

Report of: Director of Fairer Together, Strategy & Change, Chief Executive’s Department

Meeting of:	Date:	Ward(s):
Audit	18/05/2020	N/A

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The appendices to this report are exempt and not for publication as they contain the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

SUBJECT: NEXT STEPS ON STRATEGY AND CHANGE

1. Synopsis

- 1.1 This report responds to the request made by the Audit Committee on 28 January 2020 for a comprehensive paper to include:
 - a. An update on project management work, incorporating changes made by the new manager; and
 - b. An honest reflection of the achievements of the Team to date and what might be improved
- 1.2 In response to this request, this report, and the attached slide pack, provides an overview of:
 - a. The work of the Strategy & Change team in strengthening the Council’s approach to project and programme management through the establishment of a Project Management Office (PMO)
 - b. The findings of a review of the PMO undertaken earlier this year
 - c. The new approach to Corporate Delivery to be rolled out from June in line with the Council’s new Target Operating Model

2. Recommendation

- 2.1 To note the contents of this report and attached appendices.

3. Background

A. What's happened to date? The work of the Strategy & Change team

3.1 Following the LGA Corporate Peer Challenge in 2018, the Council introduced a new Project Management Office (PMO) function within the Strategy and Change team tied to new governance arrangements including the introduction of a Programme Delivery Board chaired by the Corporate Director of Resources. The Peer Challenge report argued that capacity and resource within the Council needed to be re-oriented with a greater focus on programme and project delivery, in order to ensure that projects are delivered and outcomes tracked and reported on. To this end, over the last year the PMO has focused on

- **Delivery** including the following projects

Project	Outcome
Universal Credit	A coordinated programme of work and governance in place to prepare for, manage and monitor the transition of 28,000 households to Universal Credit.
Accessible Transport	Developed key findings on the demand for transport and key drivers of spend, which identified two areas where there was scope to promote more independent travel. This helped secure funding for a dedicated project manager to progress independent travel opportunities.
Customer Transformation	Programme has delivered £100k savings in 19/20, with a further £100k planned for 20/21; identified best practice through benchmarking; undertaken detailed research and analysis on demand.
Supply Chain Review	Early identification of opportunity through gain share, spend controls and category management and classification, enabling £150k of savings in 19/20. A strategic plan is now under development to develop key focus on upcoming contracts for renewal and opportunities around these.
Brexit Resilience	Ongoing Brexit resilience focused on community engagement, support for businesses and funding bids.
Boundary Review	An electoral review recommending new ward boundaries that ensures each councillor represents a similar number of voters. Final recommendations were made and implications considered.
Business Support & Admin Review	Detailed assessment of job descriptions and activity analysis, providing a comprehensive picture of business support across the council and enabling recommendations for savings moving forward.
CCTV review	A review on the current management and maintenance of CCTV at Islington, with a view to move towards a centralised approach, with E&R overseeing this provision as a whole.
Public Realm Transformation	An options appraisal on the system agreed as suitable for the online transformation of Public Realm frontline services (to enable £717k savings over three years).

Bunhill 2	The commissioning of a complete assurance review of Bunhill 2, enabling adequate governance controls to prevent further cost and delay to expected benefits.
Environment & Regeneration strategic review	Close work with SLT through workshops and an away day to develop a draft E&R four-year strategic business plan.
PFI2 contract	Work to enable a seamless, safe and sustainable transfer of the management of more than 4,000 homes back to the council by April 2022.
Homelessness Service restructure	A review is underway of the homeless service's current effectiveness in the delivery of requirements under the Housing Reduction Act (HRA), leading to recommendations and next steps.
Early Help Review	A review to enable the provision of a high quality and joined-up early help service which delivers against government expectations and is consistent with best practice.
Islington Together	Exploration of opportunities with Islington Giving in working together to address priorities in the borough.

- **Savings** including corporate assurance (through a rigorous programme management framework) on delivery of the three-year MTFs (2018/19 and 2019/20) savings. The PMO worked with directorates to ensure clear sight and adequate mitigation on key risks, issues and exceptions.
- **Performance** including corporate performance management and reporting to CMB, Joint Board and Policy & Performance Scrutiny.

B. Taking stock: review and reflections

3.2 PMO arrangements within the Council were reviewed at the beginning of the year, following the arrival of our new Chief Executive, Linzi Roberts-Egan, and the departure of the previous Director of Strategy & Change, Roger Dunlop.

A complete review of the PMO framework was initiated to understand the extent of rigour and assurance in its oversight of the MTFs savings delivery. The review also considered the team's capacity to enhance the PMO scope to include delivery of wider change projects and programmes (in addition to those enabling MTFs savings) and the 2020 Delivery Plan.

Engagement was undertaken through a range of workshops, with 24 directorate project managers, 30 PMO governance representatives and 6 local authorities. Feedback from these showed a significant level of dissatisfaction with existing PMO processes, often being reflected as a tick-box exercise focused on accountability, as opposed to a relationship of assurance focused on delivery.

As part of the review we worked with all directorates to develop a core list of 218 change projects, of which 17% were MTFs savings. At this stage, the 2020 Delivery Plan had not been signed-off, but there would have been some level of overlap between the logged projects and those noted under the Delivery Plan draft.

The review also developed a scoring matrix that enabled tier 1 and tier 2 reporting lines across projects and programmes, ensuring escalation at the appropriate governance forums.

- 3.3 The outcomes of the review chimed with the early conclusions of the new Chief Executive. Although there was good evidence of positive change and impact on a number of key deliverables including on some savings targets, there was a need for:
- a. **A clearer governance framework and grip on corporate delivery** – strategic priorities, financial sustainability and performance – to ensure key priorities were being translated into tangible change for residents
 - b. **A more strategic approach to delivering innovation and change across the Council** – operating as “One Council” to develop solutions collectively around the needs of our residents rather than working in silos, for example, the emerging Fairer Together agenda
 - c. **A more agile, iterative approach to change**, enabling solutions to be developed, tested and adapted at pace rather than a bureaucratic approach which builds in delay and prevents problems being identified until it’s too late

- 3.4 The PMO review concluded just as Covid-19 hit. Over the last few weeks, the Strategy and Change team transitioned with immediate effect into the Covid-19 Response Programme Team.

As part of this new remit, the team supported directorates across the council to:

- Develop detailed business continuity plans for critical services;
- Maintain consistency in response across the council;
- Provide coordination of daily Borough Situational Reports (Sit Reps) and London Local Authority Coordination Centre (LLAC) updates; and

The team also acted as programme leads for 11 workstreams covering immediate response priorities. These included:

- Health and social care: supporting vulnerable groups including older people
- Homelessness: providing accommodation to rough sleepers and people made homeless due to Covid-19
- Employee wellbeing: supporting our staff with safety, mental health, working from home, etc
- Supporting local businesses: a comprehensive programme of advice, guidance and support to local businesses
- Excess deaths: integrated contingency work with parts in preparation for all options
- Deployment: management of closure of non-essential services and deployment of staff to critical
- Data & intelligence: real-time dashboards to inform our response to Covid-19

C. Where next? A new approach to Corporate Delivery

- 3.5 As move out of the immediate response to Covid-19, we are beginning to introduce a new approach to Corporate Delivery informed by the reflections above. This new approach will maintain a clear focus on the commitment to fairness at the heart of the Council. This core

strategic imperative will drive the new target operating model that has been agreed corporately to enable us to balance the requirements of ongoing management of the Covid-19 response with delivery of core services alongside an ambitious agenda for change.

- 3.6 Strategy and Change will be the engine room which drives this approach. Going forward, our role will not be about supporting project management of a long list of projects but about driving the delivery of the Council's strategic priorities. We will start from simple and profound messages that speak to people's internal motivations and drive change across the system, but this will be underpinned by good governance and grip with a focus on delivery of savings to ensure ongoing financial sustainability.
- 3.7 Strategy and Change will support across the three key themes within the new Target Operating Model as follows:
- **Resilience:** managing the response to Covid-19 through a new Resilience programme
 - **Delivering critical services:** introducing a new corporate delivery governance framework focused on strategic priorities, savings and performance
 - **Rebuilding a Fairer Islington:** establishing key corporate change programmes to turn the fairness agenda into tangible change for residents: Fairer Together, Community Wealth Building and Strengthening Team Islington
- 3.8 The first step is to begin the move towards recovery, or "preparing for a new normal" (see Appendix 1). Then we will work with Directorates to develop a set of focused Directorate Delivery Plans setting out strategic priorities, savings programmes and performance goals. From June, we will begin our cycle of monthly Directorate and Corporate Delivery Boards as well as a bi-monthly Delivery Executive, assisted by a new monthly Directorate Delivery Highlight Report to ensure grip, challenge and support for delivery.
- 3.9 In addition, there will be Programme Boards for Resilience as well as the three key corporate programmes, to enable and support innovation and collaboration across departmental silos and drive delivery of change around the needs of residents.
- 3.1 This approach has been signed off by CMB and is currently taking shape across the council. It might be helpful if we report back in September when we will be able to share more detail of directorate and programme plans as required.

4. Implications

4.1 Financial implications:

The Strategy and Change Team lead on corporate assurance for the delivery of MTFS three-year savings programme.

4.2 Legal Implications:

There are no significant legal implications arising from this report.

4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

There are no environmental impacts arising from this report.

4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The Strategy and Change team is focused on delivery of the Council's core commitment to fairness. We see fairness and equality as two sides of the same coin and in driving forward these new arrangements for corporate delivery will ensure that tackling inequality and promoting fairness are embedded in all delivery plans and reflected in key performance goals and indicators that will be reviewed regularly as part of the new corporate delivery framework. Resident Impact Assessments will be completed as appropriate.

5. Reason for recommendations

- 5.1 To update the Committee on the Council's project management work, as requested at the meeting on 28 January 2020.

Appendices – EXEMPT and not for publication

- Appendix 1: Preparing for the new normal slide pack
- Appendix 2: Corporate Delivery slide pack

Background papers: None.

Final report clearance:

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Date

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