

REVIEW OF THE STRATEGIC CHANGE PROGRAMME

1. Executive Summary

- 1.1 At Cabinet on 24 June it was agreed that the Director of Technical Services would carry out an immediate review of the Council's Strategic Change Programme. This report contains the findings and recommendations of that review.

2. Background

- 2.1 Cabinet, on the 24 June 2010, resolved that: *"Given the successful governance and management of the waste and recycling and highways projects the Director of Technical Services carry out an immediate review of the Council's 'Strategic Change Programme' and recommend to the Leader and Deputy Leader of the Council the future scale, content and governance structure for the programme"*. This report sets out the conclusions of that review.

- 2.2 The review was undertaken by the Director of Technical Services by conducting a desk top review of the current process and position, meetings with the Leader and Deputy Leader of the Council, and officers, and followed the 4P's OGC Gateway Process, Gate 0 – Strategic Assessment. The themes of that assessment are:

- 1: Policy and business context ("Strategic Fit")
- 2: Business case and stakeholders
- 3: Management of intended outcomes
- 4: Risk management
- 5: Review of current outcomes
- 6: Readiness for next phase: delivery of outcomes

3. Outcome of the Review

- 3.1 The overall conclusion drawn from the review, was that the ***"Programme delivery confidence assessment was red"***.
- 3.2 Successful delivery of the programme appears at this stage to be unachievable. There are major issues of project/programme definition and management, schedule, budget and benefits delivery, which at this stage do not appear to be manageable or resolvable. The projects/programme needs re-base lining and the overall viability reassessed. Urgent action is needed to ensure these issues are addressed and whether resolution is feasible within the prescribed timescales. The previous identified target of £36.8m is not currently achievable. The following tables indicate the current status of the financial savings identified during the review.

3.3 Table 1: Comparison of potential Strategic Change Programme (SCP) savings versus the budget requirement without taking into account manager's revisions or budget status.

Year	2011/12 £m	2012/13 £m	2013/14 £m	Totals £m
Budget Shortfall (Cabinet 24 June 2010)	24.4	26.9	29.9	81.2
Potential SCP savings (DOF - SCPB 19 April 2010)	Not detailed	Not detailed	Not detailed	36.8
Gap				44.4

Table 2: Comparison of manager's revised SCP savings versus the budget requirement without taking into account budget status.

Year	2011/12 £m	2012/13 £m	2013/14 £m	Totals £m
Budget Shortfall (Cabinet 24 June 2010)	24.4	26.9	29.9	81.2
Managers SCP savings (SCPB 18 May 2010)	5.8	5.2	2.5	13.5
Gap	18.6	21.7	27.4	67.7

Table 3: Comparison of SCP savings with a green assurance status versus the budget requirement.

Year	2011/12 £m	2012/13 £m	2013/14 £m	Totals £m
Budget Shortfall (Cabinet 24 June 2010)	24.4	26.9	29.9	81.2
SCP savings with Green Status (SCPB 16 June 2010)	0.5	No Green statuses	No Green statuses	0.5
Gap	23.9	26.9	29.9	80.7

Table 4: Comparison of SCP savings with an amber assurance status versus the budget requirement.

Year	2011/12 £m	2012/13 £m	2013/14 £m	Totals £m
Budget Shortfall (Cabinet 24 June 2010)	24.4	26.9	29.9	81.2
SCP savings with Amber Status (SCPB 16 June 2010)	2.5	1.9	1.2	5.6
Gap	21.9	25.0	28.7	75.6

4. Summary of Review Recommendations

4.1 Following on from the Review a number of recommendations are proposed as detailed below.

Ref No	Recommendation
1	Strategic fit and importance be recognised. Corporate resources, i.e. Policy, Change, Improvement be directed to delivery of enhanced and enlarged projects/programme
2	Training needs assessment be undertaken to improve understanding of key skills and behaviours needed for successful delivery of projects and programme
3	Approve governance arrangements to align roles and responsibilities and allocate specific named individuals key roles (for which they are held to account)
4	<p>Establish Programme Office adequately resourced to provide the following functions:</p> <ul style="list-style-type: none"> • Advice, support and corporate guidance • Portfolio optimisation (e.g. CAP, CAS) • Capacity Planning/knowledge Management/Best Practice Reviews • Project start-up advice/Benefits Planning • Training and Coaching • Resource Management <p>Servicing of the Programme/Governance Board</p> <ul style="list-style-type: none"> • Assurance framework • Intelligent Board Dashboard

5	Review all existing projects (simplified template?) against “strategic fit” for inclusion in revised programme
6	Enhance “restated” programme with the immediate injection of new, “stretched” or currently unaccounted for projects (subject to “sign off” procedure)
7	Systematically collect, analyse “emerging ideas” for possible “project initiation” <ul style="list-style-type: none"> • Staff • Members • Stakeholders (Link to engagement/consultation exercise) And develop mechanism for greater stakeholder engagement
8	Implement improvised standard Programme Controls to identify in short term <ul style="list-style-type: none"> • Critical Path • Key decisions • Benefits Planning • Stakeholder Communication Plan • Resource Plans In advance of developing more comprehensive programme management systems (37 to 100+)
9	Review of “Enabling” Strategies and plans be undertaken to support improved benefits realisation
10	Develop and Implement Coordinated Change Management Plan to support and enhance the Change Programme and to deliver “The Vision”
11	Address the issue of Change Management and cultural development by the introduction of a bespoke training/development programme
12	Consider “all options” to “buy time”, recognising revised arrangements will take time to develop and deliver. Momentum will undoubtedly build as we progress!

4.2 Successful delivery of the Programme is absolutely dependent upon all of the recommendations being accepted and urgently implemented.

5. The Way Forward

5.1 The Strategic Change Programme needs to be urgently re-assessed, enhanced and recognised programme delivery mechanisms put in place and Cabinet endorses these recommendations to enable work to be undertaken immediately.

- 5.2 Key to the revised arrangements for programme delivery is the establishment of a Programme Board. It is suggested that this Board comprises the Leader of the Council, the Deputy Leader of the Council, the Deputy Leader of the Conservative Group, the Deputy Leader of the Liberal Democrat Group, the Chief Executive, and the lead Chief Officer for the Change Programme. It is suggested that the Director of Technical Services undertakes the role of Lead Chief Officer.
- 5.3 Delegated authority will be given to the Chief Executive, in consultation with the Programme Board, for all matters relating to the Strategic Change Programme.
- 5.4 The overall programme will be co-ordinated and supported by a newly created Programme Office under the control of the Lead Chief Officer. At this stage it is anticipated that the Programme Office will be established by re-allocating existing staff elsewhere in the organisation. Some staff will be permanently re-allocated to the Programme Office whilst others will be incorporated within the Programme Office on the basis of time limited tasks.
- 5.5 It must be clearly recognised that responsibility for the delivery of individual projects will remain with the project lead officers and sponsoring Chief Officers.
- 5.6 It is anticipated that existing resources will need to be supplemented with some specialist consultancy support to set up and run project and programme management infrastructure. This would be on a time limited basis and would also be on the basis of “knowledge transfer” to the organisation. The funding for this external support would be from existing resources within the Council’s efficiency budget.

6. Equal Opportunities/Equality Impact Assessment

- 6.1 These will be assessed as part of the individual project development process.

7. Health implications Impact Assessment

- 7.1 These will be assessed as part of the individual project development process.

8. Community Safety implications

- 8.1 These will be assessed as part of the individual project development process.

9. Local Agenda 21 implications

- 9.1 There are no implications under this heading.

10. Planning implications

- 10.1 These will be assessed as part of the individual project development process.

11. Anti Poverty implications

- 11.1 These will be assessed as part of the individual project development process.

12. Social Inclusion implications

- 12.1 These will be assessed as part of the individual project development process.

13. Local Member Support implications

- 13.1 None

14. Background papers

14.1 None

15. Recommendations

- i) That the recommendations of the review as set out in section 3 of the report be agreed.
- ii) That a Strategic Change Programme Board be established comprising the Leader of the Council, the Deputy Leader of the Council, the Deputy Leader of the Conservative Group, the Deputy Leader of the Liberal Democrat Group, the Chief Executive, and the Lead Chief Officer for the Programme.
- iii) That the Director of Technical Services undertakes the role of Lead Chief Officer.
- iv) That the Chief Executive, in consultation with the Programme Board, be given delegated authority to take all decisions relating to the Strategic Change Programme, including those relating to staffing and resourcing (so far as such decisions are not contrary to the Council's budget).
- v) That a Strategic Change Programme office be established under the control of the Lead Chief Officer comprising existing staff relocated and/or seconded on a time limited basis with specialist assistance as outlined in para 4.6 funded initially from the Council's Efficiency Fund.

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