

**Committee and Date**Cabinet
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Item

Public



The Shropshire Plan Update

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1. Synopsis

The Shropshire Plan was formally agreed by Shropshire Council in May 2022. This report sets out the significant progress made by Cabinet and Officers over the intervening 9 months and outlines next steps for the authority.

2. Executive Summary

- 2.1. Commencing in 2021, the Council's Cabinet and the Senior Leadership Team have embarked on a programme of work to optimise performance across Shropshire Council in a measured but transformative approach. The start of this process was to agree a strategic plan for the Council (i.e. The Shropshire Plan) and this was approved by Full Council in May 2022 incorporating the Vision 'Shropshire Living the Best Life'.
- 2.2. This report updates Members on the significant progress undertaken in the intervening nine months, providing a robust framework for next steps over the coming years. Key details are set out in Section 7 and Appendix A of the report including the procurement of a Strategic Transformation Partner to provide capacity and capability in the delivery of the Council's Target Operating Model ("TOM") and Medium Term Financial Strategy ("MTFS") and ultimately to deliver the Council's strategic outcomes as set out in The Shropshire Plan.

3. Recommendations

That Cabinet:

- 3.1. Notes the progress made since the approval of The Shropshire Plan by Council, driving the fundamental transformation of the Authority around the vision 'Shropshire Living the Best Life'.
- 3.2. Approves the appointment of a Strategic Transformation Partner to provide capacity and capability in the delivery of the extensive transformation programme required to deliver The Shropshire Plan within the projected funding envelope over the period of the Medium Term Financial Strategy.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. The Shropshire Plan ("TSP") sets out the Council's priorities and Strategic Objectives. The Council is currently arranged to deliver the proposed outcomes of TSP, but with some examples of sub-optimal performance and interventions that are not sustainable within the expected financial envelope. The Council's strategic risks are a source of focus in determining how best to deliver TSP in practice. Furthermore, aligning our resources to the outcomes of TSP reduces the risk of overspends and the risks of non-delivery of expected outcomes. There are risks, however, that predominantly fall within financial year 2023/24 under two themes; the scale of the spending reduction needed for the Council to fall within the expected funding envelope in 2023/24 and in the tight timescales within which to deliver the expected outcomes. These risks exist at an organisational level and, to different degrees, within individual projects, be they as part of the MTFs, TOM or Service Delivery Planning.
- 4.2. To manage the highest levels of risk identified above the following mitigations have been applied:
 - 4.2.1. A single project management approach is being adopted for all transformational work regardless of its origin or current status.
 - 4.2.2. High level project plans have been identified for all delivery projects
 - 4.2.3. Realtime reporting on delivery milestones is being developed within and alongside the developing performance management framework
 - 4.2.4. Procurement of a Strategic Transformation Partner will provide additional capacity and capability for the overall programme
 - 4.2.5. A better-than-expected Provisional Settlement has provided for the following opportunities:
 - De-risking of the transformation programme by reviewing the highest risk projects and providing more time and/or resource to deliver the expected outcomes

- Balance Sheet repair, providing greater authority-wide resilience to delayed delivery as a result of macro events or other interventions beyond the Council's control.
- 4.2.6. Proposals identified in the MTFS have been allocated against two themes – efficiency and policy – enabling greater autonomy in the delivery of efficiency savings and a clear route to Cabinet and/or Council for policy changes necessary to deliver the expected outcomes. Where necessary, consultation with those affected will be undertaken and an Equality, social inclusion and health Impact Assessments will be completed.
- 4.3. TSP, by definition, considers the impact of the Council on our communities and people in defining our four 'Healthy' priorities and underpinning our Strategic Objectives. Impacts on vulnerable adults and children and communities are assessed as part of the process of implementation, necessary consultation, equalities impact assessments and consideration of human rights undertaken where appropriate.

5. Financial Implications

- 5.1. The procurement of a Strategic Transformation Partner requires an initial investment of time, resource and finances. The financial envelope assigned to this work is currently estimated at £1m to £3m over a period of up to three years.
- 5.2. It is anticipated that return on investment will significantly outstrip the funding ringfenced as work of the Strategic Transformation Partner will focus on:
- 5.2.1. Delivery of MTFS spending reductions of £50.1m due to be agreed by Council in March 2023
 - 5.2.2. Delivery of TOM proposals not individually included within MTFS (approximately 30 projects)
 - 5.2.3. Alignment of available funding with a resized and refocused local authority as recommended by LGA Finance Peer Review in 2022.
 - 5.2.4. Alignment of resources around delivery of strategic objectives set out in TSP with particular focus on the Healthy Organisation priority.
- 5.3. Subject to approval of the appointment of a Strategic Transformation Partner, the financial implications will be built into the MTFS for approval by Council on 2 March 2023.
- 5.4. The latest MTFS update is also included elsewhere on this agenda.

6. Climate Change Appraisal

- 6.1. TSP incorporates all strategic policy documentation and decision making across the Council including the Council's Climate Change Strategy.
- 6.2. TSP includes the following Strategic Objective under the Healthy Environment Priority:

“We will deliver the Council’s Corporate Climate Change Strategy and Action Plan, promoting the means to tackle climate change and reduce the carbon footprint including the adoption of low carbon energy for council’s assets and for communities.”

- 6.3. There are no direct climate change actions or implications directly arising from the creation of this report. Indirectly, several of the milestones listed in section 7 will have a positive impact on our capacity and approach to delivering the climate change strategy and achieving our Healthy Environment priority.

7. Background

- 7.1. Beginning in 2021, the Council’s Cabinet and the Senior Leadership Team began work on a programme of work to optimise performance across the authority in a measured but transformative approach. This work would eventually encompass all Members and officers of the Council and the start of this process was to agree a strategic plan with steps over the following years, summarised as follows:
- An overarching strategic plan (TSP) for the authority was created and approved by Council
 - A Series of objective and independent Peer Reviews were completed to understand where the authority was and generate independent feedback on how the Council should deliver its plan
 - A further commissioned piece of work was completed to draw these Peer Reviews into a single narrative for Shropshire Council.
 - A TOM was sketched out to plan for the most efficient and effective way for the Council to work to achieve the outcomes set out in TSP
 - The Shropshire Plan was launched with staff to improve visibility and buy-in across the organisation
 - A development programme (Getting Leadership Right) including 275 senior staff members across the Council was launched to ensure we had the right leadership in place to deliver the plan
 - Key strategies and policies, aligned to TSP and providing more detail were agreed by Cabinet and Council, with a future programme to ensure all strategies are reviewed or refreshed over appropriate timescales
 - Included within these plans was the MTFs, aligning our resources to the outcomes approved in TSP and setting the financial envelope the Council has to work to.
 - A strategic Transformation Partner is being procured to provide the capacity and capability to deliver the MTFs and thereby the outcomes set out in TSP
 - Service Delivery Plans are being drawn up by service areas across the Council to translate the high level outcomes and priorities set out in TSP into service and team plans, aligned to the TOM.
 - A Performance Management Framework is being developed to ensure the measures and milestones set out in Service Delivery Plans can be monitored and reviewed to ensure success.

- A new aligned Personal Delivery Plan (appraisals) process is being rolled out as part of Getting Leadership Right, to ensure delivery of Team and Service Delivery Plans and key performance indicators as set out in PMF.

7.2. Further details on each of these stages is provided in Appendix A

8. Conclusions

8.1. The background set out in section 7 and Appendix A demonstrates the work undertaken so far as a direct result of the adoption of TSP. While work to date has been significant, the next steps, particularly around the delivery of the MTFS and TOM, will be a focus for the authority over the coming years. Progress on these next steps and monitoring of realisable benefits and outcomes delivery will be developed and reported to Members through new and developing channels over the coming months. A further update to TSP will be provided in due course.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Local Member: All

Appendices [Please list the titles of Appendices]

Appendix A Programme of works following approval of The Shropshire Plan

Appendix B Target Operating Model Themes and Projects (referred to in Appendix A)

Beginning in 2021, the Council's Cabinet and the Senior Leadership Team began work on a programme of work to optimise performance across the authority in a measured but transformative approach. The start of this process was to agree a strategic plan for the Council with steps over the following years as detailed below.

The Shropshire Plan (TSP)

Work on the Shropshire Plan began in 2021 with an agreement that the current Corporate Plan and associated vision and priorities needed to be reconsidered. An early draft was completed in October 2021 having engaged with Cabinet and Senior Officers across the authority. Further work, discussion and consultation was undertaken through into early 2022.

The Shropshire Plan was approved by Council on 12 May 2022 setting the vision 'Shropshire Living the Best Life' our priorities and key expected outcomes. The importance of this document led to agreement between Cabinet and Senior Officers that it must not become a standalone report allowed to 'sit on a shelf' without bearing upon the strategic direction of the Council. Consequently, the Leader and Chief Executive set a direction of travel to completely transform the Council around the outcomes and priorities set within TSP. The following is a short summary of some of the key milestones delivered or currently being delivered directly related to TSP:

LGA Peer Reviews

Finance Peer Review

Undertaken in June 2022 the LGA Finance Peer Review began a process for consideration of a number of aspects of the way in which the Council operates and delivers on its key strategies and outcomes. A report was published in September 2022 with an action plan around fourteen key recommendations as set out below:

1. Consider and implement the management action needed in 2022/23 to address the in-year budget challenges;
2. Clearly set out the budget gaps faced by the council over the Medium Term Financial Strategy (MTFS) period and how the council intends to secure a financially sustainable future;
3. Invest time and capacity in communicating the budget gaps and embedding it across the council, and with partners;
4. Take ownership of the current financial situation and determine to resolve it through its own action – and explain this across the council and with partners;
5. Develop a reshaped and deliverable MTFS;
6. Ensure the organisation is prioritising realisable cashable budget savings, with political and operational support to see these through to implementation;
7. Ensure the Project Initiation Documents (PIDs), or further measures as necessary, are developed quickly into deliverable savings options;
8. Enhance and develop the skills needed within the council to deliver the required action, including project management capacity, business case development and use of data/intelligence;

9. Consider the council's approach to bid writing and attracting funding, including the skills and resource requirements;
10. Articulate how the council will look in future: its size and shape and how it will focus resources to deliver its Strategic Plan;
11. Move away from transactional monitoring to risk-based monitoring and align available technical resources to priority activities;
12. Demonstrate that the council is confident, capable and sustainable. This will enhance its reputation and thus strengthen the case for additional investment;
13. Pursue stronger engagement with national networks, to enhance the council's intelligence on national policy and best practice in other councils;
14. Be confident not passive. The organisation has capability and can meet the financial challenge head-on.

At the time of writing all but one recommendation have been delivered or are in the process of being delivered. The single outstanding recommendation relates to the implementation of the 2022/23 budget which is reported elsewhere on Cabinet's agenda and currently demonstrates an overspend in the order of £9.9m. While this is within the expected control corridor, it is in excess of the lower limit and has implications for the General Fund Balance level ahead of the 2023/24 Financial Year.

Scrutiny Improvement Review

Undertaken during late September and October 2022, the Centre for Governance and Scrutiny (CfGS) looked at opportunities for the Council to strengthen how it delivers overview and scrutiny. The key findings and recommendations from the review are focused on:

- Developing the relationship between Overview and Scrutiny and Cabinet so that Overview and Scrutiny can inform decision making, including information sharing and more pre-decision scrutiny through the extension of the practice of Green Papers.
- Involving members of all parties in developing a Cabinet-Overview and Scrutiny Protocol to formalise how they work together for the benefit of Shropshire people.
- Training and development of officers and Members to get the best out of Overview and Scrutiny, highlighting the value of a shared purpose and questioning skills
- Increasing the visibility of Overview and Scrutiny within the council and outwardly, including improving prominence of overview and scrutiny and democratic representation on the Council's website.
- Ensuring strong links between The Shropshire Plan and the lines of enquiry for Overview and Scrutiny set out in work programming, helping to identify and then demonstrate expected impact of investigations. Support effective work programming by applying a prioritisation tool to review emerging topics.
- Tracking and following -up on recommendations made by Overview and Scrutiny Committees to Cabinet to ensure that any recommendation not accepted have an explanation, and that agreed recommendations are delivered to a plan and the impact and progress is reported understood.
- Avoiding information items at Overview and Scrutiny Committees through the delivery of dedicated member training and development that maintains their knowledge and awareness on key topics identified by Members.
- Reviewing the current structure of Overview and Scrutiny to ensure that they are aligned to elements of The Shropshire Plan and/or the directorate structure

- Involving all members of scrutiny, regardless of party, in direction setting and scrutiny leadership. This should include consideration of opposition Vice Chairs and a wide range of members chairing task groups and leading on scrutiny work.
- Ensuring that all Overview and Scrutiny investigation work is underpinned by robust triangulated evidence and primary research scoped and delivered using thorough methodology.
- Ensuring that the annual scrutiny report is focused on the impact of Overview and Scrutiny work.

Work is underway to develop the actions that address the recommendations. The plan to deliver this includes taking up the CfGS on their offer to facilitate a workshop that all Members will be invited to attend where options and opportunities to respond to the review will be discussed. Discussions are also taking place with Group Leaders and Scrutiny Chairs. More detailed timescales will be developed as the actions are set out and confirmed, but indicative key dates identified so far are:

- Council 30 March 2023 - Any proposals to change the structure and remits of the Overview and Scrutiny Committees presented for discussion and agreement
- Council May 2023 - Proposals to develop the operational aspects of how Overview and Scrutiny Committees fulfil their role and purpose presented for discussion and agreement.

Communications Peer Review

In July 2022 the Local Government Association was invited to conduct a peer review of Shropshire's Communications activity. The LGA team carried out a three day review and made a number of recommendations to the Council in the Autumn.

Among the key recommendations are:

- Ensuring the Communications team has the right resources and influence to deliver on the rollout of key priorities (Shropshire Plan, Transformation, Target Operating Model).
- Investing in the communications skills the council needs to meet its future ambitions and challenges and to match the desire to be more outward facing and develop a new narrative.
- Accelerate work to develop a new corporate communications strategy and plan.
- Introduce single point of oversight for digital content (website, social media, e-bulletins).
- Develop an annual plan of communications campaigns/projects, agreed by Cabinet and EMT, using the gold, silver and bronze model to determine appropriate levels of communications resource.
- Continue work to brand core services (e.g. libraries) as Shropshire Council.
- Ensure there is coordination between work to develop different narratives/brands for the council and place. Although these stories will be different, they are related and so there is a need for this activity to be seamless.
- Further grow relationships between communications and elected members. Ensure members are encouraged to be advocates for the council and make them aware of the support on offer to help them in this advocacy role.
- Commission a resident survey to determine people's views of the council and their communications preference.
- Overhaul the approach to evaluation and reporting, ensuring impact and delivery is the focus rather than outputs. This will also help with defining the purpose of communications activities and campaigns.
- Use the launch of the Shropshire Plan to reboot relations with key partners.

Work is now underway on addressing and implementing many of the recommendations made by the Peer Review team. Regular progress on these is reported to the Cabinet member responsible for Communications

Shropshire Council Review

A review of Shropshire Council 'Facing the Future with Confidence' was commissioned to provide a strong narrative for future discussions on a regional and national basis, particularly with Central Government. This resulted in a short report in November 2022, building on the work of the LGA Peer Reviews, with a series of recommended actions and next steps currently being worked through.

Target Operating Model (TOM)

The TOM programme includes around 60 projects across five cross cutting themes:

- Breaking Generational Cycles
- Commissioning
- Digital County
- Getting it Right
- Local Shropshire

Each theme is Sponsored by a member of the Executive Management Team and led by a group of senior managers from across the business.

Many of the projects are now underway and each theme is currently looking to focus capacity on delivering the projects that can best support MTFs 2023/24 targets. Delivery will be further enhanced by using the capacity and skills of the Strategic Transformation Partner, once appointed (see details below).

As the five themes progress, common areas of focus and opportunity are emerging, including work on Reablement, Demand Management through early intervention and prevention, Data, Analysis and Intelligence and Automation.

Further details of the TOM themes and projects can be found in Appendix B.

The Shropshire Plan Launch events with staff

A detailed programme of events to explain the Shropshire Plan to employees began in October with a series of in person and online events to which all Shropshire Council staff were encouraged to attend. This included in person presentation and Q&A events held in Ludlow, Market Drayton, Shifnal and Shrewsbury. In addition, an online event was also held for those staff unable to attend in person events. The events concluded in late November 2022.

More than 1,020 Shropshire Council employees attended these events which included an interactive element and more than 200 questions about the Shropshire Plan were submitted by those at the events.

Follow up communications were sent to all attendees around how employees can start discuss with their teams how they contribute to the Shropshire Plan [Details in when, how many attended, feedback etc].

A new intranet site and web pages are being developed to help demonstrate how services are delivering and contributing to the Shropshire Plan and how the council is transforming

Getting Leadership Right (GLR)

The Getting Leadership Right (GLR) Programme commenced in November 2022, covering 275 leaders from across the organisation. The programme will pragmatically target specific blockers and provide the tools, techniques, skills, behavioural development and 'instruction' required for leaders to address issues effectively and consistently.

The delivery partner, Ascensio, were procured during the summer of 2022 and the programme co-developed, aligned to the priorities and strategic objectives in TSP, as well as the Getting it Right philosophy of the Target Operating Model.

The programme focuses on three main themes: Culture, Performance Management & Planning and Business and Commercial Acumen. The third theme will be co-designed with the Strategic Transformation Partner. The first phase of the programme will finish in July 2023, with further phases commencing in the Autumn.

The 275 leaders are split into 20 cohorts, with smaller buddy 'support' groups within those cohorts. The programme is being delivered through a mix of face-to-face workshops, online support and community via MS Teams and the GLR App.

As part of the programme, the new approach to appraisals (personal development planning) will be rolled out across the organisation.

Strategies approved by Cabinet/Council

The following policies and strategies aligned to TSP have been approved since May 2022:

- Workforce Strategy – Cabinet 8th June 2022/Council 7th July 2022
- Financial Strategy 2022/23 – Cabinet 20th July 2022
- Modern Slavery Statement – Council 22nd September 2022
- Housing Allocations Policy and Scheme – Cabinet 19th October 2022
- Community Asset Transfer Policy Update 2022 – Cabinet 19th October 2022
- Empty Homes Strategy – 30th November 2022
- Shropshire Library Strategy – 14th December 2022
- Economic Growth Strategy 2022- 2027 – Cabinet 14th December 2022
- Inequalities Strategy – Cabinet 18th January 2023

At the time of writing the following strategies and policies are due to be approved:

- Financial Strategy 2023/24 – 2027/24 – Cabinet 15th February 2023/Council 2nd March 2023
- ICT & Digital Strategy – Cabinet 15th February 2023/Council 2nd March 2023

The Shropshire Plan included a commitment to ensure that the Council's resources would follow the outcomes set out within TSP, and within the priority to deliver a Healthy Organisation is the Strategic Objective:

We will put our resources in the right place using accurate data, insights, and evidence to support the delivery of the organisation's priorities and balance the books.

The Council's Medium Term Financial Strategy is the key strategic document within TSP that defines how finances over the medium term will be allocated and aligned to the outcomes set within TSP and our prioritisation of services for local people.

Within the MTFS we set out clearly the challenges we face and the measures proposed to address those. To secure the opportunities for improved efficiency and focus – even though we already do well – changes in the way we operate are proposed to secure improved efficiency and effectiveness.

To help deliver this 'Target Operating Model' (TOM), dedicated staff time is being identified to support changes to how we operate as a single, joined-up council.

Strategic Transformation Partner (STP)

In September 2022 the Council commissioned a short piece of work to review the Council's approach to transformation resulting in the appointment of Ernst and Young over a two month period to help draw up a specification for a Strategic Transformation Partner (STP) ahead of approaching the market. The scope built upon the work highlighted above and incorporate a number of key elements:

- The creation of a new infrastructure for Council, incorporating the existing Resources Directorate and a new focussed team (Office of the Chief Executive) to include a new Assistant Director (Efficiency and Transformation) having responsibility for Communications, Public Policy and client management of a newly procured STP.
- Procurement of a STP for a period of one to three years, to provide the capacity and capability to deliver the Council's approved TOM and MTFS, within the outcomes set out in TSP.
- An eco-system of support including temporarily and permanently redeployed staff, apprentices, graduates, temporary and fixed term external placements, consultants and STP associates.
- An invest to save programme to ensure return on investment over the term of the STP, with upfront investment of between £1m and £3m over one to three years and return on investment to ensure these costs are recovered alongside the delivery of the spending reduction programme to agreed by Council in March 2023.
- An exit strategy for the STP ensuring knowledge transfer and sustainability of the TOM, within the MTFS financial envelope and ongoing delivery of TSP outcomes.

A procurement process commenced in November 2022 to appoint a Strategic Transformation Partner. That process is expected to result in a partner being appointed in February 2023 and will be confirmed with Cabinet and publicised upon completion of the procurement process.

Strategic Delivery Plans (SDPs) and Team Plans (TPs)

To complement the high level outcomes set out in TSP, a series of Strategic Development Plans (SDPs) and, where necessary, Team Plans are in the process of being finalised. It is anticipated that around sixteen SDPs will be produced, with senior officers accountable for the outcomes contained therein. Feedback from TSP launch events identified the development of SDPs as a key element in drawing a golden thread through the organisation and clarifying how TSP strategic objectives are translated into SMART targets

and outputs at a divisional and team level. At the time of writing, 2 SDPs have been completed, 9 are being finalised and the remaining in early draft.

Performance Management Framework (PMF)

Development of PMF began shortly after approval of TSP in May 2022. Work continues with the identification of measures linked to TSP. These are to be discussed further and agreed and dashboards will be created aligned to each of the Healthy themes.

Members were invited to attend a workshop on 25 November to prioritise the measures and suggest any additional ones. The feedback from this has been collated and subsequently circulated for further review to Members.

Quarterly performance reports are being provided for PMSC but the aim is replace this with automated dashboards.

An initial version of the Directors Gateway has been developed and discussed with Executive Directors. Feedback has been received before Christmas and has been reviewed and updates scheduled. The Directors Gateway is aligned to TSP themes. Performance Measures shown here will form the basis of wider reporting to officers and Members across the Council.

There is ongoing development of dashboards and understanding of the importance of data and business intelligence through the Council. Several key areas have been identified to strengthen the insight capability and programmes of work are currently being planned.

Personal Development Plans (PDPs)

A revised appraisal process for staff was launched in the autumn of 2022, aligned with TSP and built around the leadership development approach within Getting Leadership Right (GLR) and is in the process of being rolled out to those on the GLR programme.

The PDP process is working in parallel with the development of Service Delivery Plans and Team Plans and the emerging Performance Management Framework, enabling these essential building blocks to be developed together and embedded over the coming years.