CORPORATE TRANSFORMATION PROGRESS REPORT

Report by Corporate Transformation & Services Director

EXECUTIVE COMMITTEE

14 FEBRUARY 2017

1 PURPOSE AND SUMMARY

1.1 This report updates the Executive Committee on progress in developing and delivering the Council's Corporate Transformation Programme since the last update report on 15 November 2016 and sets out planned activity in the reporting period to June 2017.

1.2 This is the eighth quarterly progress report since the Programme was established in February 2015.

1.3 On 9 February 2017, the Council also considered a second annual progress report on Corporate Transformation which set out how it will continue to support the delivery of the Council's 8 Priorities, its Financial Strategy and significant service improvements moving forward.

1.4 The current areas of work within the Programme are set out in the tracker in Appendix 1 under the 8 Corporate Priorities and includes a brief description of the purpose of each Programme, a summary of progress made to date (rating them Red, Amber or Green) and sets out key milestones in the next quarter. Section 4 of this report sets out the key highlights over the last reporting period.

1.5 Detailed performance reporting infographics for the following areas of the programme are set out in Appendices 2 to 4:

    (a) Children & Young People Programme

    (b) Integration of Health & Social Care

    (c) Workforce Transformation

2 RECOMMENDATION

2.1 I recommend that Executive Committee notes the continued progress made in developing and delivering the Corporate Transformation Programme.

3   BACKGROUND

3.1   The Corporate Transformation Programme was established in February 2015 and Council agreed that quarterly monitoring reports would be considered by the Executive Committee.

3.2   This report forms the eighth quarterly Corporate Transformation Progress Report and sets out:

   (a)   Progress since November 2016

   (b)   Planned work in the next reporting period to June 2017

3.3   The current areas of work within the Programme are set out in the tracker in Appendix 1 under the 8 Corporate Priorities and includes a brief description of the purpose of each Programme, a summary of progress made to date (and rates that as Red, Amber or Green) and sets out key milestones in the next quarter.

4   PROGRESS

4.1   Progress continues to be made across the whole programme and is set out in the tracker at Appendix 1. Particular areas to highlight within the reporting period include:

4.2   Digital Transformation Programme

   (a)   We are collaborating with the Scottish Council of Voluntary Organisations and the Future Services Reform group within the Community Planning Partnership (CPP) on a Borders-wide shared approach to tackling Digital exclusion. This will involve a common approach to training staff to be Digital Champions to help customers get online and allow us to jointly co-ordinate the services we offer to get people online. A meeting with CPP will be held in February to discuss in detail.

   (b)   The new Business World project is progressing well against a challenging timeframe thanks to a major effort from SBC staff along with our technology partners CGI and Agilisys. This introduces significant changes to the way we work internally, introducing self-service for all staff on a wide range of business processes. The new system is being tested to ensure everything runs smoothly when we go live in April. Alongside this, we are planning how we train and communicate to staff on the changed ways of working and the impacts on staffing within the Council.

   (c)   The creation of our new customer portal has been delayed to later in the year. This is due to serious technical issues with the solution that were uncovered during set-up of the system. CGI are re-planning the project.

   (d)   Projects have started to further rationalise our printers, introduce new bulk printing facilities, introduce further flexible broadband facilities in our High Schools, replace our Health and Safety system and to migrate the Council to Microsoft Office 365.

(e)   Two positive, well-attended meetings of the new Borders Digital Forum were held towards the end of 2016 chaired by Calum Kerr MP. The Forum has reviewed the current issues and has moved on to look for solutions and areas where they can add value.

(f)   We continue to work with the Scottish Government, OFCOM and other national bodies to push to improve broadband and mobile coverage in the Scottish Borders. There has been a focus on adding commercial services and maximising coverage of the new emergency mobile network being introduced.

(g)
(i)   Draft objectives for the Digital Transformation Programme have been developed. These are as follows:-

(ii)   Achieve efficiency savings as agreed in the financial plan by using digital ways of working to deliver radically more efficient, simpler and easier to access services inside and outside the organisation. (over next three years)

(iii)   Build our processes around the customer experience with customers involved in the design at the start (over next three years)

(iv)   Intelligently collect data and use this data to gain insight, take action and make better decisions (over next three years)

(v)   Build the culture, skills and leadership within SBC to allow us to take advantage of digital ways of working to meet our corporate objectives (over next three years)

(vi)   Work with partner organisations to ensure the Scottish Borders has the infrastructure and skills required for the Digital Age (over next five years)

(vii)   Actively help customers to embrace Digital services for their broader benefit if they are able and ensure no-one is excluded from our services by focusing our resources on those in most need while those who are able utilise self-service (over next three years)

4.3   Borders Railway Blueprint

Partners continue to deliver projects in the Borders Railway Blueprint Action Plan, across three themes – Great Destinations to Visit, Great Locations for Working and Investment, and Great Communities for Living and Learning. Some general points of progress are summarised below:

(a)   Final approval of investment of £6.7m in the Tapestry Visitor Centre Project at Galashiels in December 2016.

(b)   Launch of the industry led Midlothian & Borders Tourism Action Group 'Destination Development Project' in January 2017, investing £350,000 Blueprint in the development of new tourism products and services in collaboration across Scottish Borders and Midlothian.

(c)   Opening of the Blueprint funded ScotRail 'Tweedbank Customer Hub' managed by local business Born in the Borders.

4.4   Adult Services

A number of initiatives within Adult Services have been progressed to ensure continued service provision together with the delivery of significant financial savings. In addition, the Social Care Fund (SCF) has been utilised to help mitigate service pressures resulting from the introduction of the living wage/demographics and the Integrated care Fund (ICF) has been utilised to drive service change in areas such as transitional care and reablement.

4.5   Children and Young People

(a)   The new additional needs school in Earlston is nearing completion and is due to open from February 2017. Once the school opens, the spectrum units at St.Ronan's and Wilton will be discontinued. A statutory consultation process is complete for these proposals, subject to final clearance by Scottish Government. A Consultation Response Report was presented to Council on 22nd December. The naming of the new school in Earlston has also been subject to informal consultation and the result was reported to Executive on 17th January 2017.

(b)   Proposal Papers for Mothballed schools are nearing completion with a view to statutory consultation commencing late January 2017.

(c)   A decision to align the timescale for implementation of the Business Support Review in Schools with Business World was taken in this period. This review is now encompassed into the Digital Transformation programme and progress will be reported through this programme. A briefing note was sent out to all school staff informing them of this change.

4.6   Localities Programme

(a)   The full impact of the Community Empowerment (Scotland) Act 2015 is now fully understood, and takes a new direction than that previously developed locally through the initial Cheviot pilot. There is now a wider programme of work to be undertaken under the Act building on a very focus on community planning which will include:
(i)   Local Outcomes Improvement Plan (LOIP) which outlines local priorities, reducing inequalities and improvements for communities across the Scottish Borders by 1 October 2017
(ii)   5 Locality Plans which cover our smaller areas and are more detailed to reflect local needs by 1 October 2017
(iii)   Updated Asset Transfer arrangements in place and operational as of 23 January 2017
(iv)   Participation Request Process

(b)   In order to reflect this wider programme of work, the Localities Programme will now be known as Empowering Our Communities. Progress will be reported through Corporate Transformation and quarterly Executive Performance Reports under Corporate Priority 4 "Building the capacity and resilience of our communities and voluntary Sector".

4.7   Integration of Health & Social Care

(a)   The new Integration Joint Board which became operational from April 2016 has established locality working groups in each of the 5 H&SCP Localities, with work progressing to develop to develop co-located integrated teams.

(b)   The annual performance report for integration will be published by 31 July 2017.

4.8   Property and Assets

(a)   An initial review of the Council's estate has been completed and options for rationalisation have been identified. Schedules will be developed in the next quarter to look at the timescales for vacating properties and realising savings within the coming financial year. Work will continue to identify further opportunities for property rationalisation in future years.

(b)   In line with the Community Empowerment Act, community engagement events were held with Community Planning Partners in the Cheviot Locality in both Kelso and Jedburgh to look at how well our properties are being used and to begin a process of developing locality property plans. Further engagement events are being planned across the five localities in February and March 2017 and early summer with a view to developing initial locality property plans for each locality by late summer. The property plans will form part of the wider Locality Plans being developed through the Localities Programme (see 4.6 above).

4.9   Workforce Transformation

(a)   People Plans
The first round, stage 1, of the People Planning process has been completed and work is focussing on integration the People Plans with the 2017/18 Financial Planning process.

(b)   Change Management
Change management training has been introduced to support the volume of change across the organisation. Introduction to Change Leadership & Management sessions were organised for all senior managers and further in-depth change management training for all levels of the organisation has also been developed to build on these introductory sessions.

(c)   Business Travel
A new Business Travel policy has been introduced to support efforts to drive down both the amount and cost of business travel. Business travel budgets were reduced by 20% in 2016/17 as part of this drive and a Corporate Purchase scheme for Rail tickets was introduced providing discounted rail travel to offer cheaper alternatives for Business Travel. Options for providing a fleet of pool cars are also being developed.

(d)   Staff Benefits Scheme
The Staff Benefits scheme continues to be rolled-out with just over 45% take-up in terms of cards registered. National government has made changes that restrict what can be salary-sacrificed which may affect future take -up.

4.10   Detailed performance reporting infographics are included in each quarterly report for specific areas of the transformation programme. These are set out in Appendices 2 – 4 and focus on:

(a)   Children & Young People Programme

(b)   Integration of Health & Social Care

(c)   Workforce Transformation

5   COMMUNICATIONS AND ENGAGEMENT WITH THE UNIONS

5.1   Work continues as part of the Communications Strategy for the Corporate Transformation programme to ensure information is shared effectively with key stakeholders. Council staff continue to be the main focus as they are key to driving forward positive change across the Council.

5.2   As a result of this, the focus of the Communications Strategy is to ensure Senior Managers, supported by the Corporate Management Team (CMT) are provided with accurate, regular information and have access to essential communications tools to keep their staff updated. This in turn is allowing important information to reach the wider staff group more effectively.

5.3   As part of this, monthly Corporate Briefings (which were introduced in August 2016) continue to be a key source of information for Senior Managers about the Corporate Transformation programme. In addition, materials continue to be uploaded to a central online Office 365 area for Senior Managers to use in their team meetings, 1:1s etc. This includes Powerpoint slides; movies; briefing notes and discussion prompts. Senior Managers continue to supply feedback on the effectiveness of the briefings and materials provided.

5.4   To further support Senior Managers with communicating with their staff, three more events have successfully taken place since the last reporting period. This has included a staff Drop-in Day in November at Council HQ which also raised funds for Children in Need; and two events at Eildon Mill on 10 and 30 January. These followed the previous event at Eildon Mill in June and the Headteacher event in October.

5.5 The events continue to receive positive feedback in terms of bringing Senior Managers together to equip them with the knowledge and information to support change across the organisation. It also provides them with the vital opportunity to give their feedback.

5.6 The internal communications work continues to be supported by regular updates in the staff magazine SBScene, staff intranet and fortnightly SB Update.

5.7 In addition to internal communication activities, the Corporate Communications team continues to support Communications Plans for all the Corporate Transformation projects. A Communications Tracker is held centrally and reviewed regularly to ensure all communications activity is planned and co-ordinated effectively.

5.8 The Trades Unions continue to consider the most up to date tracker at their monthly meeting, and any potential staffing issues are highlighted within the tracker enabling timely management and engagement with the Unions. Specific detailed briefings on staffing related issues are also provided by individual programmes, and programme leads, as they are required.

6 REPORTING

6.1 The Corporate Transformation Programme Tracker is provided at Appendix 1. The areas of work are aligned under the relevant corporate priorities to enable the Executive Committee and CMT to assess progress of the Programme against the Council's corporate priorities.

7 FINANCE

7.1 The Corporate Transformation Programme is critical in achieving many of the savings in the Financial Plan. Following the approval of the 2016/17-2020/21 Financial Plan in February 2016, the level of savings to be delivered across the Transformation Programme during the 5-year period are £23.113m. Of this, £7.966m will be delivered in 2016/17. Progress in the delivery of in-year savings is reported quarterly as part of the Revenue Monitoring process to Executive Committee.

7.2 As expected within a 5-year Financial Plan, savings in the early years of the Plan are further advanced in terms of planning and deliverability with less certainty on the specifics of delivery in the future years. Plans are progressing for the future year savings to ensure the savings targets are realistic and achievable and this will feed into the financial planning process.

7.3 Resource requirements associated with supporting the Corporate Transformation Programme are being funded through the Corporate Transformation budget.

8   IMPLICATIONS

8.1   **Financial**

There are no specific costs attached to any of the recommendations contained in this report outside those considered within the Council's Financial Plan. Business cases with return on investment information are being developed for the projects and activities within the programme as appropriate.

8.2   **Risk and Mitigations**

Whilst good progress continues to be made building on the work over the past two financial years, the Corporate Transformation Programme is extremely complex. Over the next 12 months, the scale of the work and the level of change involved across the organisation will become increasingly challenging and intense bringing significant risk to the delivery of activity, savings and service benefits. To mitigate this, robust risk management is being applied both at programme level and at individual programme/project level. Each project requires to have appropriate risk registers and these are monitored on at least a monthly basis. An overall Corporate Transformation Risk Register is held and reviewed on a monthly basis. Finally the programme is a standing item on the Monthly CMT Away Day Agenda when progress is reviewed along with delivery of the Financial Plan and monthly Performance Management data.

8.3   **Equalities**

Equalities Impact Assessments will be carried out on the projects within the Corporate Transformation programme.

8.4   **Acting Sustainably**

The programme will support the approach of acting sustainably ensuring any effects are identified and the impact evaluated where appropriate.

8.5   **Carbon Management**

The programme will actively promote a positive impact on the Council's carbon emissions where appropriate.

8.6   **Rural Proofing**

This will be undertaken within the programme where appropriate.

8.7   **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made to the Scheme of Administration or Scheme of Delegation.

9 CONSULTATION

9.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and the comments received have been incorporated into the final report.

Approved by

Rob Dickson   **Signature** ……………………………………
Corporate Transformation & Services Director

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Background Papers: Nil
Previous Minute Reference: Scottish Borders Council, 11th February 2016.

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. James Lamb can also give information on other language translations as well as providing additional copies.

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