

Agenda Item	15
Report No	RES/13/14

Corporate Improvement Programme

Report by Depute Chief Executive

Summary

The Corporate Improvement Programme (CIP) is progressing with a target to achieve £5.98m in efficiency savings for the period 2013/14 & 2014/15. In addition, the process for aligning the next programme of work with the Corporate Budget setting process is underway and in the last period an independent review of the Programme has taken place.

1 INTRODUCTION

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 Team working with Project Managers from Development and Infrastructure and Finance. In turn, they report to the Programme Board which is chaired by the Chief Executive and includes all members of the Executive Leadership Team, with sponsorship of individual projects being the responsibility of members of the Executive Leadership Team.

2 PROGRESS MONITORING

The major focus of the CIP is the delivery of cashable efficiencies and development of a Target Operating Model which will introduce improved ways of working across the council including:

- 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 plan and the progress against savings. The next year requires the programme to attain a total of £5.98 m savings cumulative over the two years. Progress against the targets will be reported to Resources Committee each quarter.

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

There was a shortfall in achieving the target for 2013/14 of £0.7m, mainly relating to slippage in savings from Business Support (£0.7m shortfall) which has previously been reported to Committee, Asset Management Planning (£0.2m shortfall), offset by overachievement of procurement savings (£0.3m). Saving targets roll into 2014/15 and work continues to progress delivering the 2014/15 project targets, including any slippage from 2013/14..

3.2

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

A brief synopsis of progress of each project is included in sections below.

4 ASSET MANAGEMENT

4.1 Renewable Heat Incentive (RHI) income is delayed causing the project to be amber; the short fall is expected to be next year. There is no remedial action necessary.

4.2 Dingwall Office Rationalisation

G.A. Barnie has been appointed as the preferred contractor to undertake the electrical and data re-wire works within the Council Office in Dingwall. A detailed phasing and staff decant/relocate programme has been produced. The contractor is currently on Phase 3 of the 8 phase programme. Enabling works to Wing 2-A, 2nd Floor, Council Offices, Dingwall have now been completed and 16 members of staff have relocated from the Portacabin into their new open plan office accommodation on the 2nd floor of the Council Offices in Dingwall.

4.3 On the 17th of April 2014, an interim telephony solution for Dingwall was successfully rolled out to staff within the Council Offices, Ross House, Portacabin and Fodderty Way. This solution will enable hot desking as per the original intention.

4.4 Fort William

The recommendations of the review of the Council's offices in the centre of Fort William were considered at the Finance, Housing and Resources Committee on 27th November. Members agreed the preferred option which will result in the co-location the Council's main administrative offices, democratic services, Service Point and Registration Offices to a regenerated conversion of the Council-owned, listed former Fort William Secondary School site on Achintore Road.

- 4.5** The next phase will see the development of detailed proposals required to achieve the preferred option with local Members and staff. The Council is finalising the lease extensions at Lochaber House and Fulton House which are required until the preferred option is delivered. Staff and local Members will be notified when this is complete. A separate report advising Members about the latest position relating to Tweeddale will also be presented as a separate item on this agenda.

5 BUSINESS SUPPORT

- 5.1** The overall status of the Business Support Project Plan is Amber to reflect the previous delays to both the Personnel Administration and School Support Work. Personnel Administration Phase 1 for ResourceLink and SharePoint (Establishment, Recruitment and Contract Management) is scheduled to go live 01/07/14. For School Support, the 29/05/14 Project Board will be advised of options for improvements and timescales for the same.

5.2 Personnel Administration/ResourceLink

Work is continuing and good progress is being made, all remaining actions are being progressed and will be completed in readiness for Phase 1 go-live 01/07/14. The full implementation of the system will reduce the effort needed and time consumed in managing the routine elements of personnel administration. Self Service (Phase 2) is a key principle within these changes allowing members of staff the ability to update and access their own information on line reducing effort in business support. Phase 2 development will commence during June 2014 and conclude September 2014 in readiness for go-live following this

5.3 School Business Support

The Project is designed to improve processes and make best use of resources in delivering school business support. The approved Project Initiation Document (PID) includes the objective of delivering the full savings target of £353k by end 2014/15. In line with this objective, the 29/05/14 Project Board will be advised of options for improvements and timescales for the same.

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6 CUSTOMER CONTACT TRANSFORMATION

6.1 Project Status

The status of the project is currently amber. Issues with the functionality of the current online forms solution have meant that we have had to procure an alternative. The procurement of this replacement solution is in an advanced state. The installation of integration software has been delayed but should be complete by mid-May. Once these issues are resolved the board will reconsider the status of the project.

6.2 Process Redesign

The project team are currently working on two groups of processes; Finance and Entitlements and Housing processes. All processes are now fully documented and discussions have taken place with the process owners to sign-off the process maps and baseline the current workload. The team are currently engaged in a series of workshops with services to look at a standard approach to data capture and evidence gathering, prior to development of any technical solution. These workshops have been well received and opportunities have been identified to make the process of applying much simpler for customers by only displaying the information they are required to provide based on their circumstances.

6.3 Integration

Installation of the integration software is due for installation by mid-May. The integration software will significantly reduce the wasted effort involved in double keying.

6.4 Web

The Project to deliver the Council's new website is now ready for go live with the launch date set for May 29th. The new website is focused on making it easier for our customers to conduct business with the Council online. Twenty eight of the most popular council services can now be delivered end to end online and customers can also pay for a wide variety of services via the payments portal. The key pieces of work that the Project has focused on over the last month include testing and quality checking of the design and site

6.5 Design

The new website represents an opportunity to serve the Council's customers more effectively whilst reducing operational costs. The founding principle on which the design is based is that the website is for the customer. The design of the site has been tested across a broad range of devices including mobile phones and web browsers to ensure that it works effectively irrespective of how the Council's customers access it.

6.6 Site content

The Project has worked closely with Services over the last 6 months to develop and sign off the content for the new site. The quality of the content for the new website will be critical to provide a website that our customers find accessible and want to use. The Project Team are now going through a series of quality checks to support this.

6.7 Ongoing development

To reflect the growing importance of the web as a customer contact channel the Council has increased the size of its web team in order that the site can be supported and developed on an ongoing basis

Whilst we will see significant improvements when the new site is launched, it is important that this is seen as the start rather than the completion of the web development work. There is an ongoing programme of work to bring services online and the target is for 60 percent of all services to be available online by March 2017.

7 INCOME GENERATION PROJECT

7.1 The Income Generation Project is at amber for savings due to the projected short fall in new income streams which includes an additional £40k of advertising and sponsorship and parking permits income. An exercise is ongoing to look at charging rates for customer facing processes together with the development of new advertising opportunities. The current advertising rates such as those for roundabouts are being reviewed and increased where thought realistic. An Income Generation workshop with Members is planned for the 28th May following the Resources Committee and invites have been sent out for this.

7.2 The Income Generation Project's current focus is on advertising and sponsorship through the partnership with Scottish Provincial Press and there has been new business and renewals for web and banner advertising, payslips and roundabout sponsorship. Advertising and sponsorship income to the Council for the year 2013/14 was £51.5k.

7.3 A paper to the February FHR recommended that a workshop be organised to "review current activities and produce further ideas on increasing income generation which can be explored further". This was agreed by Members and subsequently the workshop has been organised to take place following the Resources Committee on the 28th May.

7.4 Recent activity has also included:

- Development of new advertising opportunities including bus shelters, advertising at visitor centres and additional lamp post banner positions in Inverness.
- Continuation of the 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 a programme of installation of 50kW wind turbines has now commenced. The "Wind 50" Programme has identified a number of potential sites for the installation of these units and will be mobilised through planning stages by December 2014, with a framework for installations being put in place to start April 2015. Work is also continuing on identifying further potential turbine sites and looking at other sites for electricity generation through solar and methane

8 INTEGRATED TRANSPORT PROVISION

- 8.1** Scottish Government funding has been awarded to the project to augment the finance being contributed by Highland Council and Highlands and Islands Transport Partnership. A contract has been established with Voluntary Action Lochaber for the development and operation of the project's central initiative, The Lochaber Transport Advice and Bookings Service (the Hub).
- 8.2** Set-up activities to establish the Hub are underway and on target to commence operations on the scheduled go-live date of Monday 16th June. The operational phase will run to mid-June 2015. Should the project prove there is a sustainable model for co-ordinating transport need and supply then an additional four-month tendering phase will come into play (mid-June to mid-October 2015) to consider suitable longer-term provision of a Hub service for the Highlands.
- 8.3** Through this action learning project in the pilot area of Lochaber we are seeking to establish 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.

Key outputs specifically for the Lochaber project area will be an understanding of:

1. Client transport needs.
2. What solutions it has been possible to provide.
3. What it hasn't been possible to help with.
4. Reasons for being unable to help.

Key strategic project outputs will be:

1. How well the co-operative approach has worked – plus points; areas of difficulty; areas which could have been managed better.
2. The potential and requirements for a sustainable Highland-wide application.

9. MANAGING INFORMATION

- 9.1** The Managing Information Project will make significant progress towards effectiveness and efficiency in the management of documents and records in the Highland Council. This will be achieved through the implementation of key areas of the Information Management Strategy.

9.2 IM Toolkit Workshops

Further to the introduction of the IM Toolkit, workshops with Service Management teams have now taken place and follow up sessions are underway to review the new retention schedules. The IM Toolkit is designed to support managers and their staff to make improvements to the management of information.

9.3 Office Rationalisation Support

The MI Project and Records Management Service are also working with staff in scope of the Dingwall Office Rationalisation project. To date, over 1200 bags of confidential waste has been removed from the buildings in Dingwall and approximately 1320 linear metres of files storage (equivalent of 528 four drawer filing cabinets) has been reduced from the office space as a result of the Managing Information Reviews carried out to date.

9.4 The project is also working with teams to make improvements to the way in which information is handled and managed. Improvements to the management of information will not only increase efficiency and compliance, it will allow us to better serve our customers by having the right information available at the right time. Examples of improvement work currently being undertaken:

- The Housing team in Ross House have improved the way information is catalogued and handled which puts Customer Service at the front of their information management processes.
- The Adoption & Fostering team are working on standardising the way information is held to make it easier to locate and manage documents through the use of SharePoint.
- The Business Support team are currently designing an electronic filing system for personnel files to improve document sharing and document retrieval.

9.5 Physical Records Storage

Good progress is also being made to have controlled records stores in local areas for low risk records.

- A satellite records store in Dingwall has now been identified and progress is being made to get this set up and appropriate controls put in place.
- Similarly, the project team is supporting the Wick Office Project to set up a controlled satellite records store and rationalise information holdings.
- A review of the storage of records in other areas will also to be undertaken

9.6 Electronic Document & Record Management

It has now been agreed that SharePoint will be used to manage documents and records that are not held in a business system. An implementation plan is currently being developed with colleagues in Records Management and ICT Services.

10 MOBILE & FLEXIBLE WORKING (MFW)

- 10.1** The main focus of the project remains involvement in the Dingwall Rationalisation Programme so that the most is made of the opportunity to incorporate flexible working practices into the redesigned office accommodation in the Dingwall area. This has mainly involved the reviewing of proposed floor layouts along with the work style data obtained through the occupancy surveys.

The project has also been involved with further staff briefings and has updated the 'Office Moves and Changes' documentation to assist managers in identifying areas that may need to be addressed when relocating offices and staff.

- 10.2** Each Service has a Mobile and Flexible Working Plan in place and the project continues to work with Human Resources representatives to progress and update these plans. These plans need to be reviewed following the reorganisation of the Services. Following the Finance Service MFW Staff survey, a working group has been formed to take MFW initiatives within the Service forward.
- 10.3** Following some initial ground work last year, the next key work stream for the project will be to start looking again at the benefits of using mobile technology, as used by Housing for responsive repairs, and how this may be further deployed across the organisation.

11 PROCUREMENT

There are three operational strands to the review: supplier selection/use of PQQs, Contract Award and Evaluation, and Aggregation and Lotting. Good progress is now being made in respect of all three workstreams and dedicated project staff have been appointed. In particular Members may wish to note that work on mapping the entire Highland business & voluntary sector community is underway which will directly contribute to procurement strategies enabling greater engagement with Highland based providers.

12 FUTURE PROGRAMME DEVELOPMENTS

- 12.1** CIP 2 is a programme of work scheduled to finish 31st March 2015, both CIP 1 and CIP2 have delivered significant cashable efficiencies and changed working practices to modernise the council and in particular how we do business with the customers.
- 12.2** The Executive Leadership Team (ELT) began the process of future financial planning with a number of sessions to consider ideas; this also included fielding ideas which had come from sessions that Directors had held with their Service colleagues.
- 12.3** The Corporate Improvement Team (CIT) was then engaged to research what a range of other UK Councils were proposing to address their revenue budget requirements. Online published information was examined for the Councils of Fife, Cumbria, Hampshire, Suffolk, Devon, and Cornwall. Additionally the Corporate Improvement Team held an ideas-generation session. From this activity an extensive list of initial ideas was created.

- 12.4** Since that time a high level appraisal process to identify those proposals which may have greatest merit and require further investigation has taken place. This list of potential project formed the basis of a workshop with the Senior Leadership team (SLT) where Heads of Service provided their view on the delivery and identified further areas for examination.
- 12.5** Following the SLT workshop, and further planning sessions with the ELT, templates have been disseminated to Heads of Service and others to provide further information on potential projects. This information will be gathered back in for further discussion and definition
- 12.6** It is proposed that the project ideas on this list are the core ideas that a programme of savings and transformation projects will be developed from. Further review will be necessary to consider the implications (service and financial) and feasibility of these proposals, before any are presented as proposals for consideration by Members.
- 12.7** Whatever the opportunities to be developed it is assumed that the programme will have the following attributes:
- Be transformational and deliver step change but this is over a period of four years
 - Be discussed and to be subject to challenge and discussion
 - Be cross-service in nature
 - Be aligned with the corporate aims and the desired end state
 - Be concerned with efficiency and effectiveness
 - Be part of a governed and a supported change
 - Have a focus on the pace of delivery

13 INDEPENDENT REVIEW

As part of quality assurance of the programme an independent review of the programme was carried out. The review was largely positive but as would be expected in any such exercise areas for strengthening the programme were identified. An action plan has been developed to progress the areas including:

- Greater alignment of programme and wider transformation agenda
- Better Communication of benefits to stakeholders
- Greater sharing of the skills sets possessed by CIP Team members
- Better alignment between ICT and transformation

The findings of the review are timeous allowing strengthened support for the future programme. The Programme Manager has created a short term development plan based on the review that will be implemented in full by the end of August 2014.

14 RISKS

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 putting in place the necessary mitigating actions.

15 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.

16 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, a new programme will be subject to an equality impact assessment.

17 RECOMMENDATION

Members are asked to note:

- The progress with the delivery of the Corporate Improvement Programme.,
- The response to the independent review and the mitigating actions being taken to ensure the Programme and savings are delivered on target;
- The development of a new Programme.

Designation: Depute Chief Executive Chief Executive

Date: 08/05/14

Author: John Robertson, Programme Manager