fundamental benefit of

any transformation is to ensure better outcomes for citizens, customers and stakeholders.

1.4 Transformation will link to the priorities outlined in the Council Delivery Plan. To support this, officers have completed some preparatory work in readiness to progress transformation work pending approval of proposed funding of £0.5m which will provide resources to support transformation across the Council (see paragraph 2.9 below).

1.5 At its meeting on 4 January 2024, following consideration of the Draft General Fund Budget 2024/25, Corporate Scrutiny Committee requested an update on the Council’s approach to transformation, details of which are set out in Section 2.0 below.

**2.0 WORK COMPLETED TO DATE**

2.1 Alongside the financial challenges mentioned above, transformation is also fundamental to the Council’s values and “One Team, One Council” ethos and contributes to the delivery of the Council Delivery Plan priorities.

2.2 To date, the Chief Executive and Director of Resources have undertaken a number of engagement exercises with the Corporate Leadership Team, members of Cabinet, team managers and a wide cross-section of staff. These meetings took place during Autumn 2023.

2.3 There were seven roadshows where feedback was sought from staff in response to several topics which were:

- You (as an employee)
- Your team
- Your service
- Other services
- The Council
- Transformation Expectations
- Work life and well-being.

2.4 A total of 519 comments were received from the roadshows. The feedback received can be summarised by the following themes which will underpin the approach to transformation.

- Customers
- Organisation and people
- Resources

2.5 Under each theme the intention will be to focus on the following:

CUSTOMERS	ORGANISATION & PEOPLE	RESOURCE
Customer should have a positive experience of Council services whether that is face to face, on the telephone or	Leaders across the Council will lead by example Staff will feel trusted and valued	The Council will be financially sustainable over the medium term

<p>digitally</p> <p>The Council's website is easy to navigate and customer friendly</p> <p>The Council will be honest about what we can and can't deliver recognising that it can't do everything or support what everyone wants</p> <p>Customer feedback will help improve services</p> <p>Customers will be signposted to the services they need</p>	<p>Staff will be empowered to serve customers well Staff will be given the tools to communicate effectively</p> <p>Regular communication with staff will be provided.</p> <p>We will share and celebrate our successes</p>	<p>The Council will have an appropriately skilled workforce</p> <p>Additional capacity will be provided to support transformational change</p> <p>Support functions will have the capacity to provide assistance when it is needed</p> <p>Staff will be given appropriate training to deliver their roles</p> <p>The Council's workforce will be resilient.</p> <p>Investment will be provided where the outcomes improve the customer experience</p>
--	--	---

2.6 The roadshows have provided valuable insights to support the development of the Council's transformation programme, which will be guided by the Transformation Steering Group. The Group has been established which is made-up of internal officers chaired by the Chief Executive. The role of the Steering Group is to ensure that transformation is aligned with the Council Delivery Plan and can be delivered effectively. A copy of the Terms of Reference for the Group is shown at Appendix 1.

2.7 Initial feedback received has highlighted a number of areas where it is felt a transformational approach would deliver efficiencies:

- ICT contracts – rationalising the number of contracts to deliver best value and synergies in operational effectiveness across the Council
- Procurement – delivering best value from contractual arrangements
- Workforce support – reducing sickness absence and agency spend to ensure services operate effectively.
- Service Reviews – detailed in 2.10 below.

2.8 In addition, the corporate leadership team has been invited to submit business cases that demonstrate how their services can achieve significant savings or efficiencies, and contribute to the Council's transformation goals.

2.9 The successful implementation of the Transformation Programme depends on the availability and allocation of adequate resources. This is especially true for the human resources and financial aspects of the change process, as well as other support services such as legal and communications, which require careful planning, management, and evaluation. Therefore, the General Fund Budget Report 2024/25 to be considered by Full Council in February proposes to set aside a sum of £0.5m to provide additional resources to deliver the transformation programme.

- 2.10 There are currently two reviews of services which are in train and will form an integral part of early transformation initiatives, these being waste and parking. Both are expected to deliver savings and efficiencies to support the bridging of the funding gap over the medium term. Outcomes from these reviews will be reported to Scrutiny and Cabinet in due course.
- 2.11 Next steps will be for a transformation programme to be developed subject to agreement of the £0.5m funding by Council on 22 February 2024. Cabinet and Corporate Scrutiny Committee will receive regular progress reports in respect of the Council's transformation approach as part of the quarterly performance and budget reports.

<b>Policies and other considerations, as appropriate</b>	
Council Priorities:	- Planning and regeneration - Clean, green and Zero Carbon - Communities and Housing - A well-run council
Policy Considerations:	Council Delivery Plan Medium Term Financial Plan
Safeguarding:	None.
Equalities/Diversity:	Equality Impact Assessments will be completed where it is appropriate to do so with any of the transformation programmes.
Customer Impact:	None.
Economic and Social Impact:	None.
Environment, Climate Change and zero carbon:	None.
Consultation/Community Engagement:	Engagement with key stakeholders was undertaken during Autumn 2023 to help inform the development of the Transformation Delivery Plan.
Risks:	Failure to deliver savings over the medium term will impact on the financial sustainability of the Council.
Officer Contact	Paul Stone Director of Resources <a href="mailto:Paul.stone@nwleicestershire.gov.uk">Paul.stone@nwleicestershire.gov.uk</a>