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**CORPORATE TRANSFORMATION  
PROGRESS REPORT**

**Report by Corporate Transformation & Services Director**

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**EXECUTIVE COMMITTEE**

**9 JUNE 2015**

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**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 report to Council on 12 February 2015 and sets out planned activity in the reporting period to August.**
- 1.2 In February, Council agreed to establish a Corporate Transformation Programme for the Council which:
- (a) Is based around the four cross-cutting themes as set out in the Financial Strategy 2015–16
    - (i) Making Best Use of our People
    - (ii) Working with our Partners
    - (iii) Looking after the Borders
    - (iv) Business Process Transformation
  - (b) Builds on the former Business Transformation Programme
  - (c) Supports Member, Corporate and Partnership priorities
- 1.3 Council agreed that quarterly monitoring reports would be considered by the Executive.
- 1.4 This report forms the first quarterly performance report and sets out:
- (a) Progress since February
  - (b) Planned work in the next reporting period to August this year
- 1.5 Initially, 21 strands of work were identified through a series of workshops and away days with Corporate Management Team. These pieces of work included 8 projects and programmes that were already being progressed as part of the former Business Transformation Programme. The 21 programmes and projects have since been honed-down to 19 strands as work has progressed in scoping the Programme. These 19 pieces of work are set out in Appendix 1 which includes a brief description of the purpose of each and summarises progress made to date.

1.6 The main areas of progress since February include:

- (a) **Localities** – the pilot localities approach was approved by the Executive in March and a Lead Officer is being appointed.
- (b) **Railway Programme** – A new Programme Manager was appointed in April. Progress includes promotion of both the railway itself as well as the opportunities for both business and tourism growth. The project is an exemplar of partnership working across the public sector in the city-region area and at a National Level. Appendix 2 sets out a full update.
- (c) **Culture Trust** – All work at the moment is focused on the feasibility of an Integrated Culture and Sport Trust with BSLT. The feasibility report is due to be presented to BSLT at the end of September and Council in October. An update report will be considered at Council on 25 June 2015.
- (d) **Street Lighting** – Continuing roll-out of lanterns (some 1500 in the reporting period) which continue to make savings in terms of energy, carbon and maintenance reductions.
- (e) **SB Cares** – SB Care was established as an arm’s-length company in April and is now operational. The Chair of the Board has been appointed and recruitment for the remaining Non-Executive Director posts is underway.
- (f) **Scoping of Briefs** for new pieces of work – Scoping of the new programmes and projects has started. Leads for each have been identified from Corporate Management Team as have Project Managers for the development of the briefs. It is anticipated that the scoping work will be completed in the next reporting period and, once complete, this will enable the development of more detailed plans for the phasing and resourcing of the Corporate Transformation Programme.
- (g) **Children & Young People** – Consultation has started on a new departmental Management Structure and a new Business Support Structure. Resource to support the programme has been identified and permission to consult on a new delivery model for Early Learning and Childcare has been approved.
- (h) **Energy Efficiency Project** - A project team has now been convened to examine options for energy efficiency projects across the Council which will deliver long-term revenue benefits.

## 2 RECOMMENDATIONS

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

### 3 BACKGROUND

3.1 In February, Council agreed to establish a Corporate Transformation Programme for the Council which:

(a) Is based around the four cross-cutting themes as set out in the Financial Strategy 2015–16:

- (i) Making Best Use of our People
- (ii) Working with our Partners
- (iii) Looking after the Borders
- (iv) Business Process Transformation

(b) Builds on the former Business Transformation Programme.

(c) Supports Member, Corporate and Partnership priorities.

3.2 Council agreed that quarterly monitoring reports would be considered by the Executive.

3.3 This report forms the first quarterly performance report and sets out:

(a) Progress since February (and rates that as Red Amber or Green)

(b) Planned work in the next reporting period to August this year

3.4 Initially, 21 strands of work were identified through a series of workshops and away days with Corporate Management Team. These pieces of work included the following 8 projects and programmes that were already being progressed as part of the former Business Transformation Programme:

1. Children & Young People's Services
2. Adult Services
3. Alternative Models of Service Delivery – including the Culture Trust and SB Cares
4. Integration of Health and Social Care
5. The Railway Programme
6. Waste Management
7. Transport
8. Street Lighting

The 21 programmes and projects have since been honed-down to 19 strands as work has progressed in scoping the Programme. These 19 pieces of work are set out in Appendix 1 which includes a brief description of the purpose of each, summarises 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 The main areas of progress within this reporting period are set out below.

### 4.2 Localities Programme

After approval of a pilot Localities approach (Cheviot) at Executive in March, a Lead Officer David Mallin has been appointed and started work with SBC on 2 June, he will work within the Communities and Partnerships Team, but will have a direct report to the Depute Chief Executive, People (Programme lead). Prior to the Lead Officer starting, a range of data and information across SBC is being collated about the Cheviot area. Once in post, the Lead Officer will meet with Members in the Cheviot area, SBC officers operating on a locality basis, as well as key community representatives. An engagement plan will be produced and work will commence on developing an action plan for the area, which not only develops solutions to problems but also seeks to identify and address opportunities. The lead officer will work with the Area Forum to develop its role to oversee the action plan, holding statutory and community stakeholders to account for delivery of actions within the plan.

### 4.3 Railways Programme

A new Programme Manager was appointed in April. The main areas of progress in the reporting period are:

- (a) Web designers are on course to complete the Borders Railway Prospectus website together with an interactive map of development sites by the end of June. A hard copy version will also be produced by that date. A launch of the Prospectus, which will include a short video being developed by the web designers, is anticipated to take place in Edinburgh in July.
- (b) A branded train promoting the Borders Railway was launched by the Cabinet Secretary at Waverley Station in March 2015, which is travelling between the seven Scottish cities to promote the new line.
- (c) Borders Railway had a successful presence at VisitScotland Expo in April, meeting buyers from the UK and International travel trade who are interested in developing Borders Railway tour itineraries for 2016 and 2017.
- (d) Tourism businesses from Midlothian and Scottish Borders attended the Edinburgh Tourism Showcase in May alongside the Borders Railway project team to promote new 'business to business' opportunities, and a joint area tourism partnership event is being held at the National Mining Museum in May to launch the VisitScotland Borders Railway tourism business 'toolkit'.
- (e) Plans are underway to showcase the Great Tapestry of Scotland at five locations along the railway corridor, and the 'Development Framework' and design framework for the Central Borders Business Park at Tweedbank has been completed.

The project is an exemplar of partnership working across the public sector in the city-region area and at a National Level. Appendix 2 sets out a full update.

#### 4.4 **Culture Trust**

- (a) All work at the moment is focused on the feasibility of an Integrated Culture and Sport Trust with BSLT. A separate project has been set up to carry out the feasibility exercise jointly with BSLT. Project called "Integrated Trust Feasibility".
- (b) The feasibility report is due to be presented to BSLT in late September and Council in October. It took longer to agree joint work with BSLT than anticipated. The Project Team are confident they can make up the lost time.
- (c) A Joint Officer Working Group, which is also the project board, has been established. This has Rob Dickson and Ewan Jackson (BSLT) as Joint Project Executives.
- (d) An update report will be considered at Council on 25 June 2015.

#### 4.5 **Street Lighting**

Following approval, 2600 lanterns across various borders towns including Hawick and Newcastleton have been replaced with an energy efficient LED replacement in the first year of the project. Around 1500 lanterns were replaced between January 2015 and May 2015 and work will continue throughout 2015/16 to bring the total for the first two years of the project to 5600 installations. The replacement programme continues to deliver savings in the form of energy, carbon and maintenance reductions while still maintaining the lighting requirements for the night time environment. Specific programme details can be found on the SBC web site along with information surrounding the project and a selection of frequently asked questions.

#### 4.6 **SB Cares**

- (a) SB Cares LLP (Limited Liability Partnership) launched on 1st April 2015 and is delivering Homecare, Residential Care, Extra Care Housing, Day Services, Hawick Community Support services, Bordercare alarms and Borders Ability Equipment Store services. A detailed partnership agreement and service contract are in place and the service level agreements with SBC support services are being finalised.
- (b) All services requiring registration with Care Inspectorate (CI) were either registered or are operating with the consent of the CI, pending full registration. Approximately 800 staff TUPE transferred from SBC to SB Cares and a further nine staff were seconded. A comprehensive communications plan was delivered ensuring all stakeholders were fully informed of the impact of change. A new finance system was procured and installed and SB Cares branding and website is in place.
- (c) The project delivered on time, within budget and within defined scope. All of the benefits defined in the Business Case (including financial) will be subject to ongoing monitoring and reporting.

#### 4.7 **Scoping**

Work has progressed on developing the scopes for those new projects or programmes under the Corporate Transformation Programme. Project Leads from CMT have been identified along with the project managers that will be involved in the development of the briefs. It is planned to complete these briefs within the next reporting period – i.e. by the August Executive. The full list of the Programmes and Projects that comprise the Corporate Transformation are set out in Appendix 1 of this report along with a brief outline of their purpose and status.

#### 4.8 **Children & Young People**

- (a) Consultation on a new departmental management structure has begun with Trade Unions and staff. This will align responsibilities to departmental priorities and will be implemented in August 2015.
- (b) A high level plan for delivering Business Support to the People Department has been approved by senior management within the department and is currently being communicated to staff and Trade Unions.
- (c) The Early Learning and Childcare paper approved at Executive on 26<sup>th</sup> May 2015 gave permission to begin consultation on a new delivery model with stakeholders. This will replace existing staffing arrangements and fulfil the Council's obligations under the Children & Young People's Act 2014.
- (d) Resources to deliver the ambitious Transformation Programme the department has designed have been identified and posts will be filled over the forthcoming period.

#### 4.9 **Energy & Efficiency**

- (a) A project team has now been convened to examine options for energy efficiency projects across the Council which will deliver long-term revenue benefits. The programme will feature a number of projects which will be delivered in line with revenue and capital resource availability.
- (b) The team has agreed to pursue, as a priority, a number of building energy usage and thermal retention programmes including energy efficient lighting, boiler optimisation, insulation cladding and the replacement of current all-electric heating systems in a number of primary schools.
- (c) The Team has initially agreed to identify the top 10 schools where energy improvements are required to drive down costs, improve building comfort and reduce the Council's carbon footprint.
- (d) It has also been agreed that officer led discussions will be taken forward with regard to the current biomass provision in the three high schools with a view to properly reconfiguring these systems to deliver longer-term financial benefits.

- (e) Officers are now examining the financial implications of replacing the remaining 6,000 sodium street lights not included in the 13,000 light replacement programme already approved by members in the 10 year CIP. This project will be brought back as a proposal for investment as part of the roll forward of the CIP.
- (f) In addition, the Team has held an early discussion with regard to exploring the opportunities for locating solar panels on the nine high schools and the main HQ block, including the Old School site, and has considered recommending the Council undertaking a feasibility study to examine the potential offered by council owned sites to house solar panels in appropriate south-facing locations.
- (g) This programme of work will require significant officer time and will have major financial implications for the Council, both in revenue and capital terms.
- (h) A plan detailing the resource requirements of this transformation project is currently being compiled and any unfunded financial implications will require to be considered as part of the roll forward of the revenue and capital budget processes.

## **5 COMMUNICATIONS AND ENGAGEMENT WITH THE UNIONS**

- 5.1 A communications Strategy for the Corporate Transformation Programme is currently being developed for consideration by Corporate Management Team (CMT) in June. In the meantime, a draft staff briefing note has been prepared and, once approved by CMT, this will be issued to staff in June.
- 5.2 There is a need to better coordinate the reporting of issues flowing from the Corporate Transformation programme to the Trade Unions. To assist in doing this, the project tracker, which will highlight potential staffing issues, will be shared with the Unions on a monthly basis enabling timely management and engagement with Trade Unions.

## **6 REPORTING**

- 6.1 The summary tracker provided at Appendix 1 will form the basis of future quarterly highlight reports to the Executive. Over the next reporting period the presentational format will be looked at again to ensure that it is consistent with other monitoring reports received by the Executive.
- 6.2 Progress with the Programme will be on a bi-monthly basis to CMT using the summary tracker. Any projects which have a "red" status will be looked at in more detail at that point. It is anticipated that this approach, together with performance monitoring, will enable CMT to assess the progress of the Programme against corporate priorities and Community Planning Partnership activity.

## **7 FINANCE**

- 7.1 As part of the financial monitoring of the Corporate Transformation Programme an assessment is made of current progress in planning the delivery of savings proposals included in the Financial Plan. Programmes of work being supported through the Corporate Transformation programme are now allocating all savings targets to specific projects.

- 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. There is a requirement to focus on the achievability and progress of planning the delivery of all savings within the Plan to ensure future plans continue to be set on a realistic and achievable basis.
- 7.3 Staffing implications associated with supporting the Corporate Transformation Programme are being funded through the Corporate Transformation budget where appropriate provision has been made within the revenue 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 will be developed for the projects and activities within the programme as appropriate.

### **8.2 Risk and Mitigations**

A formal risk management approach will be applied consistently and appropriately across the programme.

### **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.



## 9 CONSULTATION

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

### Approved by

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

### Author(s)

Name	Designation and Contact Number
James Lamb	Portfolio Manager

**Background Papers:** Nil

**Previous Minute Reference:** Scottish Borders Council, 12<sup>th</sup> February 2015.

**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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