

# **adapt | grow | thrive**

**Transforming Southampton City Council**

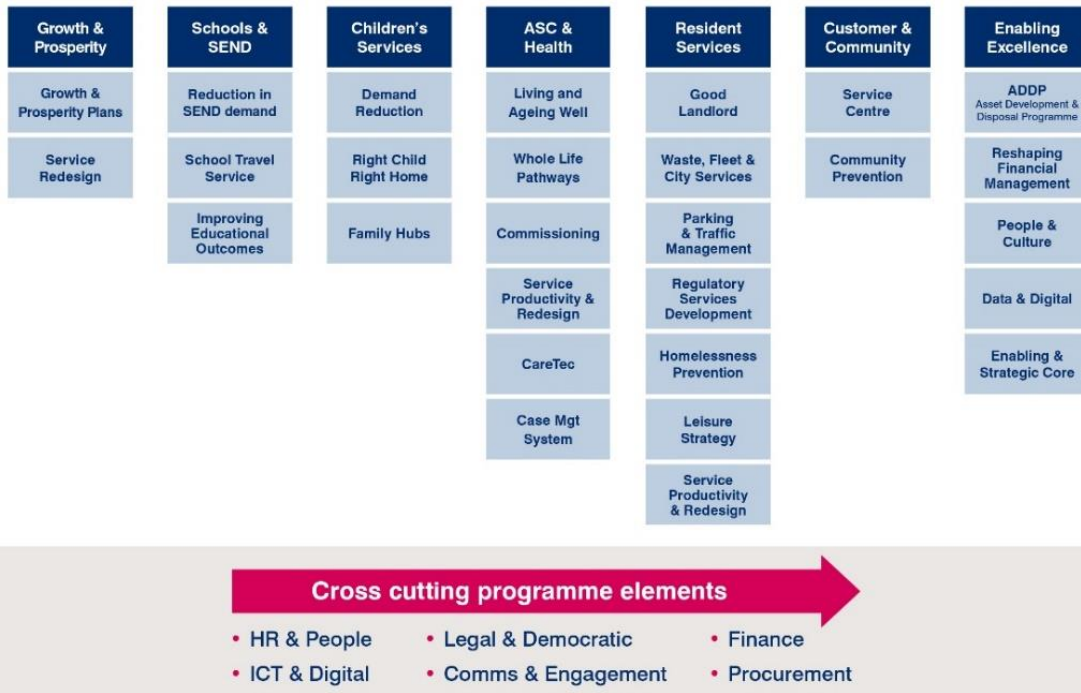
# Contents

<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>INTRODUCTION .....</b>	<b>5</b>
<b>PROGRAMME OVERVIEW .....</b>	<b>6</b>
Portfolio Structure .....	6
Expected Savings .....	6
Benefits Realisation Group (BRG).....	8
Risk Management .....	9
Dependencies .....	9
<b>WORKFORCE IMPLICATIONS .....</b>	<b>10</b>
Establishment Post Reductions .....	10
Approach to Employee Engagement.....	11
Approach to Consultation .....	11
<b>CURRENT PORTFOLIO STATUS.....</b>	<b>12</b>
Adult Social Care & Health .....	12
Children’s Services .....	14
Schools & SEND.....	16
Customer & Community.....	17
Enabling Excellence .....	18
Growth & Prosperity .....	19
Resident Services .....	20
<b>ADAPT   GROW   THRIVE - PHASE 2 .....</b>	<b>21</b>

# 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 to Cabinet in July 2024, 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 across the MTFS period have been revised since July, following the further development of individual business cases. The revised savings expectations for each Portfolio are summarised in the table below. Further information is given in the “Current Portfolio Status” section of this report.

Portfolio Name	Current Expected Saving	July 2024 Expected Saving
Adult Social Care & Health	£17.25m	£14.65m
Children’s Services	£9.4m	£7.9m
Customer & Community	£1.0m	£1.0m
Enabling Excellence	£2.81m	£4.0m
Growth & Prosperity	£3.76m	£2.0m
Resident Services	£11.66m	£11.3m
Schools & SEND	£4.95m	£1.8m
	<b>£50.82m</b>	<b>£42.65m</b>

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 135-159 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 61-85 FTE occupied posts, which is slightly lower than previously estimated. 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	Yellow	Red
ASC & Health	£17.25m	£17.25m	£0.0m	£0.0m
Children's Services	£9.4m	£8.66m	£0.0m	£0.74m
Customer & Community	£1.0m	£0.37m	£0.08m	£0.55m
Enabling Excellence	£2.81m	£2.26m	£0.0m	£0.55m
Growth & Prosperity	£3.76m	£2.11m	£0.0m	£1.65m
Resident Services	£11.66m	£7.67m	£2.49m	£1.5m
Schools & SEND	£4.95m	£4.95m	£0.0m	£0.0m
<b>Total</b>	<b>£50.82m</b>	<b>£43.27m</b>	<b>£2.57m</b>	<b>£4.99m</b>
<b>Oct 2024 Position</b>	<b>£49.66m</b>	<b>£36.35m</b>	<b>£7.37m</b>	<b>£5.94m</b>
<b>July 2024 Position</b>	<b>£42.65m</b>	<b>£23.08m</b>	<b>£11.9m</b>	<b>£7.67m</b>

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, with c£10m of savings expected being delivered in the current financial year (2024/25) and a further £34.5m delivered in 2025/26. This is set out in more detail in the “Expected Savings” section of this report.

Financial Year - All Savings £m	24/25	25/26	26/27	27/28	28/29
<b>Total Savings Identified (Cumulative)</b>	<b>£10.02m</b>	<b>£34.52m</b>	<b>£47.78m</b>	<b>£50.02m</b>	<b>£50.82m</b>
Annual Incremental Total	£10.02m	£24.5m	£13.26m	£2.24m	£0.8m

A **Benefits Realisation Group** has been established to provide additional financial control and assurance to the Transformation Board for the delivery of the cashable, non-cashable and demand mitigation benefits for the Medium-Term Financial Strategy (MTFS) arising from the Transformation Programme. As part of this, the Group has a role in identifying and escalating, as appropriate, any risks and issues associated with non-delivery including the identification of mitigating actions.

Our **adapt | grow | thrive** programme has already delivered both improved outcomes and financial benefits, making a significant contribution to the Council’s overall financial position and ability to set a balanced budget. We have also started to think about how the programme will evolve over time and initial thoughts on likely focus areas for phase 2 of the programme, centred around prevention and growth, are also set out.

# Introduction

Our **adapt | grow | thrive** programme is about rethinking what we do, it's not just about doing things differently, it's about doing different things. It is about making fundamental changes to the way we operate and how we offer better value for money in how we deliver services to our residents. It is how we will empower people, how we will harness technology, improve processes, and make better use of our physical infrastructure to deliver our priorities and be financially sustainable in the future. It is how we will change the Council's culture and behaviours to discover better ways of working, based on our vision and our values.

Since the programme was formally approved in July 2024, we have worked at pace to develop and deliver a large-scale programme of change across all areas of the Council. The programme has already delivered both improved outcomes and financial benefits to the Council, making a significant contribution to the Council's overall financial position and ability to set a balanced budget.

This report sets out the current status of the Transformation Programme, including the key delivery progress and the updated financial benefits being delivered.

We also recognise there is still much to do, and we remain focussed on delivering our programme of change. We are ambitious for our city and believe that at the end of our transformation journey a successful outcome will mean:



**Budget set for 2025/26**  
without additional EFS



**Children and young people**  
are safe and valued



**Ten-year MTFS** agreed based  
on growth and devolution



**A more resilient community**  
with improved housing, labour  
market participation and pay



**Investment portfolio**  
for the region and city to increase  
growth and productivity



**Residents have support,**  
where necessary, to  
live independent lives



**A focus on prevention,**  
led by a public health approach



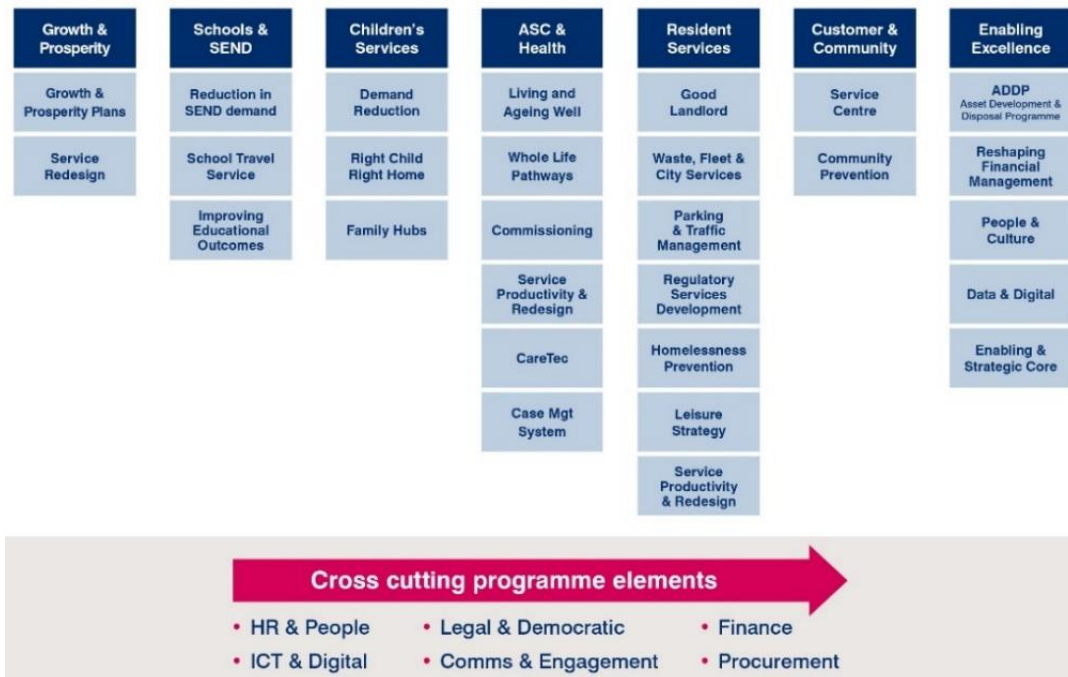
**An engaged council**  
at the heart of city partnerships

# Programme Overview

## Portfolio Structure

As set out in the Transformation Update report that was presented to Cabinet in July 2024, and again in October 2024, 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 2024. All business cases have been further developed since the last update in October 2024 meaning that many of 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.



## Expected Savings

Overall savings opportunities totalling £50m have been identified across the MTFS period. Updated financial assessments of the programme business cases have 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 both the July and October 2024 positions.

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 is used to inform our Medium-Term Financial Strategy (MTFS).

This information is summarised below, and these assessments and forecast profile are being 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 have identified a path to closing the structural budget deficit, with work already well underway and delivering savings.

## Savings by Portfolio

Each Portfolio had an overall savings expectation set in July 2024 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	July 2024 Expected Saving
Adult Social Care & Health	£17.25m	£14.65m
Children's Services	£9.4m	£7.9m
Customer & Community	£1.0m	£1.0m
Enabling Excellence	£2.81m	£4.0m
Growth & Prosperity	£3.76m	£2.0m
Resident Services	£11.66m	£11.3m*
Schools & SEND	£4.95m	£1.8m*
	<b>£50.82m</b>	<b>£42.65m</b>

\*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 have delivered savings in the current financial year (2024/25) and all savings assumed in 2025/26 are now rated as 'Green'. 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		
		Green	Amber	Red
ASC & Health	£17.25m	£17.25m	£0.0m	£0.0m
Children's Services	£9.4m	£8.66m	£0.0m	£0.74m
Customer & Community	£1.0m	£0.37m	£0.08m	£0.55m
Enabling Excellence	£2.81m	£2.26m	£0.0m	£0.55m
Growth & Prosperity	£3.76m	£2.11m	£0.0m	£1.65m
Resident Services	£11.66m	£7.67m	£2.49m	£1.5m
Schools & SEND	£4.95m	£4.95m	£0.0m	£0.0m
<b>Total</b>	<b>£50.82m</b>	<b>£43.27m</b>	<b>£2.57m</b>	<b>£4.99m</b>
<b>Oct 2024 Position</b>	<b>£49.66m</b>	<b>£36.35m</b>	<b>£7.37m</b>	<b>£5.94m</b>
<b>July 2024 Position</b>	<b>£42.65m</b>	<b>£23.08m</b>	<b>£11.9m</b>	<b>£7.67m</b>

	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 2024/25-2028/29

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 captures all savings, including those rated as 'Amber' and 'Red' from 2026/27 onwards. Based on this we can positively project that we will meet and exceed the original £42.65m target over the MTFs period, including c£10m of early delivery in this financial year (2024/25), and £34.5m of savings contributing to the 2025/26 budget. It is important to note that all of the £34.5m of savings assumed in the 2025/26 budget are rated as 'Green'. These represent an improvement on the position given in Oct 2024.

Financial Year - All Savings £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	£6.9m	£9.4m	£9.4m	£9.4m
Customer & Community	£0.31m	£0.37m	£1.0m	£1.0m	£1.0m
Enabling Excellence	£0.44m	£1.87m	£2.81m	£2.81m	£2.81m
Growth & Prosperity	£0.91m	£1.43m	£3.74m	£3.76m	£3.76m
Resident Services	£0.33m	£6.98m	£9.65m	£10.86m	£11.66m
Schools & SEND	£2.23m	£3.17m	£3.93m	£4.95m	£4.95m
<b>Cumulative Amount</b>	<b>£10.02m</b>	<b>£34.52m</b>	<b>£47.78m</b>	<b>£50.02m</b>	<b>£50.82m</b>
Annual Amount	£10.02m	£24.5m	£13.26m	£2.24m	£0.8m

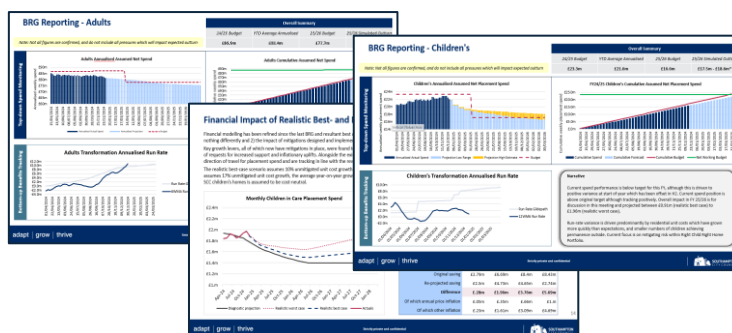
## Benefits Realisation Group (BRG)

In addition to the existing Programme governance, a **Benefits Realisation Group (BRG)** has been established to provide further control and assurance to the Transformation Board around the delivery of the cashable, non-cashable and demand mitigation benefits delivered across all Portfolios in the Transformation Programme.

This group plays a key role in identifying and escalating, as appropriate, any risks and issues associated with non-delivery of benefits, including the identification of mitigating and improvement actions. The Group also agrees the approach to dealing with interdependent strands of work to ensure that Programme benefits are clearly defined, and double counting of Benefits is avoided.

In addition, the BRG also oversees the development of any new savings opportunities and the quantification and realisation of the benefit delivery plan including the calculations required to assess the financial impact of improved service user outcomes and operational performance.

The BRG produces reporting dashboards which clearly articulate the benefit and cumulative cashable savings achieved by the agreed programmes for the Transformation Board and will ensure that the mechanics for tracking non-financial Benefits and lead indicators are in place for business as usual, once the Programme has been closed, to support the use of improvement cycles and monitor the delivery of Benefits.



\*Illustrative examples of performance and benefits tracking dashboards

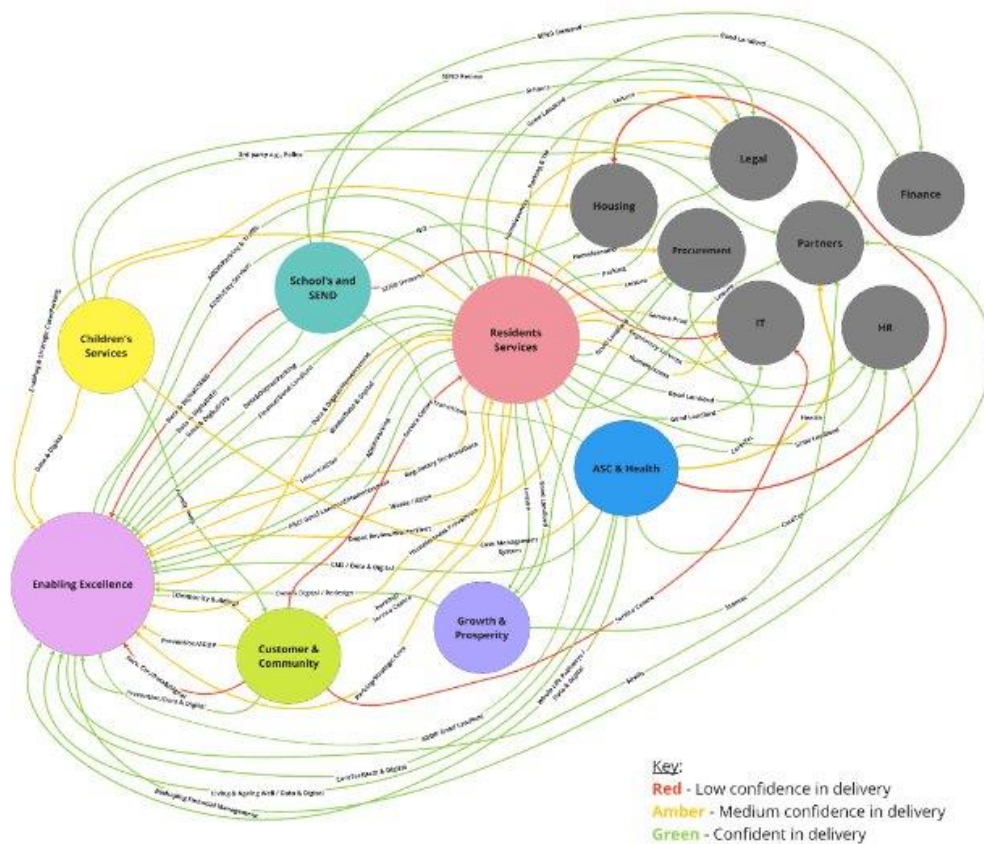


# Risk Management

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.

# 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.

# 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 135-159 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 we have progressed proposals in detail, the number of currently vacant vs. occupied posts has been assessed. Based on current information, this gives a potential reduction of between 61-85 FTE occupied posts. These totals are slightly lower than those estimated in October 2024. The table below summarises the potential post reductions by individual Portfolio. 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.

Portfolio	Potential Total Post Reduction Range		Potential Vacant Post Included	Potential Occupied Post Reduction Range	
	FTE		FTE	FTE	
ASC & Health Total	55	65	39	16	26
Children's Services Total	23	25	0	23	25
Schools & SEND Total	0	0	0	0	0
Growth & Prosperity Total	2	2	2	0	0
Resident Services Total	36	45	23	13	22
Customer & Community Total	15	16	10	5	6
Enabling Excellence Total	4	6	0	4	6
<b>Totals</b>	<b>135</b>	<b>159</b>	<b>74</b>	<b>61</b>	<b>85</b>
October 2024 Position	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 scope and key delivery progress of each of the seven portfolios within the Transformation Programme.

## Adult Social Care & Health

**ASC & Health improvements & savings are being 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 delivery progress

**The portfolio is delivering savings totalling £17.25m.** The six programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	July 2024 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
<b>TOTAL</b>	<b>£17.25m</b>	<b>£14.65m</b>

**Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:**

- **£2.9m in 2024/25**
- **£13.8m in 2025/26**

## Highlights of progress to-date:

- Full Business Cases have been approved for the Service Redesign and Productivity, Living & Aging Well, Whole Life Pathway, and Commissioning programmes
- Over 100 fewer older adults starting in residential care per year, being able to stay in their own home instead
- 280 additional people benefiting from being able to access reablement, every year
- Over 1000 hours of homecare not required through improved older adult independence
- 62 working age individuals being supported to improve their independence in the community
- 17 moves and step downs of support have been completed for mental wellbeing residents, increasing their independence

## Adult Social Care - Transformation Spotlight:

In our Adult Social Care service, we are transforming culture and consistency of practice to improve outcomes and prioritise individuals' strengths-based and independence-focused goals. In the process, we are right-sizing current care provision, controlling long-term care starting packages, and ensuring an effective reablement service.

### What our staff have said about the changes being delivered\*:

*"The new [reporting] information is a really good idea, it will make monitoring progress easier. It will encourage different teams to work better together, and you can clearly see where there is a hold-up"*

**"Using in-home technology has enabled me to have a clear assessment of Jim's needs. It helped identify his social isolation and in arranging the support he needed. It also helped to identify the areas Jim was managing independently and to ensure that he maintains his independence"**

**"Using in-home technology has reassured Julie's daughter that Julie can make herself food and drink and safely access her property without support. Without this, a 30-minute care package, 3 times a day to provide breakfast, lunch, dinner and medication checks would have been put in place"**

### Positive Outcomes – Residents have support, where necessary, to live independent lives

Jacob had lived in the same supported living home for a decade, always dreaming of living independently in their own flat. The current accommodation felt overly restrictive, over the years Jacob's independence skills had developed significantly, making the high level of support in the supported living accommodation unnecessary.

Jacob needed a lower level of core support with more one-on-one assistance in the community to continue building his skills. With our new approach their dedicated social worker was able to work with Jacob and the provider to arrange the right support, 12 hours less than the old arrangement whilst increasing access to the community.

**The move to a new flat in a lower-needs supported living home marked a significant achievement in Jacob's journey towards independence.**



\*all names have been changed to protect the identity of individual clients

## Children's Services

### Children's Services improvements & savings are being delivered by:

- **Reducing the number of children entering care** due to improved support for children and families to keep them safely in their family networks.
- **Additional 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.** 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.** 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
- **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 delivery progress:

**The portfolio is delivering savings totalling £9.4m.** The three programmes in the portfolio, with individual savings expectations, are as follows:

Programme Name	Current Expected Saving	July 2024 Expected Saving
Demand Reduction	£4m	£2.8m
Right Child, Right Home	£4.4m	£4.1m
Early Years Support & Prevention (Family Hubs)	£1m	£1m
<b>TOTAL</b>	<b>£9.4m</b>	<b>£7.9m</b>

**Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:**

- **£2.9m in 2024/25**
- **£6.9m in 2025/26**

### Highlights of progress to-date:

- Full Business Cases have been approved for the Demand Reduction and Right Child, Right Home programmes
- The number of children requiring residential homes has dropped from a baseline at the start of the year of 41 to currently 32
- The proportion of children being supported with Council foster carers rather than outside agencies has improved by 6%
- On average, 3 fewer children are entering care per month as a result of improved safeguarding work with families
- 23 children have been supported to 'step across', moving out of residential care into a family environment



## Children's Services - Transformation Spotlight:

A key part of our transformation programme in Children's Services is focussing on supporting children to leave residential care when it is not the right setting for them. We're changing how our staff use performance information across service areas and discussions around data allow our teams to identify trends, make informed decisions, and deliver tangible outcomes.

### What our staff have said about the changes being delivered:

***"We are far more confident we are doing everything possible to avoid children coming into residential care when it is not the right setting for them."***

***"We have felt a real drive for change and with the additional triaging support and panels have given me far more focus."***

***"Whenever I heard a child was going to come into residential I used to think they were almost definitely going to come in - now when I hear it I know there's already going to be a good plan to keep them out"***

### Positive Outcomes – Children and young people are safe and valued

A child who was in a residential setting was reunified with their mother as a direct impact of the Permanence workstream.

The previous setting, which was costing the council £6,000 per week, was not providing the right support for the child's needs, and the child previously expressed their discomfort through aggressive behaviours.

After reunification, the child said:

***"[I feel] safe for the first time in years"***



## Schools & SEND

Schools & SEND Improvements & Savings are being delivered by:

- **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.
- **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.

### Key delivery progress:

The portfolio is delivering savings of **£4.95m**. The three programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	July 2024 Expected Saving
Managing SEND Demand	n/a	n/a
Improving Educational Outcomes	n/a	n/a
School Travel Service	£4.95m	£1.8m
<b>TOTAL</b>	<b>£4.95m</b>	<b>£1.8m</b>

Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:

- **£2.23m in 2024/25**
- **£3.17m in 2025/26**

### Highlights of progress to-date:

- Full Business Case has been approved for the School Travel Service programme
- Implemented a new Dynamic Purchasing System leading to lower transport costs
- Reduced the number of 'Active Routes' by around 20% through route optimisation, helping to reduce emissions and the service's impact on congestion across the city
- Supported six children through Independent Travel Training, and increased the number of trainers from one to three to roll-out further training

## Customer & Community

### Customer & Community Improvements & Savings are being 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.

### Key delivery progress:

The portfolio is delivering savings of **£1m**. The two programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	July 2024 Expected Saving
Community Prevention	n/a	n/a
Service Centre	£1m	£1m
<b>TOTAL</b>	<b>£1m</b>	<b>£1m</b>

Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:

- £0.33m in 2024/25
- £0.37m in 2025/26

### Highlights of progress to-date:

- Introduced a hybrid mail system that will reduce postage costs by a third and reduce staff time spent processing mail items
- Established a ‘test and learn’ methodology for the piloting the implementation of early interventions to support demand reduction in a number of key areas

## Enabling Excellence

### Enabling Excellence Improvements & Savings are being 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 portfolio is delivering savings of **£2.81m**. The five programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	July 2024 Expected Saving
Reshaping Financial Mgmt.	£0.32m	n/a
Data & Digital	£0.51m	n/a
Enabling & Strategic Core	£0.88m	£2m*
People & Culture	£0.85m	n/a
Asset Development & Disposal Programme (ADDP)	£0.25m*	£2m**
<b>TOTAL</b>	<b>£2.81m</b>	<b>£4m</b>

\*Portfolio savings were previously reported as a single total under 'Enabling & Strategic Core' but are now broken down across all programmes

\*\*£1.75m reallocated to the Growth & Prosperity Portfolio

### Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:

- **£0.37m in 2024/25**
- **£1.87m in 2025/26**

### Highlights of progress to-date:

- Full Business Cases have been approved for the Reshaping Financial Management, Data & Digital, and Enabling & Strategic Core programmes
- Agreed the first two phases of the Asset Development & Disposal Programme
- Roll-out of e-Billing for all Council Tax customers available for upcoming financial year
- Automation of approvals process for starters, leavers and movers

## Growth & Prosperity

### 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 delivery progress

The portfolio is delivering savings of **£3.76m**. The two programmes, with individual savings expectations (where applicable), are as follows:

Programme Name	Current Expected Saving	July 2024 Expected Saving
Growth & Prosperity Plans	n/a	n/a
Service Redesign & Productivity	£3.76m*	£2m*
<b>TOTAL</b>	<b>£3.76m</b>	<b>£2m</b>

\*£1.75m reallocated to the Growth & Prosperity Portfolio from Enabling Excellence

Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:

- **£0.91m in 2024/25**
- **£1.43m in 2025/26**

### Highlights of progress to-date:

- Full business case approved for the initial phase of the Service Redesign & Productivity programme
- Agreement to upgrade to LED street lighting, supporting the Council's ambitions around Net Zero and delivering significant energy cost savings
- Initiated a comprehensive delivery plan for the review and implementation of the city's Growth plans and the associated service redesign to support it

## Resident Services

### 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 portfolio is delivering savings of £11.66m.** 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	July 2024 Expected Saving
Waste, Fleet & City Services	£2m	£2m
Good Landlord	HRA	HRA
Homelessness Prevention	£3.12m	£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
<b>TOTAL</b>	<b>£11.66m</b>	<b>£11.3m</b>

**Of this total, savings being delivered in 2024/25 and 2025/26 are as follows:**

- **£0.33m in 2024/25**
- **£6.98m in 2025/26**

### Highlights of progress to-date:

- Full Business Case for Parking & Traffic Management approved
- Initiated the delivery of a comprehensive Housing Service improvement programme
- Expanded our Port Health team to increase income generated by the council
- Completed Stages 1-4 of Sport England's Strategic Outcomes Planning Model (SOPM) to inform the future design and delivery of the Council's leisure offer



## adapt | grow | thrive - Phase 2

We have always been clear that our transformation programme would require us to deliver changes over a number of years. During the first phase of the programme, we have deliberately focused on adapting the organisation to its budgetary reality, creating a platform for the Council to become financially sustainable through the delivery of significant, immediate-term reforms and savings.

As we start to look ahead to the second phase of the programme, we need to ensure that the relentless focus on financial sustainable is maintained, whilst also looking ahead to how the programme can support the longer-term ambitions we have for the city. We expect these to fall into three broad priority areas:

### Ensuring that current plans and savings are sustainable

Completion of in-flight savings activity and robust monitoring and evidencing of lasting achievement of savings assumptions within the MTFs. This includes the completion of activities to deliver all of the savings assumed in the MTFs and ensuring that the transition of this activity back to business as usual is successfully completed.

### Continuing to address remaining areas of reform

As set out above, we still have a small number of programmes that are currently not fully scoped and therefore carry less confidence in the delivery of both financial and non-financial benefits. Completion of the business cases to allow us to bring forward recommendations for the future of City Services & Waste, and our Leisure offer are key priorities for the programme, as is the continued delivery and oversight of the Housing Improvement programme.

### Evolving the programme to have a greater focus on “growing and thriving”:

Whilst strong progress has been made to-date, we recognise the need to prioritise initiatives focused on addressing demand as early as possible and those supporting inclusive growth in the city.

Phase 2 is therefore expected to include a focus on:

- **Demand modelling & management through Prevention & Early Intervention** – supplementing the longer-term strategic focus captured within the existing Community Prevention programme with a number of more immediate-term tangible interventions. A re-focused approach needs to capture and define the key ‘cohorts’ of demand to support future financial modelling and initiate a number of ‘test & learn’ working groups to design and deliver targeted interventions aimed at addressing this demand.
- **Growth & Prosperity** – Providing a focal point, governance framework and resources to support the work underway around the Growth and Prosperity plan and the redesign of the Growth & Prosperity service to support these ambitions. There is also an acknowledgement that the transformation programme to-date has not sufficiently addressed and supported the Council’s stated intent and ambitions around net zero.
- Alongside the key pillars of Growth and Prevention we will also look to further develop and evolve our ambitions around:
  - **Data & Digital** – developing and delivering existing strategies and ensuring that we exploit opportunities for Data & Digital to drive change, alongside underpinning existing plans
  - **Customer Experience** – broadening the current internally-focused, transactional re-design work to look more broadly at our customer offer and how this supports our prevention agenda
  - **People & Culture** – building on the “Connect/Reconnect” work already underway to support the required changes to organisational culture
- **Devolution & Local Government Re-Organisation** - It is also expected that the management and delivery of these substantial programmes of change will sit within the Transformation Programme given the broad implications that they will have for the organisation. Initial conversations around the potential structure and approach to this are underway and further information will be provided in future updates.