Newcastle City Council

# Change and Innovation Programme Update

## Appendix 1: MTFP November 2026



# Change and Innovation Programme Update – November 2026

This document has been updated from the previous version shared with Elected Members in September to include further details relating to the financial contribution of the Programme to the 27/28 Medium Term Financial Plan and indicative workforce implications.

Other content has been refreshed where appropriate and there is more substantive new content on the four new operating models.

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# Introduction and context



# Overview of Change and Innovation

Change and Innovation is an **ambitious, cross council programme** which has been designed to:

- Help us **work smarter**
- Make services **easier to access**
- **Support colleagues** with better tools and processes
- Build a more **resident-focused, resilient and sustainable council** that is fit for the future, to meet the **changing needs** of our communities.

The programme will help us deliver the savings we need over the next **three years**, and so there will be some challenging decisions, but importantly, this is not simply about saving money.

It's about **improving how we work** and making sure we're delivering the best possible services with the resources available to us. **By changing how we work today, we can create capacity to focus on the things that matter most to residents tomorrow**.

# Overview of Change and Innovation

## Why is change needed?

- Newcastle City Council is facing a **projected budget gap** over the three years of the MTFP.

- Transformation workstreams have been developed relating to how the Council is **organised and structured** (Workforce & Organisation Design), **spends money** (third party spend) and **staff productivity** (Service Effectiveness & AI and Systems Bridge ERP).

- **Demand and cost pressures in social care directorates need to be mitigated**, with directorate resources freed up to address rising demand and to enable change (Adults Transformation & Children's Transformation)

- Without decisive action, the Council risks unsustainable cost growth, inefficiencies, and reduced ability to deliver outcomes for residents.

## How are we taking it forwards?

- We have **mobilised** the Programme with a blended team of Council and external resources.

- We have established appropriate **governance** arrangements including a central **Programme Management Office, CLT Programme Board structures, 'Business Design Authority' and 'Technical Design Authority'** to ensure a cross council approach.

- We have added a **corporate risk** relating to Programme delivery.

- Benefits profiles are being **continually refined** – some have increased beyond initial projections.

- Overall, workstreams are progressing well towards anticipated timelines for **benefit realisation over a 3 year period.**

# Workstream delivery programme

The Programme is delivered across a number of independent workstreams as summarised below:

- **Workforce: Organisation Design and Operating Model –** Redesign council structure, governance and ways of working to improve accountability, reduce duplication and enable more efficient service delivery
- **Reviewing Third Party Spend –** Improve control and value from external spend through better data, standardisation and supplier negotiation.
- **Service Effectiveness (Powered by Technology) –** Increase productivity using standard processes, performance insight and technology, including AI, to reduce manual work and release capacity through coaching
- **Improving Customer Experience –** Redesign journeys, digitise access and improve contact handling to reduce demand and improve first-time resolution.
- **Adults' Transformation –** Reduce demand and cost in adult social care through prevention, commissioning and service redesign.
- **Children's Transformation inc Independent Transport –** Improve outcomes and reduce cost pressures through demand management, placement strategy and redesign.
- **Systems Bridge (Enterprise Resource Planning – ERP) –** Implement a single corporate back-office system to improve data quality, automate processes and reduce duplication.

# Financial contribution & indicative workforce implications

| Workstream | Financial contribution (£) | Estimated equivalent FTE impact * |
|---|---|---|
| **Workforce: Reviewing our Organisation Design** | 4.7 | 66.4 |
| **Workforce: Reviewing Operating Models** | 4.2 | 120.7 |
| **Reviewing Third Party Spend** | 1.2 | 0.0 |
| **Service Effectiveness (Powered by Technology)** | 1.8 | 44.0 |
| **Improving Customer Experience** | 1.1 | 43.5 |
| **Adults Transformation** | 2.0 | 0.0 |
| **Childrens Transformation (including Independent Travel)** | 2.1 | 0.0 |
| **Systems Bridge (Enterprise Resource Planning ERP)** | 0.5 | 33.0 |

*This figure includes posts already consulted on and removed during 26/27.

# Understanding equality impacts

The Public Sector Equality Duty (Equality Act 2010) requires Newcastle City Council to have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people from different groups. Assessing impact on equality and recording this is one of the keyways in which we can show due regard.

Workstream leads have been undertaking Equality Impact Screening Assessments to confirm where further Integrated Impact Assessments (IIAs) may be required. IIAs are published as part of the budget consultation where required.

Workstream leads will continue to screen for impact through programme delivery.

# Investing in our colleagues

We are supporting the delivery of the Change and Innovation Programme through upskilling colleagues in key skills including:

- Project management
- Business analysis
- Change management
- Digital and AI
- Contract management
- Service redesign
- Web Development

**This is helping us to build sustainable change capacity and capability for the future.**



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# Workforce: Organisation Design



# Workforce: Organisational Design & Operating Models

- We are, and will continue to be, a **large employer** providing many hundreds of different services to residents, visitors and businesses.
- As we have **grown and evolved** over time (for example following the Housing Review) some of our organisational structures have become inconsistent and duplicative.
- This workstream gave us the opportunity to review our **organisational design** so that structures support service outcomes, we promote consistency, they strengthen accountability and are affordable, practical and legally defensible.
- Our **operating model** review gave us the opportunity to consider how, initially, 6 key enabling functions should operate and the benefits of new ways of working. We have since extended this to a further 4 areas for review.

# Organisational Design - approach

**1. We agreed our workforce baseline and established stronger grip and control**

Strengthened governance by introducing our Workforce Spend Oversight Group (WSOG) which brings greater visibility of recruitment activity. We have reviewed all fixed term contracts and existing funded vacancies within our establishment data.

**2. Updated HR Policies and Tools**

We have revised our "Managing Reorganisation, Redundancy and Redeployment Policy" and updated guidance, templates and toolkits to support colleagues through change.

**3. Agreed guideline design principles**

We agreed guideline 'design principles' covering layers, spans of control and grade differentiation and used these to test our current structures, while also recognising that exceptions could and should be supported where justified.

**4. Applied a planning assumption reduction on Directorate workforce spend**

Considering all of the above, we challenged Directorates to review their workforce expenditure and work towards a financial saving of **initially 7.5% and then 10%** of applicable workforce spend.

# Organisational Design – financial & workforce impact

The indicative impact of our Organisation Design review is a £3.5m saving with c.52 FTE post reductions across the Council. We are currently consulting with colleagues and Trade Unions in relation to these reductions.

We have looked again at opportunities to go further in this workstream and have identified a further £1.2m saving, delivered through an additional c.14 FTE post reductions.

We expect that 70% of these FTE reductions can be achieved by deleting vacancies however this will be further validated through meaningful consultation.

We will continue to explore all options for reductions including Voluntary Redundancy, Stepping Down and reduction in hours, to mitigate against Compulsory Redundancy where appropriate.

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# Workforce: Reviewing Operating Models



# Operating Model – Phase 1 overview

**We undertook a workforce activity analysis exercise to identify dispersed functional activity occurring across the Council and then reviewed how these services should operate in the future.**



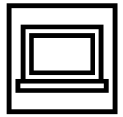
### Business Support

Clearer offer; consolidate dispersed support where appropriate; improve consistency and resilience.



### Customer Contact

Joined-up access for residents; consolidate where contact is handled; support digital and self-service journeys.



### IT & Digital

Clearer accountability; organise capability to support reliable services and future transformation.



### Performance & Data

A clearer hub-and-spoke model; stronger insight; less fragmented or duplicated activity.



### Portfolio & Project Management

More central oversight, standards and prioritisation; deploy programme and project capability effectively.



### Commissioning & Procurement

Join up procurement, commissioning support, contract management and brokerage; strengthen assurance and value.

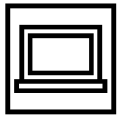
# Operating Model – Approach



**Business Support**



**Customer Contact**



**IT & Digital**



**Performance & Data Analytics**



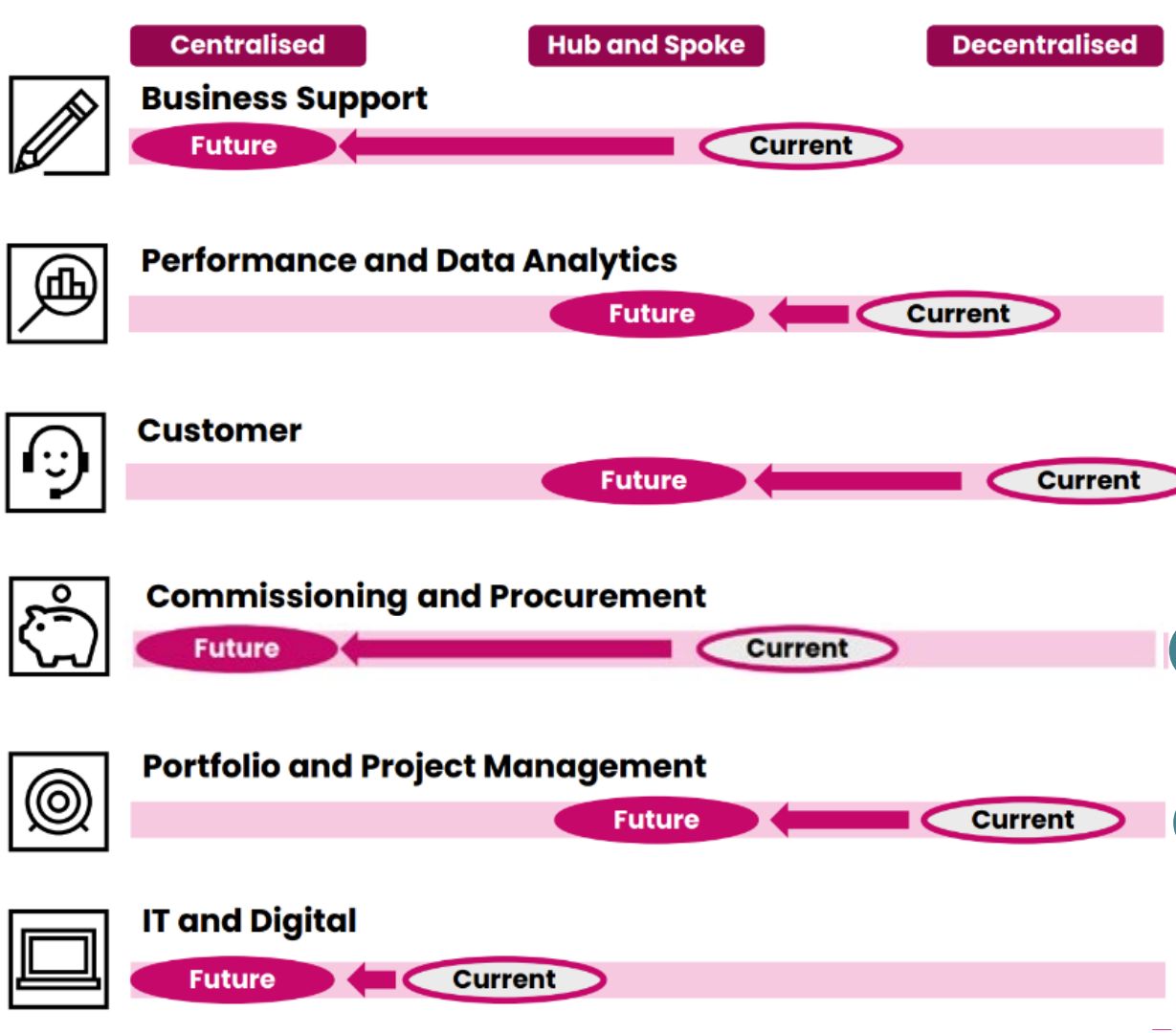
**Portfolio & Project Management**



**Commissioning & Procurement**

| | | |
|---|---|---|
| 1 | **Establish and validate workforce baselines** | Create a single, agreed list of every post in scope for each functional area, validated through managers, job descriptions and functional leads. |
| 2 | **Understand current operating models** | Identify what works, what doesn't, and where pain points exist—building the evidence base for change. |
| 3 | **Design high-level future models** | Develop operating model options, undertake financial challenge and define what needs to be in place to enable change. |
| 4 | **Consult and engage** | Engage on opportunities for change and inform our Integrated Impact Assessment. |
| 5 | **Implement changes and new ways of working** | Implement revised changes to structures and ways of working. |

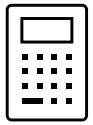
# Operating Model – current position




| Current position | | |
|---|---|---|
| 4 | Consult and engage | We continue to consult with colleagues and invite expressions of interest for voluntary redundancy. |
| 3 | Design high-level future models | We are finalising our approach ahead of consulting with a small number of colleagues. |
| 5 | Implement changes and new ways of working | We have started consolidating additional calls within the Contact Centre and we are monitoring the impact of this to support an evidence based financial decision. See more on Slide 42. |
| 3 | Design high-level future models | We are still working with colleagues to confirm the future model. |
| 3 | Design high-level future models | We are finalising our approach ahead of consulting with a small number of colleagues. |
| 5 | Implement changes and new ways of working | We have concluded consultation and 7 colleagues will be leaving through voluntary redundancy. In addition to deleting 5 vacancies this is achieving a financial saving of £549k. |

# Operating Model – phase 2

**We have identified a further 4 new operating models, working to the same principles of identifying dispersed activity occurring across the Council and considering how these services should operate in the future. These operating models are currently at stage 2 of the design process.**



### Processing financial assessments

Streamlining transactional activity to improve customer experience and reduce multiple processing.



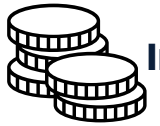
### Customer voice and engagement

Better coordination and sharing of customer insights and engagement activity to inform decision making and action.



### Financial support

A single front door for financial support, ensuring residents maximise opportunities available to remain resilient and secure.



### Income recovery

Coordinated approach which ensures appropriate, transparent and supportive income recovery

1. **Establish and validate workforce baselines**
2. **Understand current operating models**
3. **Design high-level future models**
4. **Consult and engage**
5. **Implement changes and new ways of working**

# Operating Models– financial & workforce impact

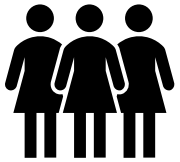
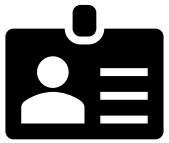
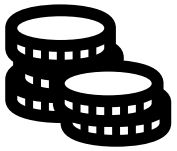
The indicative impact of our initial 6 Operating Model reviews is a £3.0m saving with c.93 FTE post reductions across the Council.

The indicative impact of our additional 4 Operating Model reviews is a £1.2m saving with c.28 FTE post reductions across the Council.

We will continue to consulting with colleagues and Trade Unions in relation to these reductions.

We will continue to explore all options for reductions including Voluntary Redundancy, Stepping Down and reduction in hours, to mitigate against Compulsory Redundancy where appropriate.

# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | ✓ |
|  | **Reduction in agency and contractor costs** | ✓ |
|  | **Reduction in external supplies and services costs** | |
|  | **Increase in costs recovered, income generated or improved debt management** | ✓ |

We are currently actively consulting with colleagues in relation to workforce reductions. We are committed to avoiding compulsory redundancies as far as possible.

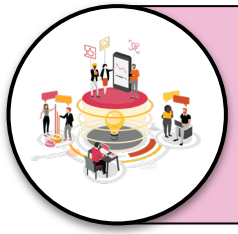
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# Reviewing Third Party Spend

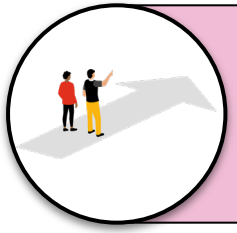


# Third Party Spend – current position

## Opportunity Themes



**Strategic Spend Consolidation**
There is potential to rationalise suppliers and aggregate demand across common categories to leverage economies of scale in purchasing



**Service Specifications**
There is potential to identify opportunities to lower the service specifications requested from the market whilst still delivering the services required by the Council and residents.



**Demand Management**
There is an opportunity to review the demand for services across the council, and whether there are opportunities to reduce or delay the volume of services purchased whilst still providing business-critical council services.



**Targeted Commercial Interventions**
There is potential to deploy specialist commercial negotiators on high-value and complex supplier arrangements to reset pricing, terms and scope.

£487m of addressable third party spend across 3000+ suppliers from FY24/25 was analysed. Five areas were then selected for a 'deep dive':

- ICT Hardware
- ICT Software
- Fleet
- Children's Services
- Adults

**Next phase** of deep dive reviews currently being scoped.

There is linked activity being undertaken on the **Procurement & Commissioning capacity and capabilities** within the organisation as part of the Workforce and Operating Model workstream.

We have **strengthened 'grip and control'** on third party expenditure with new approval governance including:

- Additional spend approval for £5k+
- Contract review panels for £25k +
- Implemented no PO no Pay policy.

# Category Opportunities: ICT Hardware and Software

## ICT Hardware

| | |
|---|---|
| Laptops | Remove unused laptops from the refresh cycle, standardise to fewer models for better pricing, and strengthen recovery and reuse of devices. |
| Mobile Phones | Recall unused handsets, tighten rules on who qualifies for a work phone, and explore lower-cost alternatives including promotion of e-sims. |
| Desktop Phones | Move more colleagues to Microsoft Teams calling, reduce the number of desk phones, and renegotiate support contracts at renewal. |
| CCTV | Move to a single supported technology platform through competitive procurement. |

**Current activity:**

- Communicate policy changes for device eligibility
- Pilot the eligibility matrix and lower cost alternative devices.
- Develop specification for CCTV.

## ICT Software (licensing)

| | |
|---|---|
| M365 Licences | More strictly apply MS licence type based on role and tighten controls for starters, movers and leavers to ensure licences are promptly removed when no longer needed to reduce costs at renewal. |
| Other Software | Review usage of software licences and reduce or remove under-used subscriptions. Consolidate suppliers, optimise maintenance contracts and unbundle service agreements where possible. |
| Other Software | Identify undefined ICT expenditure outside central oversight and bring it under corporate management |

**Current activity:**

- Finalise MS license eligibility matrix.
- Develop negotiation strategies for key contract renewals.
- Implement improved starter/mover/leaver controls.

# Category Opportunities: Fleet and Facilities Management

| | |
|---|---|
| Fleet | Convert hired vehicles to Council-owned fleet where this is cheaper over the vehicle's lifetime. |
| Fleet | Consolidate vehicle suppliers where this can drive improved rates. |
| Fleet | Review vehicle utilization across the Council and share where possible. |
| Fleet | Standardise vehicle makes and models as far as possible while still meeting user need. |

**Current activity:**

- Agree and communicate required policy changes
- Exploring alternative routes to market
- Finalise hire to own business case

| | |
|---|---|
| FM: Catering | Consolidate food suppliers and contracts to negotiate better contract terms |
| FM: Catering | Consolidate and reduce food deliveries as far as possible – in relation to type of food and sites delivered to. |

**Current activity:**

- Complete kitchen infrastructure assessment to support consolidated deliveries
- Confirm procurement routes and begin supplier engagement

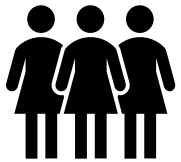
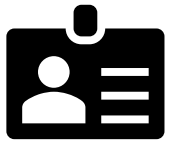
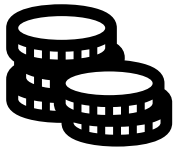
# Category opportunities: Adults and Children's Social Care

| | |
|---|---|
| Residential placements | Regular review of individual needs and service packages to ensure alignment. Explore potential for volume cost reductions. |
| Supported accommodation | Introduce more frequent reviews to ensure paid for care and support reflects needs. |

**Current activity:**

- Validating baseline and confirming mobilisation capacity
- Designing review process and identifying priority cases for review
- Stakeholder and provider engagement

# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | |
|  | **Reduction in agency and contractor costs** | |
|  | **Reduction in external supplies and services costs** | ✓ |
|  | **Increase in costs recovered, income generated or improved debt management** | |

Financial benefits realisation and cost avoidance for this workstream is profiled over a longer period to reflect contract renewal timelines. Investing in our commissioning and procurement capabilities (as part of Operating Model workstream – Slide 15) will further support benefits realisation.

# Third Party Spend – financial & workforce impact

The indicative financial contribution of this workstream is £1.2m.

There are no expected workforce implications.

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# Service Effectiveness (Powered by Technology)



# What is Service Effectiveness?

- A **coaching and development** programme designed to enhance performance and improve ways of working.
- Focuses on **'design by doing'** - testing, learning and improving how outcomes are delivered.
- The approach involves 1:1 coaching of leaders, team managers and operational teams over a **12 week** intervention, with longer term monitoring and checks to ensure change is embedded.




**Criteria for identifying teams to complete SE&AI engagement:**

- Process-Driven Teams
- Repetitive tasks
- High admin workload
- Need for increased standardisation in ways of working, with visibility of performance and KPIs.

# Service Effectiveness approach

## Diagnostic

4 weeks



Establish team baseline and potential AI use cases



Assess capability and productivity of the team

- Understand the "current state" and identify opportunities
- To undergo engagement sessions and data analysis

## Mobilisation and Deployment



Team Bootcamp



Training on the 10 methodology elements

12 weeks



Day to day coaching



Daily huddle support



Measure and report productivity improvements

AI adoption and upskilling

- Mobilise and upskill coaches
- Introduce Service Effectiveness methodology elements through weekly training
- Embed new ways of working and AI adoption
- Ascertain performance baseline to measure improvement

## Sustainability



Implement sustainability plan

100 days



Upskill AI Champions to continue improvements

- Ensure changes are sustainable
- Evaluate the impact and provide further recommendations.

# Service Effectiveness approach

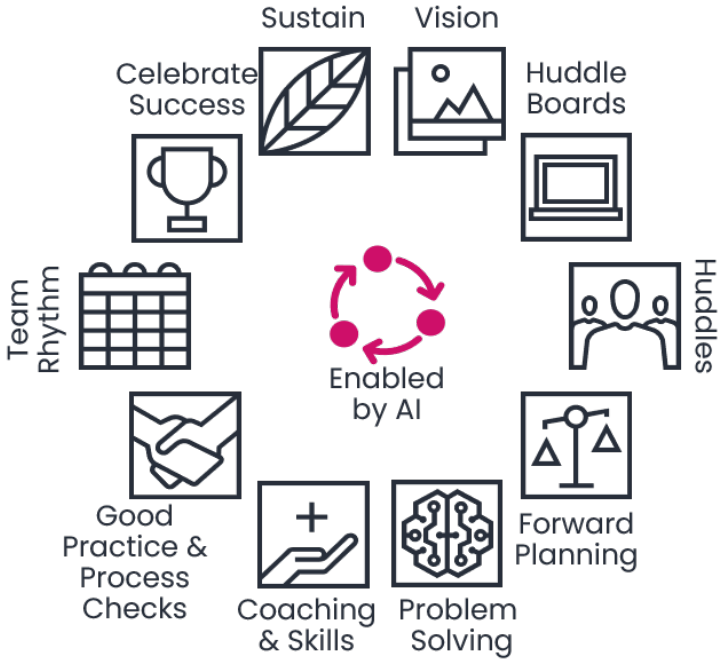
Our SE Coaches work with teams to enhance operational service excellence, supported by technology including AI, enabling efficiencies and standardised ways of working, to drive team productivity and performance across the organisation.

**Celebrating Success** as a team would develop team and individual motivation and wellbeing, which in turn will encourage desired behaviours.

**Team Rhythm** would provide a consistent routine for key activities, making the teams efficient and reducing potential for re-work.

Creating regularly reviewed **Standards and Process Checks** would enable staff to work to consistently high standards, reducing variation in output.

Providing regular **Coaching** and staff development would ensure teams have cross-cutting skills in line with their goals.




All Service Effectiveness elements are enabled by **AI tools** such as Copilot and Magic Notes to drive efficiencies.

**Sustainability** underscores all elements, ensuring they are embraced and developed long after the implementation is completed.

Defining a **Vision** with associated goals and **KPIs** help staff to clearly understand their role and contribution towards both the corporate and service objectives.

**Huddles** with **Visual Management** provide regular touchpoints to discuss progress, capacity and provide visible performance information, using KPIs linked to objectives.

A structured approach to **Problem Solving** helps identify and deal with the root cause of problems, expediting this process and avoiding repeated issues.

**Forecasting and Planning** improves the prioritisation of workload, reducing the potential for work to develop into backlog.

# Reminder – Our AI Guiding Rules




We are committed to responsible and ethical use of AI.

We promote the 3 guiding rules with colleagues using our intranet, team briefings and workplace communications.

We have designed guardrails which support appropriate use and highlight safeguarding concerns.

We are committed to adopting best practice in the use of GOV.UK Algorithmic Transparency Recording Standard so that we are upfront with customers and colleagues about our use of AI.

We only use approved AI tools which meet our ICT security and data protection standards.

We work with other Local Authorities to share experiences and opportunities from use of AI.

# Progress to date

We have focussed on **Adults Social Care and Prevention and Children and Families**

We have coached over **300 colleagues across 31** separate teams including:

- Children in Care
- Care Leavers
- IRO's / Minute takers
- Reablement
- Brokerage
- SCAOs
- Contact officers
- Safeguarding
- Prevention
- Community Support
- Quality, Strategy and Innovation.

"The CoPilot agent..will help the team enormously and really reduce the pressure and workload. Huge thanks."

"I'm actually discussing the young people in supervisions rather than people watching me type."

"The daily huddle helps me prep for the day, understand what fellow team members have got going on and just generally improves communication"

Our current wave is now underway in Revenues and Benefits, with future waves being planned based on relevant criteria.

# Examples from Social Care

## Brokerage Automation

Brokerage officers would manually copy and paste specific information from one spreadsheet into 4 new, separate spreadsheets to be sent out to external providers.

We developed a CoPilot agent to automate the process so that each day at 9.30am the team will receive an email with the 4 needed spreadsheets ready for them to review and send out. The automation pulls the required information from the main sheet and creates 4 new spreadsheets, one for each area of providers.

## CPD certification

Following completion of any Training delivered by the Safeguarding Team (internally & externally) certificates were manually created for each individual attendee and emailed out to demonstrate professional Continuous Professional Development. **This would take 2 minutes per certificate with c.1000 published last year.**

We automated this certification process using details input to a Microsoft Form. The relevant information is extracted from an excel document. The Certificate is generated and sent automatically**. Now the team spend 1 minute per course to generate.**

# Examples from Special Educational Needs and Disabilities

## EHCP Plans – Old to New conversion

Converting EHCP plans from the old template to the new template previously took around **5 hours per plan.**

The CoPilot agent has strict instruction to draft a new EHCP plan using the former document, which a team member then reviews and manually copies across to the plan leading to a saving of **2-3 hours per plan** for each team member.

## EHCP Drafting

Drafting a new EHCP is currently time-intensive, requiring SEND Caseworkers to review, reconcile and structure information from multiple documents, templates and sources. This manual process of searching, comparing and reorganising information increases drafting time and creates avoidable administrative burden.

Our EHCP drafting agent is being developed to support the SEND Caseworker throughout the drafting process. The Caseworker will direct the agent, determine what information should be used and provide the professional context and instructions needed to produce the draft. The agent will then bring together relevant information from multiple source documents into a structured draft, reducing manual searching, cross-referencing and reformatting.

Detailed testing is being undertaken to ensure appropriate data security, governance and quality controls are in place before implementation. Importantly, in line with our AI rule, the agent will not make decisions or approve the final EHCP.

# Examples from Social Care

## Genogram Agent

To better understand the families they work with, Childrens Social Care colleagues have to capture a 'genogram' (a more detailed family tree). Often these are complex pictures and currently this activity is undertaken by hand with the family and then recreated using Visio or Powerpoint; a process **typically taking around 3 hours per genogram.**

We have recently created a CoPilot agent which generates an electronic genogram from the handwritten note, **reducing the process to 30minutes** including generation time and any reviews or edits required. This is saving time for practitioners that they can spend with families.

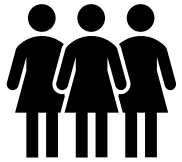
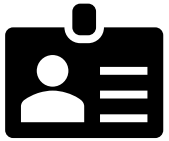
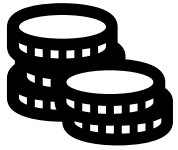
## Chronology Agent

In preparation for working with families and service users Social Workers spend time understanding the history of someone's involvement with the Council and other partners. Given the complex case history of many service users this can take a considerable amount of time.

We have recently created a Chronology Agent which summarises information held in the Eclipse social care case management system so that Practitioners can more quickly get up to speed with case history.

We are currently tracking the specific impact of this but we already know that Practitioners are saving time which they can spend with families and service users.

# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | ✓ |
|  | **Reduction in agency and contractor costs** | ✓ |
|  | **Reduction in external supplies and services costs** | |
|  | **Increase in costs recovered, income generated or improved debt management** | |

We have already delivered significant benefits for colleagues engaged with the programme in relation to personal time saved and improved team productivity. We are continuing to work with services on effective financial benefits realisation as this can be challenging where benefits are spread across different processes and different teams. All processes are measured before and after intervention and quantified efficiency savings are tracked centrally.

# Service effectiveness – financial & workforce impact

The indicative contribution of this workstream is £1.8m.

Through the redesign of process and the introduction of more efficient ways of working there is an expected equivalent FTE impact of c.44FTE.

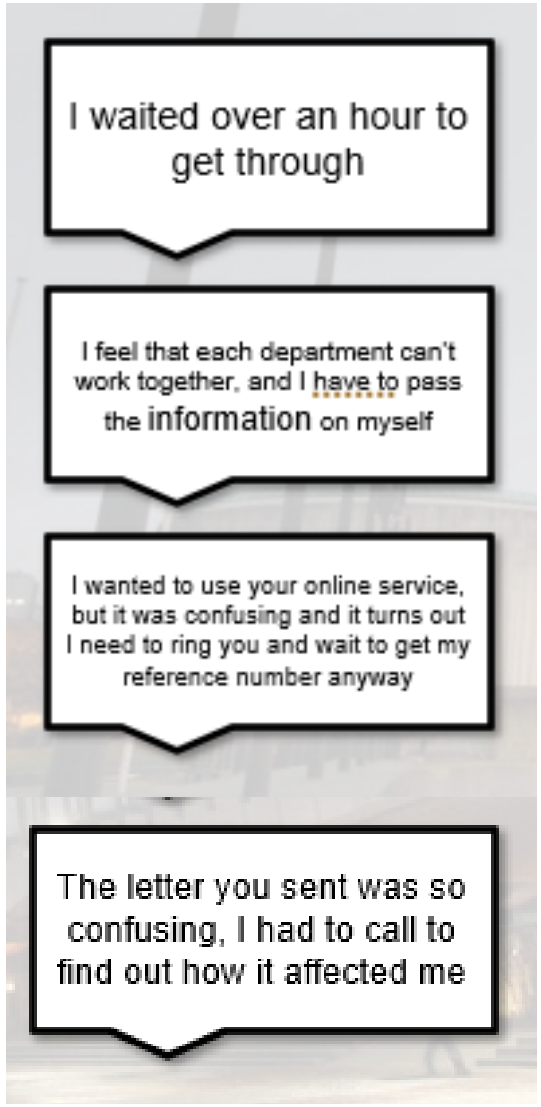
We are working with service areas as they engage in the process to understand the most appropriate way of realising financial benefits.  In some cases, where time savings are identified, capacity may be redirected to other activity which delivers a greater financial return over an agreed timeframe.  These decisions are taken by Corporate Leadership Team.

Newcastle City Council

# Improving Customer Experience



# Improving Customer Experience – overview




Our work to improve the customer experience of people accessing Council services preceded the Change and Innovation Programme.

Customers told us that they were not happy.

We launched our Customer Commitment in October 2025 which set out what customers should expect from their interactions with us, whether face to face, online or on the phone. The commitments to customers include:.

- We will treat them fairly and with respect
- We will make sure that everyone has equitable access to our services
- We will listen to people and try to understand their point of view
- We will be polite, well-informed and take pride in what we do
- We will support people to access our online services if they want to use them
- We will respect their right to privacy and confidentiality following General Data Protection Regulation (GDPR)
- We will use Plain English and avoid jargon
- We will listen to feedback and use it to help shape our services
- We will do our best to answer enquires at the first point of contact
- We will keep people informed about the progress of their enquiries
- We will do what we say we are going to do, and try and tell people if there is a delay or change

# Key workstream activities

**Aligning customer contact to a Customer Contact 'Blueprint'**

**Redesign** customer journeys, increasing opportunities for **self service and automation**, creating **capacity** for people who need a conversation either on the phone or face to face.

**Update**

More than 120 customer journeys reviewed and redesigned across Parking, Local Services & Waste, Revenues & Benefits, Housing Repairs, Registrars, Licensing, Education, Adults Services and other high-demand services.

These are now being built by ICT and tested by service areas before being deployed.

**Consolidating simple, telephony contact into CC**

Straightforward, transactional enquiries are handled by **efficient central Contact Centre**, where Customer Service Advisors **quickly resolve requests**, freeing up capacity to support customers

**Update**

We have consolidated additional Housing Advice Centre and Parking Services calls into the Contact Centre, saving time for service professional and supporting customers at the first point of contact. We have achieved this using existing resource and by giving colleagues additional training and access to back office systems to allow them to answer more queries. We are looking next to consolidate additional Registrars, CAZ, Revenues and Benefits, ASC and Licensing calls.

**Reducing spend on Print & Post**

- **Stopping** the send of unnecessary discretionary communication
- **Shifting** to digital channels where possible
- **Downgrading** from first class post unless legally required.

**Update**

- We are working with service areas to review all postage to reduce unnecessary mail, increase the use of digital channels and helping manage rising costs while maintaining services to residents
- We continue to be faced with external cost pressures in relation to Royal Mail price increases (currently being reviewed by Ofcom).

# Improving Contact Centre productivity and performance

We have implemented a wide number of **people, process and technology improvements within the Contact Centre** over the last 18mths which have delivered significant improvements including a significant (up to 70%) reduction in average call wait and a low abandonment rate. We also upgraded our telephony platform to AWS Connect which has allowed us to further enhance our efficiency and productivity:

## Automated transcripts

Automated transcripts and call summaries are now applied across all calls.

This is reducing the amount of time that Contact Centre colleagues have to spend on follow-up actions by c.30s per call.

This equates **to c.236hr saved per month within the Contact Centre staff,** which allows us to handle more calls more quickly.

## Automated call categorisation

We have removed the need for calls to be categorised manually within the Contact Centre by using Amazon Connect functionality.

Given the high volume of calls received, this will **save c.178hr per month within the Contact Centre** which allows us to handle more calls more quickly.

## After Call Work

We have implemented tighter controls on the use of After Call Work (ACW) status. As a result, use of ACW **has decreased by an average of 32%.**

This means that Customer Service Advisors are more quickly available to support other callers when their previous call has ended. Where extra ACW time is needed to conclude work for customers CSAs can still easily access this.

# Customer facing improvement examples

We have also implemented a number of **customer facing** digital improvements which helps support customers who would rather not need to speak with a colleague:

## Missed Bin reporting

Customers now have the option to report a missed bin on the phone without having a conversation with a Customer Service Advisor. The Automated Agent collects the required information from the customer and logs it as a new job within our system, without any human involvement.

Early indications are that up to **80% of residents** ask to try the automated route, with **c. 65% then successfully completing** their report.

We are working to be able to accept same day missed bin reports from early 2027.

## In Queue SMS

On a wide range of call lines customers are offered the opportunity to be sent a text message with a link to relevant online information..

**We estimate that 6% of** customers opt for this on calls to our Your Local Services line and then complete their journey self service, online.

## Council Tax Reference Number look-up

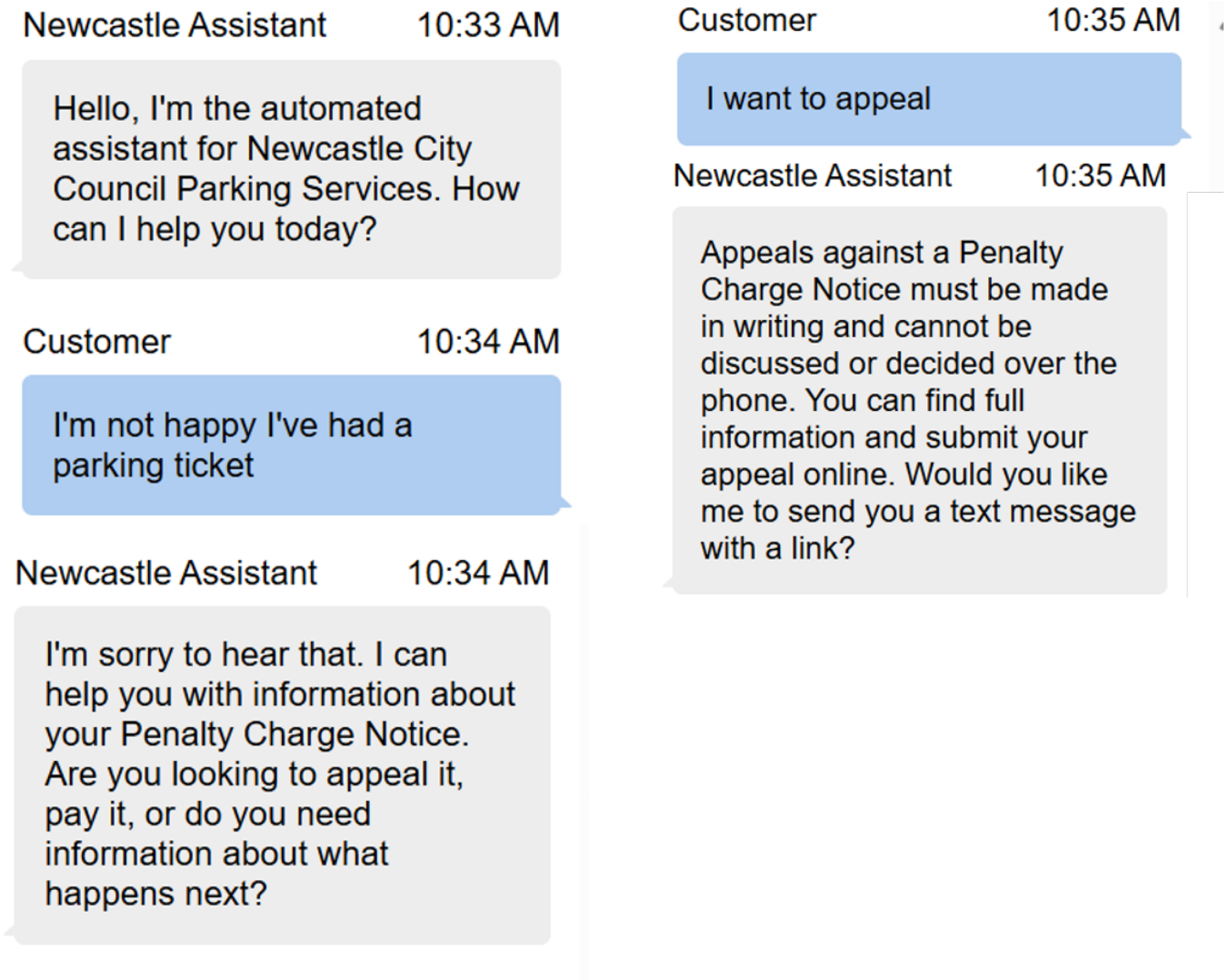
Most Revenues and Benefits online forms require the customer to know their Council Tax Reference Number before they can complete the form.

We have implemented a secure self serve tool for customers who don't have their reference number which is successfully **matching c.80% of customers** with their reference number so they can complete their online activity.

# Customer facing improvement example

We are developing an **AI 'Newcastle Assistant' for a number of services, starting with Parking Services and Revenues and Benefits,** initially for use over the phone, but with potential for deployment on the website.

The tone is conversational and supportive, although we have embedded guardrails to support appropriate use and safeguarding interventions.



# Improving our website

Customer satisfaction with our website remains lower than we would like. We are working hard to make information accurate, up-to-date, and easy to find for residents and staff.

We have reviewed, rewritten and republished c.2000 pages including Parking and Bus Lanes, Public Health, Jobs and Careers. There are around 400 pages remaining which we are reviewing in conjunction with customer journey reviews. Education and Schools content approaching go-live, Planning and Building Control under review.

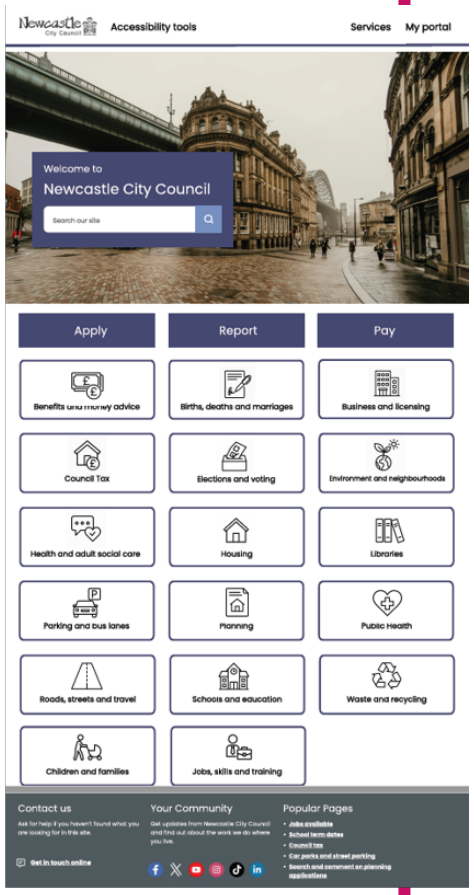
We have centralised our Web Editing capacity so that there is quality control and a clear focus on user experience, with simple navigation, reduced jargon and ensure the site is accessible to everyone. We use the Local Gov Drupal design principles and consistent branding across all pages.

We use tools to identify broken links and we regularly review and remove outdated or duplicate content.

We ensure the website works well on all devices and is reliable and secure. Gather feedback from users and use analytics to guide ongoing improvements.

**New Homepage**

- Aimed at giving resident access to services and information
- Conforms with GDS Accessibility standards
- Useable on smartphones
- In keeping with other local authorities
- Image to update



# Reducing costs in print and post

Print and post volumes are significant across the organisation and the centralised budget is currently overspent.

While demand is an issue, the ongoing increase in the costs charged by Royal Mail add to the issue, for example a further 17% increase proposed in Business Postage (currently under review by Ofcom).

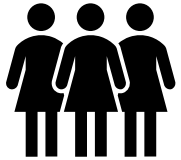
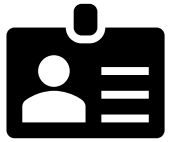
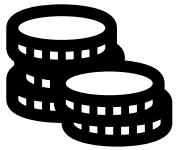
We are reviewing all postage to ensure resources are focused on statutory and essential communications, reducing unnecessary mail, increasing the use of digital channels and helping manage rising costs while maintaining services to residents.

We are ensuring services in income generating services include the cost of print and post in the fee charged.

We are undertaking a comms campaign to raise awareness of digital post.



# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | ✓ |
|  | **Reduction in agency and contractor costs** | |
|  | **Reduction in external supplies and services costs** | ✓ |
|  | **Increase in costs recovered, income generated or improved debt management** | |

We are already offering customers alternative digital solutions for those who want to use them. We are monitoring and tracking the impact of improved digital services to support effective financial benefits realisation. Where we can reduce the volume of external print and post this helps to manage the current cost pressure due to price increases.

# Customer Experience – financial & workforce impact

The indicative contribution of this workstream is £1.1m.

This has been projected through the introduction of measures which:

- Reduce customer contact – through proactively providing information to customers, improving service outcomes to avoid failure demand, providing more online and digital options for those who want to use them.
- More efficient handling of customer contact that is received – through the consolidation of calls

The combined impact of the above indicates an equivalent FTE impact of c.43.5 FTE.

Newcastle City Council

# Adults Transformation



# Adult Social Care & Prevention - Context

- Newcastle's City Council's Adult Social Care and Prevention Directorate is **operating under increasing pressure** from both **growing demand** and **financial constraints**, with **rising complexity** across key pathways and limited scope to absorb these pressures through incremental change alone.
- Transformation is required as a **principal means of delivering sustainable improvement**, building on the service improvement activity already underway.
- We have accelerated our approach **that focuses on earlier intervention and prevention**, with the aim of **reducing avoidable escalation** into long-term care where possible while **improving outcomes** for people.
- **Reablement outcomes are strong**, particularly for older adults, with volumes increasing by around 50% over the past two years. Building on this we want to increase the use and impact of enablement by applying it **across all cohorts** to maximise its full preventative potential.
- This approach has driven active service improvement and transformation across **multiple pathways**, including the **Adult Social Care Point, hospital discharge and reablement, reviews, brokerage and transitions**. Early evidence of impact is emerging in areas such as demand reduction, improved flow and strengthened independence outcomes.
- The current phase of Adult Social Care and Prevention redesign has focused on consolidating transformation progress already made, addressing structural and pathway-level challenges, and aligning operational transformation **more directly with financial sustainability** and improved outcomes.

# The future for Adult Social Care & Prevention

Supporting people earlier and closer to home, utilising VCS and digital tools

Joined-up experiences for residents where systems talk to each other

Reablement opportunities for every adult who could benefit, focused on independence

Clear financial journeys, where people understand any contributions

Increased use of information, tools and resources available

Working with people to find **the right support at the earliest opportunity**

Responding to enquiries and complaints **quickly, consistently and fairly**

Applying a **transparent charging approach** that makes it easy for people **to understand any contributions**

**Intervening earlier** through **enhanced prevention** and planning

**Early identification** and planning that supports **smooth transitions** and better preparation for adulthood.

**Maximising independence**, **reablement** and **short-term support** at each stage of the pathway

Using **demand, cost and outcomes** to shape a resilient and responsive commissioned offer

A modern, **future-proofed social care offer**, underpinned by **TEC and adaptable** to new **innovations**.

A system that enables **flow across pathways**, responds as pressures change, and **removes avoidable inefficiencies.**

A strengthened **outcomes-led Adult Social Care service** that is shaped around people's lives, their families and communities.

Making **statutory reviews a stronger lever for enablement**, proportionality and sustained outcomes

# Summary of opportunities being progressed

| Opportunity | Summary of proposed activity |
|---|---|
| **Financial Assessments** | • Implement a **Financial Assessment and Charging Calculator** and setup Direct Debits during the Financial Assessment Process.<br>• Create a **single view of all arrears** across Adult Social Care to reduce the build up of arrears and manage individual's expectations of costs.<br>• **Automate charging** using live provider data. |
| **Pre-Contact and Adult Social CarePoint** | • **Offer improved options for self serve** at the pre-contact stage and Front Door<br>• **Strengthen the role of Multi Disciplinary Team (MDT)** to address and resolve system wide issues at the earliest point<br>• Make community and voluntary sector support a **routine and visible option at first contact** through clarifying referral routes and feedback loops.<br>• Exploring the **role and impact of Occupational Therapy at the front door** so resource is used where it adds most value to **maximise preventative support**.<br>• **Improve** ways of working by **streamlining workflows** for more **consistent** and **proportionate** responses. |
| **Reablement Pathways** | • **Increase reablement throughput** by ensuring more people are supported through reablement pathways, reducing the likelihood of people leaving hospital or crisis settings into long term support.<br>• Redesign of criteria to **extend reablement support to more cohorts and needs.**<br>• Improving the flow out of reablement by **addressing delays** in onward arrangements so that completed episodes do not occupy capacity **longer than necessary.**<br>• Develop a clear, short-term community enablement pathway that **supports independence** as a discharge route from hospital. |
| **Learning Disability Offer** | • Undertake **data analysis** to understand **current cohorts** and **shape future provision** for working-age adults.<br>• **Maximise supported employment** and **independence pathways** and reduce the reliance on traditional support through promotion campaign and referral routes, redesigned workflows, and eligibility and review processes.<br>• **Extend the Shared Lives offer** as a care alternative provision type<br>• **Strengthen the reablement and enablement offers** for adults with learning disabilities under 65 |

# Summary of opportunities being progressed

| Opportunity | Summary of proposed activity |
|---|---|
| **Transitions** | • **Mobilising the Transitions Oversight Group and Strategic Transitions Forum** to strengthen how we identify young people who will need support as adults, so planning can start sooner and be more proactive.<br>• Introduce **clearer tracking and perfomance information** to monitor progress, understand outcomes, and ensure support is making a difference.<br>• **Review and align services, community support and commissioning** to help young people achieve greater independence, while strengthening more joined up working across Children's and Adults Service, education (including SEND) and health. |
| **Brokerage** | • **Consolidate and embed** the current brokerage pilot focused on hospital discharge and reablement, **moving it from pilot** delivery into a **confirmed service model**.<br>• Explore opportunities to **extend brokerage to other high-priority service areas.**<br>• Draw on learning from other local authorities **where brokerage approaches have supported cost control**, market stability and improved flow.<br>• Assess opportunities to **further digitise brokerage activity**, including improving **real-time visibility** of provider availability and reducing manual processes. |
| **Strengthening Independence when there is a change in need** | • Use review activity to **identify opportunities that can help people achieve their goals and build on their strengths.**<br>• Strengthen **consistent, person-centred decision-making** that promotes independence while ensuring people receive the right support when they need it.<br>• Build on the new dedicated reviews function to focus how review capacity is used, **rather than increasing overall review volume**. |

# Positive outcomes achieved

## Digital Financial Assessment

We have piloted the Digital Financial Assessment and Direct Debit process to deliver clearer and more streamlined arrangements for financial contributions and debt prevention.

User feedback on the form has been positive and we are continuing to make improvements to the form and process to so that it provides a better experience for customers while also helping colleagues be more efficient.

## Reablement Pathways within LDA

We have started to review people known to the Learning Disability and Autism (LDA) Service who could benefit from reablement support to build independence.

We have designed bespoke training on Learning Disability and Autism for reablement colleagues to increase their skills and confidence in supporting new service users and delivering successful reablement outcomes.

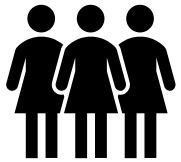
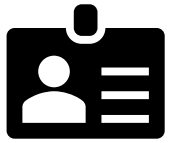
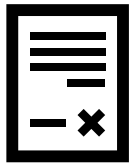
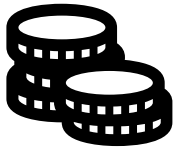
## Brokerage pilot

Our brokerage pilot has gone live in an additional area, demonstrating that the approach can be expanded further across Adult Social Care.

The pilot is helping to centralise finding placements and reducing the amount of time social workers spend contacting providers to source placements. This means Social Workers can spend more time supporting people.

The team is already building momentum towards extending the brokerage model into further areas.

# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | ✓ |
|  | **Reduction in agency and contractor costs** | ✓ |
|  | **Reduction in external supplies and services costs** | ✓ |
|  | **Increase in costs recovered, income generated or improved debt management** | ✓ |

# Adults Transformation – financial & workforce impact

The indicative contribution of this workstream is £2m.

While the workstreams will promote changes in ways of working, there is no projected FTE impact at this point.

Newcastle City Council

# Childrens Transformation



# Context

## Directorate Context

Newcastle City Council's Children and Families Directorate has a clear vision to provide high-quality care and support at the right time for children and families. Services are operating during a period of significant national reform and local change, including Families First, SEND reform and the move towards regional commissioning of independent sector placements. A range of service-led improvements are already under way to strengthen early support, partnership working, kinship and reunification pathways, school transport and youth services.

## Financial Context

Newcastle's Children's Social Care expenditure budget increased from £52.83m to £54.68m between 2024 and 2026. This increase was lower than in comparable local authorities over the same period, and an LGA financial review found that Newcastle operates at comparatively low cost and provides good value for money. However, the service continues to face rising demand and increasing complexity. Newcastle has a higher number and rate of children in care than comparable local authorities, although a greater proportion are placed with in-house foster carers.

The Education expenditure budget increased from £8.55m to £11.86m over the same period, reflecting increasing demand for Education, Health and Care Plans and SEND transport.

## Transformation Plan Enablers



Shared ambition and pathways for children and families



Maximising in-house capacity to support children closer to home



Working with staff and partners to join up services



Future-proofing school transport offer and building children's independence

# C&F1: Family Help & Partner Support (Families First)

| What is the Purpose of the Workstream? |
|---|
| • Families First is the Council's approach to strengthening early help by bringing services and partners together to provide the right support at the right time. It aims to increase family-led decision-making, strengthen family networks and provide earlier support, helping more children remain safely within their families and reducing the need for statutory intervention. |
| **Financial benefits** |
| • The primary financial benefit of this workstream is to **reduce the reliance on Independent Fostering Agency placements** for Children in Care.<br>• The programme aims to reduce placements from **100 in April 2026 to 86 by March 2029**, with monitoring indicating that the planned **£143,000 saving for 2026/27 is currently on track**. |
| **Wider benefits** |
| The wider benefits expected from the new model include:<br>• More children receiving help earlier and remaining safely within their families.<br>• Greater use of family networks to identify solutions and support.<br>• More joined-up support across Children's Services, health, education and safeguarding partners.<br>Measures are being developed to track these benefits as the new model becomes embedded. |
|  Shared Pathways<br> Maximising in-house capacity, closer to home<br> Joined Up Services<br> Independence & Transport |

# C&F2: Strengthening Special Guardianship Order (SGO) Pathways and Support

| What is the Purpose of the Workstream? |
|---|
| • This Workstream aims to support more children to achieve safe, sustainable permanence with their parents or wider family through strengthened reunification and kinship arrangements. |
| **Financial benefits** |
| • The **primary financial benefit** is to support children to return safely from independent sector residential placements to their parents or wider family, reducing reliance on high-cost external care.<br>• The current savings profile is **£381,000 in 2027/28 and £390,000 in 2028/29**. |
| **Wider benefits** |
| • Current reporting confirms that **225 carers** had taken advantage of the Kinship Zone pilot. In total, **the pilot has benefited 312 children**.<br>• The Council has claimed just over **£1m from the Department for Education** to fund enhanced kinship allowances.<br>• The enhanced allowances **provide greater financial stability** for kinship carers and increased permanence and security for children.<br>• Strengthened kinship and family arrangements may also help prevent children entering care, providing an important wider benefit and potential cost avoidance. |
| Shared Pathways<br>Maximising in-house capacity, closer to home<br>Joined Up Services<br>Independence & Transport |

# C&F3: Model Extension to Short Breaks & In-House Provision

| What is the Purpose of the Workstream? |
|---|
| • This workstream will develop a more sustainable range of short-break and support options for children with additional and complex needs. It will consider overnight provision, outreach and home-based support, helping more children remain safely within their families and communities. |
| **Financial benefits** |
| • **Financial benefits are still being scoped** and may include **cost avoidance** through supporting children with complex needs closer to home and reducing or delaying reliance on higher-cost external provision. |
| **Wider benefits** |
| • Improved access to short breaks and respite support for children with additional needs and their families.<br>• More children receiving appropriate support closer to home.<br>• Greater choice and flexibility for children and families through a broader range of support options.<br>• Improved family resilience through earlier community-based and outreach support. |
| Shared Pathways<br>Maximising in-house capacity, closer to home<br>Joined Up Services<br>Independence & Transport |

# C&F4: Children's Home Staffing and Rota Optimisation

| What is the Purpose of the Workstream? |
|---|
| • This workstream will review staffing and rota arrangements across Newcastle's in-house children's homes to ensure resources are aligned with children's needs, regulatory requirements and operational demand. |
| **Financial benefits** |
| • The **primary financial benefit** of this workstream is to deliver a saving of **£206,000 in 2027/28**, while maintaining safe and appropriate staffing. |
| **Wider benefits** |
| • Greater assurance that staffing levels reflect occupancy, complexity of need and safeguarding requirements.<br>• Safer, more consistent and sustainable staffing and rota arrangements.<br>• Improved workforce resilience and reduced reliance on overtime and agency staffing.<br>• Ensuring the continued high quality and continuity of care provided to children. |
| Shared Pathways<br>Maximising in-house capacity, closer to home<br>Joined Up Services<br>Independence & Transport |

# C&F5: Children's Transport

## What is the Purpose of the Workstream?

- Like local authorities nationally, Newcastle's SEND transport service faces increasing demand and significant financial and operational pressures.
- This workstream aims to create a more **efficient and sustainable transport offer, increase independence** for children and young people, and continue to meet the Council's statutory duties.
- Newcastle City Council is reviewing its post-16 SEND transport offer to ensure it meets statutory duties, supports independence and transition to adulthood, and is more financially and environmentally sustainable. Proposals will make greater use of Newcastle's accessible transport network, with individual assessments and appropriate support for young people who cannot use these options.
- Proposals will be subject to public consultation, Integrated Impact Assessment and formal decision-making

## Financial benefits

- The workstream will contribute **£125,000 towards the Children's Transformation Programme** from Independent Travel Training, including a £25,000 saving in 2026/27, which is currently on track.
- It will also deliver the Children and Families contribution to the separate **£1.9m target over three years**.
- Current reporting indicates that **£584,000 has been delivered in 2026/27 against a target of £695,000 (84%)**, primarily through route optimisation.

## Wider benefits

- Greater independence, confidence and life skills for children and young people, supporting preparation for adulthood.
- Improved choice and clarity for parents and carers, alongside a better travel experience for pupils.
- Stronger partnership working with schools, families and transport providers.
- More sustainable, transparent and resilient transport arrangements, supported by improved performance information.
- Reduced environmental impact through route optimisation, reduced mileage and more efficient use of transport.

Shared Pathways

Maximising in-house capacity, closer to home

Joined Up Services

Independence & Transport

# Positive outcomes achieved

## Families First

- The new Families First service structure launched in June, followed by redesigned pathways and forms in September.
- The model brings services and partners together to provide earlier, more joined-up support, helping more children remain safely within their families.

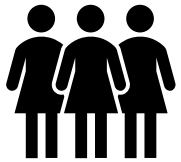
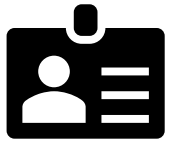
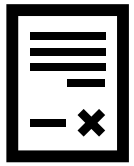
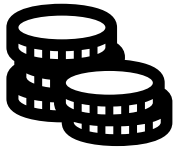
## Children's Transport

- Through increased promotion and targeting, uptake of Personal Travel Budgets increased by **24% during the 2025/26 academic year**, providing eligible families with a flexible alternative to commissioned transport.
- The number of optimised SEND transport routes also increased by **18%**, including ending routes no longer required, retendering services and combining journeys where children can travel together safely.

## Kinship Zone

- Newcastle is one of seven Kinship Zones in England.
- To date, the pilot has supported **225 carers and benefited 312 children.**
- More than **£1m has been claimed from the Department for Education** to fund enhanced kinship allowances, providing greater stability for carers and children.
- 'It's made a **massive difference'** – reported to a Cllr by two Carers.
- 'Helped the young person navigate an **exceptionally difficult period of his life, progress with his education**, avoid the need for him to come into care, and enable him to build a **positive relationship**'.

# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | ✓ |
|  | **Reduction in agency and contractor costs** | ✓ |
|  | **Reduction in external supplies and services costs** | ✓ |
|  | **Increase in costs recovered, income generated or improved debt management** | ✓ |

The programme is focused on delivering savings, principally by reducing reliance on high-cost external placements and delivering more efficient transport arrangements. Potential workforce efficiencies will also be tested through the Children's Homes staffing and rota review. Cost avoidance and wider outcomes will be tracked separately, with all cashable savings validated through Finance before being reported against programme targets.

# Children's Transformation – financial & workforce impact

The indicative contribution of the Children's Transformation workstream is £2.1m.

While the workstreams will promote changes in ways of working, there is no projected FTE impact at this point.

Newcastle City Council

# Systems Bridge – ERP implementation



# Systems Bridge - overview

Systems Bridge is Newcastle City Council's ERP transformation programme.

Working in partnership with Deloitte (and a further independent 3rd Party Assurance Provider) we are delivering a single modern cloud-based SAP platform to replace legacy Finance, HR, Payroll and Procurement systems. We will adopt best practice policies and ways of working to create a simpler, more standardised and data-driven approach across the Council.

## Why is change needed now?

**Fragmented & old**

Multiple ageing systems that don't talk to each other.

**Difficult to support**

Hard to maintain, with growing risk of failure.

**Too many integrations**

Reliant on complex integrations to function day to day.

**Inconsistent data**

No single version of the truth for decision-making.

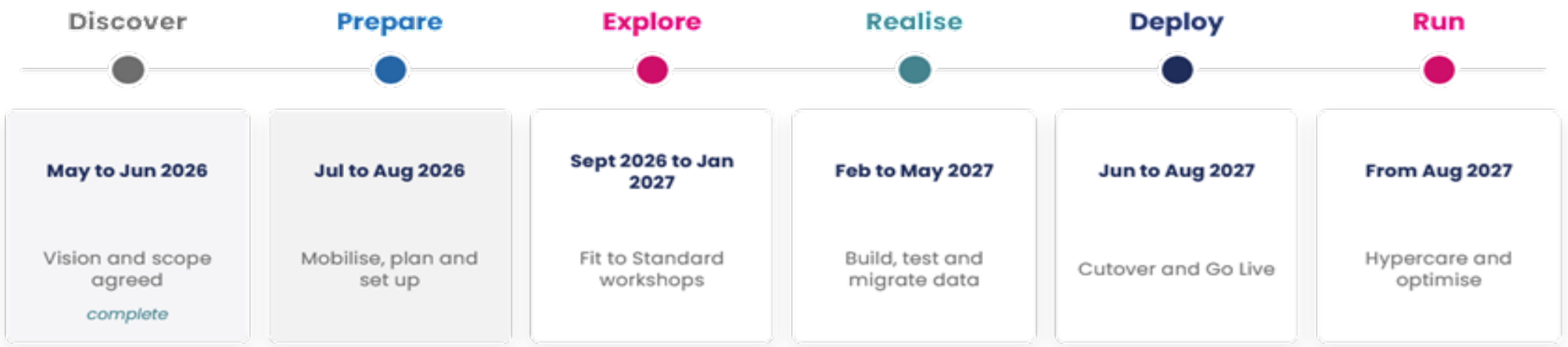
**Poor value for money**

Rising cost of ownership without rising value.

**Limits improvement**

Legacy tools block simpler, modern ways of working.

# Systems Bridge – delivery approach




- Currently in 'Explore' phase
- Fit-to-standard approach: adopt best practice, adapt only where essential.
- Iterative build with quality gates and continuous testing throughout.

**Anchor date** Go Live is end of August 2027. Every phase is planned with that date in mind, with clear checkpoints and phase gates along the way.

# Systems Bridge – what success look like

**Simpler processes**

Standard, streamlined ways of working.

**Better self service**

Colleagues can do more for themselves because processes are user-centric

**Cleaner data**

Trusted data driving better decision.

**Stronger controls**

Built in controls and audit trails.

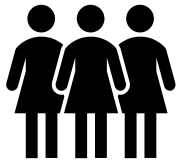
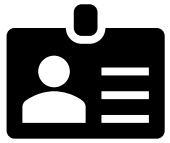
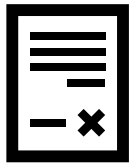
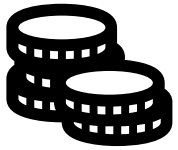
**Less manual work**

Automation replacing rekeying and workarounds

**A sustainable platform**

Reduced operational risk on a supported core.

# Benefits realisation approach

| | | |
|---|---|---|
|  | **Reduction in core staff costs (including deletion of vacancies and reduced overtime)** | ✓ |
|  | **Reduction in agency and contractor costs** | |
|  | **Reduction in external supplies and services costs** | ✓ |
|  | **Increase in costs recovered, income generated or improved debt management** | ✓ |

# Systems Bridge – financial & workforce impact

The indicative contribution of this workstream is £0.5m.

Through the introduction of improved processes and reduced system support requirements we project an estimated workforce impact of c.33FTE.

Newcastle City Council

# Change and Innovation Programme

## For further information: digitaltransformation@newcastle.gov.uk

