

EXECUTIVE DECISION

made by a **Cabinet Member**



PLYMOUTH
CITY COUNCIL

REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER

Executive Decision Reference Number – CYP6 13/14

Decision	
1	<p>Title of decision: Key Decision on preparation for and implementation of the Council's Transformation programme</p>
2	<p>Decision maker (Cabinet Member): Councillor Nicky Williams, Cabinet Member for Children and Young People (with responsibility for Transformation)</p>
3	<p>Report author and contact details: Giles Perritt, Head of Policy, Performance and Partnership email: giles.perritt@plymouth.gov.uk telephone: 01752 304407</p>
4	<p>Decision to be taken:</p> <ol style="list-style-type: none">1. Endorse the expenditure and actions taken to date by officers in 2013/14 in preparation and implementation of the council's transformation programme2. Endorse the Programme and Project Summaries for 2014-15 and Outline Business Cases for the Transformation Programme so that they can be developed into full Business Cases for further consideration3. Endorse the Strategic Principles of the Council's Blueprint at Appendix A4. Note that the following agreements have been incorporated within the overall transformation programme:<ol style="list-style-type: none">(a) Co-location with Health initiative, agreed by Cabinet in January 2013, is built into the Outline Business Case for Integrated Approach to Health and Wellbeing;(b) The Redevelopment of the Civic Centre and future accommodation requirements initiative, agreed by Cabinet in September 2013, is built into the Outline Business Case for People and Organisational Development;(c) The Investment in Customer Transformation and Core ICT infrastructure, agreed by Cabinet in September 2012, is built into the Outline Business Case for Customer and Service Transformation;

(d) The ICT Shared Services DELT proposal, agreed by Cabinet in October 2013, is built into the Outline Business Case for the Co-operative Centre of Operations

5. Asks the Co-operative Scrutiny Board to review the Programme and Project summaries and Outline Business Cases for the Transformation Programme to ensure that the Board and Panels are able to play an active part in supporting and challenging the programme as it develops
6. Notes that an independent review is being commissioned to appraise the overall status of the transformation programme including an opinion as to the achievability of the benefits, and that this work will be undertaken over the next three months

5 Reasons for decision:


As (4) above

6 Alternative options considered and rejected:

The Council could wait for Full Business Cases to be developed before publishing further details of the Transformation Programme. This would not however facilitate early involvement of the Co-operative Scrutiny Board and other stakeholders in the development of the programme, and would not support the Council's values. The Council has received and considered external advice relating to governance structures, which have been considered by the Audit Committee. Cabinet members were involved in the development of the strategic principles of the Council's Blueprint, which have been subject to extensive consultation. Previous Transformation decisions made by the Cabinet have now been included in the overall programme, rather than being the subject of separate and potentially non-aligned oversight and management.

7 Financial implications:

1. Ernst and Young concluded in their report that the "new transformation programmes could result in net savings of £34m over three years, based on our experience and examples". In this report, indicative costs and benefits were assigned to each separate strand of transformation amounting to cumulative savings of £49.9m with projected costs of £16.1m. Due to the longer term nature of the transformation, the bigger savings were back-loaded within the three year programme.
2. During the financial year 2013-14, up-front costs for the preparation of the Transformation Programme have been met from the Transformation Programme Reserve. This was created following a recommendation from Cabinet to full Council agreed on 10 June 2013. A further recommendation was made by Cabinet on 3 September 2013 to review earmarked reserves and balances to ensure that the Transformation Reserve was adequate to cover cash flow requirements for the period of 2013/14 to 2016/17. This recommendation was agreed by Council on 16 September 2013. The 3 Year Sustainable Budget report to Cabinet on 10 December 2013 reported a Transformation Reserve of £1.7m, to be fully drawn down by the end of March 2014. The Council bid to the Department for Communities and Local Government in 2013 for Transformation Challenge Award funding in the sum of £500k to support the DELT project. Confirmation will be received on the outcome of this bid before the end of March 2014.

8	Is the decision a Key Decision?	Yes	<p>(Key decisions are normally made by the Cabinet and included in the Council's Forward Plan). (If yes, complete sections below and tick as appropriate and complete section 9)</p> <p>(Contact Democratic Support for further advice.)</p>
9	Is the decision an urgent Key Decision?	Yes	<p>(If less than five clear days' notice before the Cabinet meeting the Chair of the Co-operative Scrutiny Board must sign the report at section 12a and section 12b is completed; if there are more than five days, section 12b is completed)</p>
10	Please specify how this decision is linked to the Council's corporate plan 2013/14 to 2016/17 and/or the policy framework and/or the revenue/capital budget:	<p>When the Council adopted its Corporate Plan in July 2013, the role of the Council's transformational change programme was recognised in addressing the financial challenges that the Council will face over the coming years. In September 2013, the Council supported the implementation of a Council-wide transformation programme to substantially reduce its operating costs and ensure the maximum possible investment in achieving its objectives. The Council was informed that advice had been sought from Ernst and Young concerning the robustness of its financial estimates for future years and the nature and scale of changes that it would have to make to its structure and delivery arrangements to meet its financial challenges and deliver the Corporate Plan. At the same time, the Council adopted a longer term approach to addressing the reduction in funding available to the Council, planning for a balanced indicative budget in each of the coming three years. This approach was considered and endorsed by the Co-operative Scrutiny Board at its meetings of 4 September and 16 October 2013.</p>	
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?		<p>(If yes, ensure that the Chair of the Cooperative Scrutiny Board signs the report at section 12a and section 12b is completed <u>after</u> the sign off codes in Section 18 are completed. The Lead Scrutiny Officer must be consulted before approaching the Chair of the Cooperative Scrutiny Board)</p>
		Yes	(If no, go to section 13)
12a	Signature 	Date	19 th March 2014

	Print Name	DAVID JAMES		
12b	Reason for urgency:	Programme and Project summaries for the 2014-15 phase of the Transformation Programme have just been completed. An urgent decision is now needed to ensure that Cabinet endorses Transformation recommendations and allows the Co-operative Scrutiny Board to commence scrutiny before the end of the municipal year.		
Consultation				
13	Are any other Cabinet members affected by the decision?	Yes		(If yes, go to sections 14 and 15)
				(If no, go to section 16)
14	Which other Cabinet member is affected by the decision?	All Cabinet members		
15	Please confirm that you have consulted this Cabinet member	Yes		
16	Has any Cabinet member declared a conflict of interest?			
		No		
17	Which Corporate Management Team member has been consulted?	Name and title	All Corporate Management Team Members	
18	Please include the sign off codes from the relevant departments consulted:	Democratic Support (mandatory)	DSO61 13/14	
		Finance (mandatory)	mc1314.40	
		Legal (mandatory)	TH0157	
		Human Resources		
		Assets		
		IT		
		Procurement		
Other Information				
19	Is the decision in accordance with an Equalities Impact Assessment?			(For further advice, contact Assistant Director for Homes and Communities, ext. 6716)
		No		
Briefing report				
20	Is the briefing report attached?	Yes		
	List (and include a hyper link to)	As attached report		

	<u>published</u> work/information used to prepare the report.	
	Do you need to include any confidential/exempt information?	no
Background Papers		
	As attached report	
Cabinet Member Signature		
22	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan and Medium Term Financial Plan.	
Signature	Tudor Evans	Date of decision 18/3/2014
Print Name	TUDOR EVANS	