

Future Tandridge Programme Update

Strategy and Resources Committee

Thursday, 30th March 2023

Report of: Chief Executive and Chief Finance Officer (S151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: All

Executive Summary:

This report sets out an update on the Future Tandridge Programme ('FTP').

It provides:

- Progress to date in delivering the Service Reviews, with updates on areas currently in progress.
- An update on Operations Transformation workstream which has been taken to the Community Services committee on 9th March 2023.
- The Direction of travel for Revenues and Benefits for approval.
- The Digital Customer Contact business case for approval.
- Update on key lines of enquiry and resource requirements from April 2023 onwards.
- An update on the progress being made on the Corporate Plan, Organisational Development and Commissioning and the next steps for the Council.

This report supports the Council's priority of: Building a better Council.

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Recommendations to Committee:

In respect of Revenues and Benefits, that the committee:

1. Approve the development of shared services for Revenues and Benefits with Reigate and Banstead Borough Council (subject to equivalent approval by RBBC members), as set out in Appendix B, noting the intention to create a Centre of Excellence across the two Councils.
2. Note that a full business case setting out the detailed proposals will be brought to Strategy & Resources Committee for future approval.

In respect of Digital Customer Contact, that committee:

3. Note that the business case is built around the evidenced principle that savings generated will at least cover the cost of improvement.
4. Approve the Digital investment, set out in Appendix C, with total costs over 5 years set out in the Implementation Options and Costs section:
 - a. The sum of £295k to be added to the Capital Programme to cover the capital element of the investment
 - b. The revenue costs of £35,950 in 2023/24 to be met from Future Tandridge Programme resources set out in section 5 and recommendation 8.
5. Note that timing differences between initial costs and subsequent savings from 2024/25 onwards will be built into the wider Council's budget process.

In respect of the wider Future Tandridge Programme, that committee:

6. Note that Officers will continue to update their business cases where these are required to achieve the target savings and will bring these for Committee approval where necessary over the coming months.
7. Note progress being made on the Corporate Plan, Organisational Development and Commissioning and the proposed next steps.
8. Approve the remaining £250,000 resource investment from capital receipts required for the Future Tandridge programme set out in section 6 and Appendix D to continue the delivery phase of the programme and the delivery of the £1.7m savings forecast for 2023/24.

Reason for recommendations:

This report builds on papers presented to committee previously, in February 2022, September 2022, December 2022 and January 2023. As a public body, the Council is required to set a balanced and deliverable budget and to demonstrate value for money in all its services, whilst operating in an uncertain and restrained financial environment.

The Future Tandridge Programme and Service Reviews are the mechanism for delivering value for money, providing assurance that the Council as a whole, and individual services, are designed to deliver priorities to an agreed quality within available funding.

1. Introduction

This report updates the Committee on the Future Tandridge Plan and provides an update on progress being made on the planned savings for 2023/24.

2. Financial Overview

On 9th February 2023, Council approved the 2023/24 net revenue budget for the Council at £11.935m with a savings target of £1.7m (14%). The savings consist of:

- £1,187k of Service Review savings: As detailed in Appendix A.
- £325k Management Structure Saving: This is the second tranche of savings in addition to £125k delivered in 2022/23, totalling £450k. Of the £325k for 2023/24, £155k has been delivered to-date from the full-year effect of deleted posts. The remainder is subject to a Phase 2 restructure planned in the Autumn.
- £142k Annual Review of Recharges to and from the General Fund: (e.g., to Gryllus, the HRA etc) which is effectively complete.
- **Total £1,654k.**

Work has been ongoing since the approval of the budget to progress the delivery of the savings. Key progress since the budget was set includes:

- The conclusion of Phase 1 restructures and delivery of associated savings in:
 - Communications
 - Customer Services
 - Revenues and Benefits
 - Ops and Localities
 - Housing
- Further work on the Operations and Localities savings, culminating in a report taken to Community Services committee on 9th March 2023 setting out the delivery route for £296k of the £312k savings target.

- Continued work across all service reviews to progress key lines on enquiry, with updates provided in Appendix A.

Phase 2 of the restructure is being planned for June 2023 and will focus on the following service areas:

- Operations
- Assets and FM
- HR
- IT

This second phase is expected to be implemented by October 2023.

Each Service Review and the associated savings are risk assessed and RAG rated on a monthly basis. The latest position is set out in the table, below.

RAG status	RAG rating determination	Staff savings 23/24 £000	Non Staff savings 23/24 £000	Total £000
	Savings delivered	£297	£333	£630
	Clear plans, realistic timescales	£34		£34
	Some risks to delivery or detailed delivery plan still in development	£426	£538	£964
	Significant risks to delivery, delivery plan yet to be agreed		£26	£26
	Totals	£757	£897	£1,654

This review shows that £630k of savings are marked as complete, i.e. all necessary actions have been taken in order to deliver the saving. A further £34k is marked as green. Only £26k in Regulatory Services is marked as red, due to a change in the management leads at TDC and MVDC and the subsequent need for a reset on the savings proposed.

The amber element of £964k reflects the risks to delivery of savings at this early stage before the start of the new financial year. This consists of the following, with further detail in Appendix A:

- £205k in Operations and Localities which is marked as amber whilst the recommendations of committee on the 9th of March are in the process of being fully implemented;
- £170k of Management Structure phase 2 – currently marked as amber as plans are being developed;
- £150k saving from better utilisation of the Homelessness Grant Funding, where certainty will increase over the course of the year as homelessness levels are tracked;

- £112k of Assets and FM savings, which are partly dependent on increased lettings at Oxted and Quadrant, and transfer of responsibility for maintenance to leaseholders. Although plans are in place for this, certainty will only come with additional lettings. A reserve exists to mitigate this risk;
- £75k in Revs and Bens – marked as amber as relies on working with external partners with plans to be developed in detail.
- £70k for Southern Building Control Partnership awaiting partner sign-off at time of writing.
- £182k smaller amounts across the remaining reviews; mainly linked to Phase 2 staffing savings which will become green when the consultation is launched.

Confidence in delivering the Amber savings will grow as the year progresses.

3. Future Tandridge Programme Update

This section of the update is focussed on the Future Tandridge programme and provides an update on the service reviews.

The programme approach was set out in the report to the Strategy and Resources Committee on 1st February 2022.

This identified two broad phases:

Phase 1 - mobilisation and design – c6 months

Phase 2 – delivery – c12 months

Phase 2 of the programme was approved by the Strategy & Resources committee on 29th September 2022 with funding of resources required to deliver the programme objectives approved for the first six months, to March 2023.

Below is a brief recap on the 5 workstreams that is forming the Programme structure through Delivery:

Leadership

- Senior Management restructure – building a new senior management team equipped to lead and deliver the Future Tandridge Programme and its outcomes.
- Corporate Plan – the development of a new corporate vision and a new Corporate Plan to guide the Council from 2024/25.

Organisational and Workforce change

- Implementing leaner management and service structures to deliver the new operating model.
- Creation of a workstream that delivers the staffing savings as determined by the service reviews.
- Developing a consolidated People plan to support the delivery of the FTP.

Operations and Localities Transformation

- A project team has been established to deliver the recommendations set out in the report to Community Services Committee.

Digital and Customer Services Transformation

- A project team has been established to develop the Digital and Customer Services transformation business case and to deliver the plans set out in the document. The business case is provided in Appendix C.

Service Improvement Plans Delivery

- A workstream to oversee the delivery of the remaining service improvement plans and their associated savings.

3.1 Summary of Service Reviews

A summary of progress for each of the service reviews is included as Appendix A, along with a RAG assessment of current confidence in delivery of target savings and the quality and depth of the review undertaken.

3.2 Strategy and Resources Committee

A summary of those services which fall under this Committee has been set out in Appendix A, along with target savings identified for delivery in 2023/24 and options under consideration for future delivery models.

The Committee are asked to consider the direction of travel and the associated savings for these services. Further analysis is required in some areas and, where necessary, business cases will be brought back to a subsequent committee for approval.

3.2.1 Revenues and Benefits

The Revenues and Benefits service has a total savings target of £125k over two years, £100k of which in 2023/24. The £125k savings plan consists of:

- £50k Phase 1 Restructure (complete)
- £50k Joint working with County and other Districts and Boroughs to increase debt recovery (in progress)
- £25k Phase 2 Service review including joint working with neighbouring authorities and increasing automation (in progress).

Joint working with the County and other District and Boroughs to increase debt recovery is under way, led through a working group of Revs and Bens managers across Surrey. The first stage of this, a joint Single Person Discount review, has delivered c.£300k of additional Council Tax revenue for the Tandridge area, of which TDC retain c.11% / £33k. Initiatives such as these which are jointly funded between the precepting and billing authorities will continue to be explored to deliver the remainder of the saving.

Appendix B focuses on work to deliver the £25k of savings associated with working with neighbouring authorities. Although this is a relatively small element of the total savings, the direction of travel will bring opportunities for further cost sharing or income generation, along with increased service resilience.

A direction of travel to pursue a shared approach to Revenues and Benefit services, between Tandridge District Council (TDC) and Reigate and Banstead Borough Council (RBBC), is set out. The intention is to move towards a joint Centre of Excellence for the Revenues and Benefits service. Subject to approval, a detailed plan for implementation will be developed and agreed between the two Councils. Alongside developing a joint approach, work will continue to promote self-service and to automate processing to deliver a faster, more responsive and better value for money service. The service will continue to manage Government and local resident support schemes such as the Household Support Grant and Energy Bills Support Scheme.

3.2.2 Digital & Customer Services

Work has been carried out to develop the business case for Digital and Customer Services Transformation which will provide a strong opportunity to transform the resident experience and customer services through investment in digital technology as presented to the All-Member briefing on 20th September 2022.

The business case provides details of the types of transactions and traffic that is currently processed by Customer Services. Of these calls, some are dealt with directly by the Customer Services team, others are forwarded to the relevant business areas, such as Housing, Planning and Waste and Council Tax for resolution. Analysis has been provided on the time and cost spent in processing these calls. Developing a digital service to residents will reduce this volume of traffic and allow people to carry out their own transactions online instead, reducing the workload to officers in the council.

A key part of the project will be addressing digital exclusion, ensuring that customers who cannot access digital channels can continue to contact the Council and resolve their queries by other means. Reducing the demand on existing channels (particularly the telephone and walk-in queries) is intended to free resources to focus on people who cannot self-serve through digital channels, as well as delivering the savings plan.

Following approval of the business case, a Digital and Customer Services transformation team will begin shaping delivery of the changes required in both systems and Council practices, with regular progress updates provided to committee as part of the Future Tandridge Programme update. The Digital and Customer Services business case be found in Appendix C.

3.2.3 Communications

The Communications Team was part of phase 1 of the FTP. From 1 April a new team structure will be in place for the combined Policy and Communications Team. The Policy function has been aligned with

Communications since summer 2022. The next stage of the FTP was for the service to go through the commissioning cycle, starting with engagement with Councillors about the requirements of the service. A workshop was held in January with Councillors. After this the specification was to be revised and soft market testing to take place, with a report back to Committee in June.

The next stage of implementation is now being aligned with the commissioning framework and timetable for services, which is currently being developed.

3.3 Community Services Committee

3.3.1 Operations and Locality including Waste

An update on the Operations Transformation was developed and shared with Committee members on 9th March.

As a result of the Operations, Locality and Waste service review and the business case taken to committee in October 2022, the Operations Transformation workstream has progressed the following areas:

- Market engagement exercise underway to ascertain marketplace appetite to both the scale of the operation and the procurement process/timescales available.
- Working with existing suppliers to secure savings through altering service provision.
- Collating asset data to prepare an in-house option followed by financial modelling to inform the specification/affordability of service levels, enable modelling of an internal DSO comparator option and ultimately inform any tender information to market.
- Phase 1 staffing restructure launched.

The Operations Transformation workstream have now brought a paper to committee in March, which includes updates on the structure of the service and the future Operations delivery model. The recommendations in this report allowed the delivery of at least £296k of the £312k total. The remaining £16k will be addressed through outstanding elements of the service review.

4. Corporate Plan, Organisational Development and Commissioning update

4.1 New Corporate Plan 2024-2028

The Council's current Strategic Plan expires in 2024. The Plan was developed before the pandemic and with the Council's financial circumstances becoming more challenging in recent years it has not been a plan that the Council has routinely worked to or regularly reviewed.

Having a Corporate Vision and Plan is an essential element of the Future Tandridge Programme. Successful Councils use them to clearly articulate their priorities to a range of audiences including residents and external stakeholders, they also support bids for external funding and for Tandridge will underpin our approach to commissioning.

To kick-off the development of a new Corporate Plan, Councillor and Officer workshops were held in March to start to consider this Council's future priorities. This work will be built on after the Election in May and will include engagement with our external stakeholders. It is intended to have a new Corporate Plan adopted after the Election in May 2024.

From 2024, the new Corporate Plan will be aligned to the budget process – annual reviews of the Plan's objective will coincide with budget setting and service planning, which will in turn inform manager and staff appraisals.

4.2 Organisational Development

Delivering the Future Tandridge Programme will rely on a valued and motivated workforce. Delivering this is particularly challenging during a period of uncertainty underpinned by the financial pressures this Council is facing. Nevertheless, progress is being made in a number of areas.

The development and communication of the Council's core values and behaviours – taking ownership, being committed and supportive, being positive and flexible and encouraging learning and development – is being rolled out and instilled throughout the organisation.

Extended Management Team has been participating in a leadership development programme with the aim of creating greater cohesion and sense of common purpose to the senior leadership team.

A Key Officer Forum (KOF) has been set up, bringing Extended Management Team and middle managers together. The purpose of the Forum is to:

- Improve engagement and 2-way communication with managers and team leaders
- Ensure a consistent management approach and messaging to staff
- Create opportunities for managers to contribute to the transformation programme and corporate working (this includes a rolling programme of Task and Finish group projects, led by KOF, on key issues – the first two being improving the induction process

and the customer experience via the website and customer services)

- Nurture talent by creating opportunities for managers

The KOF are currently participating in a management development programme similar to the one undertaken by Extended Management Team to consider how to work more effectively as one team and to drive effective change. Identifying and nurturing talent from this pool and staff more generally, then considering ways in which we can invest in that, is also being progressed.

Staff Briefings and the introduction of drop-in sessions for staff (including depot staff) to meet with senior managers and discuss any issues they may have continue to ensure internal communications is working effectively.

Finally, the introduction of annual service planning and appraisals is commencing. Appraisal training has been rolled out and this will be the first opportunity for a number of years for all staff to review performance and set SMART and, wherever possible, quantifiable objectives with their manager as well as consider training and development opportunities.

During this year, consideration will be given to introducing performance reward relating to pay from April 2024. This will use the objectives set for 2023/24 as the basis for this. Ensuring any process is fair and transparent will be key.

5. Commissioning

The Service Reviews have applied the broad principles of good commissioning by identifying needs, reviewing key processes, assessing existing skills and capabilities and considering future delivery options.

To summarise the process to date:

5.1 Stage 1 (2022-3)

FTP Service reviews - design and delivery (March 2022 – present)

- Detailed service reviews across most services
- Baseline review of aims and objectives, performance, resources and potential for savings and efficiencies
- Assessment of alternate delivery options
- Has resulted in change / improvement projects in
 - Operations
 - Digital Services
 - Shared service with R&B in Revs and Bens
- Identified gaps in our ability to evidence performance and a need to strengthen capacity and capability to support a commissioning approach

- Aligned work with Heads of Service to move towards a commissioning mindset

5.2 Stage 2 (2023-4)

Building on Stage 1, the next steps for commissioning are:

To strengthen and embed the commissioning approach and our ability to support it on an ongoing basis

- Align to Council priorities through development of the new Corporate Plan
- Create the framework, governance and commissioning function. This will be applying the Local Government Association's (LGA) Commissioning Cycle Best Practice guidelines
- Development of internal skills and capabilities across the Council
- Developing the timetable for commissioning of services, both internal and external, to ensure there is capacity to deliver the programme in a managed way
- Ensuring that the senior management structure supports the delivery of commissioning.

Development of the current service status and the framework will be the key areas of focus during April-May, with an early view of the prioritised timetable for commissioning services for review in June.

In addition to applying the LGA's Best Practice guidance, the Council is working with other local authorities to inform our Commissioning function and ensure it is fit-for-purpose to meet the needs of a small District Council such as ours. In developing our approach, design principles to be considered will include:

- Detailed specifications and data available to enable most effective decisions to be made regarding value for money delivery models
- Commissioning cycle embedded including regular reviews of all delivery options to ensure services are delivered in the right way, whether that be internal, external, shared service or other options such as local organisations
- Robust performance management against outcomes and agreed Service Level Agreements /Key Performance Indicators
- Continuous measurement and improvement of services by regular assessments of performance data

Work is ongoing to develop this Council's commissioning approach using a best practice approach. Work is now taking place to refine the commissioning governance, framework and approach. Members will be regularly updated on progress during Member Reference Group meetings. During April, commissioning workshops will be held with Heads of Service where the focus will be on the current baseline of their service model to identify where gaps may exist in the commissioning cycle, e.g. in data available or commercial capacity.

The outcomes of these workshops will help to inform decision making on the prioritisation of the commissioning of services and the gap analysis on resources. Due to the elections, councillor workshops will be held in June to outline this approach which will include input from other similar sized local authorities who have successfully applied commissioning to their day-to-day work.

6. Programme Delivery – Resourcing

In September 2022, the committee approved the first £250k of a total £500k investment required to deliver this phase of the FTP, including the £1.7m savings target. The latest review concludes that £500k remains the total resource requirement, however the contingency has increased from £28k to £47k. The estimated investment in programme resources required to continue to deliver Phase 2 is detailed in Appendix D. This investment is required to continue to support delivery of the workstreams set out in sections 3 and 4. Work will continue on the programme and the intention is to review skills required to deliver the Operational and Digital and Customer Services transformations and to continue to deliver improvements and efficiencies across services in the council. An updated programme resource forecast will be brought to the next available Committee meeting in June. Forecasts are tracked by the programme team on a monthly basis and members will be kept up to date on developments.

Opportunities are continuing to be given to current staff to be part of the programme team helping to develop and deliver the programme, however there are gaps in skills and capacity in some specialist areas required to deliver the programme successfully and this will continue to need an investment in expert support and to deliver the changes identified through the programme.

An overview of the function of each role is included in the table below. Some of these roles will provide leadership and support to the overall programme as set out below:

Role	Function	Total cost
Programme Advisory role	Role to support the direction and delivery of the programme. Interface with key sponsors – P/T support from SCC	£34,500
Programme Management Office (PMO) and Commissioning support	Maintain overview of progress and ensure consistency in approach, documentation, reporting. Interface with sponsors.	£78,000
Project administration	Admin support through programme / project delivery - attached to PMO – backfill for internal TDC provision	£15,000
Business Analysis	Detailed data, performance and benchmarks, specifically in the area of commercials and contract management.	£70,000
HR advisory	Expert HR advice/support on revisions to working practices, employment terms and staff changes - external support	£20,000
Project delivery Management	Manage detailed development and delivery of individual projects - c1.5 FTE mix of internal resources and external recruitment	£22,250
Subject matter expertise (SME)	Support with expert external knowledge through design, options appraisal - external	£40,250
Contingency		£46,550

Additional roles are required to support the delivery of specific workstreams as set out below:

Org Development / Change Management	Support Organisation and Workforce change workstream through delivery, including staff and stakeholder engagement – external recruitment	£37,500
Operational Services	Drive delivery of improvement plan and market readiness assessment and outsource (subject to approval) – external support	£100,000

Digital Investment	Revenue investment in the implementation of the Digital workstream as set out in the Digital and Customer Services business case	£35,950
		£500,000

7. Next Steps

Subject to any comments from this Committee on the recommendations and direction of travel, Officers will continue to update their delivery plans for the improvements and savings identified. Where appropriate and necessary, revised business cases will be brought to a future Committee for review.

Following approval of the Programme Delivery Resources budget (Appendix D), existing programme roles will be confirmed and recruitment to vacant roles will commence.

8. Comments of the Chief Finance Officer (s151)

It is imperative that the Council has robust plans to deliver the agreed savings programme for 2023/24. This report updates on the progress to date in delivering the planned savings, next steps and the risks associated with delivery of the programme. At this early stage ahead of the financial year, the position is reasonable. Certainty on the amounts flagged as amber will increase as the year progresses and will be reported regularly to committee.

The Council should ensure that the investment in the FTP is sufficient to assure successful delivery, whilst looking to make best use of limited resources, primarily funded through one-off capital receipts. The total resource projection is unchanged from the £500k reported to Committee in September 2022, although the contingency amount has increased moderately by £19k.

9. Comments of the Head of Legal Services

Whilst the FTP represents a significant financial commitment by the Council, this report has no legal implications and the overall programme remains within budget allocation. The delivery of the savings associated with FTP are key to supporting the Council in closing the financial gap in the current and future years. There are a number of proposals within the programme that span several service areas and the FTP is being managed in conjunction with the Councils mainstream savings programme to ensure there is no overlap and that all savings are accounted for only once.

The report outlines that the FTP remains on track to deliver the required outcomes and timelines to cost and budget. However, pressures remain and it will be important to continue to take a robust and consistent approach to governance, but at this time there are no unmitigated major risks.

10. Equality

- 10.1. The Council has specific responsibilities under the Equality Act 2010 and Public Sector Equality Duty. Part of this is to ensure that the potential effects of decisions on those protected by the equalities legislation are considered prior to any decision being made.
- 10.2. Section 149 of the Equality Act 2010, provides that a public authority must, in the exercise of its functions, have due regard to the need to:
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA;
 - advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the EA) and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 10.3. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.
- 10.4. Members should have due regard to the public-sector equality duty when making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome.
- 10.5. Officers will continue to review proposed changes against the initial equalities screening tool prior to final implementation and take mitigating action if necessary.

11. Climate Change implications

- 11.1. There are no direct impacts on environmental aspects in this budget report. Climate change implications will be assessed as part of any changes to Service provision through a business case process.

12. Background papers

- Strategy & Resources Committee 1st February 2022 - [Future Tandridge Programme](#)
- Strategy & Resources Committee 29th September 2022 – [Future Tandridge Programme Update](#)
- Community Services Committee 18th October 2022 – [Community Services Committee – Future Tandridge Programme Update](#)
- Housing Committee 4th October 2022 – [Future Tandridge Programme Update](#)
- Strategy & Resources Committee 1st December 2022 [Draft Budget 2023/24 and Future Tandridge Programme Update](#)
- Community Services Committee 9th March 2023 – restricted papers

Appendix A – Service Review updates

Appendix B – Revs and Bens shared service proposal

Appendix C – Digital and Customer Services business case

Appendix D – Programme Delivery Resource Forecast

Appendix E – Programme highlight report

Appendix F – Programme Risk Register