

TRANSFORMATION FUND MONITORING REPORT Q2 2017/18

To: **General Purposes Committee**
Meeting Date: **Audit and Accounts Committee for information 21st November 28 November 2017**

From: **Amanda Askham, Head of Transformation**

Electoral division(s): **All**

Forward Plan ref: **n/a** *Key decision:* **No**

Purpose: **To outline progress in delivery of the projects for which transformation funding has been approved at the end of the second quarter of the 2017/18 financial year**

Recommendation: **It is recommended that the Committee note and comment on the report, including whether the format of the paper gives the right level of detail and information to allow the Committee to fulfil their monitoring role**

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1. BACKGROUND

- 1.1 As part of a new approach to business planning, focused on outcomes, it was agreed that the Council would establish a fund that could be used to resource the costs of delivering transformation, ensuring that finance is not a barrier to change at pace across the organisation. A fund of nearly £20m was established and there is now a programme of schemes which have received funding and are supporting the delivery of saving in the current financial year (2017/18) and beyond.
- 1.2 General Purposes Committee (GPC) has responsibility for stewardship of the fund, approving business cases for new proposals and reviewing progress with existing schemes. In June the Committee received a baseline report describing how each of the proposals would be progressed and monitored and this paper provides the second quarterly in-year monitoring update on expenditure and outcomes to date, the first being received by GPC in September.
- 1.3 In June GPC asked that future reports provide a high-level overview of how proposals were working, using a Red Amber Green (RAG) rating system to highlight where things are on and off-track. The steer given was that individual Policy and Service Committees would review relevant projects in detail as appropriate, with GPC maintaining a strategic oversight role.

2. OVERVIEW OF PROGRAMME

- 2.1 The table at fig. 1 provides a summary for Committee regarding the proportion of schemes which are rated green as 'on track' and those which are amber or red because the delivery of benefits is either delayed or will not be achieved as originally anticipated. The total invested and delivered to date and projected over the lifetime of the programme is provided in overview.

Figure 1: Transformation Programme Overview

RAG Rating	No of Schemes	Investment to Q2 (£000)	Savings/Income to Q2 (£000)	Total Investment Committed (£000)	Total Projected Saving/income (£000)
Green – On Track	12	1140	3177	3777	7190
Amber – Delayed or some risk of under-delivery	4	372	1010	1997	2943
Red – Not projected to deliver as originally planned	2	309.5	12	363	1625
Total	18	1821.5	4199	6137	11758

3. EXCEPTIONS

3.1 The Committee has requested details of schemes which are not on track and the table below therefore provides an overview of;

- investment funding spent and savings secured to the end of the quarter, and how this varies from the original profile
- the total projected saving from the investment, and how this varies from the original profile
- details of the reasons for the variance and any mitigating actions which could be put in place

Scheme Description and Total Investment & Saving		Fund Expenditure to date at Q2 2017/18 (£000)	Savings to date at Q2 2017/18 (£,000)	Total projected Saving from investment	Progress & Commentary	RAG Rating
Commercial Approach to Contract Management (c/r5.001)		267	-0	-2000	<p>This investment supports additional external support in order to identify contract management savings. These will be reflected in underspends on contractual spend and in future business planning savings associated with externally commissioned services.</p> <p>At present there are a number of initiatives derived from this investment that are delivering savings and efficiencies for 2017/18 across the Council. However, these are contributing to service-specific savings targets, rather than delivering savings against the centrally held savings target.</p> <p>With greater governance now in place around the Council’s purchasing and procurement, the Commercial Board is developing a specific programme to identify further savings opportunities from this work in 2019 and beyond.</p>	Red
Invest £000	Saving £000					
400	-2000					

Scheme Description and Total Investment & Saving		Fund Expenditure to date at Q2 2017/18 (£000)	Savings to date at Q2 2017/18 (£,000)	Total projected Saving from investment	Progress & Commentary	RAG Rating
Specialist Support for Adults with Autism to increase their independence (A/R 6.113)		22.5	-12	-20	<p>This scheme has been partially successful but will deliver a smaller financial benefit (£20k) than originally estimated (£72k) –</p> <p>Mitigation work involves expanding the activity to other Vulnerable Adults; monitoring the saving against avoided costs and the demographic expectation.</p>	Red
Invest £000	Saving £000					
50	-72					
Scheme Description and Total Investment & Saving		Fund Expenditure to date at Q2 2017/18 (£000)	Savings to date at Q2 2017/18 (£,000)	Total projected Saving from investment	Progress & Commentary	RAG Rating
Enhanced Response Service: Falls and Telecare (C/R.5.313)		136	-0	-390	<p>This project, which provides a 24/7 hours response service for telecare alerts and falls through our Reablement Teams to older people, is now operational and has responded to a total of 920 calls between April and October 2017.</p> <p>We have a proposal for an ERS Falls Register that will be implemented in February 2018 when the four Falls Prevention Leads are appointed and inducted. This will enable direct access to call ERS for people who have recurrent falls but who have had medical review and falls management optimised.</p> <p>Savings are modelled for 2018/19 onwards so not yet measurable.</p>	Amber
Invest £000	Saving £000					
417	-390					

Scheme Description and Total Investment & Saving		Fund Expenditure to date at Q2 2017/18 (£000)	Savings to date at Q2 2017/18 (£,000)	Total projected Saving from investment	Progress & Commentary	RAG Rating
Enhanced Occupational Therapy Support to reduce the need for double-handed care (A/R.6.165)		11	-166	-252	<p>Project is in progress and delivering savings</p> <p>Progress with the Care Home element of the project has been slower than anticipated, due to a member of the team being off sick for an extended period (now returned). The LD reviews are progressing somewhat more slowly due to the complexity of the cases but where care packages can be changed this is expected to bring significant savings.</p> <p>Amber status reflecting potential need to re-phase savings</p>	Amber
Invest £000	Saving £000					
90	-252					
Scheme Description and Total Investment & Saving		Fund Expenditure to date at Q2 2017/18 (£000)	Savings to date at Q2 2017/18 (£,000)	Total projected Saving from investment	Progress & Commentary	RAG Rating
Sustaining Budgetary performance in older people's services (c/r 5.320)		186	-793	-793	<p>Return on investment is linked to the reallocation of some of the achieved underspend in Older People's and Mental Health Services in 2016/17.</p> <p>This saving is predicated on the services continuing to meet people's needs within the reduced budget allocation. Demographic pressures have recently appeared and are now being managed / mitigated within Older People's and Mental Health Services. The amber status and lower saving projection reflects the growing pressure on this overall budget as shown in the Finance and Performance Report</p>	Amber
Invest £000	Saving £000					
600	-1861					

Scheme Description and Total Investment & Saving		Fund Expenditure to date at Q2 2017/18 (£000)	Savings to date at Q2 2017/18 (£,000)	Total projected Saving from investment	Progress & Commentary	RAG Rating
Children's Social Care Support for young people with complex needs (C/R.5.404)		39	-51	-1508	Investment made in establishing the new hub model of supporting young people with complex needs who are in care and on the edge of care. The model is now live from 1/10/17 delivering outreach support, 4 residential beds and joint working with the police. Further residential beds and other placements (fostering and supported lodgings) will come on stream in Q3. Recruitment underway for clinician and communication support worker and these aspects will be available to the model by the end of Q3. Current forecasting shortfall in 2017/18 due to delayed start of The Hub but still forecasting ability to meet total savings over the next two years.	Amber
Invest £000	Saving £000					
890	-1508					

4. HIGHLIGHTS

4.1 Full details of the schemes which are on track are available as a separate background papers document at the following link: <http://tinyurl.com/y8clbuh4>. Some schemes which are of particular interest in terms of their positive impact on outcomes and savings are highlighted below.

4.2 Adults Transformation programme (C/R.5.319).

The Consortium of CapGemini, iMPower and Grant Thornton have now commenced the Challenge Programme in Adult Services and are on site meeting officers and Members and applying the agreed diagnostic tools to scrutinise all aspects of the Cambridgeshire model. The team are providing new thinking and tools to enhance our demand management strategies – in particular applying behavioural insights techniques to understand how our processes, systems and structures impact on the behaviour of professionals, families and service users. There is a strong and growing evidence base around the potential impact of behaviour insights – for example simple changes to the language we use in our paperwork, the structure of key meetings and the way messages are delivered can make the difference between a care plan which focusses on independence, recovery and strengths and one which reinforces dependence on services. We have not applied this thinking systematically before and are optimistic that it will significantly impact on the level of demand in our services. Initial funding of up to £500k had been approved for this external support – the actual requirement will be just over £400k. There is no direct saving from this first diagnostic phase, but it will help us to develop the model which can respond to the ongoing challenge of rising needs and reducing resources.

4.3 Total Transport (C/R 5.102)

Transformation funding has been used to recruit additional staff to proactively conduct route reviews, look at linkages between transport provision across client groups and develop the most cost-efficient bus journeys possible for the Council.

The latest round of reviews starting from September, is expected to generate savings of around £430,000 a year and this forms part of the overall programme which is on track to deliver the full £840k. As well as generating savings, we are using smart cards and journey monitoring technology to build up a much more sophisticated model of demand for transport. As this develops it will enable further improvements across other transport provision – making our delivery more efficient and improving the experience for service users.

5. ALIGNMENT WITH CORPORATE PRIORITIES

5.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

5.2 Helping people live healthy and independent lives

A key focus of the Transformation Programme is on helping people to live healthy lives and cope more independently of public services. The impact on independence is summarised in

the updates for each proposal document that can be viewed as a separate background papers document at the following link: <http://tinyurl.com/y8clbuh4>.

5.3 Supporting and protecting vulnerable people

The impacts associated with the people living healthy and independent lives are captured within Community Impact Assessments for each proposals within the Business Plan, including these transformation programmes. By successfully delivering transformation we can address the funding shortfall whilst protecting and enhancing outcomes for vulnerable groups. The transformation fund and its impact therefore mitigates the potential need for service reductions which would impact negatively on vulnerable people.

6. SIGNIFICANT IMPLICATIONS

6.1 Resource Implications

The resource implications are captured on the document that can be viewed as a separate background papers document at the following link: <http://tinyurl.com/y8clbuh4> highlighting expenditure from the transformation fund and the actual and anticipated return on investment.

6.2 Procurement/Contractual/Council Contract Procedure Rules Implications

No significant implications – in some instances the procurement process has taken longer than anticipated creating some delay in the expenditure and impact of the transformation investments – these are described within the commentary for each scheme.

6.3 Statutory, Legal and Risk Implications

There are no significant impacts for this priority

6.4 Equality and Diversity Implications

There are no significant implications within this category from this report – individual community impact assessments were completed for all schemes as part of the original business case.

6.5 Engagement and Communications Implications

There are no significant impacts for this priority

6.6 Localism and Local Member Involvement

There are no significant impacts for this priority

6.7 Public Health Implications

There are no significant impacts for this priority

Source Documents	Location
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General Purposes Committee Agenda, Reports and Minutes	https://cmis.cambridgeshire.gov.uk/ccc_live/Committees/tabid/62/ctl/ViewCMIS_CommitteeDetails/mid/381/id/2/Default.aspx
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Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes – Chris Malyon and Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	n/a
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	n/a
Have the equality and diversity implications been cleared by your Service Contact?	n/a
Have any engagement and communication implications been cleared by Communications?	n/a Name of Officer:
Have any localism and Local Member involvement issues been cleared by your Service Contact?	n/a
Have any Public Health implications been cleared by Public Health	n/a: