

HIGHLAND COUNCIL

Agenda Item	5
Report No	RB/06/21

Committee: Recovery, Improvement & Transformation Board

Date: 24 May 2021

Report Title: Transformation Programme 2021-2022 Update

Report By: Executive Chief Officer – Transformation

1. Purpose/Executive Summary

1.1 The Highland Council Transformation Programme for 2021/2022 was approved on 4 March 21. This report provides an update on the early progress of the Transformation Programme and its associated projects.

1.2 In the comprehensive Board report on 29 March 2021, Members were provided with a reference document (or Programme Initiation Document) for the Transformation programme. That report set out the next steps required to progress nine key transformation projects under a single Transformation Programme.

1.3 Over the last 11 months the Recovery Board's approach has provided strategic oversight and coordination of the Council's Recovery Action Plan, and this was founded on making effective use of a Programme Management Office (PMO) and managing by exception. In the same way, the Recovery, Improvement and Transformation Board (RITB) provides the overall strategic coordination of the Transformation Programme to include monitoring, evaluation and reporting to Council.

1.4 Strategic Committees and Redesign Board supported by designated Member/Officer working groups will work closely with respective Sponsors to deliver and implement their respective projects. Further information regarding the agreed Transformation Programme governance was reported to the Board on 29 March 2021.

2. Recommendations

2.1 Members are asked to:

- i. Consider the latest progress on the Council's Transformation Programme's projects
- ii. Note the ongoing work in the PMO investigating the use of existing technologies to deliver enhanced support for a complex and significant programme

3. Implications

3.1 **Resource:** The portfolio of projects identified to take forward the fundamental transformational change led by Strategic Committees and The Redesign Board will support the delivery of existing savings and the Council's approach to medium term financial planning. Against a predicted spend in 21/22 of £2.25M, and an overall predicted spend of £3.686M over two years, (some projects will be up to 24 months in duration), it is forecasted to deliver an estimated £18.7M of savings, efficiencies, cost mitigation and cost avoidance. Forecasted benefits currently exclude:

- external funding to support the Council's Economic Development Strategy
- opportunities to deliver the maximum share for Highland from funds such as the Infrastructure Investment Fund or the Shared Prosperity Fund
- the release of capital value
- the reduction in/removal of significant future year revenue budget liabilities including repairs & maintenance, insurance and non-domestic rates
- the creation of a more effective estate which can help deliver better and more
- streamlined business outcomes
- the reduction in carbon emissions and greater energy efficiency
- the modernised information management and data security
- bringing external funding in to support low carbon and cost saving projects (principally around fleet decarbonisation).

As projects develop, further information will become clearer and reported as part of Programme Management Office (PMO) process. Appendix 1 shows the current forecasted benefits for the programme.

3.2 **Legal:** While there are no presenting legal implications arising from this report, Sponsors will seek legal advice and take appropriate actions as required and as individual projects are progressed.

3.3 **Community (Equality, Poverty and Rural):** All of the Recovery and Transformation workstreams will embed our equalities and Fairer Scotland duties. This will include undertaking impact assessments to inform proposals and decisions which will be informed by continuous engagement with partners and communities.

3.4 **Climate Change:** The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 sets a target date for net-zero emissions of all greenhouse gases by 2045 for the economy and society using the Just Transition principles, whilst The Highland Council has itself set a target of 2025 to achieve a carbon neutral Highland. The Just Transition principles could directly support economic recovery post Covid-19 and help enable Highland to lead the move towards a net zero economic and social model. The Transformation projects to further address Climate Change and the declared Climate Emergency are detailed in this report.

3.5 **Risk:** The PMO, working closely with Sponsors, will maintain, monitor and report via a programme Risk Register. The PMO will liaise with Corporate Audit & Performance in order to cross-reference programme risks with the Corporate Risk Register.

3.6 **Gaelic:** There are no specific Gaelic implications arising from this report. Opportunities to promote and enhance Gaelic will be picked up across a number of the workstreams.

4. **Background**

4.1 As reported to the Board on 29 March 2021, initiation of the Transformation Programme commenced immediately following approval by The Highland Council on 4 March 2021. Members will be aware that this initial work is being undertaken in parallel to the commitment to sustain effort to meet the Recovery Plan actions, amidst an evolving context regarding Covid-19.

4.2 With Member support and programme management approaches and collaborative working across Services, partners and communities, significant progress has been made against the Recovery Action Plan (RAP) as reported to item 4 of today's agenda.

4.3 The effective monitoring, evaluation and reporting delivered under the Recovery Action Plan, including reporting by exception, will continue for the Transformation Programme. However, as part of our ambitious approach to Programme Management as well recognising that the Transformation Programme is both a complex and significant undertaking, we are already investigating the use of other latest technologies to support delivery and governance and this is discussed at further at section 8.

5 **Programme – progress**

5.1 An essential step in getting each project underway has been resourcing and assembling project staff and teams as quickly as possible. This was recognised by the Executive Leadership Team and, supported by the Council's Talent Team, HR and business support, lead officers have been taking recruitment forward. This includes job design including job descriptions, job evaluation (as required), recruitment campaign, holding interviews, and notice periods & induction.

5.2 A proactive recruitment campaign, supported by HR Talent Team, was undertaken including posts on social media as well as traditional promotions via *MyJobScotland*. The initial outcomes of this recruitment campaign are generally positive such as an average of 15 applications for the posts advertised. 13fte have started with a further 9fte due to start imminently i.e. 22fte appointments have already been made. A further 14fte are being progressed through the recruitment stage including interviews are being arranged / held. Steps are being taken to recruit to the remaining 3fte posts associated with Asset Rationalisation, Placement Services and Procurement & Contracts. Steps are also being taken to 2 posts in the Economy project that remain unfilled following the initial recruitment process.

5.3 The latest position for each of the projects is presented at section 6. Members will also note that some projects reported to today's agenda as substantive items. As the Transformation Programme develops, the reporting as discussed at section 8 for example, will present to Members with a high-level overview of performance against expenditure, benefits, overall progress and exceptions

reporting. This will be complimented with more detailed substantive items on individual projects as required.

6.0 Project Progress Summaries

The Transformation programme consists of the following nine projects and reflective of the significant size etc. of these projects, each contain a number of projects/workstreams within themselves. Collectively, they comprise the Council's Transformation Programme and are shown below.

Project	Projects / Workstreams / Portfolio
Economy	<ul style="list-style-type: none"> • Growth Investment • Planning
Asset Rationalisation & New Ways of Working	<ul style="list-style-type: none"> • Asset Rationalisation • New Ways of Working
Service Redesign	<ul style="list-style-type: none"> • Senior Leadership restructure • Service restructure
Digital Transformation	<ul style="list-style-type: none"> • Connected Customers • Digitise records (modernise workplace) • Microsoft Cloud Navigator
Social Care	<ul style="list-style-type: none"> • NHS Partnership Review • Adult Social Care • Placement Services
Climate Change	<ul style="list-style-type: none"> • Development of low carbon heat strategies • Decarbonisation of Council's fleet • Food Growing strategy / <i>Growing our future</i>
Waste	<ul style="list-style-type: none"> • Waste Strategy • Route Optimisation
Roads & Transport	<ul style="list-style-type: none"> • Highland Road Improvement Strategy • Schools Transport Review
Procurement and Contracts Management	<ul style="list-style-type: none"> • Procurement • Contracts Management

6.1.1 Progress against next steps for each of the 9 projects continues to be monitored by the PMO, with assurance provided by Officer Recovery, Improvement & Transformation, on behalf of the Board. Members will appreciate that the projects are generally at an early stage, including material activities such as recruitment (as discussed at section 5) and project initiation. Recruitment to posts even when accelerated wherever possible, takes a finite time, new starts taking up their posts and giving notice. That said it is positive that some projects have been able to make some initial progress.

6.2 Economy

Sponsor - ECO Infrastructure & Economy; Peer - ECO Performance & Governance

- 6.2.1 There are two projects/workstreams within the Economy project; Growth Investment and Planning.
- 6.2.2 **Growth Investment**
Prompt attention was provided to the design and advertising of the new role, Growth Investment Manager, to identify and attract additional public and private sector investment to the Highlands. Regrettably, there were no applicants received in respect of the advert issued in April. Work is on-going to look at alternate options for undertaking this role, including re-advertisement. Members will also be aware that an update on the *Economic Recovery Strategy* is reported at item 8 to this agenda.
- 6.2.3 **Planning**
This post to deliver this project is intended to provide a dedicated point of contact for developers to support economic recovery and development. For time critical “major” projects it is necessary for a developer to discharge/purify planning conditions either prior to the development commencing or prior to the site becoming operational. In both cases these are significant developments with critical timelines and large financial outlays where any delays can be costly. The value of this post for the applicant /developers is that they would have a dedicated point of contact to coordinate, review and discharge the relevant conditions. This would provide greater certainty and confidence to applicants and developers alike.
- 6.2.4 Unfortunately, following advertisement, the Council has not been able to make an appointment and the post is to be re-advertised imminently.
- 6.2.5 Once the post has been filled, the officer will be working with colleagues across the planning service to maximise income through delivery of value added services including the priority determination service, satisfaction of conditions service and through monitoring and enforcement of conditions on larger scale developments where it is anticipated that there will be a significant workstream based upon current and projected industry trends.
- 6.2.6 In the meantime, working within existing resources efforts are on-going to progress work in this area, albeit limited, pending the appointment.
- 6.3 **Asset Rationalisation & New Ways of Working**
Sponsor – ECO Property & Housing; Peer – ECO Education & Learning
- 6.3.1 Reflective of the magnitude of this project it is intended that delivery will be undertaken on a phased basis. Phase 1 is primarily focused towards a limited and phased return of office-based staff from July onwards. Prioritisation will be focused around areas of business need and staff wellbeing. This is in line with current Scottish Government guidelines and returns will also factor in ongoing ventilation requirements.

6.3.2 The Redesign Board is leading the Asset Rationalisation & New Ways of Working project. A Redesign Board Workshop held on 29 April 2021 and the Chair of the Redesign Board and Council Convenor has asked Redesign Board Members for expressions of interest to be an integral part of the project team/teams to take this vital work forward, embedding Members in the overall process.

6.3.3 Recruitment is ongoing to the posts for this project. The Project Team has partially established with the following functions are in place:

- Project Management
- Communications
- HR Specialist
- Strategic Business Analysis

Recruitment to the following roles is expected to be complete in the coming weeks:

- Property Asset Management (THC)
- Project Management (HLH)
- HR Support

The roles currently being recruited are central to the delivery of future phases of the project.

6.3.4 Officer roles and responsibilities within the Project are as follows:

- Project Sponsor - ECO Property and Housing
- Project Lead – Head of Property and Facilities Management
- Project Manager –Transformation Service

6.3.5 It is important that the Council continues to work towards Scottish Government guidelines for staff returning to offices as well as supporting staff which is discussed later in this section. The business case for Phase 1 was discussed at the Redesign Board workshop on 29 April 21; this included the scope and Plan for delivery of Phase 1.

6.3.6 Various factors have been taken into account such as the latest Scottish Government guidance, staff welfare, distancing, ventilation requirements. Property risk assessments and business/service operational needs as part of the approval of this Phase 1.

6.3.7 The plan for phase 1 for Member returns is being taken forward under the direction of the Redesign Board, in parallel with the staff returns as discussed at 6.3.6. As reported the Chair of the Redesign Board has asked for Member nominees to take forward with the project team the plan for Members return. Once identified, this will enable the Redesign Board and project team to progress work as soon as possible to support Member returns as part of the overall plan for phase 1. This will include a specific survey to capture Members views.

6.3.8 Consideration requires to be given to the following (this list is not exhaustive) and will be subject to discussion with the Redesign Board, which ultimately informs the design of the project aims for the remainder of the project:

- Service Points
- Future phases of the New Ways of Working Project is ongoing to ensure there is a seamless transition between phases.
- Depots and Stores
- Rationalisation of assets identified
- Implementation of the agreed £2.5 million Health and Safety investment

6.3.9 A staff survey has been undertaken to help support and inform the overall process going forward led by the Redesign Board.

6.3.10 This survey was issued to all employees on various matters including wellbeing and sought their views on New Ways of Working. The survey closed on 23 April 2021 and the results are being analysed further and will be discussed with the Redesign Board. As reported to the Redesign Board workshop on 29 April 2021, some emerging findings from the Survey include:

- Return rate of the survey for office workers was 73%.
- Preference towards full home/hybrid/full office return
 - Full homeworking – 19% of respondents
 - Hybrid – 70% of respondents
 - Full office working – 11% of respondents
- Ratio Preferences for hybrid working
 - 20% home / 80% office – 12% of respondents
 - 40% home / 60% office – 21% of respondents
 - 60% home / 40% office – 27% of respondents
 - 80% home / 20% office – 40% of respondents

6.3.11 It is recognised that partnership working will be a key component of this project. Partners may include Scottish Futures Trust, other public sector organisations such as NHS Highland, HIE, SNH and UHI with close working undertaken with HLH and Eden Court.

6.4 **Service Redesign** **Sponsor – ECO Transformation; Peer – ECO Resource & Finance**

6.4.1 On 13 May 21, the Council considered the report: Proposal and update on Senior Leadership Redesign. The Council approved the recommendations including at recommendation 2.1 that Option 2 was agreed. That is “Restructure the Senior Leadership Team to include a Deputy Chief Executive (DCE) post and reduce the number of ECOs from 8 to 7 permanent ECO posts. The DCE post would have responsibility for major Council initiatives and strategies as well as deputising responsibilities for the Chief Executive.

6.4.2 In addition to the recruitment being undertaken to implement this decision further action will now take place to take forward the implementation of the structure following the agreed process and remove temporary arrangements which have been place pending the leadership redesign.

6.4.3 Engagement sessions with members, senior staff and unions on the structure has been undertaken. This engagement will be ongoing as staff are confirmed

in the new roles. ECOs will report to their respective strategic committees including through their Directorate Service Plans.

6.5 **Digital Transformation** **Sponsor – ECO Transformation; Peer – ECO Performance & Governance**

- 6.5.1 Digital Transformation could be described as the process of using digital technologies to create new — or modify existing — business processes and customer experiences to meet changing business need. The Highland Council has embarked on 3 major projects to take forward Digital Transformation; namely *Connected Customers*, *Digitising records* (modernising the way we work) and *Cloud Navigator* – looking at greater benefits to be achieved by a Council-wide programme of Digital & ICT Transformation; building a robust business case.
- 6.5.2 Working closely with Services, Members and other Partners such as HLH, these projects work will involve identification of opportunities based on best practice seen elsewhere and detailed analysis of the work needed, possible investment required and benefits (with delivery timeline) to be obtained. Following early discussions with Microsoft, the intention is for customer engagement to take place over the coming weeks as it is imperative that service delivery needs help inform the most effective digital solutions that are implemented.
- 6.5.3 PMO staff have undertaken extensive research into Demand Management, working with the Improvement Service. As part of our wider engagement including within the Change Managers network across Scotland, Highland Council recently led a network event on *Demand Management*. This information will support Council services in reviewing their current, medium term and long-term future process models. This work is important as we need to ensure that Digital Transformation is not only ambitious but forward-looking too which can also support the medium to long term financial planning of the Council.
- 6.5.4 Demonstrating our outward looking approach, Project / PMO staff have been in discussions with other organisations such as COSLA/other Scottish Councils, the Improvement Service and the Scottish Government's Digital Office to help inform the ultimate Project Initiation including Project Plan and Business Case.
- 6.5.5 Recruitment to the 4fte posts for these particular Digital Transformation projects has been completed with the staff due to take up their posts in early June. One of their many early tasks will be to undertake wide-spread research within and beyond Scotland; it is imperative that our approach is as wide and encompassing as it can be.
- 6.5.6 Some Council staff are to attend the Digital Partnership Forum run by the Scottish Digital Office on 20 May 21. Working closely with colleagues in ICT, an initial review of the Digital Strategy has commenced and engagement with Services for example as detailed above is also critical to its comprehensive review, including how it fits in with the Council's overall ICT Strategy. This is

also discussed within the Transformation Service's Directorate Service Plan that is being reported to Corporate Resources Committee later this month.

6.5.7 Following a conversation with the Digital Office, steps are being taken to undertake a *Digital Maturity Assessment*. This includes the assessment of the organisation's current position including preparedness to take forward Digital Transformation and helps identify some service/business opportunities too. In addition, work is ongoing on the Local Finance Returns (LFRs) regarding the overall costs of ICT to better understand current expenditure which can also help identify further business opportunities.

6.6 **Social Care** **Sponsor – ECO Health & Social Care; Peer – ECO Property & Housing**

6.6.1 There are 3 projects / workstreams within the Social Care project: NHS Partnership Review; Adult Social Care; and Placement Services.

6.6.2 **NHS Partnership Review**

Following significant work by staff from both The Highland Council and the NHS, a report was presented to The Highland Council on 25 March 21; the report was titled "Revised Highland Partnership Integration Scheme" which set out the outcome of the detailed discussions in relation to the Partnership Agreement in place. This included the commitment by both organisations to the transformation in the delivery of related-services and reflected in the establishment of the Joint Programme Board.

The recommendations agreed were as follows:

- Agree in principle the terms of the revised Integration Scheme (which were attached to said report at Appendices 1 and 2.
- Agree that the Council delegate responsibility for further amendments in relation to the Integration Scheme, after the conclusion of the period of consultation in the event that such amendments are not considered to be material, to the Chief Executives of both the Council and NHS Highland in consultation with the Council Convener and Leader of the Administration, the Chair of the Health, Social Care & Wellbeing Committee, the Leader of the Opposition and the NHS Highland Chair and Vice Chair.
- Agree in principle for consultation on the revised Integration Scheme.

6.6.3 **Adult Social Care**

A separate report on this project is provided as a substantive item in today's agenda and presents a detailed update.

6.6.4 **Placement Services**

In addition to supporting 2 posts for qualified social workers based within the adoption and fostering service, work also continues to take forward a campaign to recruit and retain

more foster and adoptive families based within Highland. These staff assess and recommend the approval of new foster carers and adoptive families for Highland children who are being cared for in out of authority foster placements or were awaiting the identification of a permanent family.

Work is also ongoing to finalise the job/person specification to recruit to a dedicated specialist post to drive forward the interfaces between colleagues across the Council and NHS. This post will help to ensure that we are cognisant of the social and educational needs of vulnerable children and young people and that their identified needs are met locally either to prevent them being accommodated by the local authority or to support their return to their families and communities. Members are reminded that there are also education-related costs associated with Out of Authority Placements (OOA). As reported in the Council's budget report on 4 March 21, the current OOA per child is up to 250K per year. The current education element of the current OOA placements overall is estimated to be in excess of £1m per year.

6.6.5 In line with 'The Promise', we need to support more children and young people to remain with their families and within their communities when it is safe and appropriate to do so. This post will also support the assessment, support and training of kinship carers within Highland and will challenge and work with Council colleagues to contribute to the successful retention of children and young people within their families and communities by providing resources to meet their needs through a child centred and trauma informed lens.

6.6.6 Led by the ECO Health & Social Care, a *resources governance board* within the Service has been established which will scrutinise plans around these children and ensure necessary resources are deployed in a co-ordinated matter to prevent children becoming accommodated and to facilitate the return to Highland of other children and young people. The first meeting has been arranged and will comprise senior representation across social work, education and health and other services as required. The group will also consider the budget currently being deployed in both out of authority residential and foster placements.

6.6.7 In accordance with the governance routes detailed in the Transformation Programme, as part of the Health & Prosperity Strategy presented to Members on 4 March 2021. In addition to the Health & Social Care Committee the governance path for this work will also include the Officer Recovery & Improvement group for assurance and the RITB; monitoring and evaluation.

6.7 **Climate Change**
Sponsor – ECO Infrastructure & Environment; Peer – ECO Communities & Place

6.7.1 There are 3 specific projects being supported as part of the Transformation Programme. The development of hydrogen and low carbon heat strategies; decarbonisation of the Council's fleet; and Food Growing/Community engagement.

- 6.7.2 In relation to the development of hydrogen and low carbon heat strategies the recruitment to the post is underway with interviews completed on 11 May 21 and the successful candidate to commence in June 21.
- 6.7.3 In relation to the decarbonisation of the Council's fleet, interviews are expected to take place later this month with the successful candidate taking up post as soon as practicable thereafter. Initial work has already been undertaken by Climate Change staff to create a programme of work which will help expedite the delivery of both publicly accessible and internal fleet recharging infrastructure
- 6.7.4 The recruitment to the Council's Food Growing strategy / *Growing our future* had commenced with interviews estimated to take place later this month.

6.8 **Waste
Sponsor – ECO Communities & Place; Peer – ECO Infrastructure &
Environment**

- 6.8.1 There are 2 projects / workstreams within the Waste project. Waste Strategy; and Route Optimisation.
- 6.8.2 **Waste Strategy**
- 6.8.3 Significant work is ongoing to establish the preferred long-term Waste Strategy. The Council commissioned SLR Consulting Ltd to assess the business case for developing an Energy from Waste (EfW) plant at the Longman site in Inverness to process local authority collected waste. A key conclusion from the report was that the development of a Council-owned EfW facility is feasible and offers potential long term commercial and carbon benefits over a non-capital solution.
- 6.8.4 Further work has been undertaken by the Council's Energy & Sustainability Team to establish what wider benefits could be achieved from developing an EfW facility. The study identified wider socio-economic benefits from a less carbon-intensive method of treating waste and from using the electricity and heat an EfW would generate.
- 6.8.5 Additional work is also required to plan for any potential collection service changes arising from the Scottish Government's Household Recycling Charter which aims to make waste services more consistent across the country. To support Waste Management to deliver anticipated transformational change, Project Management support will be provided from September 2021 for a period of 18 months.
- 6.8.6 In the report "Waste Projects Update" to 12 May 2021 Communities & Place Committee, Members were apprised of progress on the waste transfer station infrastructure and updates on the position regarding the waste recycling centre in Fort William. The report noted the positive progress in awarding two contracts to construct waste transfer stations in Inverness and Aviemore; the continuing efforts of officers to provide the opportunity to develop similar infrastructure in Fort William; the parallel efforts of officers to secure a new lease for the

Household Waste Recycling Centre in Fort William; and that the Members' Waste Strategy Working Group was updated on these matters on 23 April 2021.

6.8.7 The summary of reporting is as follows:

- i. Key infrastructure projects, supported by the Council's capital programme, are underway at Inverness and Aviemore which is positive news following much planning and preparation.
- ii. Securing a suitable site upon which to create new a waste transfer station and securing the future of existing recycling infrastructure in Fort William are of vital importance for waste operations in the Lochaber area.
- iii. The timelines are becoming critical (in relation to the Fort William infrastructure requirements). As there is uncertainty about some options there may be the need to submit a planning application in advance of securing a site to avoid further delay.
- iv. There will be significant preparation involved in creating a planning application given the site options

6.8.8 Local authority collected residual waste. At the same Committee, 12 May 2021, an additional report was provided regarding the work undertaken to date to explore the options for a long-term solution for managing local authority collected residual waste. Four separate studies have been commissioned and reported, with the final socio-economic study reporting to the Member Waste Strategy Working Group on 23 April 2021. Highland Council has been gathering a significant amount of information to assist with the process of informing a long-term waste management decision.

6.8.9 In summary, the report noted that the information requires to be synthesised and critically appraised against a framework for understanding the pros and cons of 3 options which includes taking a comprehensive view of costs and benefits of a long-term waste solution.

6.8.10 The three options are:

- do nothing (continue to landfill residual waste);
- continue to procure contracts with service providers in other parts of Scotland or in England to receive and treat Highland waste; and
- develop an Energy-from-Waste plant in Inverness

6.8.11 A three-phased approach is intended:

- Officers will examine the pros and cons of the three options through a qualitative consideration of the existing evidence, critically appraising the strengths and weaknesses of the options against a range of PESTLE, risk and feasibility considerations. This will include arranging a study visit(s) to an EfW plant(s) in operation within Scotland (Members from the Working Group may also attend) once this can be safely set up. It may also involve a scored options appraisal based on the criteria borne out of the qualitative consideration and the study visit(s).
- Officer peer challenge and scrutiny of the appraisal, with options to be considered at the Recovery, Improvement and Transformation Board.

- Draft recommendations being prepared initially for the Members' Working Group for scrutiny and challenge. Subsequently, a seminar open to all Members to reflect the wide interest in this work, before progressing to recommendations being finalised and put to Members during late 2021.

6.8.12 **Route Optimisation**

6.8.13 The Council have procured route optimisation software to improve the management and efficiency of Waste and Recycling Collection routes. The Business Analysis officer is in post and is currently working on both data cleansing and developing optimised collection routes. Route optimisation will lower the cost of waste collection and reduce the impact of housing growth, 1000 additional properties is expected in Highland each year. A key efficiency route optimisation will achieve is in reducing the miles large costly collection vehicles travel and the fuel they use. This will lower the impact of carbon emissions caused by Waste Collection vehicles. The C&P service plan details that new collection routes will be agreed by end March 2022.

6.9 **Roads & Transport** **Sponsor – ECO Infrastructure & Environment; Peer – ECO Transformation**

6.9.1 There are two projects/workstreams within the Roads and Transport Project: Highland Road Improvement Strategy; and School Transport Review.

6.9.2 **Highland Road Improvement Strategy**

6.9.3 A Draft Project Initiation Document (PID) has been produced, which has been developed by the project leads and in-house PDU staff and will be subject to review by the Project Manager and Sponsor. The inaugural Board meeting is to take place where the PID will be considered for approval. Other project documentation such as a Risk Register will also be produced. An update on this project will be provided at the next E&I Committee in September 2021.

6.9.4 Members are also advised as part of the Service's commitment to take this project forward at pace work has commenced by recognising a renewable energy cluster development opportunity in Sutherland and initial meetings with development control and the area roads teams are progressing on the inception and development of a local strategy and how this process will be dovetailed to the statutory processes

6.9.5 **Schools Transport Review**

6.9.6 Positive progress has been made including that consultants have been procured and appointed, with initial work started in line with the project mandate. The target date for the completion the consultant report element is late Summer early Autumn.

6.10 **Procurement & Contracts Management** **Sponsor – ECO Resources & Finance; Peer – ECO Health & Social Care**

- 6.10.1 A high-level financial review of procurement and contract management was undertaken as part of the Financial Recovery key priority within the Recovery Action Plan. Completed in March 2021, it identified a range of improvement opportunities including prospects for greater savings and overall improvement in service delivery.
- 6.10.2 To build on this work and take this project forward the Executive Chief Officers and Heads of Service participated in a seminar on 28 April 2021. This seminar was well received and was a useful opportunity to share and receive feedback regarding outline project deliverables. These included arrangements for support and engagement across the shared service partnership, savings opportunities and contract management.
- 6.10.4 Building on the success of the initial engagement in April, there will be further discussions with each ECO and their leadership teams during May to further develop a shared understanding of the project themes, roles and responsibilities, project timelines.
- 6.10.5 A first major project activity will involve updating the Contracts Register as this will be used to critically analyse both spend and contracts, and to identify opportunities for reviewing contract terms & performance and delivering savings.
- 6.10.6 A detailed Procurement and Contract Management project update is to be considered by the Corporate Resources Committee on 26 May 2021.

7 Programme Management Office (PMO) – Delivering the programme

- 7.1 Recruiting to the PMO has progressed well since the last report. 4fte posts are now filled with recruitment to the remaining administrative role nearing completion.
- 7.2 Building on the role developed for the delivery of the Recovery Action Plan, the PMO is established as a centre of expertise for programme and project management for the Council. This includes acting as the information hub of the programme, while fulfilling a monitoring role, and controlling and co-ordinating activities for the programme. The PMO has designed issued a set of project templates for Sponsors. Other support provided includes training for project staff and tools & techniques to ensure standards and adherence to best practice for project management.
- 7.3 PMO staff have continued additional research and investigation to provide project staff with appropriate material and information to support project objectives. This has included familiarising with relevant documentation associated with the programme such as media, private and public sector reports and researching best practice and innovative solutions. Examples this month include comparison of “New Ways of Working (London Councils)” and for Climate Change; “Scotland Adapts: A Capability Framework for a Climate Ready Public Sector”. This research and other reference documents will also be

developed into a PMO library – a single information and research repository - which will be accessible to Board Members, staff etc. over the coming weeks.

- 7.4 The PMO continues to work with partners, external organisations and networks as part of a continuous improvement of the knowledge and capability for the team and for the benefit of the Council. Meetings have been held with our NHS Highland PMO colleagues to share best practice as well as working with the Scottish Digital Office and Improvement Service as discussed earlier at section 6.
- 7.5 A monthly PMO drop in session has also been set up to allow all project staff across the Council within the Transformation Programme. This offers many benefits including share best practice and discuss linkages and interdependencies across the Transformation Programme. These sessions will also be used to provide guidance and training as required.
- 7.6 As reported at section 4, the PMO is investigating the use of other latest technologies to support the delivery and governance, including reporting, of the Transformation Programme which is both a complex and significant undertaking. This will also support project management support in the form of digital tools which will streamline processes and help project staff in their day to day delivery – and importantly feed directly into the real-time reporting functionality in the form of existing IT software applications and new innovative ways of working with Microsoft. This will provide exception reporting reflective of the complexity of this Transformation Programme and the monitoring of the key elements of good project. governance enabling scrutiny of **Time, Cost, Quality, Risks, Scope**, for each project and the monitoring of **benefits**.
- 7.7 The benefits include:
- **Aids resource planning and scheduling** – helping project teams to prioritise tasks, define the activities required for each and then assign them to the relevant team members.
 - **Supports project management** – enabling project staff to be able to easily plan projects using ICT and supports communications between all the project teams.
 - **Supports tracking of project progress** – visible, easily interpreted solutions for tracking project, time, cost, quality, risk, benefits, and scope.
 - **Supports resource allocation** – can support resource scheduling and time management
 - **Supports information management and documentation** – shared access to information and can produce project-related documentation and reports.
- 7.8 Positive discussions continue and an update on this development will be provided to the next Board and an ambition to implement a solution as soon as practicable.
- 7.9 Chaired by the ECO Transformation, the Chief Executive and the ECOs (Officer Recovery, Improvement and Transformation (ORIT)) group continue to meet to undertake its assurance role in monitoring and tracking of progress, ensuring officers are able to evaluate progress in support of the RITB.

Designation: Executive Chief Officer – Transformation

Authors: Allan Gunn, Paul Whitham

Date: 13 May 2021

Background papers

RITB 29 March 2021 Transformation Programme 2021-2022

Highland Council -4th March 2021 Revenue budget 2021/22 to 2023/24

Highland Council 25 June 2020 Recovery Action Plan & subsequent updates

New Ways of Working by London Councils

[Scotland Adapts: A Capability Framework For Climate Ready Public Sector](#)

Appendix 1 – Resourcing the Programme

Portfolio	Duration	Resource	Cost 21/22 £M	Total Cost £M	Total Cashable Benefits (Revenue)
Economy	24 Months	Growth Management Planning	0.114	0.228	*Note1
Asset Rationalisation & New Ways of Working	24 Months	Property Asset Management (THC) Property Asset Management (HLH) Subject Matter Expert (Education) Project Management Business Analysis HR advice & support	0.424	0.848	1.050 *Note 2
Service Redesign	12 Months	HR advice & support	0.097	0.097	4.800
Roads & Transport	18 Months	Transport specialist advice Project Management Business Analysis	0.130	0.180	2.200
Social Care	24 Months	Strategic leadership Programme & Project Management Subject Matter Expert advice & support	0.379	0.541	9.500 *Note 3
Waste	18 Months	Project Management Business Analysis	0.075	0.098	0.385
Climate Change	24 Months	Project Management	0.240	0.480	*Note 4

Portfolio	Duration	Resource	Cost 21/22 £M	Total Cost £M	Total Cashable Benefits (Revenue)
		Subject Matter Expert advice & support			
Digital Transformation	12 Months	Project Management Business Analysis	0.198	0.198	0.254
Procurement & Contracts Management	12 Months	Project Management Subject Matter Expert advice & support Business Analysis	0.171	0.171	0.450
PMO	24 Months	Programme Management, Assurance & Coordination	0.263	0.527	-
Communications (Various Projects)	24 Months	Communications expertise and support across the Programme	0.160	0.320	-
Total			2.250	3.686	

*Note 1 The new posts will have a significant focus on bringing external funding in to support the Council's Economic Development Strategy. Opportunities to deliver the maximum share for Highland from funds such as the Infrastructure Investment Fund or the Shared Prosperity Fund requires dedicated resource and close collaboration with local partners, the Scottish Government and UK Government.

*Note 2 Excludes the release of capital value and also reduction in/removal of significant future year revenue budget liabilities including repairs & maintenance, insurance and non-domestic rates; the creation of a more effective estate which can help deliver better and more streamlined business outcomes; reduced carbon emissions and greater energy efficiency; modernised information management and data security.

*Note 3 Savings, cost avoidance and cost mitigation.

*Note 4 The new posts will have a significant focus on bringing external funding in to support low carbon and cost saving projects (principally around fleet decarbonisation) whilst the remaining balance can be utilised to put us on a firm footing for other funding opportunities.