

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

| Meeting of: | Date: | Ward(s): |
|--------------------|--------------|-----------------|
| Audit | 25/01/2021 | N/A |

| | |
|------------------------------|------------|
| Delete as appropriate | Non-exempt |
|------------------------------|------------|



SUBJECT: STRATEGY AND CHANGE PROGRESS REPORT

1. Synopsis

1.1 This report responds to the commitment made to the Audit Committee on 18 May 2020 to provide a further update in due course on the implementation of new arrangements for Strategy & Change within the Council. In line with this commitment, this report outlines progress made in three key areas:

- a. Establishing **a new Transformation Unit** as a key driver for change across the Council.
- b. Establishing a **robust new corporate delivery framework**
- c. **Driving forward key transformation programmes**

1.2 It also highlights three key priorities for the next six months:

- a. Establishing **the new Strategic Transformation Board** to drive delivery of key strategic priorities
- b. **Strengthening the Programme Management Office (PMO)** informed by the findings of a recent audit report
- c. **Establishing a new Transformation Network** to embed transformation skills and approaches as a key aspect of the culture change we are aiming to achieve across the Council

2. Recommendation

2.1 To note the contents of this report.

3. Background

A. What's happened since May?

- 3.1 **A new Transformation Unit:** In line with the direction of travel set out to Audit Committee in May, a consultation proposal was approved in June 2020 to create a new Transformation Unit as part of the Strategy & Change function. The new Unit consists of: a Head of Transformation, with six Transformation Programme Leads each aligned to a directorate, a small PMO team of three (Manager, Officer and Apprentice) and two project managers.
- 3.2 The purpose of this new Unit is to drive delivery of the council's strategic transformation which includes the delivery of Medium Term Financial Strategy (MTFS) savings and performance. Transformation Programme Leads are responsible for framing, driving and delivering change for each directorate, against the Council's strategic priorities within a post Covid-19 context. This is supported by a robust PMO framework, setting a strong level of rigour and assurance and enabling confidence on required the strategic change.
- 3.3 We have successfully recruited to all roles, ensuring a diverse team with both internal and external appointments. This has enabled us to reduce our reliance on agency or interim staff within the Strategy & Change function.
- 3.4 **A new Corporate Delivery Framework:** The new Unit has led the introduction of a new corporate delivery governance framework focused on strategic priorities, savings and performance. Close work with directorates led to a set of focused Directorate Delivery Plans setting out strategic priorities, savings programmes and performance goals. From June 2020, our cycle of monthly Directorate and Corporate Delivery Boards commenced, assisted by a new monthly Directorate Delivery Highlight Report to ensure grip, challenge and support for delivery.
- 3.5 This new framework has improved corporate oversight of key projects and programmes as well as maintaining a clear focus on strategic imperatives e.g. the commitment to fairness, and balancing the ongoing management of the Covid-19 response against delivery of core services and an ambitious agenda for change.
- 3.6 **Driving forward key transformation programmes:** Through this framework, Programme Leads are able to ensure a strong level of rigour and assurance across change projects and programmes as set out in the table below. We have highlighted in bold those where we have already made a critical contribution to the design and delivery:

| Directorate/ Programme | Programme area |
|-----------------------------------|---|
| Environment & Regeneration | <ul style="list-style-type: none">• iCo review• Commercial Waste review• Net Zero Carbon Strategy |
| People | <ul style="list-style-type: none">• Equalities in Education• Children's Services Strategy• Children's Services Transformation |

| | |
|---------------------------|--|
| | <ul style="list-style-type: none"> • Adult Social Care Transformation • Care UK review |
| Public Health | <ul style="list-style-type: none"> • Covid-19 LFT testing mobilisation |
| Housing | <ul style="list-style-type: none"> • Integrated Homeless Service • Allocations Policy review • Homelessness Service Transformation |
| Resources | <ul style="list-style-type: none"> • Finance Transformation • HR Transformation • Business Support Transformation • Census 2021 |
| Fairer Together | <ul style="list-style-type: none"> • Integrated Community Wellbeing Offer • Integrated Strategic Commissioning and Investment • Customer Experience |
| Community Wealth Building | <ul style="list-style-type: none"> • Economic Wellbeing • Progressive Procurement • Inclusive Economy & Jobs • Enabling Assets |

B. Priorities for the next six months

3.7 **A new Strategic Transformation Board:** as part of the new Corporate Delivery Framework, the Corporate Management Board has been meeting as a Corporate Delivery Board monthly since June 2020 to support enhanced grip and pace of our change and improvement projects. This proactive and consistent oversight of our change priorities has been positive. However, there have been updates from over 50 projects and programmes at each Board meeting, preventing in-depth quality conversations about key priorities and challenges. We have therefore adapted the approach accordingly with a new Strategic Transformation Board, which was introduced in December.

3.8 The new Strategic Transformation Board ensures focus on key strategic transformation programmes for the Council as per the following cycle:

| Month 1 (rolling) | Month 2 (rolling) |
|---|--|
| Fairer Together Challenging Inequality Community Wealth Building New Zero Carbon | Adults Transformation Children's Transformation Housing Transformation Corporate Transformation |

3.9 This replaces Corporate Delivery Board and encompasses a wider membership including the Chief Executive, Corporate Directors, key directorate staff and Transformation Programme Leads. The ultimate focus is on programme strategy, accountability and impact, moving away from routine updates on standard templates and towards tailored updates to fit the nature of the programme and its challenges.

The first Board took place on 15 December 2020 and was constructive in terms of moving forward delivery of the key programme discussed.

3.10

Strengthening the PMO: Internal audit undertook a review of the redesign of the council's PMO in summer 2020. It focused on seven key risks (governance; information management; change control; communication and training; project management capability; learning & assurance; streamlined reporting) and the existing change control environment against each of these. The review concluded that although the recent PMO redesign had laid a foundation for a more robust and effective PMO functions, aspects of the PMO redesign required enhancement to ensure a sufficient control environment.

3.11

The following recommendations were made:

- The development of a lessons learned framework
- Consistent reporting across all levels of governance
- Clear risk management framework across the change portfolio
- Holistic view of project management capabilities across the council's change portfolio
- Mandatory use of RAID (Risks, Assumptions, Issues, Dependencies log) under the PMO toolkit
- Clear risk escalation framework across the council's change portfolio
- Training and communication on changes to the redesigned PMO function to be extended to delivery teams

3.12

The Transformation Unit has accepted all recommendations and is in the process of developing an action plan to implement these, ensuring the PMO can more effectively facilitate successful change across the council.

3.13

A new Transformation Network: A clear PMO gap arising from the recent audit was a holistic understanding of project management capability across Islington and resultant skill gaps. This can result in inconsistent management of change projects and programmes across the council.

3.14

Furthermore, there is often an immediate request for project management support in moving forward key transformation priorities. The Transformation Unit are unable to always resource these requests due to restricted capacity. This can result in either delay to transformation delivery or the recruitment of interims as a quick solution.

3.15

The Islington Transformation Network will address both these issues, and is currently under development to commence early next year. The Network will have two core purposes:

1. To enhance project management capability and capacity across the council
2. To create a flexible pool of project managers to drive forward key transformation priorities

- 3.16 As well as increasing our capacity to manage change, this network will also support staff with career progression through a monthly learning offer alongside development opportunities that enable them to lead or contribute to specific projects.

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 provide a further update to the Committee on the Council's Strategy & Change work, as promised at the meeting on 18 May 2020.

Background papers: None.

Final report clearance:

Signed by: Amy Buxton Jennings

Date: 4 January 2021

Director of Fairer Together, Strategy and Change

Report Author: Amy Buxton Jennings and Ayesha Hakim Rahman
Tel: 020 7527 2340
Email: ayesha.hakimrahman@islington.gov.uk