



CABINET – 6 MAY 2014

**COUNTY COUNCIL STRATEGIC PLAN AND TRANSFORMATION
PROGRAMME**

**JOINT REPORT OF THE CHIEF EXECUTIVE AND DIRECTOR OF
CORPORATE RESOURCES**

PART A

Purpose of the Report

1. To ask the Cabinet to submit the draft Strategic Plan for 2014-18 to the County Council for approval, and to ask the Cabinet to agree the inter-related Transformation Programme.
2. The Cabinet is also asked to consider the comments of the Scrutiny Commission on these two items. The Scrutiny Commission meets on 30 April and its comments will be circulated separately.

Recommendations

3. (a) That the comments of the Scrutiny Commission arising from the meeting on 30 April be considered;
- (b) That the draft County Council Strategic Plan 2014-18 attached as Appendix 1 to this report be approved for submission to the County Council at its meeting on 21 May 2014; and
- (c) That the Transformation Programme attached as Appendix 2 to this report be approved.

Reasons for Recommendations

4. To enable the Strategic Plan to be considered by the Council at its meeting on 21 May 2014. The Plan sets out high priorities and supporting actions and targets for the Council over the next four years which will then be subject to suitable delivery support and monitoring. The Plan aligns with the recently agreed Medium Term Financial Strategy. The Strategic Plan will be supported by the Transformation Programme and by an additional detailed plan for supporting communities. The latter will be the subject of a report to the Cabinet in the next meeting cycle and there will be the opportunity for the Scrutiny Commission to comment.

Timetable for Decisions (including Scrutiny)

5. The Scrutiny Commission is due to consider the attached drafts of the County Council Strategic Plan and Transformation Programme at its meeting on 30 April 2014. The comments of the Scrutiny Commission will be circulated as soon these are as available.
6. Subject to approval by the Cabinet the Strategic Plan will be submitted to Council at its meeting on 21 May 2014 for final approval.

Policy Framework and Previous Decisions

7. The Strategic Plan 2014-18 is a high level plan to support the work of the Council up to May 2018. Subject to approval by the County Council the Strategic Plan will be a key part of the Council's Policy Framework and will underpin performance monitoring and management arrangements. The Transformation Programme is new and, along with the Communities Strategy, will align with and support the Strategic Plan and Medium Term Financial Strategy (MTFS).



Resource Implications

8. The Strategic Plan and Transformation Programme have been developed alongside and in support of the recently agreed Medium Term Financial Strategy. The Communities Strategy is being similarly developed. As such they align with the allocation of resources via the County Council's medium term financial and service planning processes. Delivery of a number of priorities in the Strategic Plan will be dependent on securing funding from a number of sources such as the Local Growth Fund and Better Care Fund and continued supporting funding from a variety of other sources as well as County Council resources. Implementation of the Transformation Programme will aim to achieve £40m of savings required to ensure delivery of part of the MTFS. Implementation of the programme will be supported by a small coordinating Transformation Unit and project resources. An indicative budget has been set aside to support implementation of the transformation projects and achieve the on-going savings required.
9. Whilst the Strategic Plan has been subject to financial assessment the current state of the public finances and likelihood that the Government will need to reduce other funding streams means that there is a higher risk to full delivery than with previous plans. Progress on the Strategic Plan and Transformation Programme will be subject to regular review and reports to the Cabinet and

Overview and Scrutiny Committees as necessary. It is intended that the same will apply to the Communities Strategy.

Circulation under the Local Issues Alert Procedure

10. This report has been circulated to all members through the Members News in Brief Service.

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PART B

Background

11. Local Government is facing major challenges with the most difficult funding position since World War II and major reductions needed in spending. This is as a result of both significant reductions in government funding and increased demand on services, for example as a result of care needs for the ageing population. The net result is that the Council needs to find savings of £110m by 2017/18 with additional savings required in later years.
12. In order to meet this challenge the Council needs to focus its efforts and resources on a number of key priorities to transform services and the way it operates. The two Plans attached as Appendices to this report set out the priority areas on which the Council will focus, the areas identified for transformation and how the Council will work with communities to support the changes.

County Council Strategic Plan 2014-18

13. In line with best practice and sound corporate governance arrangements the Council has for a number of years expressed its high-level corporate and service priorities through a Medium Term Strategy or Strategic Plan. The Strategic Plan provides the main platform for the Council's Corporate Performance Management System and expresses the County Council's high priorities, proposed outcomes and high level targets to 2018. The County Council's Constitution identifies the Strategic Plan as being one of the plans that makes up the Council's Policy Framework and therefore requires the approval of the full Council.
14. The new Strategic Plan sets out 69 priority areas set out under five key themes as follows:-
 - **Leadership and Transformation** – 4 supporting priorities
 - **Enabling Economic Growth** – 14 supporting priorities comprising -
 - Economic– 7 priorities
 - Skills – 3 priorities
 - Transport – 4 priorities
 - **Better Care - Health and Care Integration**
 - Integration and Adult Care – 11 supporting priorities
 - Public health, mental health and sports – 12 supporting priorities
 - **Supporting Children and Families** – 14 supporting priorities
 - **Safer Communities - A Better Environment/Place** – 14 supporting priorities
15. The County Council has for a number of years been in the top 3 performing counties in England and has also delivered improvements in priority areas. Achievement of the priorities and targets in the Strategic Plan will achieve improved outcomes across a range of services and for residents and also ensure the Council maintains its position as a top performing authority.

16. The Strategic Plan identifies a range of supporting delivery plans and actions for each priority together with measures and targets to assess progress and achievements. Underpinning the Strategic Plan are a number of other more detailed corporate and service strategies which set out delivery actions in more detail. Following agreement of the priorities further work will be carried out to ensure existing plans are rationalised and streamlined to focus on their delivery.

Transformation Programme

17. In order to deliver the priorities and to meet the significant financial challenges facing the Council there is an urgent need to transform services and the way in which the Council operates. The Transformation Programme (Appendix 2) sets out how the Council intends to do this. At the heart of the transformation is a renewed focus on the priorities, our customers and our communities, with a determination to put people and outcomes ahead of organisational boundaries and bureaucracy. To achieve this the Transformation Programme focuses on a number of objectives that will be used when redesigning services and will be explicit in service plans to provide a focus for innovation and change:-

- ***To work the Leicestershire Pound*** – reducing cost and maximising funding available to the council and other bodies.
- ***To manage the demand for services through increased prevention*** – reducing pressures on the front line.
- ***To integrate services*** and pool budgets with partners wherever possible – creating better experiences for service users and staff.
- ***To recognise communities and individuals*** – helping active communities deliver better results.
- ***To work effectively*** – in a culture that focuses on priorities, people and outcomes.

18. To meet the financial challenge and the need to deliver services differently the Transformation Programme has two distinct components:-

Service Transformation – aimed at delivering £40m efficiency savings over the next four years.

Enabling Transformation – to deliver the tools and capabilities to support the transformation and the approach to commissioning and service delivery.

19. Each of the objectives will be supported by dedicated projects to secure the necessary transformation, services, and cultural changes required.

Governance Arrangements

20. In order to ensure the necessary transformation in services and the Council new governance arrangements will be required. The overall approach to this will be overseen by the cross-party Transformation Board. The Board comprises the leaders and deputy leaders of the three main political groups as well as the cabinet lead members for major service areas. A copy of the Governance Structure is attached as Appendix 3. The Transformation Programme will also be supported by a new small-scale Transformation Unit

comprising programme and project management resources, business analysts and coordinated access to a range of support expertise including HR, IT, finance, research and business intelligence.

21. Delivery of a number of the priorities is already supported by relevant governance arrangements, partnerships and internal County Council groups including the Local Economic Partnership, the Health and Wellbeing Board and the new Integration Executive. Subject to the agreement of the Strategic Plan and Transformation Programme further work will be undertaken to review and rationalise existing partnerships and governance arrangements to ensure that they are focused on delivery of the new priorities.

Performance Management Arrangements

22. The Strategic Plan targets will be monitored and performance-managed in accordance with the County Council's Performance Management Framework. This will involve regular reports to the Cabinet, Overview and Scrutiny Committees, the Transformation Board, and lead Partnerships. In order to ensure open data the Council will publish regular data dashboards showing progress against the agreed performance indicators and related statistics.

Communications Approach

23. It is intended to produce a more accessible, public facing version of the plans which will be made available through a variety of channels. Further work is planned to cascade key messages to different stakeholders and groups.

Consultations

24. The priorities and approach set out in the Strategic Plan and Transformation Programme takes account of the detailed consultation exercise carried out over summer 2013 to understand resident and stakeholder views, as well as other cost and performance information. Consultations have also been carried out with stakeholders in relation to a number of the priorities which inform the Strategic Plan.

Equal Opportunities Implications

25. The Strategic Plan includes specific priorities aimed at ensuring that the Council maintains its excellent performance in equality and diversity practice and ensuring the delivery of outcomes for particular groups.

Partnership Working and Associated Issues

26. A number of priorities in the Strategy and Transformation Programme will be delivered through effective partnership working with other agencies and with communities and the voluntary sector. The various partnerships and partnership structures are referred to throughout the Strategy. Paragraph 21 above sets out plans to review and rationalise existing partnership groups to ensure that they are focused on delivery of the priorities.

Background Papers

Report to the County Council, 19 February 2014 - Medium Term Financial Strategy 2014/15 to 2017/18

[http://politics.leics.gov.uk/Published/C00000134/M00003961/AI00037151/\\$5aBudgetReportoftheCabinet.docx.pdf](http://politics.leics.gov.uk/Published/C00000134/M00003961/AI00037151/$5aBudgetReportoftheCabinet.docx.pdf)

Leicester and Leicestershire Strategic Economic Plan 2014 to 2020

<http://www.llep.org.uk/SEP>

Report to the Cabinet, 1 April 2014 – Better Care Fund Update

[http://cexmodgov1/Published/C00000135/M00003989/AI00037764/\\$6BetterCareFund.docA.ps.pdf](http://cexmodgov1/Published/C00000135/M00003989/AI00037764/$6BetterCareFund.docA.ps.pdf)

Leicestershire's Health and Wellbeing Strategy 2013-2016

http://www.leics.gov.uk/leicestershire_health_wellbeing_strategy.doc

Report to the Cabinet, 1 April 2014 - Local Transport Plan 3 (LTP3): Second Implementation Plan 2014-2017.

[http://politics.leics.gov.uk/Published/C00000135/M00003989/AI00037768/\\$12LTP3ImplementationPlan.docA.ps.pdf](http://politics.leics.gov.uk/Published/C00000135/M00003989/AI00037768/$12LTP3ImplementationPlan.docA.ps.pdf)

Appendices

Appendix 1 – County Council Strategic Plan 2014-18

Appendix 2 – County Council Transformation Programme

Appendix 3 – Governance Chart

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