
FIT FOR 2024 – OUTLINE PROPOSALS FOR COMMUNITY ENGAGEMENT OVER FUTURE SERVICE DELIVERY

Report by Service Director Human Resources
SCOTTISH BORDERS COUNCIL

17 December 2020

1 PURPOSE OF THE REPORT

1.1 The Council recognises the need to reshape the model of public service delivery in the Borders to improve the quality of life for its citizens, stimulate economic growth and minimise our environmental impact. The Council is investing heavily in new facilities and new ways of working which will have an impact on the Council's existing extensive property footprint over the next few years. The opportunities provided by new technology, the experience of service delivery during Covid-19 and the need to ensure the Council's extensive estate is sustainable, provides a compelling justification of the need to modernise public service delivery and ensure our property estate is fit for purpose.

This report outlines:

- The continuing significant investment that the Council is making in the modernisation of its services and its estate.
- The need for engagement with communities to look at how these investments can be sustained through alternative models of service delivery.
- The pressing need to look at how limited financial resources can be prioritised to continue to support these developments.

It is proposed that a further report is brought to Council in February 2021 setting out detailed proposals for a programme of community engagement over the next year to review priorities for service provision and associated investment, ongoing funding and support. It is proposed that the review would take a locality "Place-Making" approach which will fully engage with communities drawing on the principles of Community Empowerment legislation and seeking the participation of communities in the redesign of future public services in the Borders. It would involve key partner organisations including Area Partnerships, Community Councils, Live Borders, Police Scotland, local Registered Social Landlords, NHS Borders and communities themselves to ensure the most effective and sustainable models of service delivery are developed.

2 RECOMMENDATIONS

It is recommended that Council:-

- a) Note the continuing investment in services and the Council's extensive estate;**
- b) Agree the need to review the prioritisation of associated investment and resources to ensure future models of public service delivery in the Borders continue to meet the needs of local people in the most effective and sustainable way;**
- c) Reaffirm the need to examine new service delivery models as set out in the Fit for 2024 strategy, which improve the Council's carbon footprint, make better use of technology and deliver savings.**
- d) Agree the need to involve Community Planning Partners, Area Partnerships, Community Councils and communities in the future design of public services; and**
- e) Request that, a further report be brought to Council in February 2021 setting out the details of an estate-wide, community engagement-led review of services which will be undertaken in phases; and**
- f) Agree, that in anticipation of the report to Council in February, a report on the Learning Estate be brought to January Council.**

3 BACKGROUND AND CONTEXT

Fit for 2024 – The Council’s Transformation Programme

3.1 In February 2019 the Council agreed its *Fit for 2024* Transformation programme which made commitments in terms of:

- Service by service reviews
- Investment in well planned and designed digital solutions
- Making best use of our physical assets
- Enhanced community engagement and participation

The February 2019 Council report recognised that delivering both the improvements and the savings identified in the report will be a challenging and exacting exercise. *Fit for 2024* aims to ensure that the Council is capable of meeting the challenges it faces and optimise outcomes for citizens and communities. It is probably a fair assessment to suggest that, since February 2019, the outlook is now even more challenging given the increased scale of savings which the Council needs to achieve (as set out in the current Financial Plan) and the continuing impact of the pandemic.

Service Reviews and Investment in Digital Services

3.2 The February 2019 *Fit for 2024* report recognised that digital investment is an enabler for change but will require a shift from traditional ways of doing things so that benefits around customer choice and convenience, service improvements and financial benefits can be fully realised.

3.3 The 2020/21-24/25 Financial Plan identifies recurring savings of £1.2m relating to process improvements and changes to service models, particularly in the areas of Business Support and Customer Services, as a result of the investment in digital services and an associated move away from traditional models.

3.4 Over the last 4 years the Council has invested over £14.3m in the development and implementation of digital services. A further £34m of expenditure has been agreed with CGI over the next 4 years. This investment is aligned with the Council’s Customer Services Strategy 2018 – 2023 and the *Digital by Design* approach. The investment both anticipates and reflects the progressive and accelerating shift in demand toward online digital and telephone-based services and the corresponding decline in the demand for traditional face-to-face service delivery. It also recognises the opportunities that digital technologies provide in improving access to information and services – including equality of access for people who live out-with our main towns and/or who have less access to traditional buildings-based services.

3.5 Investment in digital services is across the whole spectrum of Council activity from the provision of iPads for school pupils (see 3.9 below) to improving connectivity in care homes to enable video communications between residents and their families and from online and telephone services such as making payments, ordering services and reporting faults to supporting mobile and remote working and improving integrated working with partner organisations.

- 3.6 Changes in technology provide increasing opportunities to provide front-line customer services in a more mobile and flexible way which is not dependent on existing face-to-face formats in fixed locations.
- 3.7 The experience of the pandemic and lock-down has shown that with many traditional forms of building-based services unable to open, that digital and telephone-based services have enabled the Council to continue to provide essential services and improve collaborative working with partner organisations and community-based groups. This clearly shows the continued improvement in digital connectivity and continued increase in use of digital and telephone services across all sectors of society. It is recognised, however, that not all services can be delivered in a digital way. Continuing to provide face-to-face services particularly for the more vulnerable in society and those who, for whatever reason, cannot access online services will remain necessary.
- 3.8 Recent initiatives including Inspire Learning and Connecting Scotland have seen an increasing proportion of the population able to access services digitally. It is recognised that this trend is growing over time. The Council has had no requests from the public to access Customer Services on a face-to-face basis. All such transactions have been undertaken on line, by mail or by telephone since March 2020. This move away from personal face-to-face contact will be require to be fully reflected in future models of public service delivery.

Investment in the Learning Estate

- 3.9 The Inspire Learning Programme has already seen and £3.5m investment as part of an overall £16m investment in the provision of iPads to pupils. This ground-breaking programme is transforming teaching and learning across the Borders for the benefit of all teachers and pupils. The programme is aimed at raising attainment and will ensure that pupils develop a level of general and specialist digital skills that are vital for learning, life and work in an increasingly digital world.
- 3.10 Since 2015/16, and including current year projected spend, the Council has invested just under £60m in the Learning Estate including replacing end of life buildings with new, state-of-the-art flexible and fit-for-purpose buildings. Over the next 25 years, the Council will contribute £12.7m towards a joint £31.1m investment in the Jedburgh Grammar Campus. Over the next 9 years, the Council plans to invest a further £171m in the Learning Estate including the replacement of Earlston Primary School, Gala Academy, Peebles High School and Hawick High School. A consultation with regard to the future provision of primary education in Eyemouth is currently underway.
- 3.11 Increasingly these investments are about more than simply replacing old with new. Instead, these buildings are intended to be flexible, multi-purpose community assets which provide unique opportunities to rethink how our services are provided in each town and locality.

Investments in the Social Care

3.12 With an ageing population there is an increasing demand for suitable buildings-based support including extra care housing and residential care. This increased demand is coming at a time where our five residential care homes – built in the 60s, 70s and 80s – are nearing the end of their useful lives. There is a need for the Council and its partners to make a significant investment in this area of the estate. £25.2m is already included in the capital programme including the creation of 120 new residential care beds at Stirches in Hawick and in the Central Borders as well as Extra Care Housing (ECH). ECH developments in Galashiels and Duns are well advanced with a further development in Kelso on the site of the former High School also progressing. Further plans for investment are being developed for Council in the new year. Expansion in care services will require a corresponding increase in the operational budgets to support this.

Environmental Sustainability

3.13 The Council has recently made challenging commitments to reduce greenhouse gases to net zero by 2045 at the latest in line with national targets. Our current estate, in terms of both its size and its condition (see 3.16 below) mitigates against the achievement of these targets. As one of the most significant sources of emissions, reducing the size and improving the quality of the estate is a key area where action can be taken to reduce our carbon footprint.

Financial Sustainability

3.14 The significant investment in modernising our services and estate need to be viewed in the context of continuing financial constraints which require the Council to reduce its operating costs by £30m/year by 2024/25 as set out in the 2020/21–2024/25 Financial Plan. The Financial Plan also identifies potential estate savings of just under £700k/year by 24/25 and a further £1.2m in the same period in service savings where there is a reduced dependency on traditional buildings-based models of service. In large part, these savings were anticipated as part of an expected return on investment in both digital technologies (with the move to more efficient digital provision of services) and the investment in the estate (through better, more flexible use of buildings).

Impact on the Estate

3.15 The February 2019 *Fit for 2024* report, under the theme *Making Best Use of our Physical Assets* recognised the need to work with partners and communities to rethink and reshape our collective property portfolio to ensure that it:

- meets current and future needs of service users, communities and service providers;
- maximises and make best use of investment opportunities of both existing revenue and capital resources as well as external funding opportunities; and
- is sustainable and affordable in terms of both ongoing funding and energy efficiency

- 3.16 The Council has over 260 buildings – many are legacy buildings inherited from local government reorganisation in 1996. These buildings cover 9million m2 of internal floor space (equivalent to 1,203 rugby pitches). Of these buildings, only 77% are classed as good or satisfactory with most or the remaining 23% classed as poor (Showing major defect and/or not operating adequately).
- 3.17 On average, the Council spends £14m/year on maintaining and running the estate (£16.3m in 2019/20). However, the sheer size, complexity, age and condition of the estate mean that these resources are spread too thinly and the backlog of maintenance works (currently standing at over £23m) continues to grow.
- 3.18 The continuing investment in new and modern buildings adds to our extensive estate and, in turn, increases operational costs. Without changes to the way we use the estate we will be unable to achieve the associated programmed savings as set out in the Financial Plan. As a result there is a compelling case for reviewing our estate and priorities for funding over the next 5 years and beyond to support both our investment in the estate and in new digital models of service.

4. PROPOSED NEXT STEPS

- 4.1 This report proposes a programme of engagement with communities to review priorities for service provision and associated investment, ongoing funding and support. It is proposed that the review would take a locality “Place-Making” approach which will fully engage with communities drawing on the principles of Community Empowerment legislation and seeking the participation of communities in the redesign of future public services in the Borders. It would involve key partner organisations including Area Partnerships, Community Councils, Live Borders, Police Scotland, local Registered Social Landlords, NHS Borders and communities themselves to ensure the most effective and sustainable models of service delivery are developed.
- 4.2 The purpose of the review would be to consider the models of future service delivery in each town across a range of Council-funded services and taking a whole-town approach which matches needs and demand for services to current and planned provision. The outcome would be a set of options and recommendations for Council.
- 4.3 It is proposed that, to inform the review, service profiles would be developed through a series of reports each focusing on a key service area. These profiles would include national and local policies and strategies as well as available metrics around demand, satisfaction, performance (including trends) investment and operational costs. Similarly, profiles for related properties will be produced for the review based on available information on size, condition, title, listed building status, operational costs and usage.
- 4.4 It is further proposed that the following criteria are applied in the review to each property:
- Fitness For Purpose (suitability including fit with operational requirements)

- Performance/Demand (current and trend and potential for improvement)
 - Access to Reasonable Alternatives (including duplication/competition)
 - Equality of Access (both physical accessibility and also ensuring services are available across all localities)
 - Economic Impact (actual and potential value to the local economy)
 - Environmental/Carbon Impact (including energy efficiency)
 - Condition (including backlog and foreseeable maintenance)
 - Scope/suitability for alternative use (potential CAT, marketability, constraints and community views for alternative use)
 - Town Scoping - to get a complete picture of what services are available in each of our communities
- 4.5 Further details of this proposed Place-Making approach will be developed and brought to February Council recognising that related activity is already taking place in a number of communities (e.g. community consultation around Eyemouth Primary School and proposals for the replacement of Galashiels Academy). This work will continue as Place-Making engagement proposals are developed in detail.
- 4.6 It is anticipated the Borderlands Inclusive Growth Deal will be finalised in early 2021. The Deal includes a "Place Programme". This programme is designed to provide investment to stimulate the repurposing and reinvention of towns and town centres across the Borderlands area. The review outlined in this report is a prerequisite to developing the necessary business cases on which to make investment decisions in the use of the funds available.
- 4.7 To help inform the review it is proposed that a series of reports on the main categories are brought forward to Council early in the new year beginning with a report on the Learning Estate to January Council.

5. IMPLICATIONS

5.1 Financial

There are no direct financial implications arising from this report. However, the report proposes a forward strategy for future service redesign. The consequences of this strategy will be far-reaching and will need to be addressed as part of the revenue and capital financial planning process.

The 2020/21 Financial Plan identified anticipated estate savings of just under £700k/year by 2024/25 and a further £1.2m in the same period in service savings where there is a reduced dependency on traditional buildings-based models of service. In large part, these savings were anticipated as a result of both investment in digital technologies (with the move to more efficient digital provision of services) and the investment in the estate (through better, more flexible use of buildings). Any deviation from this strategy will require alternative savings proposals to be identified.

5.2 Risk and Mitigations

- 5.2.1 The Council makes significant investments in properties across all localities in the Borders, either through the creation of new assets such as the Learning Estate or through the Property Maintenance Fund which ensure that our assets are maintained in a safe and functioning

condition. However, the sheer size of our estate means that this investment is spread too thinly and is not currently enough to sustain the estate and ensure that it remains fit for purpose. There is a risk that with the financial constraints and a growing maintenance backlog that, if we do not address this issue, we will be unable to continue to maintain our properties and that buildings will close by default.

5.2.2 Without a corporate and partnership-wide approach that engages effectively with communities we may miss opportunities to think creatively and identify alternative options for buildings.

5.2.3 There is a risk that any vacated buildings are left empty, unused and undeveloped. Plans for investment and disinvestment must recognise the value of properties in terms of the heritage and built environment in communities. Where, through engagement, a property is identified as surplus the Council will look at the following options:

- Community Asset Transfer – with appropriate timescales and support to establish/prove/disprove a viable business case.
- Strategic sales (with planning restrictions where appropriate) in partnership with SoSE as part of Economic Development/Town Centre Regeneration.
- Quick sales for non-strategic assets and where no interest exists in terms of Community Asset Transfer

5.3 Integrated Impact Assessment

As per the Community Empowerment legislation, the proposed Place-Making engagement approach anticipated above aims to take a co-productive approach to developing and agreeing proposals and the participation by, and the views of, communities of place and interest will be a central component. The opportunity to rethink our estate includes associated opportunities for improving access to services. Integrated Impact Assessments will be completed as part of the process of developing new service delivery models.

5.4 Acting Sustainably

The framework seeks to ensure that services and property provision, in future, is on a more sustainable footing.

5.5 Carbon Management

The Council has recently made challenging commitments to reduce greenhouse gases to net zero by 2045 at the latest. This relates to national targets which apply to Live Borders as well as the Council. Our current joint estate, in terms of both its size and its condition mitigates against these targets and is one of the key areas where action can be taken to reduce our collective carbon footprint.

5.6 Rural Proofing

The approach set out in this report seeks to ensure that services are maintained or improved across existing communities through investment in a reduced number of properties and that, through digital provision, services are accessible to all regardless of where people live.

5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

6. CONSULTATION

- 6.1 The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

Approved by

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