

adapt | grow | thrive

Transforming Southampton City Council

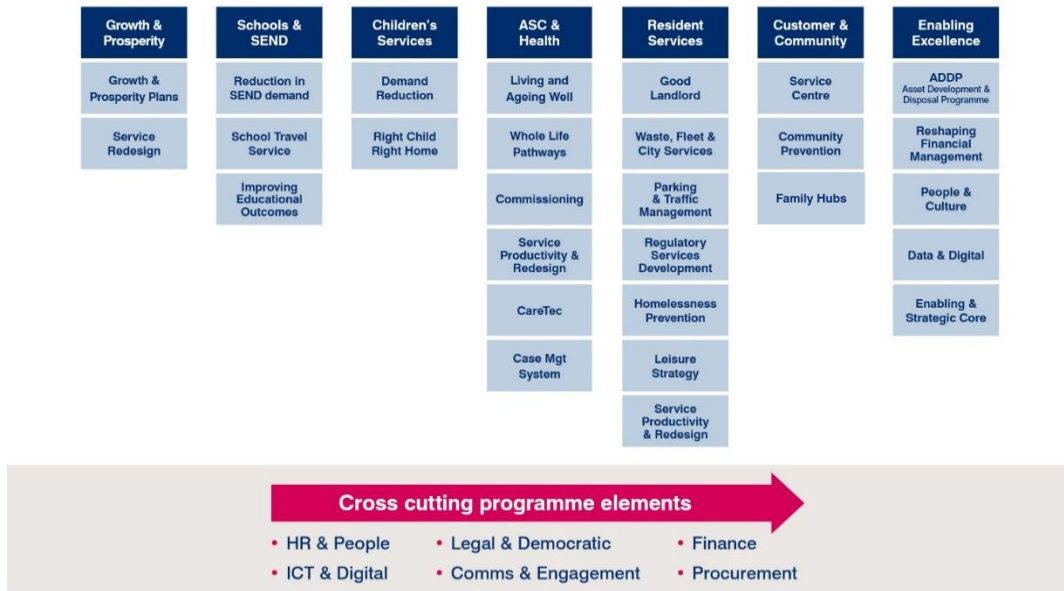
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Executive summary

To address the range of challenges that Southampton City Council (SCC) faces, including a significant structural budget deficit, we are delivering change across the organisation through a single Transformation Programme called **adapt | grow | thrive**.

As set out in July of this year, the content and delivery of the programme is organised within seven Portfolios, containing a total of 28 programmes of activities



Each Portfolio’s overall savings expectation have been revised since July, following the further development of individual business cases. As part of the governance process, each Portfolio reports overall performance and progress monthly into the Transformation Board, including an overall ‘RAG’ (Red, Amber, Green) rating. The revised savings expectations for each Portfolio, along with its current overall RAG status, is summarised in the table below. Further information is given in the “Current Portfolio Status” section of this report.

Portfolio Name	Current Expected Saving	Original Expected Saving	Current Overall Portfolio Rating
Adult Social Care & Health	£17.25m	£14.65m	Green
Children’s Services	£8.4m	£7.9m	Green
Customer & Community	£2.0m	£1.0m	Red
Enabling Excellence	£2.84m	£4.0m	Amber
Growth & Prosperity	£3.75m	£2.0m	Amber
Resident Services	£11.77m	£11.3m	Amber
Schools & SEND	£3.67m	£1.8m	Amber
	£49.68m	£42.65m	

As our transformation plans have been further developed, we have started to identify the areas where the introduction of improved working practices means we can deliver services more efficiently, potentially resulting in a reduction in the required number of establishment posts and people that the council employs. At this time, we estimate a range of potential establishment post reductions of 136-168 Full Time Equivalent (FTE) posts. This number includes posts that are currently vacant. This is against an overall establishment of approximately 3,100 FTE. Where currently understood, the number of currently vacant vs. occupied posts has been assessed. Based on current information, this gives a potential reduction of between 67-99 FTE occupied posts. This is set out in more detail in the “Workforce Implications” section of this report.

Overall savings opportunities totalling c£50m have now been identified across the Medium-Term Financial Strategy (MTFS) period. We have also revised the high-level RAG assessment of the overall savings expectations for the Programme, factoring in current levels of delivery confidence based on the development and delivery status of each programme.

Portfolio	Expected Saving	Finance Confidence £m		
		Green	Amber	Red
ASC & Health	£17.25m	£17.25m	£0.0m	£0.0m
Children's Services	£8.4m	£8.4m	£0.0m	£0.0m
Customer & Community	£2.0m	£0.39m	£0.09m	£1.52m
Enabling Excellence	£2.82m	£2.12m	£0.0m	£0.7m
Growth & Prosperity	£3.75m	£2.04m	£0.0m	£1.72m
Resident Services	£11.77m	£2.48m	£7.28m	£2.0m
Schools & SEND	£3.67m	£3.67m	£0.0m	£0.0m
Total	£49.66m	£36.35m	£7.37m	£5.94m

July Position	£42.65m	£23.08m	£11.9m	£7.67m
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We also recognise that this is a multi-year programme and as such, not all savings will be delivered at the same time, in a single year. Our current assessment of how the financial benefits of the programme will be realised over time is as follows and is set out in more detail in the “Expected Savings” section of this report.

Financial Year (Green & Amber) £m	24/25	25/26	26/27	27/28	28/29
Total Savings Identified (Cumulative)	£9.02m	£33.67m	£41.25m	£43.42m	£43.72m
Annual Incremental Total	£9.02m	£24.65m	£7.58m	£2.17m	£0.3m

July Position – Total Savings (Cumulative)	£7.3m	£32.1m	£39.4m	£41.2m	£41.6m
July Position – Annual Incremental Total	£7.3m	£24.8m	£7.3m	£1.8m	£0.4m

Based on the projects and programmes set out across our Transformation Programme we believe we have identified a path to closing the structural budget deficit, with work already well underway and delivering savings this year.

Introduction

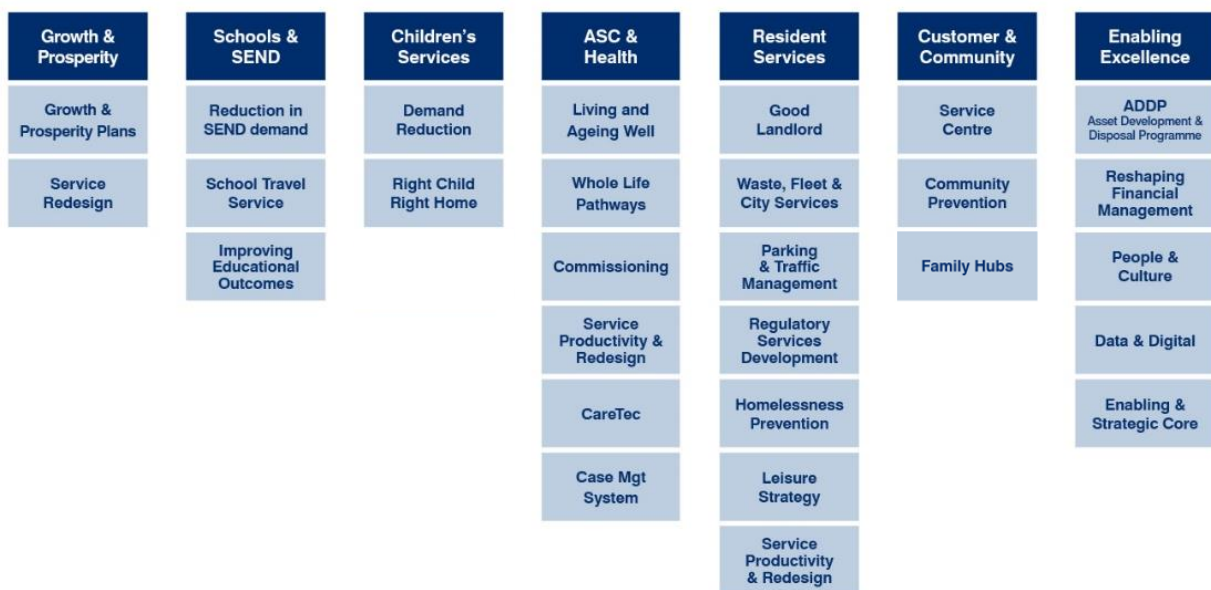
This report sets out the current status of our council-wide Transformation Programme, **adapt | grow | thrive**, including the key progress and next steps expected. It also sets out the updated financial benefits now expected to be delivered and provides an initial view of the potential impact this could have on the number of establishment posts within the council.

Programme Overview

Portfolio Structure

As set out in the Transformation Update report that was presented to Cabinet in July of this year, the programme is organised across seven service-focussed Portfolios, supported by cross-cutting supporting workstreams, around areas such as HR & People, Procurement, and ICT & Digital support.

The content and delivery of the programme is defined through 28 business cases. The overall make-up of the programme remains unchanged since July, although a small number of changes between the Portfolios have been made, which are summarised in the “Current Portfolio Status” section of this report. All business cases have been further developed since July, with a number now considered Full Business Cases (FBCs), meaning that the activities and financial benefits have been defined and are now being delivered. These developments are set out in the “Current Portfolio Status” section below.



Cross cutting programme elements

- HR & People
- Legal & Democratic
- Finance
- ICT & Digital
- Comms & Engagement
- Procurement

Expected Savings

Overall savings opportunities totalling c£50m have now been identified across the MTFS period. Updated financial assessments of the programme business cases has been completed and following this we have revised the overall savings expectations of each Portfolio. We have also revised the high-level Red, Amber, Green (RAG) assessment of the overall savings expectations for the Programme, factoring in current levels of delivery confidence based on the development and delivery status of each programme. This shows a significant increase in the value of 'Green' rated savings when compared to the July position.

We also recognise that this is a multi-year programme and as such, not all savings will be delivered at the same time, in a single year. Based on the financial analysis as part of each business case, we have profiled our expected savings over the financial years 2024/25 to 2028/29. This will be used to inform our Medium-Term Financial Strategy (MTFS).

This information is summarised below, and these assessments and forecast profile will be closely monitored and updated through the Programme governance, with monthly updates provided to the Transformation Board, alongside quarterly reporting to Cabinet as part of the Budget reporting process.

Based on the projects and programmes set out across our Transformation Programme we believe we have identified a path to closing the structural budget deficit, with work already well underway and delivering savings this year.

Savings by Portfolio

Each Portfolio had an overall savings expectation set in July based on the programmes of activity defined within them, which have now been updated to reflect the additional work carried out as follows:

Portfolio Name	Current Expected Saving	Previous Expected Saving
Adult Social Care & Health	£17.25m	£14.65m
Children's Services	£8.4m	£7.9m
Customer & Community	£2.0m	£1.0m
Enabling Excellence	£2.84m	£4.0m
Growth & Prosperity	£3.75m	£2.0m
Resident Services	£11.77m	£11.3m*
Schools & SEND	£3.67m	£1.8m*
	£49.68m	£42.65m

*The Resident Services and Schools & SEND Portfolios also include activity that aims to positively contribute to the council's financial position in relation to the Housing Revenue Account (HRA), and Dedicated Schools Grant (DSG), respectively.

It is important to note that as these programmes of activity are further developed and as benefits are realised, we may need to further adjust individual savings expectations and re-align savings expectations across portfolios to ensure that we are still achieving our overall saving objectives.

Overall Programme Assessment

We have rated the overall confidence level of achievement of expected savings across each Portfolio using Red, Amber, Green (RAG) ratings, defined in the table and key below. This assessment has identified that we currently have a good level of confidence over a large portion of our expected savings (Green & Amber). This is supported by the fact that a number of the programmes are now delivering savings in the current financial year (2024/25). We expect our overall assessment to improve further as we move into delivery activity on more of our programmes.

The assessment of current programmes has also identified that a smaller number of the business cases do not contain enough detailed information for us to confidentially validate the delivery of the expected savings meaning these have been categorised as 'Red' at this time. We expect this position to improve over the coming months as we complete further work to develop these business cases.

Portfolio	Expected Saving	Finance Confidence £m		
ASC & Health	£17.25m	£17.25m	£0.0m	£0.0m
Children's Services	£8.4m	£8.4m	£0.0m	£0.0m
Customer & Community	£2.0m	£0.39m	£0.09m	£1.52m
Enabling Excellence	£2.82m	£2.12m	£0.0m	£0.7m
Growth & Prosperity	£3.75m	£2.04m	£0.0m	£1.72m
Resident Services	£11.77m	£2.48m	£7.28m	£2.0m
Schools & SEND	£3.67m	£3.67m	£0.0m	£0.0m
Total	£49.66m	£36.35m	£7.37m	£5.94m

July Position	£42.65m	£23.08m	£11.9m	£7.67m
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	High delivery confidence - delivering benefits already and/or will be supported by external partner
	Saving identified - less delivery assurance and/or requires acceleration of existing plans
	Saving not yet validated with high enough degree of confidence - further business case development required

Savings Profile 24/25-28/29

The table below shows our current assumptions around how the financial benefits of the programme will be realised over time, based on our current level of confidence. This profile represents a 'medium optimism' scenario, including all savings rated Green and Amber but **excluding all those rated Red**. Based on this we can positively project that we will meet and exceed the original £42.65m target over the MTFs period, including c£9m of early delivery in this financial year (24/25). Both of these are an improvement on the position given in July.

Financial Year (Green & Amber) £m	24/25	25/26	26/27	27/28	28/29
ASC & Health	£2.9m	£13.8m	£17.25m	£17.25m	£17.25m
Children's Services	£2.9m	£6.7m	£8.4m	£8.4m	£8.4m
Customer & Community	£0.31m	£0.45m	£0.47m	£0.48m	£0.48m
Enabling Excellence	£0.44m	£1.72m	£2.12m	£2.12m	£2.12m
Growth & Prosperity	£0.83m	£1.28m	£1.85m	£2.04m	£2.04m
Resident Services	£0.33m	£7.15m	£7.96m	£9.47m	£9.77m
Schools & SEND	£1.32m	£2.56m	£3.21m	£3.67m	£3.67m
Total Savings Identified (Cumulative)	£9.02m	£33.67m	£41.25m	£43.42m	£43.72m
Annual Incremental Total	£9.02m	£24.65m	£7.58m	£2.17m	£0.3m

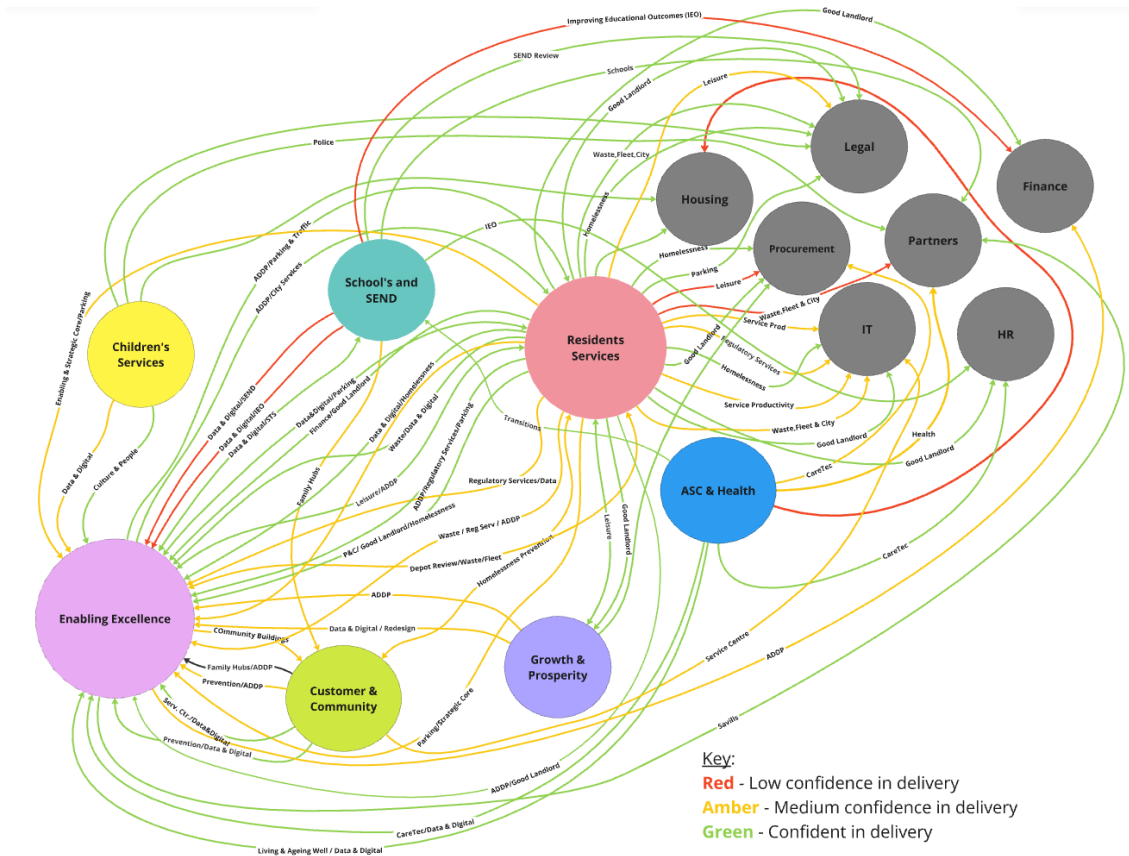
July Position - Total Savings (Cumulative)	£7.3m	£32.1m	£39.4m	£41.2m	£41.6m
July Position - Annual Incremental Total	£7.3m	£24.8m	£7.3m	£1.8m	£0.4m

Resources & Transformation Partner

Since July, further steps have been taken to strengthen the transformation delivery and assurance capacity and capability of the council, with additional programme-level resources now in place, alongside targeted external support in key areas. Recognising that we can't deliver the scale of change required to deliver our ambition, within the necessary timescales, by ourselves, we have recently appointed transformation and change specialist 'Newton' as the council's Transformation Partner. Newton's scope was set out in a report to Cabinet in September and will focus on delivering the main areas of transformation in Adults and Children's Social Care, alongside broader programme-wide support to ensure that we achieve our overall objectives. Working alongside our internal capability, this will ensure that all elements of the programme have the required capacity and capability to support delivery.

Dependencies

With a programme as broad and wide-ranging as ours, very little change activity can be successfully delivered in isolation without consideration of its impact on other work happening across the programme and wider organisation. A significant number of dependencies exist between all of our programmes, these are both within and between portfolios, and out into operational activities. An illustrative representation of these is shown below:



These dependencies are being identified, managed and tracked through the programme governance arrangements and it is the role of the adapt | grow | thrive Transformation Board to regularly review key dependencies and ensure that mitigating actions in place to manage the impact of the dependencies are being effective.

Risk Management

Risks and Issues are managed in accordance with the council's risk management approach. Risks are assessed based upon their likely impact and the probability of them occurring, with mitigating actions put in place to reduce these. Risks & Issues are regularly reviewed at all levels of the Programme's governance and are escalated as required through the Board structure.

Workforce Implications

Establishment Post Reductions

As our transformation plans have been further developed, we have started to identify the areas where the introduction of improved working practices means we can deliver services more efficiently, potentially resulting in a reduction in the required number of establishment posts and people that the council employs. Due to the timeframe over which the potential changes to the workforce will occur, we will:

- Inform and discuss with the workforce and TU representatives the organisation-wide changes expected **over the next two years** (covering the period October 2024 – March 2026), to cover all known establishment post reductions and signpost any in the future
- Develop one approach to consultation and talent management which is inclusive, supports redeployment, skills development and mitigates risk of redundancies and destabilising the workforce
- Initiate individual directorate consultations on any restructures/post reductions as required during this two-year period, with an expectation that some will be concluded by the end of the 2024/25 financial year

At this time, we estimate a range of potential establishment post reductions of 136-168 Full Time Equivalent (FTE) posts. This is against an overall establishment of approximately 3,100 FTE. This number includes posts that are currently vacant. Where currently understood, the number of currently vacant vs. occupied posts has been assessed. Based on current information, this gives a potential reduction of between 67-99 FTE occupied posts. The table below summarises the potential post reductions by individual programme. It is important to note that these figures are all indicative at this time and will require further work to validate and all be subject to individual consultation and engagement processes.

Project	Potential Total Post Reduction Range		Potential Vacant Post Included	Potential Occupied Post Reduction Range	
	FTE			FTE	
Adult Social Care Service Productivity & Redesign*	55	65	39	16	26
Growth & Prosperity Service Redesign	2	2	2	0	0
Waste, Fleet & City Services	7	8	6	1	2
Regulatory Services Development	8	13	2	6	11
Resident Services Productivity & Redesign	22	33	10	12	23
Family Hubs (Early Years Support)	23	25	0	23	25
Service Centre	15	16	10	5	6
Enabling & Strategic Core	4	6	0	4	6
	136	168	69	67	99

*ASC Service Productivity & Redesign includes 24FTE (19 FTE vacant) already delivered in earlier phase of transformation

The table above includes some changes that have already taken place under earlier phases of the current transformation programme, some that are either underway or expected to commence and complete this financial year, and some that will happen over the course of the next two years. The precise timing of each set of changes will be developed and agreed as work progresses to finalise the proposed changes.

Approach to Employee Engagement

Briefings for employees about the transformation strategy has been on-going since the beginning of the programme, creating opportunities to engage and listen to feedback. This will continue with an additional focus on how we continually connect and reconnect our employees to our purpose, to the city, engaging with the changes through co-design, recognising the importance of inclusivity and valuing contribution.

Approach to Consultation

All consultations will be compliant with the council's policies and procedures to ensure that meaningful consultation takes place and that all employees are given the time and opportunity to engage with their managers and directors and share their views on proposed changes. Our approach to this complex and extended period of change is as follows:

- The workforce and TU representatives will be kept informed and have the opportunity to discuss the organisation-wide changes.
- Individual directorate consultations will start at different times, and these will be required to provide an ESIA (Equality Safety Impact Assessment).
- Employees at risk of redundancy will be given the opportunity to access redeployment opportunities and supported during the process.
- An HR1 form will be completed to notify the government of potential redundancies and is required at least 45 days before the first redundancy notice is served.
- A S188 (Trade Union Labour Relations Act) letter will be issued to the recognised trade unions of any proposed redundancies of 20 or more employees within a 90-day period. With consultation at both an organisation and directorate level.
- The council is mindful that its annual business planning process is underway, therefore, any potential impact to the workforce or post reductions relating to the business planning process have not been factored into the figures in the above table.

Current Portfolio Status

This section sets out the current position of each of the seven portfolios within the Transformation Programme. This includes an overall 'RAG' assessment of the Portfolio based on the most recent reporting cycle, and the updated savings expectations of each project/programme within the portfolios. Key next steps are also captured, setting out expected delivery progress and future updates to business cases.

Adult Social Care & Health

There are currently six key programmes of activity within the Adults Social Care & Health (ASC) portfolio. **The portfolio has a revised overall savings expectation of £17.25m.** The six programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Service Redesign and Productivity	£3.1m	£2.9m
Living and Ageing Well	£8.85m	£7.45m
Whole Life Pathway	£3.6m	£2.8m
Commissioning	£1.7m	£1.5m
CareTec	n/a	n/a
Case Management System Replacement	n/a	n/a
TOTAL	£17.25m	£14.65m

ASC & Health improvements & savings will be delivered by:

- **Improving the uptake and effectiveness of Reablement** to support better outcomes and increase the number of people benefiting from Reablement. We will increase the number of people who have access to reablement to support better recovery. We will ensure people we work with have clear goals so their time with the reablement service is more effective
- **Providing the right support at the right time** before needs escalate. We will improve the first conversation we have to find resolutions earlier linking people with support available, including in the community. We will point people to information and tools available on our webpages. Where appropriate we will support people to learn new skills
- **Ensuring people are in settings that are the least restrictive with the right level of support.** Where appropriate we will change placements where there is a better fit option i.e. supporting people to return home with a package of care or from residential care to an extra care setting
- **Right-sizing packages of care** to maximise independence. We will review packages of care to ensure the level of care fits each person's needs
- **Process and practice improvements** enabling us to reduce the size of our establishment
- **Managing supplier costs.** We will manage the market, stopping automatic uplifts and instead taking a data led approach to negotiate these with our suppliers, ensuring we have a sustainable and vibrant care market to purchase from
- **Using Technology Enabled Care** to support people to live at home for longer. This ranges from Assistive Technology which can support safe movement around the home or help a person to wash or prepare food independently to activity monitors which help assess a level of need

Key progress and next steps

The ASC & Health Portfolio (ASC) Portfolio is currently rated as GREEN.

Full Business Cases (FBC) have now been approved for Living & Aging Well, Whole Life Pathway, and Commissioning, which are well-defined and in delivery with support from Newton. Financial benefits are already being realised in relation to these business cases, resulting in the ability to reduce service budgets accordingly. The need to manage the dependencies between each of these programmes, including the potential risk around competing requirements for resource is being managed. The continuing delivery of these programmes will be monitored and managed through programme governance.

The remaining programmes within the Portfolio remain at Outline Business Case (OBC) stage, with further work required to finalise the scope, benefits and/or delivery plans. The ASC Service Redesign and Productivity programme is expected to move to Full Business Case later this year, with implementation still on track to deliver the expected benefits. This will include an updated assessment of the potential reduction in the number of posts required. The need to ensure that the current Case Management System is successfully replaced is recognised as both a key enabler, and risk, to the wider transformation activity in the service. The specification and procurement process to deliver the new system is well-underway and is being closely monitored alongside the other service improvement activities.

Children's Services

There are now two key programmes of activity within the Children's Services portfolio – the “Early Years Support & Prevention (Family Hubs)” business case has been moved to the Customer & Community Portfolio. **The portfolio has a revised overall savings expectation of £8.4m.** The two programmes, with individual savings expectations, are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Demand Reduction	£4m	£2.8m
Right Child, Right Home	£4.4m	£4.1m
TOTAL	£8.4m	£6.9m

Children's Services improvements & savings will be delivered by:

- **Reducing the number of children entering care from 180 to 140 in 2024/25 and from 140 to 100 in 25/26** due to improved support for children and families to keep them safely in their family networks. Embedding the Family Safeguarding Model, working with teams across the council and our partners to put the right support around our families to prevent children needing to come into care
- **An additional 45 children achieving permanent placements** via Special Guardianship Orders and family reunification by end of 2025/26
- **Maximising the use of SCC's own residential and fostering placements** for children and young people as opposed to those provided by private companies. We will be addressing blockers identified by our in-house foster carers to improve placement availability
- **Reducing our use of independent fostering agency placements down to 26% (currently 51%) by FY 25/26.** We are launching 2 new children's homes in 2025 and aim to increase our newly approved foster carers by 20% within the next 2 years
- **Reduce the number of children in residential care placements from 37 to 31.** Supporting our children to be placed in the most suitable form of care for them and where possible to 'step across' from residential into a foster care arrangement or similar. A full review of all cases is underway and formal panels arranged for regular case discussions to progress identified children into the right placements

Key progress and next steps:

The Children's Services Portfolio is currently rated as GREEN

Full Business Cases (FBC) have now been approved for Right Child, Right Home, and Managing Demand, which are well-defined and in delivery with support from Newton. Financial benefits are already being realised, resulting in the ability to reduce service budgets accordingly. Key risks associated with these programmes, such as the pressure on capacity within the Service to deliver and support the changes, are being managed. The continuing delivery of these programmes will be monitored and managed through programme governance.

Schools & SEND

There are three key programmes of activity within the Schools & SEND portfolio. **The portfolio has a revised overall savings expectation of £3.67m.** The three programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Managing SEND Demand	n/a	n/a
Improving Educational Outcomes	n/a	n/a
School Travel Service	£3.67m	£1.8m
TOTAL	£3.67m	£1.8m

Schools & SEND Improvements & Savings will be delivered by:

- **Improving Educational Outcomes - We will work with schools to deliver a reduction in exclusions, absences and increase attainment in children across the city.** We will complete a service redesign (including a restructure) and make changes to how the service is delivered (i.e. officers working across all measures, not just one).
- **Reducing the number of EHCPs required** by introducing tools to schools to support earlier identification of need to enable the right support to be introduced before crisis is reached. Implementation of the cluster funding model.
- **Reducing the number of School Travel Service routes (using route optimisation software) required to transport children to and from schools and colleges by 10-15%.** Introduction and utilisation of a new purchasing system to improve process and increase competition between suppliers. Revisions to the School Travel Policy to ensure it is clearer and introduce more innovative ways of providing services. An overall review of the service ways of working to ensure it is consistent with clear, streamlined processes being followed.

Key progress and next steps:

The Schools & SEND Portfolio is currently rated as AMBER.

The School Travel Service Programme is rated as Green and a Full Business Case (FBC) has now been approved, with financial benefits already being realised, resulting in the ability to reduce service budgets accordingly. A revised policy is now out for consultation and a new procurement system is in place. Routes have been tendered and mobilised for new school term along with route optimisation and the programme is expected to fully deliver its increased savings expectation. The continuing delivery of this programme will be monitored and managed through programme governance.

Further work is in progress to develop the business case for Improving Educational Outcomes, and it is still expected that the redesigned service will be in place by April 2025.

Managing SEND Demand is dependent on consultation and engagement taking place with schools on our SEND Cluster Model, which is taking place this academic term and next (Autumn and Spring). Risks around the quality of existing data and the potential increasing EHCP demand is being managed and will be factored into an updated business case.

Customer & Community

There are now three key programmes of activity within the Customer & Community portfolio following the addition of the “Early Years Support & Prevention (Family Hubs)” business case, previously contained within the Children’s Services Portfolio. **The portfolio has a revised overall savings expectation of £2m.** The three programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Community Prevention	n/a	n/a
Early Years Support & Prevention (Family Hubs)	£1m	£1m
Service Centre	£1m	£1m
TOTAL	£2m	£2m

Customer & Community Improvements & Savings will be delivered by:

- **Reducing staffing levels and costs associated with our Service Centre** by reviewing the future core offer of the Service Centre and stopping activity that does not align with this offer. Consideration of system automations, reviewing current phone services and where customers can be redirected to a digital alternative, and identifying further opportunities for the centralisation of administration tasks.
- **Reducing the demand for council services across the community by better aligning prevention opportunities within the community.** Identifying cohorts of individuals who are at higher risk; Working with communities to reduce the risk of ill health and care needs; Working alongside people, in partnership with our health colleagues, to help people self-care and support those around them and better utilise digital approaches to access the services they may need.
- **Reviewing our Early Years Support and Prevention offer** to ensure we offer targeted services in the right locations, including through a restructured Family Hubs service.

Key progress and next steps:

The Customer & Community Portfolio is currently rated as RED.

Further work is underway to develop the Early Years Support & Prevention (Family Hubs) Outline Business Case to ensure it better aligns with our prevention agenda, whilst delivering the expected financial savings, with an updated business case expected later this year.

The Service Centre programme is delivering a portion of its expected savings, but further work is required to give delivery confidence for the full expected amount. The Outline Business Case will be updated to reflect the additional planning underway to ensure that the pace of the required change across the organisation to support the centralised Service Centre model is balanced against the need to maintain acceptable service levels.

Enabling Excellence

There are five key programmes of activity within the Enabling Excellence portfolio. **The portfolio has a revised overall savings expectation of £2.82m**, this includes the reallocation of £1.75m of savings expectation from ADDP to the Growth & Prosperity Portfolio. The five programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Reshaping Financial Mgmt.	n/a	n/a
Data & Digital	n/a	n/a
Enabling & Strategic Core	£2.57m	£2m
People & Culture	n/a	n/a
Asset Development & Disposal Programme (ADDP)	£0.25m*	£2m*
TOTAL	£2.82m	£4m

*£1.75m reallocated to the Growth & Prosperity Portfolio

Enabling Excellence Improvements & Savings will be delivered by:

- **Reducing our spend with Third Party Suppliers** by stopping contracts that don't add value; consolidating expenditure by utilising existing contracts; renegotiating contracts to more favourable terms where possible.
- **Maximising automation and self-serve opportunities within our teams** to improve turnaround times and reduce resources required through automating of bank reconciliation process; maximising electronic customer payments.
- **Reducing the number of IT systems we use**
- **Improve our data quality and how we use it**
- **Automating our HR starters, leavers & movers processes** to improve real-time data and reduce resources required
- **Reviewing of our organisation-wide People Related expenditure** in line with other similar sized councils through reducing Bank Holiday overtime allowance; removing weekend overtime enhancements
- **Realising capital receipts and reducing on-going asset maintenance costs** through the Asset Development & Disposal Programme
- **Reviewing vacancies and reducing establishment posts** where function can be covered elsewhere

Key progress and next steps

The Enabling Excellence Portfolio is currently rated as AMBER.

Good progress has been made to identify the required savings expectation, with an updated Outline Business Case produced and plans progressing to give an increased delivery confidence level. Additional resource and support has been allocated to the Asset Development and Disposal Programme (ADDP) to mitigate the risk of not achieving the required delivery of capital receipts.

Growth & Prosperity

There are two key programmes of activity within the Growth and Prosperity portfolio. **The portfolio has a revised overall savings expectation of £3.75m**, which includes the addition of £1.75m of savings expectation previously associated with the Asset Development & Disposal Programme (ADDP). The two programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Growth & Prosperity Plans	n/a	n/a
Service Redesign & Productivity	£3.75m*	£2m*
TOTAL	£3.75m	£2m

Growth & Prosperity Improvements & Savings will be delivered by:

- **A full strategic service redesign** to ensure that the service is geared towards delivering our Growth and Prosperity plans
- **Reducing Concessionary Fares budget**, in-line with current and projected usage and costs, without any impact to those residents who benefit from the scheme
- **Reducing energy costs** through the roll-out of LED street lighting
- **Reducing the overall cost of managing and maintaining our assets** by leading a comprehensive review of asset usage across the organisation, and the support cost requirements associated with these
- **Stepping down culture grants and reducing and removing Festivals & Events grant as previously agreed and communicated**
- **Reducing revenue expenditure by capitalising highways works costs** previously thought of as revenue costs, in line with accounting guidelines
- **Reviewing vacancies and reducing establishment posts** where function can be covered elsewhere

Key progress and next steps

The Growth and Prosperity Portfolio is currently rated as AMBER.

Good progress has been made to identify shorter-term opportunities to contribute to the immediate need for savings. Further work is required to support the wider organisation to identify and deliver savings associated with the operation and maintenance of council assets.

Over the coming 6 months, we will be developing a Growth and Prosperity Plan (GPP) to drive the work of the service. This will be informed by, and developed in conjunction with, the sub-regional Solent growth and prosperity strategy to ensure it aligns with a wide range of strategic outcomes identified in the strategy. It will also bring together the various strategies that drive the work of the Growth and Prosperity Directorate. It is critical that the council is organised and resourced in such a way to ensure the sustainable delivery of those long-term ambitions, while at the same time ensuring the work is contributing to the aims of the transformation programme. The review and redesign of the Growth and Prosperity directorate will see services operate more strategically and critically in a more integrated way, to create opportunities for cost savings and in working more in partnership with other upper tier local authorities across the sub-region to deliver the growth agenda.

Resident Services

There are seven key programmes of activity within the Resident Services portfolio. **The portfolio has a revised overall savings expectation of £11.77m.** This programme also aims to support an improvement in the council’s financial position as it relates to the Housing Revenue Account (HRA). The seven programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	Original Expected Saving
Waste, Fleet & City Services	£2m	£2m
Good Landlord	HRA	HRA
Homelessness Prevention	£3.23m	£3m
Parking & Traffic Management	£2.24m	£2m
Regulatory Services Development	£0.5m	£0.5m
Leisure Strategy	£2.5m	£2.5m
Productivity & Redesign	£1.3m	£1.3m
TOTAL	£11.77m	£11.3m

Resident Services Improvements & Savings will be delivered by:

- **A full strategic service redesign** re-defining the target operating model of the service, decommissioning redundant systems to streamline operations, and, where appropriate, reviewing vacancies, agency usage, and reducing the number of establishment posts
- **Becoming a Good Landlord** through the creation of a high performing, efficient, housing service focused on delivering excellent customer experiences and decent homes
- **Working to prevent homelessness** by developing a sustainable and effective operating model for homelessness services based on local needs, combining technological solutions with specialist casework, focused on prevention & support
- **Transforming our Waste, Fleet, and City Services** by improving performance & efficiency, increasing activity and efficiency in commercial city services, and optimising fleet operations by reducing downtime and maintenance disruptions, reducing vehicle repair costs
- **Modernising our leisure facilities and offer** reducing the number of sites that we directly deliver services from, reducing service operating costs, moving from a cost-heavy model to an income-generating service
- **Redesigning our Regulatory Services** by implementing service changes, adopting technological solutions to focus staff on value-adding processes and customer engagement, and considering the discontinuing of non-statutory service provision
- **Enhancing parking & traffic management**, improving public transport reliability, optimising parking solutions, and supporting the transition to electric vehicles. Increasing PCN collection rates and recognising increased revenue from parking, resident permits & the Itchen bridge toll

Key progress and next steps

The Resident Services Portfolio is currently rated as AMBER.

A Full Business Case (FBC) has now been approved for Parking & Traffic Management, with financial benefits already being realised, resulting in the ability to reduce service budgets accordingly. Progress continues to be made on the Leisure Strategy, with an updated business case expected later this year.

Further Work is underway to improve the delivery confidence of key programmes of activity with savings expectations currently rated amber or red, which are those associated with Service Productivity & Redesign, Homelessness Prevention, Regulatory Services Development, and Waste, Fleet & City Services, the last of which is now being supported by specialist external resource. Updated business cases are expected later this year, which will ensure that service delivery and compliance risks are mitigated and will include an updated assessment of the potential reduction in the number of posts required where applicable.