

Policy Committee Decision Report

Title of Report:	Delivering Future Sheffield - update
Date of Decision:	20th November 2024
Report To:	Strategy & Resources Committee
Report Of:	Claire Taylor
Report Author:	Catherine Mills, Assistant Director - Transformation

Executive Summary:

The purpose of this report is to provide an update on the Council's Future Sheffield Transformation programme and includes:

- An overview of progress to date on the immediate priority areas agreed at the Strategy & Resources Committee on 24th July 2024, including the next steps for the Customer Experience Programme.
- An overview of the activity that is planned to take place and the investment required over the next two to three years to fully realise the potential of implementing the target operating model and the Future Sheffield transformation programme.



Council Plan outcomes:

[A place where all children belong and all young people can build a successful future](#)

[Great neighbourhoods that people are happy to call home](#)

[People live in caring, engaged communities that value diversity and support wellbeing](#)

[A creative and prosperous city full of culture, learning, and innovation](#)

[A city on the move – growing, connected and sustainable](#)

Policy Committee remit:

This report is to be considered by the Strategy and Resources Policy Committee as its remit includes responsibility for any issue identified as being of significant strategic importance or financial risk to the Council (which is considered to be by its nature cross-cutting).

Does the report contain confidential or exempt information? No

Recommendations:

It is recommended that Strategy and Resources Committee:

1. Notes the progress of the Future Sheffield Transformation programme including the potential financial and wider benefits.
2. Notes the intended next steps for the Customer Experience programme and agree to progress further development and delivery of the Customer model, including strengthened leadership for this function, realising the model across the Council, and associated benefits. This will involve engagement and consultation with any affected staff in due course as appropriate.
 - a. Endorse the focus of the next phase of the Customer Experience Programme, including the next set of service areas prioritised for end-to-end customer journey development alongside the Digital Programme (see Appendix C)
 - b. Agree to progress to the next stage of developing and delivering the future Customer model, including clear management arrangements and the implementation of the Core Customer Hub for the Council , preparing for the transition of additional responsibilities into the Contact Centre in a phased approach (see Appendix B)
 - c. Request officers to build integrated coordination and governance between the Customer Experience Programme and the co-creation of the Communities Strategy and wider community engagement activities, including links with the cross-party Member reference group, given their interrelated nature.
3. Notes the proposed activity and investment required to deliver the Future Sheffield Transformation Programme over the next two to three years (see Appendix A).
4. Notes that following the implementation of the work will progress to identify a strategic partner to support delivery.

Financial Implications: Yes Approved by: Kerry Darlow

Legal Implications: No Approved by: Nadine Wynter

Equality and Inclusion Implications: No Approved by: Ed Sexton

Climate Change Implications: No

Background Papers:

[Strategy & Resources Committee April 2024](#)

- Digital Strategy
- Customer Experience Strategy

[Strategy & Resources Committee July 2024](#)

- Future Sheffield Transformation Programme - Business Case for Change
- Future Sheffield Customer Experience Programme - A new delivery model

[Strategy & Resources Committee October 2024](#)

- Reviewing our approach to working with the communities of Sheffield

[Council Plan](#)

[Sheffield City Goals](#)

Appendices:

Appendix A

Transformation Roadmap

Appendix B

Customer Experience model

Appendix C

Pipeline of customer and digital programme customer journeys

1. Background to the issue

1.1 Future Sheffield is the Sheffield City Council's (SCC) programme for transformation and organisational development. It is a long-term approach to change with a focus on improving the experiences of the residents, businesses and customers we serve and for our workforce. The Future Sheffield Programme is a holistic approach to change and improvement to become the organisation the city needs to deliver Mission Sheffield, the aspirations and vision set out in the Sheffield City Goals and the priorities in our Council plan.

1.2 The purpose of Future Sheffield is to develop and deliver projects and initiatives to achieve the following improvement and financial benefits:

- Improve the services we deliver, with a focus on serving our residents, business and customers more effectively online, on the phone and in person.
- Helping to improve and modernise our processes and ways of working, with a focus on improving our use of technology.
- Designing services that are fit for the future, recognising the changing nature of our city and increasing demand for our services.
- Improving support to our workforce, equipping people with the skills, processes and technology they need in a changing world.
- Reduce our running costs, to modernise and ensure we are financially sustainable as an organisation.
- Deliver an organisation that can more effectively achieve the ambitions in the new City Goals and the Council Plan priorities, including our policy focus on people, prosperity and planet.

1.3 In progressing the Future Sheffield Programme at pace and putting in place the infrastructure required to drive delivery across the whole organisation, we will deliver better outcomes for our communities, workforce and the Council as a whole.

- Our communities: We want to improve outcomes for communities as a result of more efficient and effective services, with local people feeling heard, understood and connected to the Council . We want to increase trust in the Council, with communities wanting to work in partnership with the Council .
- Our workforce: Staff are proud to work for SCC, they advocate for it in their communities, and they know how they contribute in their role. Teams feel well led and supported by their managers, with everyone empowered to drive change and improve performance. The workforce is representative of Sheffield, with strong connections into local communities.
- Our council: We will deliver sustainably as an organisation, closing the financial gap in the MTFs through clear, coherent choices on how we work. We will increase the productivity of teams as a result of consolidating functions as appropriate, more digitally enabled delivery,

and improved ways of working. More empowering communities, partnerships, prevention and early intervention will help more people so the Council can effectively use its resources for those most in need of our support.

2. Proposal - Moving from Strategy into Delivery

2.1 A new Operating Model for the Council was agreed at Strategy and Resources Committee on 24th July 2024, this sets out the four key themes that we are now working to implement and will shape and deliver key changes to our organisation over the coming years:

- **Communities and Customer:** How the future organisation can better engage and interact with its citizens and local communities to meet their needs and wants. It particularly focuses on growing community connections, prevention and early intervention, as well as the initial contact points for customers requiring information, support or services.
- **Service delivery:** How customer needs and wants are met by the organisation directly providing support or services in an efficient and effective way. They typically involve frontline customer-facing activities from the point of determining eligibility to conclusion of services being provided.
- **Enabling Services:** How functions support the Council to operate efficiently and effectively, enabling frontline services to focus on delivering outcomes for customers. These range from business support to Finance, IT, HR etc. It also includes strategic capabilities that help to define, plan and deliver delivery of key priorities.
- **Commissioning, supply chain and partnerships:** How the Council engages, works with and influences its wide range of external partners to achieve common outcomes and priorities. This includes how it shapes and develops key markets for commissioned services, as well as working with other public sector and community organisations.

Communities and Customer

2.2 The Council's Customer Experience Strategy was approved by the Strategy and Resources Committee on 17th April 2024. It sets out the Council's commitments, expectations and plans as one council to achieve a great customer experience for all. It is a council-wide strategy which describes our shared understanding and ambition for achieving great customer experience across the Council. Everyone in the Council is responsible for owning and contributing to making it a reality, so we achieve improved outcomes together. Alongside the Digital Strategy, the Customer Experience Strategy will help to deliver our mission and outcomes set out in the City Goals and Council Plan.

2.3 The Customer Experience Strategy recognises that delivering better experiences for our customers will be an ongoing journey. It sets out the

following four priorities which will establish the foundations we need across the Council :

Improving digital access: Driving stronger use of digital tools and solutions for customers across all services.

Empowering communities: Building creative ways to communicate, connect, empower and work with our communities.

Modern customer model: Developing a cross-council model and ways of working to enhance customer experience.

A smarter experience: Using data, insight and customer involvement to deliver better and more cost-effectively.

2.4 The cross-council Customer Model agreed at the Strategy and Resources Committee in July will better connect community resources and council support and use digital channels more effectively to therefore allow more tailored human responses for those people who need it. It consists of four broad functions which will improve customer experience and organisational efficiency.

To support this, the Customer Experience Programme has moved into delivery against each of the four priorities set out in the Strategy. It has identified and prioritised the changes needed into an implementation roadmap over the short (6 - 12 months), medium (1 - 2 years) and long term (3 years +).

An overview of progress to date (against the four priorities above) is set out below:

- Work has taken place in conjunction with the Digital Programme to deliver the first changes to improve accessibility and navigation of the website, starting with taxi licensing and checking and managing housing rents.
- The initial launch of Microsoft Co-pilot (GenAI) to begin to automate and improve simple customer operations has taken place.
- Team-led transformation has been taking place in the Contact Centre to develop and upskill Customer Service Advisers.
- The redesign of 4 customer journeys (Housing rents; support for vulnerable adults; school admissions; support for new or growing business) with quick wins delivered and wider business change requirements prepared.
- The appointment of the Council's Director for Customer Experience and Communities to lead cross-council change.
- The development of a new Customer Experience Capability for the council which will drive stronger insight, application and championing of the 'voice of the customer' across all services delivered by the Council.

- Refining existing information, data and intelligence to improve our customer performance and outcomes.

Communities and Customer - moving into the next phase of delivery

As this programme moves into the next phase of delivery there will be a focus on the following activities and outcomes:

Improving digital access

- Work with the Digital Programme to deliver the next set of changes to the website and digital access for customers for specific service areas (see customer journeys below).
- Development of changes to the Customer Relationship Management system, access solutions e.g. (repairs automation) and knowledge base to improve how we connect and co-ordinate support to our customers.

Modern customer model

- Redesign the next set of customer journeys, focusing on key points of first contact (Place Hub; Revenues and Benefits; Children's Services).
- Progress the development of the Council's Core Customer Hub by defining a phased approach for building additional responsibilities for initial enquiries and transactions into the Contact Centre and preparing for the transition of the first set of responsibilities.

Empowering Communities

- Coordinate and support two Proof of Concept initiatives co-designed and co-developed with local communities to test and iterate how we further empower communities in practice.
- Contribute to the co-creation of the collective, long-term ambition for communities in Sheffield, as agreed at October S&R Committee, as an integral part of our future customer model.

Smarter Experience

- Implement the first iteration of the Council's Customer Experience Capability, establishing dedicated resources to transform customer journeys and respond to the voice of the customer.
- Conduct skills analysis to inform training and development requirements to support customer experience.

Digital Transformation Programme

2.5 The Customer Experience Programme is working alongside the Council's Digital Programme to develop how customers engage and interact with us

online. This includes improving the accessibility and navigation of the Council's websites, as well as further expanding online transactions for services (starting with taxis licensing and checking and managing housing rents). This will enable more customers who want to engage with the Council digitally to do so, creating capacity for us to work with those who do not want to use digital channels.

2.6 Our Digital Strategy is focused on helping us to become the organisation we want and need to be in the future – a Council with people at its heart. It will help us to build trust in the Council by providing a consistent, modern and high-quality experience, where online enquiries work, and people feel heard and connected to what we do.

2.7 The Digital Transformation Programme commenced in June 2024, to deliver the Digital Strategy, and is one of the key enabling programmes of Future Sheffield. It aims to establish Sheffield as a customer-led Digital Council, delivering reliable and inclusive services through sustainable modern technology and a people-centric approach over the next three to five years.

2.8 The programme is focused on improving our capability and the service we offer to our workforce, customers, partners and businesses, through infrastructure, technology and digital improvements.

The objectives of the programme are to:

- Provide 24/7 access to reliable and inclusive digital services for all customers.
- Enhance customer satisfaction by ensuring online enquiries are effective.
- Modernise work processes to dedicate more time to addressing complex issues and non-digital service users.
- Implement advanced and sustainable technology and IT infrastructure to support efficient service delivery.
- Foster a collaborative decision-making environment, informed by data and insight, and involving staff in the development and implementation of digital solutions.

Enabling the channel shift to digital self-serve

Several key developments have already been delivered, with further activity in progress, to enable those of our customers that do want to self-serve to access our services through digital channels.

Website: Developing an improved website, with a fresh look at how we present information and the language that we use so that all our customers understand it. A new homepage launches in November and will be followed by the launch of our first revamped digital customer journeys, with Street

Scene and Regulation and Council Housing. A calendar of ongoing improvements is appended to this report.

Telephony: A new automated telephony process is being released in November for tenants to help log non-emergency repairs out of hours, when our phone lines are closed.

CRM: Updates to our Customer Relationship Management System are in progress and testing has commenced. This is used in the main Contact Centre and Customer Service Points across the Council, and once live allows the implementation of a MyAccount feature on the Website. Customers will see significant improvements in how we track and manage online customer enquiries. Work is in progress to define a first set of enquiries where customers can follow their online transactions from the first time they contact the Council to completion of their enquiry.

Technology and infrastructure: The Digital Strategy sets the vision to create a robust, future-proofed and sustainable technology estate to support our workforce and customers. Work has begun, and we are currently surveying all our corporate sites and schools to plan for upgrades or installation of new network lines to improve our network performance and speed. We have been capturing insight from many colleagues to plan for the transition from analogue to digital telephone solutions over the next 15 months. A review of Wi-Fi connectivity has been completed in Howden House and Town Hall and a re-architecture scoped for the coming months to avoid a user having to log in multiple times when on site. Other buildings are currently being reviewed.

Exploring AI: There are a range of AI opportunities starting to be explored, to determine the tools that will best support us as an organisation to improve service delivery and drive productivity. A cross-council review of the use of Microsoft Copilot and how it may benefit the council has been undertaken. 150 use cases were identified, and a three-month trial commenced in October. Other AI tools are also being trialled, including Magic Notes, working with Occupational Therapists and the First Contact team in Adults Social Care.

Projects delivery and governance: The new Programme and Project Delivery team were welcomed into the DI and ICT Service following an internal recruitment process. The new roles of Business Relationship Managers, Programme Managers, Project Managers and Business Analysts, will help us to drive service delivery improvements and continue the realisation of digital and IT savings. A key focus for transformation is to improve governance around project prioritisation to make sure that we deliver the right solutions and services in the right time frame to manage costs and achieve our Digital Strategy and Future Sheffield goals. A gateway process for all IT and digital projects going forwards has been defined and a new

Digital Front Door process will streamline any digital and IT related requests, such as IT equipment, projects and project management support.

Digital Strategy Business Case: We are seeing early savings through renegotiated contracts and improvements to IT and digital systems and processes, with year one savings of £100,000 realised and anticipated savings of £800,000 identified for year two. Notable savings are being achieved with a new Customer Relationship Management system (CRM), the network infrastructure upgrade and mobile connections review. A key focus over the last three months has been on defining the application rationalisation approach, with business owners identified to review priority applications such as booking systems and Microsoft licensing. This work will support the Council in driving out further savings in year two.

Service Delivery

2.9 A number of programmes have already begun to progress under the service delivery theme of the Operating Model, including Children's Transformation and Housing Improvement & Transformation.

2.10 The Children's programme will drive service transformation in order to deliver improved outcomes. This will include understanding the right models of support which need to be in place for the families and young people of Sheffield and improving the provision for transport for those with special educational needs (SEND). There are four key workstreams of activity as part of this: Data, Transport, Funding and Models of Support.

2.11 The Housing Improvement & Transformation work is a key part of delivering Future Sheffield, closely linked to the Customer Experience Strategy and Digital Strategy as critical enablers. The programme is focusing on delivery of key goals to improve the impact the service has on the people of Sheffield. For example, reducing the turnaround time on voided properties in order to minimise the number of empty properties.

2.12 As part of the next stages of transformation, the Target Operating Model work which concluded in October 2024, set a key line of enquiry to look at the Operating Model of all service delivery areas, as well as to improve the efficiency and effectiveness of their delivery. This work will need to build on the positive transformation to-date and understand how these services operate most effectively individually, as well as collectively as part of the end-to-end experience for people and communities. A number of programmes will need to be stood up to deliver against the ambition for this layer of the Operating Model and deliver significant benefits both financial and non-financial.

Strategic Capabilities and Enabling Services

2.13 A number of programmes across the Council are delivering tangible change within the Strategic Capabilities and Enabling Services theme. These include:

- Human Resources and organisational development: This programme will look at how employees can be best supported in their roles individually and as a team in order to deliver better outcomes and services for the people of Sheffield. To achieve this the programme will create a service that supports a modern and efficient local authority.
- Legal services: This will involve the implementation of the new legal operating model and savings based on design work completed in June 2024.
- Accommodation: This is constituted by a number of projects focussed on a review of and potential changes to the footprint of Sheffield's physical assets. This will include the implementation of the Corporate Landlord model.

2.14 The Target Operating Model review work has highlighted a more significant opportunity for this layer of the Operating Model to be developed in order to make more efficient use of resources and capabilities. Specifically, work will need to be taken forward over the next two years which considers:

- What is the right service model for Enabling Services, based on the changing overall Operating Model of Sheffield
- How can Enabling Services more effectively and efficiently interface to support front-line services
- Where are the opportunities for these capabilities to deliver savings, and better support the organisation to do so, through strategic alignment of budgets and savings

2.15 A number of programmes of work will need to be put in place to deliver this scale of transformation over the next 18 - 24 months. An initial view of this roadmap is set out in the appendix, but further scoping work is needed to confirm the specific activities and programmes of work.

Commissioning, Supply Chain and Partnerships

2.16 In early September, the procurement programme commenced to review the current operating model for the Procurement & Supply Chain Service and recommend where improvements could be made. This work will contribute to the new External Spend programme approved through SLB and Future Sheffield Board and support our progress towards the overall Target Operating Model. We are working with the Transformation Office over the coming fortnight to further build out the wider connections to the External Spend programme being scoped as part of Future Sheffield.

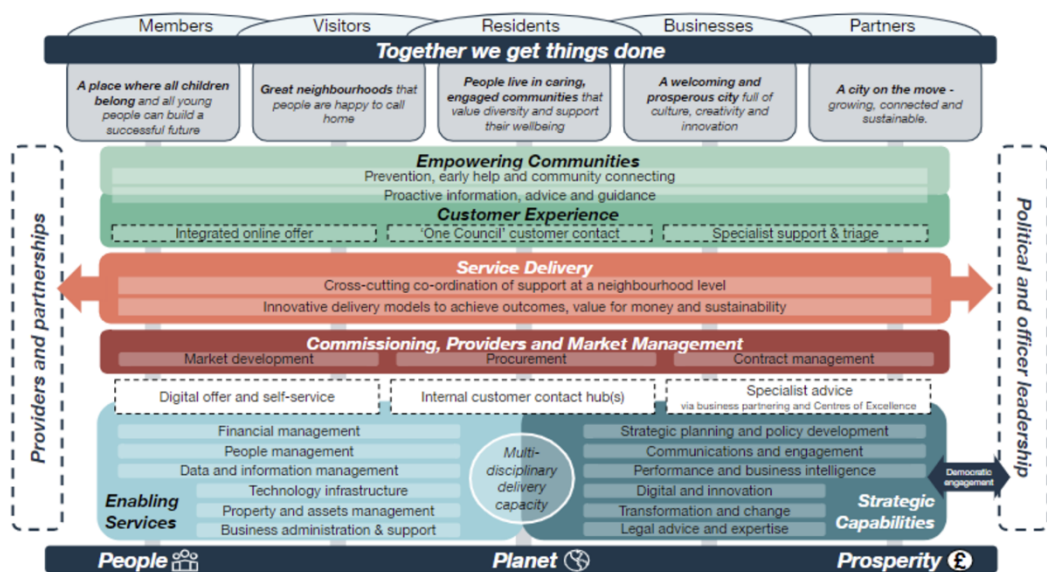
2.17 The initial review is due to be completed at the end of November. The focus is to identify opportunities to:

- reduce, remove or redirect spend with associated savings plans (through analysis of spend with 3rd parties);
- assess our readiness for the new Procurement Act which comes into force in February 2025;
- evaluate our procurement maturity against a model framework and identify areas for improvement to drive operational efficiencies and increase effectiveness; and,
- assess our current capability and capacity in relation to procurement and contract management in order to improve, enhance and maximise procurement impact and value.

2.18 The initial analysis of third party spend has been completed. The focus of the project for the next period will be to undertake reviews into specific spend profiles to assess where savings could be made and continue to identify opportunities to improve procurement and contract management.

3. How does this decision contribute to the Council Plan?

3.1 Future Sheffield is the key transformation programme to deliver the Council's Target Operating Model (set out below) and is aligned with the ambitions and outcomes set out in the Council Plan.



4. What community or partner engagement has been undertaken and how has it informed the proposal?

4.1 Partner and community engagement has not been undertaken at this stage. However, as the development of the community empowerment strategy gets underway, wider engagement will be required as set out in the report to the Strategy & Resources Committee in October 2024.

5. What alternative options did we consider?

Alternative Option 1:

5.1 Do nothing - The Council could choose not to implement the cross-council the target operating model and accelerate the Future Sheffield transformation programme thereby continuing to deliver as per existing ways of working. This has been rejected because the Council would fail to deliver against the vision and outcomes set out in the Council Plan and previous decisions taken, with the resulting negative impact on demand, costs, the Council's medium-term financial sustainability, and its reputation.

Alternative Option 2:

5.2 Service by service improvement - The Council could choose to enable individual services areas to develop and implement specific changes associated with agreed aims and ambition. This has been rejected because it would not achieve the 'one council' approach and the holistic outcomes and financial benefits envisaged in the Council Plan and the Future Sheffield Programme.

6. How has equality, diversity and inclusion been actively considered?

6.1 An Equality Impact Assessment is not required for the purposes of this report. However, as service changes are implemented, an impact assessment will be undertaken as part of any consultation process.

7. Financial and Commercial Implications

7.1 The Future Sheffield Transformation is an integral part of the Council's plan to achieve financial sustainability over the duration of the Medium-Term Financial Strategy (MTFS). The MTFS report that was taken to the Strategy and Resources Committee in July estimated that the budget gap over the 4-year period would be £68.9m. In addition, the 24/25 overspend position as at Q1 was £34.3m, driven primary by growth in demand. This paper (Appendix A) sets out that the work undertaken to date has identified the potential to save in the order of £86m annually. This opportunity for significant organisational savings through transformation, includes consolidation of work, reduction in duplication of activity, investment in new systems, fundamental

business process improvement and strategic efforts such as demand management and long-term prevention. This is complex transformational work and cannot be delivered through efficiency or continuous improvement alone, and will be delivered over a period of several years.

7.2 Over the last 6 months the scale of the Council's dedicated corporate business change function has been significantly reduced. This has been a planned reduction due to the implementation of the Digital Strategy and the creation of a new digital delivery team drawing resources from the previous generalist business change function. The successful implementation of this digital delivery operating model has meant that the Council has a significantly reduced capacity to and lacks the specialist capabilities required to meet the delivery requirements and pace of Future Sheffield as set out in this and in previous reports. Therefore, there is a requirement to work with a strategic partner to ensure the full benefits of Future Sheffield can be realised within the agreed timeframe.

7.3 In order to fully realise the business benefits and financial savings identified as part of the design of the Future Sheffield transformation programme, investment will be required. The £4.3m transformation fund will - as a minimum - remain in the revenue fund each year for the next three years. There may also be a requirement for future capital and revenue investment in order to accelerate the delivery of Future Sheffield and ensure that the recurrent savings requirement of the transformation programme can be achieved. Further work will be required, as the programme develops, to quantify the level of investment, funding sources and anticipated savings and this will be brought back in future updates.

8. Legal Implications

8.1 There are no direct legal implications arising from this report. Any legal implications identified as delivery progresses will be considered when it is brought back to the Committee for further decision.

Any consultation and implementation of changes to service delivery will be undertaken in adherence to existing employment legislation and Sheffield City Council's HR policies and practices.

9. Climate and Environmental Implications

9.1 There are no direct climate or environmental implications arising from this report. However, as the background documents to this report set out, having an ambitious shared vision Sheffield will support and enable the work that we need to do to achieve net zero and our climate commitments.

10. Other implications

N/A

11. Reasons for decision

11.1 The Council's transformation programme, Future Sheffield, is aimed at improving service effectiveness and delivery across the organisation whilst creating a robust long-term financial plan for the Council.

Delivering a whole council approach to implementing the Council's Target Operating Model, will achieve more joined-up services, greater effectiveness and efficiencies which could not be achieved by individual siloed changes. As the Programme progresses, the Council will develop the capabilities and infrastructure to successfully deliver for more sweeping and potentially complex changes.

By moving from Strategy into delivery, the Future Sheffield Transformation Programme will begin to demonstrate the benefits and tangible change to the organisation and our communities. This will build the momentum and our ability to deliver wider transformation with strategic oversight by Future Sheffield Board and the Strategy and Resources Committee.

Appendix A

Transformation Roadmap

Appendix B

Customer Experience model

Appendix C

Pipeline of customer and digital programme customer journeys

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