

Report to: Cabinet

Date: 3 February 2022

Title: Recovery and Reset

Report of: Robert Cottrill, Chief Executive

Cabinet members: Councillor Zoe Nicholson, Leader of the Council, Chair of Cabinet and Cabinet member for finance and assets
Councillor James MacCleary, Deputy Leader of the Council and Cabinet member for regeneration and prosperity

Ward(s): All

Purpose of report: To update on progress of the Recovery and Reset Programme

Decision type: Non key

Officer recommendation(s):
1. To note the progress made with the Recovery and Reset Programme
2. Agree future Recovery and Reset progress reports are provided through the scheduled updates on the council's performance and financial position and the work of the Recovery and Reset member Board is ended

Reasons for recommendation(s): The Recovery and Reset Programme provides a structured and accountable approach for delivering the level of significant organisational change needed to respond to current and future challenges. This work is sufficiently developed for its management and oversight to now form part of the council's business as usual activity.

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1. Introduction

- 1.1 For the last 18 months, the council has co-ordinated its response to the Covid-19 pandemic and the subsequent impact on the economy (both for the council and the borough) through the Recovery and Reset (R&R) programme. R&R aims to manage the priority activity to address the challenges of the council's new operational context in a sustainable way, and to respond to the changing needs and demands of residents.
- 1.2 Since its inception, the R&R programme has made strong progress in leading and delivering the changes required in support of the council's response to the Covid-19 pandemic and the work to manage the significant budget shortfall over the life of the Medium-Term Financial Strategy (MTFS) period.
- 1.3 This report provides an update on the R&R activity over the last period.
- 1.4 As R&R activity becomes aligned with business-as-usual activity and the work to deliver the necessary transformation, efficiencies and savings is mainstreamed into operational plans, Cabinet is requested to agree that future reports on progress against plans and updates to the R&R Member Board will be incorporated into scheduled performance and financial reports considered by Cabinet.

2. Financial Context

- 2.1 When the R&R programme was established in the autumn of 2020, it was clear that significant savings would need to be delivered. The table below sets out the initial budget gaps which were reported in the updated MTFS presented to Cabinet in September 2021. Further work with budget holders to consider the robustness and achievability of the R&R savings has resulted in a revised position.
- 2.2 The budget planning process for 2022/23 has identified other sources to manage the funding gaps in both 2021/22 and 2022/23, these include additional funding from collection fund and updated income projections.

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
INITIAL FORECAST GAP	0.737	1.532	1.535	1.525
Less achievable R&R Savings	(0.156)	(1.183)	(2.080)	(2.080)
Other budget adjustments	(0.581)	(0.382)	0	0
Improved Funding position		(0.808)		
Contribution to General Fund Balance	0	0.841	0.545	0.555
Net Balanced Position	-	-	-	-

- 2.3 The final detailed budget information is included in a separate item on this agenda.

3. Recovery and Reset Progress

- 3.1 A range of key outcomes and benefits have been delivered (in addition to those previously reported to Cabinet) by the R&R programme so far, including:
- The Digital Democracy project, which launched the Modern.Gov system with members and officers for the electronic management of meeting agendas and papers, has progressed well with good levels of adoption of the new system. Discussions are taking place about the next phase of the project, including consideration of the future of hard-copy agendas and papers for meetings.
 - The procurement exercise for the project to explore a new Revenues and Benefits system completed in December, and a new provider and system was selected – the NPS system provided by NEC. NPS will provide significant automation improvements and reduce the need for manual activity. Since contract completion, the project team has worked with NEC to develop an implementation plan – the current window for “go live” of the new system is early 2023 working around the peak period of year-end-related activity.
 - The project to explore options for the identification of a single system to manage Environmental Health and Licensing activity is progressing well. Colleagues have identified the council’s requirements, ensuring operational benefits, efficiencies and savings can be delivered, and discussions with potential system providers are underway as part of a market testing exercise. The procurement phase of the project is due to commence in the coming months.
 - Work to identify new technology to automate a range of transactional processes within Customer First is due to be implemented in the coming weeks. A new generation chat bot will be implemented on the council’s website and, subsequently, on the contact centre phone line to allow customers to self-serve and find answers to their queries. The chat bot will, over time, reduce the volumes of queries into the contact centre, enabling the team to provide more in-depth support to those customers in the greatest need and to focus on more value-adding activity.
 - A new system to support the online facilitation of taxi licensing services is being finalised and will launch in the spring. The system – Digital Place – will offer a higher-level of automated and electronic processes for taxi drivers and operators to streamline the service provided to them, and to introduce efficiencies for the council. Once implemented, other service areas will be scoped for further use of Digital Place to deliver additional improvements and savings across a wider range of services.
 - With many of the new ways of working introduced to support and embed hybrid working across the council, a review of internal communications is underway to consider how long-standing and new communication tools can be used to support the new operating model.
 - The staff social club – the Water Cooler – has become well-established since its launch last autumn and staff have been developing it into an essential tool for interacting and socialising. The 45 groups created by staff – on themes related to personal interests, sports, pets and a range of equality, diversity and inclusion groups – are proving an effective way for staff to keep in touch and connect when working across a range of locations and in a hybrid way.

The Water Cooler will be considered as part of the review of internal communications.

- The capital programme has been reviewed and income targets relating to the property portfolio (non-residential) is to be considered by Cabinet under a separate item on this agenda.
- Through the Strategic Property Board, assets/properties are being reviewed to identify a priority list for further consideration as to how they can best support the council to meet its current and long-term financial challenges.
- The Covid-19 community hub helpline has operated since March 2020 and, in recent months, levels of contact have been consistently very low. Plans were refreshed in December 2021 in anticipation of any changes to the levels of demand as a result of the omicron variant. At the point of writing the report, no material changes to the levels of contact have been observed. An oral update on the latest position will be provided at the meeting.

3.2 Since the pandemic began in March 2020, the impact of Covid-19 on leisure and recreational facilities has been varied; leisure centres have been closed on a number of occasions as part of the national Covid-19 response and they have operated with varying health and safety measures in place at other times. An analysis of the impact is being prepared and an oral update on the latest position will be provided at the meeting.

4. Community Wealth Building

4.1 The R&R management team continues to ensure that community wealth principles are applied across all aspects of the R&R programme.

5. Consultation

5.1 There are no proposals in this report which require formal consultation to be undertaken.

6. Corporate Plan and Council Policies

6.1 The proposals in this report support the council's long term strategic aims as set out in the Corporate Plan and associated policies.

7. Financial Appraisal

7.1 As set out in the report.

8. Legal Implications

8.1 Cabinet agreed to establish the cross-party R&R member Board and accordingly, now that the requirement for it has ended, Cabinet has resolved that it should be terminated.

9. Risk Management Implications

- 9.1 The risks within R&R are regularly assessed and managed as part of the R&R and project management activities. The identification and management of any significant risks in relation to the programme will be reported to CMT and Cabinet, along with mitigation plans to address them.

10. Equality Analysis

- 10.1 There are specific no proposals in this report which require an equality and fairness analysis to be undertaken. However, the Equalities Stakeholder Group for Lewes and Eastbourne is regularly updated on progress with the R&R programme and equality analyses are undertaken for all staff reshaping exercises.

11. Environmental Sustainability Implications

- 11.1 The proposals in this report do not adversely impact on the council's long-term carbon reduction aims, as set out in the LDC Climate Change and Sustainability Strategy.

12. Contribution to Community Wealth Building

- 12.1 See para 4 above.

13. Appendices

- Appendix A – Recovery and Reset Savings

14. Background Papers

None

Recovery and Reset Savings

	2021/22 £000	2022/23 £000
W21		
Southover House	0	155
Reshaping Services		
HR reshaping	13.8	0
IT reshaping	0	68
Contract cleaning	0	100
Homes First reshaping	5.95	0
Environment First reshaping	58	58
Legal reshaping	0	25
CMT reshaping	38	2
Finance reshaping	0	(6)
Facility management savings	0	200
RESHAPING SERVICES TOTAL	116	447
Best Use of Assets		
Reduced costs/increased income	40	81
Reduced costs of capital financing	0	500
BEST USE OF ASSETS TOTAL	40	581
TOTAL SAVINGS	156	1,183