

The Highland Council
Finance Housing and Resources Committee
27 November 2013

Agenda Item	22
Report No	FHR/166/13

Corporate Improvement Programme
Report by the Assistant Chief Executive

Summary

The Corporate Improvement Programme (CIP) is progressing well with a target to achieve £5.98m in efficiency savings for the period 2013/14 and 2014/15. Some slippage is reported for two projects and this report highlights the mitigating actions being taken to ensure these projects, and related savings, are delivered on target. The final part of the report deals with the approach to developing a programme for post-2014/15.

1. INTRODUCTION

- 1.1 This report provides an update on the progress of the CIP. The programme is managed as a set of interrelated projects by Project Managers from the Corporate Improvement Programme team working with Project Managers from Housing & Property and Finance. In turn they report to the Programme Board which is chaired by the Chief Executive and includes all members of the Senior Management Team, with sponsorship of individual projects being the responsibility of members of the Senior Management Team.

2. PROGRESS MONITORING

- 2.1 The major focus of the CIP is the delivery of the cashable efficiencies and development of a Target Operating model which will introduce improved ways of working across the Council by:
- Effectively reducing the effort involved in serving customers, managing information and transactional activity in the back office
 - Securing contracts at less cost and increasing income
 - Modernising the Council and how we interact with customers
 - Reducing the amount of owned/ leased buildings and the cost of maintaining the remainder

3. CURRENT PROGRAMME STATUS

- 3.1 The overall savings targets for the programme are shown below. These were agreed at the beginning of the programme and monitored monthly. The project status table at 3.2 shows the projects and, for each of these, the progress against the plan and the progress against savings.

The next two years have core targets of £5.98m to be delivered. Progress against the targets will be reported to Elected Members each quarter.

	13/14	14/15	Total £m
Agreed Budget Targets	£3.63m	£2.35m	£5.98m

3.2

Project	Deliverable RAG Status	Savings RAG Status
Asset Management	Green	Green
Business Support	Amber	Amber
Customer Contact Transformation	Green	Green
Income Generation	Green	Green
Integrated Transport Provision	Amber	Amber
Mobile & Flexible Working	Green	Green
Managing Information	Green	Green
Procurement	Green	Green

The progress of each project is summarised in sections 4–11 below.

4. ASSET MANAGEMENT

4.1 Kingussie

The planning application has now been submitted and ‘called in’ by the Cairngorm National Park Authority. A qualified acceptance of our offer to purchase the land was received by the Council on 8 November 2013 at the previously agreed purchase price. Expenditure this financial year continues to be forecast at £0.412M and is made up of professional fees, enablement works and land purchase.

4.2 Dingwall

The Dingwall Office Review has now completed the feasibility study of the office accommodation within the Dingwall area and the Dingwall Office Rationalisation Project is now live. The intention is to move from eight office buildings to four. The CIP Board has confirmed that they wished to embark upon a significant office transformation project that includes looking at the wider organisational and transformational benefits that could be facilitated by a rationalised office. Briefing sessions have been delivered to Services, Partners and Members.

4.3 Fort William

The Fort William Office Review has now completed strategic and financial appraisals as part of its approach to identify a preferred option for the Council’s main office accommodation in Fort William. The outcomes of the review have been considered by the key stakeholders (local Members and Area Service Managers/Team Leaders, trade unions). A report recommending the preferred option will be presented at FHR Committee on 27 November 2013.

4.4 Inverness

Work was undertaken by CIP, Asset Management and ICT to clarify the benefits of an office transformation project to the Council and staff, which included introducing new ways of working, providing increased choices for customers and staff, and supporting the Carbon Clever agenda. This work is

now being developed into a description of the future office for all stakeholders, incorporating the identified benefits.

5. BUSINESS SUPPORT

5.1 The Project is at Amber status (some slippage) due to uncertainty regarding the School Business Support plan. The Project Manager is to report to the Project Board on 18 November 2013 to confirm the position in respect of delivering the agreed level of savings and project timescales.

5.2 Personnel Admin/ResourceLink

Work is continuing and good progress is being made, e.g. new processes designed and being tested, ResourceLink set up and user access levels being finalised, and SharePoint forms and workflow being developed and tested. Following successful completion of User Acceptance Testing (UAT), it is planned that go-live will be phased in starting from mid-February 2014. The full implementation of the system will reduce the effort needed and time consumed in managing the routine elements of personnel administration and enable further business support savings to be released. Self-service is a key principle within these changes. Rather than the old fashioned practice of officers communicating information to a business support member of staff to retype, they will enter data directly.

5.3 Online Recruitment

Implementation of the National Recruitment Portal has now been successfully completed across all services.

5.4 Purchasing & Financial Transactions

Work is progressing to assess the proposed new processes for requesting goods and services and payment of the same. To enable the new processes to operate effectively, various substantial developments have been completed behind the scenes in PECOS. Further developments will be influenced by the organisational restructure.

6. CUSTOMER CONTACT TRANSFORMATION

6.1 Customer Migration

The work has successfully moved first time customer contact to the Customer Service network, and implemented a duty officer model for Planning & Development and, more recently, the Environmental Health Teams. Work has started on implementation of the same for Licensing and is anticipated to be complete by the end of January 2014.

6.2 Web Content Management

The Council's new website will be launched in April 2014. The focus for the new website is the customer and to make the web the contact method of choice. This will be achieved by making the site more customer friendly, information more accessible and providing more online services. Further detail on the approach and progress is available in the Website Development Update report going to FHR Committee on 27 November 2013.

6.3 Process Redesign

The project team are working with Services on a number of processes, including Civic Government licences, Liquor licences, Road Permits and Export Certificates, with the aim of introducing online forms that encourage customers to use self-service options. These processes are due to be implemented on 6 November 2013, although business change activity will extend for a number of weeks beyond this to ensure that the change is supported and customers are assisted.

Since the beginning of the Project, thirty processes have had online forms built and these are now available on the Council's website. During the next few months the team will be working with colleagues in Housing & Property and Finance to review processes and create online access for, amongst others, Council Tax forms and Housing Repairs.

6.4 Integration

Procurement of integration software is currently nearing completion and it is expected that the functionality will be operational in the early part of next year. This tool will allow the Project to integrate software applications as and when required for systems that are not currently integrated to other systems, and remove the requirement for manual rekeying of information from one system to another.

7. **INCOME GENERATION**

7.1 The Income Generation current focus is on Advertising and Sponsorship through the partnership with Scottish Provincial Press, and identifying and developing new income opportunities. Recent activity has included, amongst other things:

- Continued development of future advertising and sponsorship opportunities, including the commencement of placing advertising on information screens in the larger service points and the selling of advertising space in Inverness area bus stops maintained by the Council.
- Continued selling of advertising space/sponsorship for employee payslips, roundabouts, including some new sites, lamppost banners and the Highland Council website. Income generated to the Council so far this year through the advertising and sponsorship partnership is £24.7k up to the end of September 2013.
- Start of an exercise to look at charge rates for services so that comparisons may be made with other Councils which may highlight further income generation opportunities.
- Under the wind turbine business model, grid connection feasibility studies are currently being carried out by Scottish and Southern Energy (SSE) for all sites and are expected to be complete by end of December. Work is also continuing on identifying further Council-owned sites for potential wind turbine projects. These are predominantly land fill sites.

8. INTEGRATED TRANSPORT PROVISION

- 8.1 The Project is reported as Amber as there has been an inability to secure funding from all of the main partners for the pilot Project.
- 8.2 A key aim of the project is to undertake a pilot in Lochaber to test whether a co-operative approach to examining and providing transport solutions for health and social care needs, and for social inclusion purposes, can be developed in the Highlands.
- 8.3 The essence of the Project is a trial sharing of Project Partner transport resources, in conjunction with the involvement of commercial and community transport providers within the trial area of Lochaber, to improve services to users with the ultimate goal of establishing a fully integrated provision covering the needs of health and social care and social inclusion.
- 8.4 Post-project sustainability is a concern for NHS Highland. A paper has been prepared and sent to the NHS Highland Chief Executive – this explains what will be required to shape and implement a project which will return information to assist with the decision-making as to whether it can be sustainable post-project.
- 8.5 If this paper is supported then the matter of project funding will be re-examined. If agreement cannot be reached amongst the Project Partners then an approach will be made to Scottish Government to establish if they would consider running the Lochaber pilot as a national pilot, with the results being used to develop a national model to improve transport for health and social care and social inclusion.
- 8.6 While the introduction of the pilot has been delayed until the funding is confirmed, the Project Manager has been working with NHS Highland, SAS, and the local community transport groups to find a transport solution for renal patients in Lochaber. This is a practical example of how the Hub would work in practice, and the outcomes can be measured as part of the pilot

9. MOBILE & FLEXIBLE WORKING (MFW)

- 9.1 Each Service has a Mobile and Flexible Working plan in place and the Project continues to work with each Service to progress and update these plans. A common theme is the increased use of the technology now available, such as Office Communicator, to reduce travel time and expenditure.
- 9.2 Following the online survey to gauge how staff who regularly commute over the Kessock Bridge may have changed their work pattern during the resurfacing works, a report has been produced on the survey findings and is available on the [MFW One Stop Shop](#).
- 9.3 The Project is directly involved in the Dingwall Rationalisation Programme so that the opportunity is taken to incorporate flexible working practices into the redesigned office accommodation in Dingwall. Initially this has involved participation in staff briefing sessions and the organisation occupancy

surveys, which have now commenced, and will provide essential evidence when considering appropriate office designs.

10. PROCUREMENT

- 10.1 There are three operational strands to the review: supplier selection/use of PQQs; Contract Award and Evaluation; and Aggregation and Lotting. These were gathered into the overall review and reported to SMT at the end of June 2013. An updated and detailed implementation plan was submitted to a Weekly Business Meeting in September 2013

Fourteen initial actions within the three work streams were approved, funding for a Change Project Manager and Project Analyst for a period of one year was agreed, and proposals for Procurement involvement in Service Management Team meetings were invited.

11. MANAGING INFORMATION

- 11.1 The Managing Information Project continues to make significant progress towards effectiveness and efficiency in the management of documents and records. The Information Management policy framework is now in place, as is the Information Management toolkit, which includes an intranet web portal to improve accessibility to guidance and information in relation to the management of documents and records. The toolkit and web portal are due to be launched to Services through Information Management Lead Officers in the coming weeks.

- 11.2 Services – Managing Information Priorities
The Project will be undertaking a Managing Information review over the next two months to identify priorities and high risk areas with each Service. The project team will then work through a prioritised programme of work with business units to deliver better information management. This will incorporate the application of Information Management principles to current ways of working and making use of technology, including SharePoint, to improve the efficiency of processes and management of information and records.

- 11.3 Process Development
The current phase of process development includes supporting the Business Support Project in the development of electronic forms and automated workflow for the HR Portal, alongside ResourceLink. Other development areas include assessing opportunities for paperless Weekly Business Meetings and building workflow into the current Single Grant and Community Challenge Fund administrative processes.

The project team work with Services to identify areas where technology can significantly increase the efficiency of processes and, in turn, the management of information. The development work also aims to automate processes where appropriate in order to support teams and increase the quality of performance information.

11.4 Managing Information Review – Dingwall

The project also continues to work with the Office Rationalisation Programme and is currently undertaking a managing information review in Dingwall. The project team are working closely with business teams to identify opportunities to rationalise paper information and improve the management of information.

12. MAJOR PROGRAMME RISKS

12.1 As part of the governance arrangements each project maintains a risk and issue log that is reviewed monthly to ensure that remedial or preventative action is being taken where the project may be affected. Similarly, a programme risk and issue log is maintained for programme-level governance. Maintaining these registers enables the prioritisation of risk based on severity and likelihood, and the necessary mitigating actions to be put in place.

12.2 The highest priority risks or issues currently are:

Risk/Issue	Action
School Support Risk that savings targets will not be met in the required timescales due to the uncertainty regarding the School Support plan timescales	The School Support Project Manager is to report to the 18 November 2014 Business Support Project Board to confirm the position in respect of delivering the agreed level of savings, and project timescales.
Integrated Transport Provision Only one of the Project Partners has committed direct funding to the pilot planned for Lochaber. The unsuccessful attempts to secure funding have caused delay.	Re-examine the willingness of Partners to fund the pilot. If unsuccessful, approach the Scottish Government to establish if they are willing to support the Lochaber pilot as a national pilot.

13. FUTURE PROGRAMME DEVELOPMENTS

13.1 CIP2 is a programme of work scheduled to finish on 31 March 2015. Both CIP1 and CIP2 have delivered significant cashable efficiencies and changed working practices to modernise the Council, in particular how we do business with customers. There is a need to find further opportunities to meet the efficiency targets post-2014/15.

The Senior Management Team are currently discussing the longer term budget planning process for 2015/16 and beyond, and the CIP will be part of the set of initiatives to deliver savings. Early research into opportunities has started and this will be refined in line with the requirements of the budget setting process.

Whatever the opportunities to be developed, it is assumed that the programme will have the following attributes:

- Be transformational and deliver step change
- Be cross-Service in nature

- Be aligned with the corporate aims and target operating model
- Be concerned with efficiency and effectiveness
- Be properly governed
- Have a focus on the pace of delivery
- Be led by the Senior Management Team

14. RESOURCE IMPLICATIONS

There are no additional resource implications arising from this report with respect to the current programme. The future programme will be assessed for resource need at the detailed planning stage.

15. EQUALITIES AND CLIMATE CHANGE

There are no implications for equalities or climate change as a result of this report with respect to the current programme. The future programme will be subject to an equality impact assessment

16. RECOMMENDATION

Members are asked to:

- i. note the good progress with the delivery of the Corporate Improvement Programme and the mitigating actions being taken to ensure the Programme, and savings, are delivered on target; and
- ii. note the development of a new programme.

Designation: Assistant Chief Executive

Date: 12 November 2013

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