

### Transformation & Innovation Portfolio and Innovation Funding

The council has agreed a Transformation & Innovation portfolio of programmes and projects to support delivery of the Council Plan and savings as part of our Medium Term Financial Strategy. Through the portfolio, we will reimagine what we do and how we do it – building a Learning Organisation that is agile, inclusive and future-ready. By 2030, we will deliver smarter services, co-create change and embed innovation as a way of working. The portfolio will strength financial resilience through bold savings and strategic investments, achieving our vision of a *better Brighton & Hove for all*.

The Transformation & Innovation portfolio comprises ten strategic programmes, structured into three themes: Addressing the critical areas of demand led pressures, Financial Levers that will underpin the organisation's financial sustainability, and Strategic Enablers, which will ensure the organisation is geared up to deliver transformational change.

#### Key Demand led pressures

##### ▪ Adult Social Care Transformation

This strategic programme covers the key areas of improvement in Adult Social Care (ASC) for Brighton & Hove. When compared to statistical neighbours, the council is an outlier in the number of residential placements (particularly for working age), completed annual reviews and reablement offer. The prevention offer at the entry point to ASC services, in line with national best practice, is another area of focus. Key areas of improvement were also reflected in the recent regulatory outcome by Care Quality Commission (CQC).

The strategic programme comprises the following workstreams:

- Market management: Reducing residential and nursing care admissions and managing provider fee uplifts.
- Targeted reviews.
- Increased Community Reablement.
- Improved prevention offer at the ASC front door.

##### ▪ Children's Services Transformation

The programme covers the key areas of improvement and transformation in Children's Services for Brighton & Hove. When compared to statistical neighbours, the council has a lower number of children in residential care but also significantly fewer homes in the south compared to north. Children are at risk of residential care due to a combination of complex need and sufficiency issues. The council is keen to bring down spend on placements at the same time as

keeping children local, improving placement quality and keeping children in families.

The strategic programme comprises the following workstreams:

- Development of new accommodation for Unaccompanied Asylum Seeking Children.
- Reunification of Families.
- Expansion of Mockingbird & Fostering Plus.
- Families First and Early Help.
- Early Help to reduce the number of children needing social work intervention and entering care.
- Increased fostering households through innovation.
- Home to School Transport.

### ▪ **Homes & Homelessness**

The programme will deliver on one of the most challenging areas for Brighton & Hove with deepening homelessness crisis and managing increasing demand for Temporary Accommodation (TA). Brighton & Hove's use of TA is increasing, with increased reliance on spot purchased accommodation. The financial cost is coupled with challenging outcomes for individuals who have much higher needs year on year. The trajectory is unsustainable and the council is now considering bold, strategic action to address the issue.

The strategic programme comprises the following workstreams:

- Increasing the supply of more affordable TA.
- Reducing the unit cost of existing TA.
- Improving effectiveness in prevention of homelessness.
- Accelerating move on from Temporary Accommodation.

### **Financial levers**

#### ▪ **Income & Commercialisation**

The strategic programme aims to embed a business mindset and commercial strategy across services, exploiting market opportunities and harnessing the city's unique identity and environment to deliver new income streams. It will deliver the following outcomes:

- Increased net positive income for the council.
- Sustainable commercial culture and capability.
- Clear governance and risk management for all commercial activities.

A phased approach will be taken:

- Phase 1: Focus on quick wins within City Operations and expanding current services within available capacity.
- Phase 2: Incubate and refine commercial models, then scale to other directorates and more complex areas.

### ▪ **Procurement, Commissioning & Contract Management**

The strategic programme will:

- Identify indicative savings and deliver savings strategies.
- Increase the use of spend analysis to inform strategic decisions and identify savings.
- Consolidate contracts and reduce duplication.
- Improve social value and contract outcomes.
- Create a centralised, comprehensive contract register with reporting solution.
- Produce training, templates, and guidance with clear, published roles and responsibilities for procurement, commissioning and contract management.
- Enhance collaboration between Procurement, Legal, Finance and service teams.

Consultants have been commissioned to undertake a short, urgent review of all aspects potentially within the scope of the strategic programme, along with associated savings.

### ▪ **Asset Strategy**

The strategic programme aims to have a coherent and data driven Asset Strategy. This will allow the council to maximise capital receipts, reduce liabilities and risk, and retain income generating and strategic property. The focus of the programme is to:

- Produce capital receipts of at least £50 million over four years.
- Identify and produce more capital receipts for subsequent years.
- Rationalise operational buildings.
- Increase the number of active transactions in each stage of the pipeline.
- Generate efficiency gains and enable better strategic decisions through better data management.
- Reduce the cost of running operational buildings through disposals.

The strategic programme comprises the following:

- Property disposals/capital receipts.
- Appropriation to the Housing Revenue Account.
- Operational property rationalisation, including large complex properties/ service delivery.
- Property portfolio data management.

### **Strategic enablers**

### ▪ **Organisational Change**

The strategic programmes aims to:

- Build a learning culture that is connected, confident, innovative and creative, diverse and inclusive, healthy and psychologically safe.
- Aid staff wellbeing and reduce sickness absence.
- Deliver financial savings and service improvements.
- Create an efficient workforce required to deliver a *better Brighton and Hove for all*.

Delivery will be via three core programmes/projects:

- Operationalising the Learning Framework.
- Sickness Absence & Workforce Wellbeing.
- Delivery Models Review.
- Functional alignment, including Admin & Business Support (Phase 2), Customer Service (Phase 2), IT&D and Programme & Project Management.

### ▪ **Digital Innovation & Technology**

The programme aims to use 'test and learn' techniques to trial new technologies rapidly to find out what works best for the council. This embeds the council's ways of working as a learning organisation. It will do this in combination with supporting and enabling all council services to deliver improved outcomes for customers, through the development of Digital, Data & Technology (DDaT) capabilities delivering the following outcomes:

- Building the foundations for well run council processes.
- Developing the technology infrastructure and ensuring it is fit for the future.
- Developing insight via Artificial Intelligence (AI) Tooling for better decision making.
- Growing the skills for staff to ensure compliance and deliver improved customer outcomes.

A phased approach will be taken:

- Phase 1: Focus on the completion of the innovation technology pilots and completion of Foundational projects within DDaT.
- Phase 2: Develop and refine capital investment as a direct result of the pilot outcomes, then progress future information technology capital investment to deliver a new Digital & Technology Strategy.

### ▪ **Devolution**

Devolution is the transfer of powers and funding from national to local government. This enables decisions to be made closer to the local people,

communities and businesses they affect. It offers greater freedom and flexibility to deliver better targeted public services, economic growth and stronger local partnerships. This is achieved by creating a new strategic authority covering a region, usually overseen by an elected mayor. Brighton & Hove is part of the government's Devolution Priority Programme (DPP) which means that elections for a Mayor for Sussex & Brighton are due to take place in May 2026. The programme is included within the Transformation & Innovation portfolio due to its significance to the future of the council.

### ▪ **Local Government Reorganisation**

Central government invited councils in Sussex and Brighton & Hove to develop proposals for Local Government Reorganisation (LGR), which aims to simplify council structures by replacing the two tier system of district and county councils with unitary councils that deliver all local services. As the only existing unitary authority in Sussex, Brighton & Hove was not legally required to be part of the reorganisation. However, its inclusion in the DPP meant that it needed to work collaboratively across Sussex to design LGR in a way that unlocks Devolution. Changes to other councils in Sussex provided an opportunity to consider whether to stay on the current Brighton & Hove footprint or combine with other areas. As with Devolution, the programme is included within the Transformation & Innovation portfolio due to its significance to the future of the council.

Each strategic programme has a Corporate Leadership Team (CLT) Sponsor, Senior Responsible Owner (SRO), Programme Manager and Critical Friend. As part of the budget setting process for 2026/27, the strategic programmes have set out what is within their scope, their savings proposals and investment requirements across the four years of the MTFS, and high level delivery plans.

A Savings & Innovation Delivery Board (SIDB) has been established to oversee the management of the council's finances and development of a longer term plan for financial sustainability. The Board meets fortnightly and is jointly chaired by the Chief Finance Officer and Director for People & Innovation. The Board has had a key role in reviewing the savings and investment proposals (ie. requests from the Innovation Fund) from the strategic programmes and agreeing which should be put forward as part of the December budget report to Cabinet.

Portfolio progress is reported quarterly to CLT Innovation and going forward, will include action updates from the Corporate Leadership Plan for each strategic programme and updates on progress from those initiatives in receipt of Innovation funding. Regular updates are also provided to the Cabinet Member for Customer Services & Public Realm. Updates to Informal Cabinet/Cabinet are provided as and when required. Further consideration will be given to ensure the correct data and metrics are place to monitor benefits in more detail, including those that are cashable and non-cashable, and cost avoidance.

## Appendix 3

Forming a multi-year work plan, the portfolio will be closely managed to ensure opportunities for transformation and innovation are encouraged and explored, focus remains on the delivery of cashable savings to support the MTFS and progress is regularly monitored by both the SIDB and CLT Innovation. In the new year, the SIDB will encourage further exploration of connections and opportunities for joint working across directorates and potentially, with other organisations and partners. Time will be taken to work through more complex and significant change proposals across the whole of the MTFS, and to challenge thinking and explore opportunities around the shape and focus of the organisation of the future.