



CHILDREN AND FAMILY COURT ADVISORY AND SUPPORT SERVICE

Paper for the Board meeting on 3 September 2010

TRANSFORMATION PROGRAMME – PROGRESS REPORT JULY/AUGUST 2010

1. AIM AND PURPOSE

- 1.1 To provide a progress report of the 2010/11 Cafcass Transformation Programme.

2. RECOMMENDATIONS/ACTION FOR THE BOARD

- 2.1 To note the latest position.

3. SHORT SUMMARY

- 3.1 A significant amount of work has been completed in the last month. One key area has been the refresh of the overall Project Plan and the creation of clearer pathways for communication between each work stream. Given there are many interdependencies between each of the work streams, the Programme Management Office (PMO) are ensuring that project leads are liaising effectively to prevent duplication of work, meetings and to have timely communication to staff and stakeholders. The following is a summary of the areas of work that have been undertaken:

- a) Preparation for Ministerial Briefing
- b) Work on proposed criteria for Ofsted inspections
- c) Re-refresh of Programme Plan/Outcomes Plan/Risk Register
- d) Attendance at HoS development event – communication on and about the Transformation Programme
- e) Re-refresh of Service Area Business Plans linked to productivity and efficiency savings targets and linking in Cash for Change project plans
- f) Health Check – review, undertaken by a DfE team
- g) Graduate recruitment to support the programme
- h) Review of Benefits Realisation for each work stream
- i) Project Leads meeting
- j) Communication of Transformation Programme – now on the intranet

3.2 TRANSFORMATION PROGRAMME INFRASTRUCTURE

The Programme Office

- 3.3 Having re-based and revised the Programme Plan and put in place a clear structure for each project lead, the work of assessing how each stream has started to take shape. A review of the Programme Plan and the interdependencies has raised a number of issues to resolve between the various projects. The system is in place for early identification of risks that may affect the delivery of key tasks.

- 3.4 The PMO meets on a weekly basis to review the tasks that should have been achieved and then liaises with each Project Lead to discuss and offer support.
- 3.5 The PMO have been involved in revising the business plans to ensure there is a clear link with the Transformation Programme and operational services. Work has been undertaken with Ofsted to ensure their inspections pick up the key elements of the programme. Ofsted have mentioned that they will want to see real change in front line practice which of course is a key overall programme outcome. Ofsted have been given the overall project plan, the outcome plan along with examples of the formats each service area is using. In agreement with Ofsted a monthly update will be provided of the project plan so that any changes or slippage can be reflected in their planning for local inspections.
- 3.6 The PMO are also visiting teams and attending Service Improvement Meetings (SIMs) to ensure the strongest possible engagement with the programme at all levels inside the organisation.

OGC HEALTH CHECK

- 3.7 The Transformation Programme has recently completed a health check review following the Office of Government Commerce format. The review, conducted by a DfE team, looked at all of the revised documentation and refreshed project plan, interviewed a cross section of staff involved in delivering the programme and some Heads of Service. The outcome of the review was positive with constructive recommendations and was rated overall as Amber. The following are the key findings and recommendations. The full report will be presented to the September meeting of the Audit and Risk Assurance Committee.

Findings

- a) The health check team finds a well managed programme that has made significant strides since the set up of the new PMO.
- b) The programme faces a number of significant risks that will need an enhanced focus and level of challenge and scrutiny going forwards
- c) As the programme continues a greater level of bottom up staff engagement will be key to successful delivery
- d) The health check team found a consistent degree of enthusiasm for the programme and its ability to deliver the changes that Cafcass needs to make

Delivery outcome - Amber

“Definition of Amber: “Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun”

- a) The health check team arrived at this decision due to the significant level of uncertainty around key dependencies (e.g. estates) that may impact upon the programme’s ability to deliver to planned timescales
- b) In addition, a somewhat slow start to the programme set up alongside these uncertainties could jeopardise timely delivery of the benefits
- c) However the health check team feel that the current strong programme team are well positioned to respond to challenges

Recommendations

- a) That the Cafcass Programme Board continue strengthening its challenge role to ensure that critical delivery, dependency and risk issues are addressed with

- appropriate management action and to consider other options for supporting challenge, for example through the Cafcass Board. ('Critical – do now')
- b) Now that the programme is established, the programme should focus on more active engagement, especially upward engagement of staff ('Essential - by September')
 - c) That contingency/management plans be development to deal with the 'big ticket' risks/issues that face the transformation programme ('Critical – do now').

4. Summary review and analysis of progress of work streams

- 4.1 The following work streams have a number of external and internal inter-dependencies and they are laid out so that the Board can see the headlines and the potential impact of pressures on the programme with a proposed way forward to meet key targets / deadlines.

Operating Model

- 4.2 The Operating Model is the overarching driver for how services are delivered and ensures that there is a consistent process of working with all stakeholders. Sitting alongside and supporting this model is the Front Line First project relating to how cases are best managed in future. A detailed procedure for proportionate working in public law cases and multi-issue private law cases is being finalised for launch at the Head of Service development conference in September.
- 4.3 The design of the Operating model has been drafted so as to be accessible and easy to absorb, apply and comply with. Focus Groups are being arranged to get initial feedback on the design and how it should be shaped.
- 4.4 The model will be in place by January 2011. Consultation with the judiciary, staff, and trade unions will be essential.

Front Line First

- 4.5 This work stream is focusing on how cases are worked from beginning to end, looking at proportionate ways of working. The detail of how cases are managed and how the working arrangements with the Judiciary, children, families and Local Authorities are operating, are at the heart of this project. A number of pilots are being undertaken to develop the new ways of working.
- 4.6 Within this work stream sits 'Cash for Change'. Plans have been developed with work actively going on in all service areas to reduce backlogs and sustain change in new, more proportionate ways of working. All local cash for change projects are being monitored against success criteria. An analysis of the benefits will be carried out regularly and updated. The Cash for Change work is demonstrating improving productivity and this is set out in Section 9 of this report.

National Business Centre (NBC)

- 4.7 The first stage of this service has been delivered in the Central area, with all C100's now being processed through the Hub and Central Intake Team in Birmingham. This work stream has slipped significantly due to compliance with Government guidelines preventing any new external lease being signed. A new venue has been identified in Coventry which will meet the specification for the service however the move to the new site has slipped from September 2010 to December 2010. This may well mean that the whole programme is at risk of slippage of three months given that this service is central to delivery of the overall programme.

Engagement

4.8 The Engagement work stream is split into two main areas.

Mainstream engagement

- a) This work stream has started to map out what practice is currently going on in all service areas with the aim of identifying effective models and rolling them out across the country. For example, there are good examples of how complaints are being managed and how partnership meetings are being held to discuss pressures and working practices on a local basis.

Communication of the programme

- b) A logo has been produced with supporting summary information about the eight work streams. The key aim is to gradually share how the programme is changing ways of working and to secure the involvement of frontline staff in shaping the services and seeing real change to support how they practice. Work with teams is essential and there is a programme to use this approach rather than ask staff to travel to focus groups.. The key aim of this communications plan is to ensure consistency and timely updates so staff have the opportunity to comment and shape services.

4.9 One key and essential element for engagement are our Heads of Service. A specific development event has been arranged for early September with the key focus on engagement.

Tools for Effective Working

4.10 A number of strands of this work stream have started, below are some examples of these:

- Re-refresh of Templates –. There are some good examples of where new template letters/reports have been put on the intranet to make it easier to access standard template documents
- Completion of user acceptance testing on Templates
- Focus / control group established and held
- Commencement of pilot for desktop improvements
- Commencement of user experience initiative
- Development of Dashboard specification underway
- HR system commissioned
- Electronic case file development – linked to share point and template letter population.

4.11 A half day workshop held on the 7 July 2010 was successful with up to 30 people in attendance. Following on from this group it was agreed to use them as a control group being asked to develop and shape new tools for electronic working.

Estates

4.12 A Briefing has gone to HoS/Trade Unions about changes to the Estates portfolio. The intention is to alert all staff to proposed moves and closures this year. The Estates plan is currently being revised to take account of the new Government guidelines. At this point there are no significant major risks to implementing the Estates plan and the benefits are on track for this work stream.

Workforce Development

- 4.13 This work stream is well developed and is moving to align with the new operating model and Front Line First service. The major element of savings – the business support service restructuring – is under threat because of the difficulties with the National Business Centre approval process. This is a key inter-dependency to decide and resolve.
- Briefing to HoS for Business Support restructure
 - Consultation with Trade Unions
 - Completion of new job descriptions:
 - a) Newly Qualified Social Worker
 - b) Modern Apprentice
 - c) Administrative Assistant (Band 1)
 - d) Administrator (Revised JD) (Band 2)
 - e) Data Input clerk (Band 1)
 - f) Data Input Supervisor (Band 3)
 - g) National Business Centre Manager (Band 7)
 - h) Practice Manager - National Business Centre (Band 8)
 - Launch of Newly Qualified Social Worker programme and commencement of recruitment campaign
- 4.14 The benefits from the restructure of Business Support achievable within the current financial year are at risk due to the delays in establishing the NBC. The benefits model assumes savings from this workstream of circa £200k per month over the second half of the year.

Maximising online services

- 4.15 The scope of financial transactions for review has now been agreed with new procedures being designed for discussion with Internal Audit colleagues where appropriate. Changes to these procedures are anticipated on an incremental basis from October onwards. The extension of the facilities within the Portal are being considered against the benefits to practitioners in having service user self assessments passed electronically to them. Usage of this facility in its current form is limited. The preferred mechanism to deliver online HR processes is through the procurement of a new HR system, where this manner of working has been set out in the statement of business requirements to prospective suppliers. Progress in the procurement has been adversely impacted by the Treasury guidance on ICT related spending but a way forward has now been agreed.

5 KEY STRATEGIC ISSUES FOR THE BOARD TO CONSIDER

- 5.1 Note and implement the recommendations of the Health Check
- 5.2 The experience so far and ongoing risks and contingencies arising from the ongoing delays with the NBC and Estates work stream and the consequence of this for delivery of planned savings in the current financial year.

6 BENEFITS FOR CHILDREN

- 6.1 A key driver for the Transformation Programme is to improve our services for children by delivering high quality and efficient services in a timely way working with key partners to achieve this. There is evidence of this occurring in the improvement of throughput of work across the organization.

7. RISK ANALYSIS

- 7.1 A Risk Register is maintained for the overall Transformation Programme and each workstream within it, in accordance with our Risk Management Policy. Changes in the nature or assessment of risks are captured through the monthly returns from Project Leaders and on an exception basis outside of this escalated to the Programme Office. The Healthcheck Review has highlighted a need to capture the consideration of whole system risks outside the control of Cafcass which may have an impact on the Transformation Programme itself, along with any general impact on the whole organisation. This work will be taken in to account in the refresh of both the Programme and Corporate Risk Registers, reporting to the Audit and Risk Assurance Committee, at its meeting later in September 2010.

8. FULL YEAR FORECAST EXPENDITURE

- 8.1 The year to date financial position is showing the programme is in line with budget expectation.

	Full Year Forecast	Full Year Budget	Variance
Online Transactions	100,000	100,000	0
Programme Office	216,951	225,000	(8,049)
Tools for Effective Working	1,529,565	1,700,000	(170,435)
National Business Centre	1,309,229	1,335,000	(25,771)
Estates	2,491,233	1,922,500	568,733
Workforce Development	2,426,598	2,495,000	(68,402)
Frontline First	149,888	200,000	(50,112)
Future Operating Model	164,095	220,000	(55,905)
Cash for Change	3,055,911	2,740,000	315,911
Engagement	122,801	130,000	(7,199)
NBC Savings	(888,533)	(1,050,000)	161,467
Estates savings	(25,620)	(17,500)	(8,120)
Spending control reduction	(320,000)	-	(320,000)
Total net expenditure	10,332,118	10,000,000	332,118

- 8.2 A full forecast was undertaken by each individual project at quarter 1 and the results above show a forecast full year overspend of £332k.
- 8.3 The forecast overspend on the Estates programme relates mainly to the following projects that were not identifiable at the date the business case was produced and have now been forecasted at their anticipated actual costs. The projected overspend on Estates will be funded by Grant in Aid budget already held within the core Estates Department.
- 8.4 The savings identified for Estates are based on the assumptions made on the position at the 6 August; however this is a continually variable outcome due to the complexities of the current Estates program.

- 8.5 The Business Centre savings forecast of £0.888m is based on the Business Support Realignment and NBC paper that was approved at CMT on 1 June 2010. The assumption in the paper was that business support realignment will only commence as each operational area transfers their data processing to the Business Centre and as such the current negotiations in relation to the Business Centre property will directly affect the value of savings realised this financial year.

9. Benefits realisation

- 9.1 The budgeted cashable savings for the 2010/11 and 2011/12 financial years are as follows:

Benefit	Budgeted Savings 2010/11	Budgeted Savings 2011/12
Estates benefits	17,500	353,000
NBC Business Support Restructure	1,051,674	2,103,349
TFEW reduced audit inspection costs		12,500
TFEW reduced SEC spend		754,650
	1,069,174	3,223,499

Additional cashable savings to those identified in the original business case are still being reviewed and will be added to this schedule as they are confirmed.

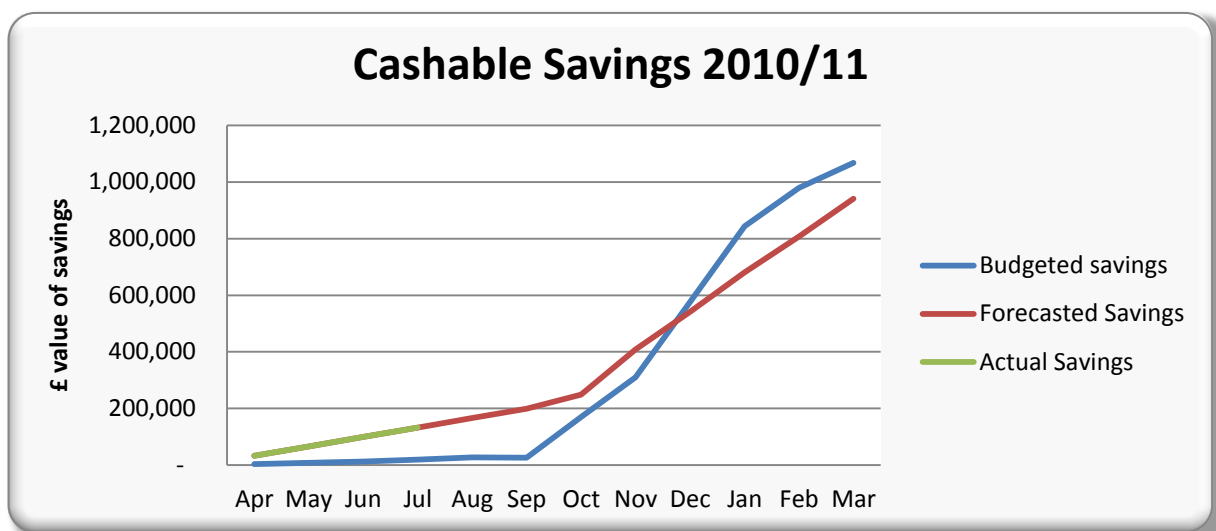
- 9.2 The forecasted savings for 2010/11 are as follows:

Benefit	Budgeted Full Year Savings	Forecasted Full Year Savings	Variance
Estates benefits	7,500	25,620	8,120
NBC Business Support Restructure	1,051,674	888,533	(163,141)
	1,069,174	914,153	(155,021)

- 9.3 The forecasted savings on the business support restructure are based around numerous assumptions that will change as the restructure progresses. The forecasted savings will be updated monthly throughout the year as information becomes available. The main driver for this saving is the implementation of the National Business Centre, of which the planned September commencement is currently under review until new premises can be secured. Delays to the commencement of the National Business Centre will result in a lower realisable saving this financial year. The variance on this saving also partly relates to an assumption that all business support staff will re-apply successfully for new positions but will be subject to pay protection. The total cost of pay protection if all business support were successful in filling the restructured positions is £135k for the 2010/11 financial year.

9.4 The year to date cashable savings position is as follows:

Benefit	Budgeted Savings YTD	Realised Savings YTD	Variance
Estates benefits	20,222	9,167	(11,056)
NBC Business Support Restructure	-	123,963	123,963
	20,222	133,130	112,908



9.5 Whilst substantial progress has been made in realising cashable benefits, some of these relate to savings that were identifiable prior to the 2010/11 budget being allocated and as such have already effectively been realised by reducing the budgets allocated for this financial year.

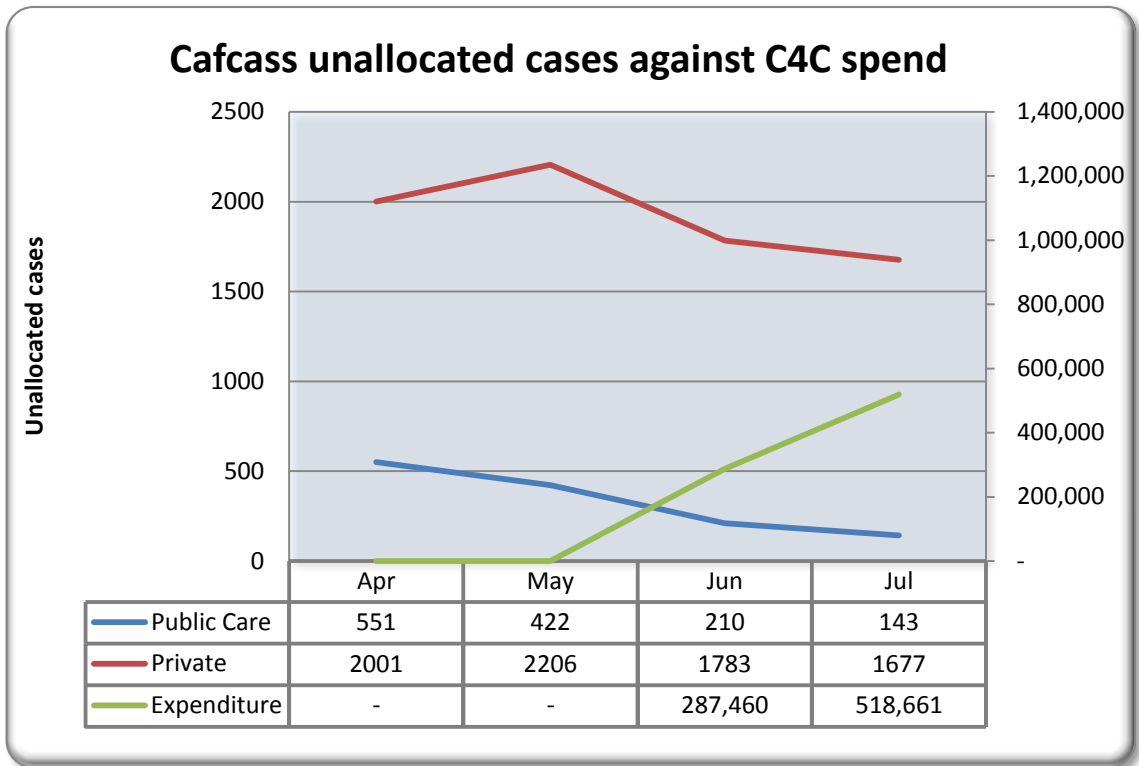
10 EFFICIENCY SAVINGS

10.1 The budgeted efficiency savings for the 2010/11 and 2011/12 financial year are as follows:

Benefit	Budgeted Savings 2010/11	Budgeted Savings 2011/12
Frontline First (2% FCA productivity improvement)	1,055,880	2,111,760
Workforce Development (0.5% FCA productivity improvement)	263,970	263,970
	1,319,850	2,375,730

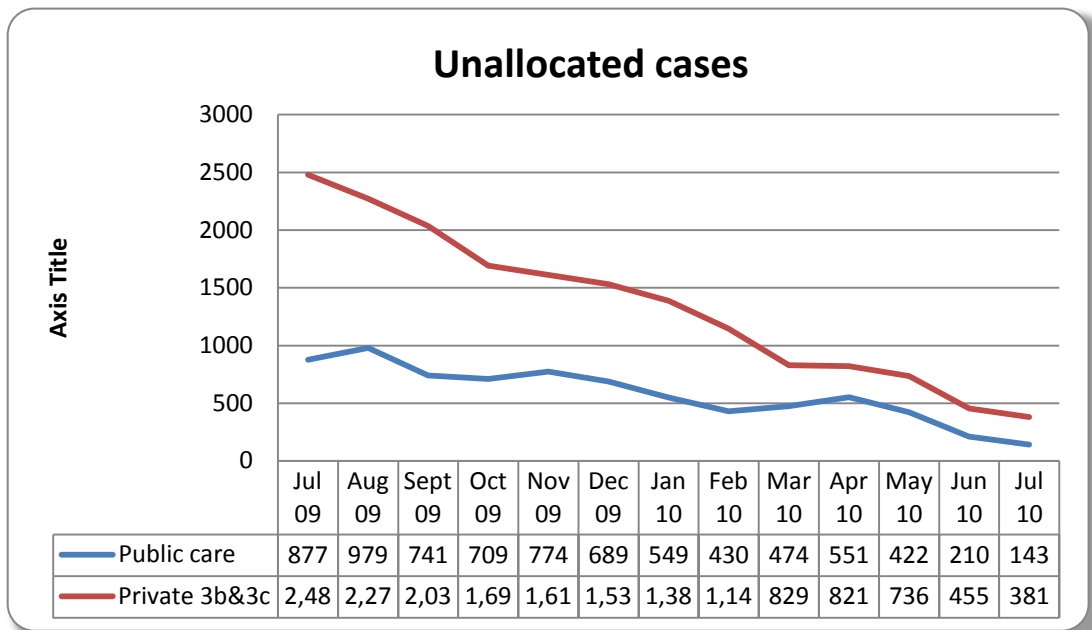
Additional efficiency savings to those identified in the original business case are still being reviewed and will be added to this schedule as they are confirmed.

10.2 The focus of projects funded within the Cash for Change work stream within the Frontline First Project was on achieving a sustainable reduction in unallocated cases. The chart below shows the relationship between spending by local areas through their Cash for Change project and the reducing levels of unallocated private and public law work.



10.3 The number of unallocated care cases has fallen by 83 per cent when comparing July 2009 to the same period this year. At the same time, the number of allocated care cases has increased by over 31% with staff working on 2,746 more care cases in July 2010 than a year ago and the number of duty allocated care cases remained constant at just over 1,000 cases. The picture is similarly encouraging in private law where those cases still awaiting allocation at the 10 week before filing date, or overdue has likewise fallen by nearly 85%

The two graphs below provide a clear view of the improved productivity.



10.4 Assuming the reduction in levels of unallocated cases is sustainable, then using the most recent time recording measures of public and private law case input would indicate the newly allocated work is equivalent to 15FTE practitioners. Against WTE

in post of 1004.7, this represents an average monthly improvement of 1.5%, against the target improvement of 2% in 4.1 above (£750k per annum at FCA salary equivalent value). The actual WTE range is between 2.5% and 0.8% by month. The cash equivalent budgeted and estimated actual efficiency savings are shown in the chart below.



11 DIVERSITY ANALYSIS

11.1 Each work stream will ensure that Equality Impact assessments (EIA's) are carried out as the details and work are both planned and in progress. Early Equality Impact Assessments have been carried out on three work streams given they are implementing key parts of the programme:

- Workforce Development
- Estates
- National Business structure

11.2 Progression of each EIA will be based on the point at which there is an implementation plan and this will be agreed with the Operational Directors and Senior Responsible Officers.

12. KEY ACTIONS

12.1 Implementation of the recommendations of the Health check review will be built into the work of the Programme Office.

Julie Brown
Director of Finance

Simon Froud
Head of Transformation

Darren Scates
Director of Transformation,
Technology and CIO

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