

MEETING:	CABINET
DATE:	5 APRIL 2012
TITLE OF REPORT:	ROOT AND BRANCH REVIEW PROGRAMME
PORTFOLIO AREA:	CORPORATE STRATEGY AND FINANCE

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

This report provides an update on progress to date on the Root and Branch Review Programme and invites Cabinet to agree the aims, scope and outline methodology for the reviews and that a community consultation exercise is undertaken to inform the Reviews.

Key Decision

This is not a Key Decision

Recommendation(s)

THAT Cabinet:

- a) Notes progress made to date on the Root and Branch Review Programme**
- b) Approves the Root and Branch Review Programme as set out in the Project Mandate document at Appendix 1**
- c) Agrees that a community engagement exercise is undertaken as outlined in paragraphs 17 to 22 in the report**

Key Points Summary

The Root and Branch Review Programme, which forms part of "*Rising to the Challenge*", has been included within the Council's Medium Term Financial Strategy, approved by Council on 3 February 2012. The Council also agreed to allocate £1.16m of the 2012/13 Council Tax grant as a one-off Transformation Fund to support the Reviews and other transformational activity, in particular Adult Social Care.

The Root and Branch Reviews will:

- Build on the Rising to the Challenge framework

- Seek to “blend” delivery of current projects with more fundamental thinking about what we provide in the future
- Place engagement (resident, Member, employee, partner) at their heart
- Follow a common methodology for rigour, challenge and consistency, using five gateways for quality assurance purposes
- Ask fundamental questions about why we provide services, not just how we do things differently and save money
- Ensure that programme support will be developed where possible using existing skills and knowledge, working in partnership with Hoople

To support the objective of engagement, a community engagement exercise is proposed, which will provide an up to date view from residents and partners about the priorities for Herefordshire and a strong foundation for decision making for all the Reviews. There may also be some supplementary locality based consultation on aspects of certain Reviews. This will be alongside other initiatives to ensure employee and Member engagement

The project scope includes all services provided by Herefordshire Council, with strong links to other agencies and sectors as appropriate. The programme will consist of 12 review areas, based on cross cutting themes, undertaken in three phases from April 2012 to September 2013:

1. Housing, Economy and Regulation
2. Older People in Herefordshire
3. Customer Services
4. Herefordshire Streetscene
5. Supporting Vulnerable People in Herefordshire
6. Transport and Travel in Herefordshire
7. Children & Young People in Herefordshire
8. Safer and Stronger Herefordshire
9. Herefordshire’s Environment
10. Learning and Skills in Herefordshire
11. Living & Wellbeing in Herefordshire
12. Herefordshire 2020

The Reviews will also address six underpinning themes: *Localities – Sustainability – Inequalities – Partnerships - Prevention - Support Services.*

For further information see the Root and Branch Reviews Mandate in the Appendix.

Alternative Options

- 1 The proposed aims and scope of the Review programme could be changed to reflect other priorities and/or different approaches. However, it is considered that a Root and Branch programme is essential for the future direction of the Council and to address the financial challenges ahead.

Reasons for Recommendations

- 2 The recommendations are to ensure that there is a clear understanding of Root and Branch Reviews and for Cabinet to approve the proposed Review Programme, including aims, scope and outline methodology and a supporting community engagement exercise.

Introduction and Background

- 3 The Root and Branch Review Programme has been developed to respond to the many challenges that the Council and other public services are facing over the next decade.
- 4 The Review programme will be part of the *Rising to the Challenge Programme*, closely linked to the *Better Services* workstream. The Reviews were also incorporated into the Council's Medium Term Financial Strategy at Council on 3 February 2012. The Reviews will seek to deliver the Council's Vision as set out in the Joint Corporate Plan and will also help to shape the future vision of Herefordshire 2020.
- 5 The aims, scope and methodology for the Reviews have been developed over the past three months through engagement with Members and officers and this is presented for Cabinet approval in the form of a Project Mandate - **Appendix 1**. The key points from the Mandate are set out below.

Key Considerations

Purpose of the Reviews

- 6 Root and Branch Reviews are required for the following reasons:
 - **Building on our achievements** - Rising to the Challenge has helped us to reduce operating costs and to make significant improvements to the way that we work, whilst also protecting front line services. It will remain the framework for the next two years. We will continue to deliver what we have said we will – but we must go much further. We will also continue to strengthen our evolving partnership arrangements
 - **Rethinking the role of public services** - there is a new relationship between Government and local government and between public services and local people, defined by localism and less “top down” prescription. This new paradigm requires us to rethink the role of the Council as a community leader and to review the role of public services in Herefordshire and what we expect people and communities to do for themselves
 - **Facing the challenges ahead** - as a country and in Herefordshire we are facing major changes. These changes involve a bigger financial challenge over the next decade that we must prepare for. We are also seeing many social changes that raise important questions about the role of public services in the future. These challenges require a fundamental review of everything we do, to question whether we need to do things at all and whether there are better ways or new models of service delivery

- **Long term planning** - the Root and Branch Reviews will provide us with a long term vision and plan for meeting the financial and social challenges ahead for Herefordshire. We will look and feel very different and we will be well placed to respond to further changes to 2020 and beyond

Aims of the Reviews

- 7 The Reviews will continue to deliver the Rising to the Challenge Outcomes:
- *Greater Integration*
 - *Increasing efficiency & productivity*
 - *Managing with less funding*
 - *Better outcomes for residents*
- 8 But the Reviews will also deliver three additional outcomes, reflecting the fundamental purpose of the Reviews:
- *Redefine the role of Herefordshire Council and other public services*
 - *Set out the priorities for the next decade*
 - *Rebuild budgets, with clear links between spend and results*

Key Principles

- 9 Root and Branch Reviews will be far reaching and comprehensive. In order to ensure that the Reviews achieve the desired Outcomes and that we have a consistent approach across all the Review areas, five key principles will be adopted by Review Teams:
- **Challenge everything...** *Reviews will question all that we do, why we do it, how we do it, whether others can do it better and how residents can be more self reliant*
 - **Think differently...** *the challenges ahead require a radical rethink about how the needs of Herefordshire residents are met in the future, including different models of delivery and how we use the totality of resources across Herefordshire*
 - **Focus on outcomes...** *it is vital that Reviews focus on the benefits of services for residents and communities and what outcomes will be required for the future*
 - **Evidence based solutions...** *decisions about using resources in the future must be based on evidence of what works and what provides the greatest public value*
 - **Engage and involve...** *at all stages of the Reviews we will demonstrate how services users, employees and partners have been involved*

Scoping

- 10 The Reviews will consist of three phases of 6 months (some flexibility will be required) from April 2012 to September 2013 as follows:

Phase 1 – April to September 2012

- Housing, Economy and Regulation (currently being used as a Pathfinder project)
- Older People in Herefordshire
- Customer Services
- Herefordshire Streetscene

Phase 2 – October 2012 to March 2013

- Supporting Vulnerable People in Herefordshire
- Transport and Travel in Herefordshire
- Children & Young People in Herefordshire
- Safer and Stronger Herefordshire

Phase 3 – April 2013 to September 2013

- Herefordshire's Environment
- Learning and Skills in Herefordshire
- Living & Wellbeing in Herefordshire
- Herefordshire 2020

- 11 The rationale for the Reviews and the key lines of enquiry are contained with the Project Mandate at Appendix 1.
- 12 The discovery, options and recommendations phases of the reviews are expected to last around 5 months. However, some reviews may be shorter and others may be longer, depending on complexity. Delivery of change and improvements will start as soon as practical, but some longer term actions are also likely.
- 13 Reviews will take account of current projects and plans, including any pending decisions. However, short term decisions should be avoided if this is likely to reduce future flexibility.

Methodology

- 14 The outline methodology for the Reviews is set out in the Project Mandate. Reviews will follow a common methodology for rigour, challenge and consistency. The methodology has been designed to ask fundamental questions about why we provide services, not just how we do things differently and save money.
- 15 It is proposed to use five gateways for quality assurance purposes based on:
- *Discovery*
 - *Challenge*
 - *Options*
 - *Proposals*
 - *Delivery and Benefits Realisation*

Cabinet will receive the final report for all Reviews.

- 16 The programme will be delivered by using existing skills and knowledge where possible, working in partnership with Hoople. Additional capacity will be brought in where necessary, using the Transformation Fund.

Community Engagement

- 17 A key principle of the Reviews is engagement and involvement. To support this objective, a community engagement exercise is proposed, which will provide an up to date view from residents and partners about the priorities for Herefordshire and a strong foundation for all the Reviews. It will also link closely to the development of the Vision for Herefordshire 2020.

- 18 The review process will be undertaken in 3 component parts:

1. **The Herefordshire quality of life survey:** This is a quantitative questionnaire based process which has been undertaken a number of times in various forms. The proposed 2012 version will include questions asked in previous exercises, as well as questions which will specifically inform the root and branch review process. The inclusion of the quality of life survey in this exercise will maintain the on-going integrity of the intelligence that the survey provides – allowing for trends over time to be identified.
2. **‘Your community, your say’:** The second process, which will run in conjunction with the quality of life survey, will be a series of qualitative events, using a range of externally supported engagement methods. This will include, for example, group sessions and web forums, which will be used to add more detailed intelligence to the quality of life survey and the root and branch process about issues at a locality level across the whole county. These events will also ensure that key hard to reach sections of the community are given the opportunity to contribute. It will be important to ensure that this component of the exercise is undertaken to a high standard, as it will form the basis for future social marketing activities and will be an essential tool in the development of self-sufficient communities across the county and increasing understanding of localism.
3. **Review Based Engagement:** Where very specific issues are identified and significant changes to services are proposed, bespoke engagement or consultation exercises will be undertaken. These processes will necessarily be iterative and will concentrate on very specific issues and/ or sections of the community. Results from recent consultations will be used where still relevant.

- 19 In order to inform the review programme it is proposed that the engagement exercise is undertaken immediately. The broad timeline for this will be from April-July. The schedule of other planned consultation will be aligned to avoid duplication.

- 20 Resident and partner engagement will run alongside other initiatives to secure employee and Member engagement. In relation to Members, engagement will be through:

- Lead Cabinet Member for each Review
- Overview and Scrutiny Committee
- Local Members – through locality discussions as appropriate

Maintaining good informal communication with and between Members will be a key success criteria for the Reviews.

- 21 Employee engagement will be through a variety of means, including:

- Team Talk
- The “Why?” initiative
- Change Champions network
- Engagement of employees involved in delivering the services for each review

22 A communications plan is being produced to complement engagement – see Appendix.

Transformation Fund

23 The Council agreed to allocate £1.16m of the 2012/13 Council Tax grant as a one-off Transformation Fund to support the Reviews and other transformational activity, in particular Adult Social Care. The criteria and process for the allocation of the Fund is contained in the Project Mandate.

24. The Transformation Fund is designed to help deliver projects which support the emerging root and branch programme and the development of innovative services within the reduced funding envelope for local government. Significant elements of the transformation programme must help the Council deliver financial balance in 2012/13. This is a key risk for the Council going forward.

25. The priorities for the Transformation Fund will be to support:

- a. Delivery of the Root and Branch Review Programme
- b. Projects to implement the outcome from the root and branch review;
- c. Projects that seek to change service delivery and so reduce the longer term costs to the Council of services; and
- d. Projects that support the delivery of financial balance;

Community Impact

26 The Root and Branch Review Programme is likely to have a significant impact for Herefordshire, residents and public services. It is expected that there will be changes to the delivery of services, which will have some impact on all or parts of the community. During the review process, community engagement will be paramount to ensuring that decisions are informed by residents’ views and that the impact of change is understood and is acceptable.

27 As part of the review (at the proposals stage) a Community Impact Assessment will be undertaken to ensure that sustainability, affordability and social responsibility are considered.

Equality and Human Rights

28 An Equality Impact Assessment will be undertaken (as part of the Community Impact Assessment) to ensure a clear understanding about the impact on equality and human rights.

Financial Implications

29 The anticipated financial benefits of this project are as follows:

- **Cashable:** a reduction of in scope budgets, to be assessed at the proposal stage of each Review and contained in the final report to Cabinet
- **Non Cashable:** increased efficiency and productivity from a flexible, resilient organisation that quickly adapts to market demands and delivers relevant and appropriate services to customers to the level of quality expected

30 A Transformation Fund of £1.16m has been established to ensure that the Root and Branch Review programme and other transformational change can be delivered. The approach proposed to access the Fund is detailed in the Project Mandate (Appendix 1).

Legal Implications

31 None identified at present. Legal advice will be taken in relation to each review proposal before it is presented for approval.

Risk Management

32 A Risk Register is being developed for the Review Programme. The current high level risks are set out in the Project Mandate. Risks can be grouped around:

- Resources
- Delivery
- Alignment of day to day operational management whilst undertaking fundamental reviews
- Alignment between Reviews and the Future Vision
- Engagement

Consultees

33 Involvement and consultation to date:

- Cabinet Team
- Herefordshire Public Services Leadership Team
- Senior Management Team
- Leadership Academy

Appendices

Appendix 1 – Root and Branch Review Mandate

Background Papers

Council Budget Papers, 3 February 2012