

Title of report: Transformation Strategy

Decision maker: Cabinet member finance and corporate services

Decision date: 3 April 2025

Report by: Director of Strategy and Transformation

Classification

Open

Decision type

Non-key

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To approve for implementation Herefordshire Council's Transformation Strategy 2025-2028.

Recommendation(s)

That:

- a) The content of the report is noted; and**
- b) The strategy, and associated transformation programme be approved for implementation. Implementation of the strategy and transformation programme will be overseen by the Strategic Transformation Board, and the Director of Strategy and Transformation. Operationally the work will be delivered through themed delivery groups.**

Alternative options

1. The strategy is not approved. This is not recommended as transformation is essential to enabling the council to become an organisation fit for the future. Ongoing transformation activity is also critical to supporting the council to maintain its strong financial position and ongoing service sustainability. Transformation is a key priority, and consistent theme, in the Herefordshire Council Plan 2024-2028.

Key considerations

2. The Transformation Strategy provides the reason for, and strategic framework to deliver, a programme of significant organisational change that will support the council in achieving its wider ambitions and objectives as set out within the Herefordshire Council Plan.
3. The Transformation Strategy ensures that the council has a stated ambition to be an efficient council that embraces best practice, delivers innovation through technology and demonstrates value for money. This work will ensure that we evolve into a council that is fit for the future.
4. The Transformation Strategy outlines an ambitious programme of activity that will enable the council to achieve its vision for the future, and deliver the following objectives:
 - a. Support a financially stable and sustainable Council delivering high-quality, value-for-money services.
 - b. Develop a more commercial approach to service delivery, increasing income generation opportunities.
 - c. Deliver modern, flexible, and outcomes-focused services designed around residents' needs.
 - d. Become more creative and innovative through technology.
 - e. Work in partnership with communities to design and deliver services and support.
 - f. Develop an agile, flexible, knowledgeable, and empowered workforce.
 - g. Promote, share, and recognise good practice and transformational successes.
5. Through the Transformation Programme set out within the strategy, the organisation will improve its capabilities and the way that it uses its resources to provide best value and benefits to its customers and residents. Its aim is to accelerate the process of modernisation across the council – both corporately and across Directorates - and allow the council to continue to deliver high quality, cost-effective services within the context of a challenging external environment. As such our approach to transformation will need to be agile, enabling us as a council to respond proactively to external factors in a way which delivers the best for Herefordshire.
6. This strategy focuses on the strategic activity that the organisation needs to deliver in order to achieve its ambitions for the future. As referenced in the paragraph above, each of the council's individual Directorates also has a role to play in delivering meaningful transformation that's sustainable for the long term. We have well established transformation programmes in Community Wellbeing and Economy and Environment, and our Children's Services Directorate has delivered a successful programme of change and improvement activity resulting in measurable benefits for children, families and the organisation.
7. The transformational activity that will be delivered by Directorates is set out within the Council Plan delivery plan for 2025/26, with the Council Plan and Transformation Strategy being inextricably linked. Transformation programmes, however, do need to be scoped and developed for Education and SEND and Corporate Services with initial scoping workshops highlighting significant opportunities in these areas.
8. This strategy will encourage an inclusive and integrated approach to transformation through a one council approach that makes best use of its people, systems, and processes. The strategy

recognises that staff and Leadership Group are our experts, and leaders will be provided with the skills and tools to deliver and enable change. We will continue to work hard to develop the skills, culture and behaviours required to make change possible. The Strategic Transformation Board has been established to oversee the delivery of the strategy, and the council's Corporate Leadership Team will receive a focused review of transformation monthly.

9. Transformation should be regarded as an on-going process, and therefore this will be a dynamic strategy which will require review and updating on an annual basis in line with the council's annual delivery plans as the mechanism for delivering the Council Plan 2024-2028. The council plan delivery plans and transformation programme are inextricably aligned.

Community impact

10. The Herefordshire Council Plan 2024-28 sets out how the council will make its contribution to the ongoing success of Herefordshire. With the overarching vision, 'Delivering the best for Herefordshire in everything we do', the plan outlines the council's priorities in four areas, transformation is one of four central priorities. Through Transformation we will be an efficient council that embraces best practice, delivers innovation through technology and demonstrates value for money
11. The Council's 2025/26 Delivery Plan commits the council to change and transform the organisation to be fit for the future and deliver the efficiencies required. This year we will develop and launch the Transformation Strategy and implement the strategic and directorate transformation programmes to support delivery of the Transformation Strategy and Future Council Operating Model
12. The council's Transformation Strategy has considered the key characteristics of Herefordshire, as outlined on Understanding Herefordshire (the council's Joint Strategic Needs Assessment). Factors such as rurality, the aging population and social mobility for our young people are key drivers at the heart of the programme we are committed to delivering, with a core theme of the strategy focused on community and partnership.
13. The recommended decision will directly and positively impact the lives of children in care, care leavers and care experienced children and young people. There is specific focus on transformational improvements in children's services within the strategy and the work programme itself.
14. The term 'corporate parent' means the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for children who are looked after by the council. Being a good corporate parent means we should; accept responsibility for children in the council's care; make their needs a priority; and seek for them the same outcomes any good parent would want for their own children.
15. Corporate parenting responsibilities are not confined to elected members. All officers share the responsibility to promote the needs of looked after children. Key responsibilities of all officers are to promote the life chances of looked after children and care leavers in their area of responsibility; and to consider the impact of decision making on looked after children and care leavers.

Environmental Impact

16. The Transformation Strategy and programme of work contained therein sets out an explicit focus on our responsibility to deliver the council's environmental policy commitments. The following success measures have been included within the plan delivery plan for 2025/26 which we will achieve through the delivery of our transformational activities:
 - Value nature and uphold environmental standards.
 - Minimise pollution and maximise biodiversity.
 - Reduce waste, increase reuse, and increase recycling.
 - Work towards reducing county and council carbon emissions, aiming for net zero carbon by 2030 and communities to make the county more resilient to the effects of climate change.
17. Our Transformation Programme also focuses explicitly on the creation of partnerships that will enable Herefordshire to deliver the best for its residents and communities. Together with partner organisations in the private, public and voluntary sectors we are committed to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
18. The development and delivery of any transformational projects will seek to minimise any adverse environmental impact and identify opportunities to improve and enhance environmental performance.
19. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

Equality duty

20. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

 - a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
21. Improving equality of opportunity and access to all residents, businesses and staff, and reducing inequality underpins the transformational activity set out within the strategy. This strategy and the transformational activity we will deliver will better support us to understand our diverse communities and customers and their differing needs. Improved monitoring and understanding of how our service users interact with our services will enable us to improve everyone's customer journey.

22. The associated equality impact assessment that has been completed alongside this strategy (Appendix 2) details how accessibility and interactivity will be improved for all individuals through the use of technology, improved accessibility, and new ways of working. Individual projects within the council's Transformation Programme will complete an equality impact assessment as a fundamental element to planning, decision making and implementation.

Resource implications

23. Whilst our Transformation Programme is focused on getting Herefordshire ahead and improving experiences for residents and businesses, our Transformation Programme has also been established to support the council's financial stability and sustainability through the delivery of savings both recurrent and non-recurrent.

Transformation to support financial sustainability

24. The council's Transformation Programme will support the future sustainability of the council and its services; delivering efficiencies and savings through improvements to systems, processes and enhanced use of technology.
25. Nationally, local authorities continue to face significant financial pressures as demand and cost for statutory services rise, increasing the challenge of prioritising resources to deliver transformation and service improvements. Unprecedented demand for services means we must transform the way we work and transformation activity will play a key role in meeting our financial challenges, closing the estimated funding gap in future years and strengthening financial resilience.
26. The council's Medium Term Financial Strategy will support transformation activity and timely, reliable financial analysis, forecasting and planning will inform how resources are allocated and prioritised to enable change and realise financial benefits.
27. Efficiencies and savings will be delivered through transformation of service delivery, maximising income and service cost recovery, reviewing expenditure and identifying commercial and commissioning opportunities. This activity will focus on:
- **Smarter service delivery:** reviewing how we provide and procure services, improving quality whilst reducing costs to ensure efficient and effective service delivery.
 - **High demand services:** increasing early intervention and identifying cost-effective support solutions to improve outcomes, increase independence for service users and reduce overall demand.
 - **Contract efficiencies:** identifying opportunities to realise efficiencies in commissioned contracts, aligning multiple contracts, recommissioning based on current and future needs rather than historic practices.
 - **Innovative delivery models:** reviewing how we operate and approach service design and delivery, exploring alternative and non-traditional models to deliver activities more efficiently.

- **Process automation:** implementing automation and artificial intelligence technologies, enabling innovation through the use of digital tools to build a data and intelligence-led organisation.
 - **Commercial activity:** optimising commercial activity and the provision of traded services, increasing the value we achieve through our commercial contracts and strategic procurement.
 - **Income maximisation:** identifying opportunities to maximise all sources of income, enhancing traded services, reviewing fees and charges to ensure full cost recovery.
28. Transformation savings will be supported by detailed plans, subject to robust check and challenge to ensure savings are realistic and achievable, and the delivery of financial benefits will be monitored and reported as part of routine budget monitoring arrangements.
29. The Transformation Strategy will ensure that we continue to identify opportunities to ensure a lean, financially stable and resilient council for the future.
30. All transformation savings once approved and verified will be included and monitored within the council's medium-term financial plan and budget monitoring process.

Legal implications

31. There are no specific legal implications in this report. Legal assistance will be provided as necessary to support any transformation programme.

Risk management

32. Strategic and directorate-level transformation is explicit within the council's performance and risk management framework. The council has committed to increasing its risk appetite in relation to transformation to ensure that it capitalises on the key opportunities available to it to support it to deliver meaningful and sustainable change. A key example of this is the integration of AI and wider technologies into council ways of working.
33. Risks associated with objectives and transformation projects will be entered onto the relevant risk register, mitigations and owners identified and escalated as appropriate. The corporate risk register is a living document and reviewed regularly by Corporate Leadership Team, Cabinet and Audit and Governance Committee.
34. The financial challenge and capacity to deliver the corporate priorities, whilst delivering the necessary savings through transformational activity, remains a significant risk; this will be mitigated by ensuring that there is regular oversight and monitoring as detailed in the performance and risk framework.
35. The risks identified in this report have been appropriately recorded on the relevant risk register and escalated in line with the Council's Risk Management Strategy. Governance and monitoring arrangements are in place to ensure these risks are actively managed throughout the programme's delivery.

Consultees

36. The development of the council's Transformation Strategy and Transformation Programme has been reviewed by the council's Corporate Leadership Team, Cabinet Member for Finance and Corporate Services, Cabinet, the Strategic Transformation Board and Directorate Leadership Teams. Recommendations from consultees have been accommodated within the final version of this strategy.
37. Transformation will improve the quality, efficiency and effectiveness of the services provided to residents and businesses. As such, detailed and inclusive engagement plans will be produced to gain detailed customer insight and enable co-production of solutions in line with the programme of work ahead of us.

Appendices

Appendix 1: Getting Ahead: Herefordshire Council's Transformation Strategy 2025 – 2028.

Appendix 2: Equality Impact Assessment

Background papers

None identified.

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	John Coleman	Date 14/03/2025
Finance	Click or tap here to enter text.	Date Click or tap to enter a date.
Legal	Sean O'Connor	Date 13/03/2025
Communications	luenne featherstone	Date 18/03/2025
Equality Duty	Click or tap here to enter text.	Date Click or tap to enter a date.
Procurement	Click or tap here to enter text.	Date Click or tap to enter a date.
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[Note: Please remember to overwrite or delete the guidance highlighted in grey]

Please include a glossary of terms, abbreviations and acronyms used in this report.

