

Forward Plan reference number: Not applicable

Report title: Support Services Programme – Drawdown from Reserves	
Report to: Councillor Christopher Whitbread – Cabinet Member for Finance, Resources and Corporate Affairs	
Report author: Amanda Moore – Programme Director	
Date: 03/11/22	For: Decision
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County Divisions affected: All Essex	

1. Everyone's Essex

- 1.1 Everyone's Essex, our organisation strategy, sets the vision for services for our residents. In order to enable our front-line services to deliver against this vision, particularly in the face of challenges around increasing demand for services, high inflation and the cost-of-living crisis, Essex County Council (ECC) requires efficient and effective support services.
- 1.2 Support services ensure ECC's effective operation, for example paying suppliers and employees and ensuring ECC's long-term vision and strategy is effectively set out and delivered.

2 Recommendations

- 2.1 Agree to the drawdown of £743,000 from the Transformation Reserve as follows:
 - £515,000 in 2022/23
 - £228,000 in 2023/24

3 Background and Proposal

- 3.1 Support services in ECC are primarily delivered through three distinct functions: People and Transformation, Corporate Services, and the Chief Executive's Office. However, there are also examples of support services being delivered directly through other functions (for example performance reporting or communications).
- 3.2 ECC has undertaken an exercise to explore opportunities for further modernisation of support services. This activity included engagement with internal customers and employees, as well as system leaders and external consultancies to discover future trends and opportunities across the sector and wider commercial practice.
- 3.3 Several opportunities that would enable more effective delivery of support services were identified as part of this research:
 - 3.3.1 To place greater focus on delivery of outcomes and cross-system working (including with partners) would enable economies of scale to be achieved and greater success in the delivery of solutions
 - 3.3.2 To create greater cohesion across functions that provide support services, including a shared purpose, culture and skillsets that can adapt to meet future requirements
 - 3.3.3 By increasing emphasis on cross cutting processes and consideration of end-to-end user journeys ECC could build on existing process simplification work to streamline and improve user experience
 - 3.3.4 To drive further digitisation activity, including automation of transactions would improve efficiency and productivity
 - 3.3.5 To enhance the role support services have in connecting the dots to enable more proactive decision making through integrated data sets.
- 3.4 The Support Services Programme has been initiated to deliver the opportunities identified. It will consider future support service requirements and how they are delivered, informed by the needs of the customer and employees.
- 3.5 It will also deliver a number of activities to respond to immediate organisational financial pressures and increasing demand on support services.

Delivery Approach

- 3.6 It is expected that it will be an iterative programme that is able to respond to emergent themes as activity progresses. The Programme is likely to have multiple phases. 12 internal employees have been assigned to the programme and it has been identified that there is a requirement for external resource to

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provide specialist skills, to accelerate opportunities, and to assist to develop a business case.

3.7 The first phase of the programme will focus on opportunities that will have immediate impact on service delivery. They are as follows:

3.7.1 Digitisation and Simplification: Driving efficiency and improved productivity through simplifying and automating processes, including cross-cutting processes and whole user journeys to deliver streamlined user experience.

3.7.2 Operating Model: To assess whether current model is fit for purpose, considering customer needs, future trends for support services and ongoing local government / system wide reform

3.7.3 Culture: Understand and the design the culture needed for a cohesive, aligned support service model, including values, behaviours and mindsets, to sustain new ways of working and foster a strong workplace culture.

3.7.4 Performance reporting: Use data effectively in strategic decision making to provide greater integrated insight for services.

3.8 Later phases of the programme will be defined as the programme emerges and any request for decisions or funding will be subject to subsequent decisions.

3.9 It is proposed to draw down £743,000 from reserves to support the first phase of the programme. The table below outlines how the funding will be used.

Workstream	Requirements	Supplier/Resource	Cost
Digitisation	Procure partner to build proof of concept automation / define pipeline of automations.	TPX impact – in place (6 weeks) and employee costs	£77,000
Process Simplification	Procure partner to provide specialist support and accelerate process simplification opportunities	External supplier (6-month commission) and employee costs	£121,000
Operating Model	Procure partner to provide specialist support and accelerate work	External supplier (c. 12 weeks) and employee costs	£72,000
Culture	Provide specialist expertise for current and future state work	Employee costs	£65,000
Performance Reporting	Procure partner to provide specialist support and accelerate work	External supplier (c.8 weeks) and employee costs	£67,000
Programme Leadership/ Management	Programme co-ordination, change management, workstream management and dependency management across workstreams	Employee costs (until June 2023)	£250,000
Discovery exercise	Activity completed	Employee costs	£91,000
Total			£743,000

3.10 The following are the anticipated Key project milestones:

Milestone	Date	Owner
Automation prototype complete and key lessons captured	Dec 22	Director of Service Transformation
Programme Delivery initiated (team members onboarded)	Jan 23	Support Services Programme Director
Operating Model As-Is analysis complete	Feb 23	Support Services Programme Director
Performance Reporting analysis complete and recommendations identified	Feb 23	Director of Policy
Process Simplification analysis complete and recommendations identified	June 23	Director of Service Transformation
Business Case approval	June / July 23	Sponsoring Group

3.11 The external resource will be procured in line with ECC's internal procurement policies.

4 Links to our Strategic Ambitions

4.1 This report and subsequent improvements to support services at ECC will enable the delivery of the following aims in the Essex Vision:

- Enjoy life into old age
- Provide an equal foundation for every child
- Strengthen communities through participation
- Develop our County sustainably
- Connect us to each other and the world
- Share prosperity with everyone

4.2 Approving the recommendations in this report will not have an impact on the Council's ambition to be net carbon neutral by 2030

4.3 Effective support services will enable the delivery of the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':

- A strong, inclusive, and sustainable economy
- A high-quality environment
- Health wellbeing and independence for all ages
- A good place for children and families to grow

5 Options

5.1 Recommended Option: to fund £743,000 to allow the development of a business case.

- 5.2 Deliver using internal resource (Not Recommended): In this scenario ECC would need to de-prioritise operational activity and in-flight transformation activity in order to resource. In addition, there are specialist skills required in the delivery of some of the workstreams which ECC does not possess, so would need to supplement team with specialist contractors.
- 5.3 Do Nothing (Not Recommended): In this scenario it is possible support services will not be able to effectively enable the delivery of Everyone's Essex.

6 Issues for consideration

6.1 Financial implications

- 6.2 The cost of the additional FTE and other resources for the project is anticipated to be up to £743,000 until June 2023. Expenditure will be monitored closely, and funding will only be withdrawn as it is required. This is only the first delivery phase of the project, and it is expected that there could be further programme investment for the future phases in 2023/24 of the order of £1.1m, subject to a future Business Case in June 2023.
- 6.3 There are already proposed and existing support service savings in the Medium-Term Resource Strategy for 2023/24 of £3.7m. £500,000 of these savings are dependent upon this investment. It is expected that this programme will identify further cashable savings which will be captured as part of the 2024/25 budget setting process.
- 6.4 It is anticipated that the financial benefits will be realised in a number of areas, including as a result of changes in the operating model and efficiencies delivered through digitisation (including automation of manual processes) and process simplification.
- 6.5 Financial benefits will become better defined as workstream activity is conducted, with the next iteration of the position expected to be articulated in June 2023 (Business Case).
- 6.6 £91,000 of the funding is being sought to retrospectively cover the cost of two positions who has been working on the discovery phase of the project between April and October 2022. An analysis of the funding requirement can be found in section 3.12.
- 6.7 The external support will be agreed on a work package basis which will be agreed by the sponsors, linked with the voice of the customer findings.
- 6.8 It is expected that the additional staff being brought in to support this project will be on fixed term contracts or day rates, therefore this should not create any permanent pressure on the Council.
- 6.9 Appropriate governance will be sought for any further work at the point a business case is finalised.

6.10 Legal implications

- 6.11 The Council's financial regulations state that all drawdowns from reserves must be approved by the Cabinet Member for Finance.
- 6.12 Drawing down of money from reserves does not authorise any expenditure that is a key decision or any significant changes to ECC services or funding which must be authorised by the relevant Cabinet Member.

7 Equality and Diversity Considerations

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8 List of Appendices

- 8.1 Equality Impact Assessment: EQIA409671517

9 List of Background papers

- 9.1 Not applicable

I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs	05.12.22

In consultation with:

Role	Date
Executive Director for People and Transformation	
Executive Director for Corporate Services	
Director for Policy	
Nicole Wood	11/11/22
Pam Parkes	09/11/22
Richard Puleston	06/11/22
Pam Parkes, Nicole Wood, and Richard Puleston	
Executive Director, Corporate Services (S151 Officer)	
Stephanie Mitchener	17/11/22
Stephanie Mitchener on behalf of Nicole Wood	
Director, Legal and Assurance (Monitoring Officer)	
Laura Edwards	28/11/22
Laura Edwards on behalf of Paul Turner	