

Agenda Item	<b>5</b>
Report No	<b>RB/11/21</b>

## HIGHLAND COUNCIL

**Committee:** Recovery, Improvement and Transformation Board

**Date:** 23 August 2021

**Report Title:** Improvement and Transformation Programme 2021-2022 Update

**Report By:** Executive Chief Officer – Transformation

### **1. Purpose/Executive Summary**

- 1.1 In the comprehensive report provided to the Recovery, Improvement and Transformation Board (RITB) on 29 March 2021, Members were provided with a reference document (or Programme Initiation Document) for the Improvement and Transformation programme. That report also reiterated the next steps required to progress 9 key Improvement and Transformation projects under a single Programme.
- 1.2 An initial report on progress was provided at the last RITB on 24th May 2021. This report provides the latest update of the progress for each of the 9 projects and the associated 21 workstreams including progress against the cashable benefits target for 21/22 of £9.18m.
- 1.3 This report enables Members the opportunity to review the whole programme, enabling the RITB's remit to monitor, evaluate and report on progress across the programme on behalf of The Highland Council. Members will be aware that each of 9 projects individually report to their respective Strategic Committees in accordance with the agreed Improvement and Transformation Programme governance.

### **2. Recommendations**

2.1 Members are asked to:

- i. Consider the latest progress on the Council's Improvement and Transformation Programme's Projects.
- ii. Note the ongoing progress regarding recruitment to the posts within the Improvement and Transformation Programme.
- iii. Note the latest progress on the Council's Improvement and Transformation Programme in respect of the 21/22 cashable benefits.
- iv. Note the ongoing work in the PMO implementing the use of existing technologies to deliver enhanced support for a complex and significant programme and the sharing of good project management practice across the Council and partners.

### 3. Implications

- 3.1 **Resource:** The portfolio of projects identified to take forward the fundamental Improvement and 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 £3.68M over two years, (some projects will be up to 24 months in duration), it is targeted to deliver £9.18M of cashable benefits in 21/22 contributing to the overall £18.65M of savings, efficiencies, cost mitigation and cost avoidance for the entirety of the Programme. Forecasted approved spend remains within budget and is subject to rigorous officer governance led by staff in the Improvement and Transformation Service. An update of progress against cashable benefits targets for 21/22 is detailed at section 7.
- 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 individual projects are progressed.
- 3.3 **Community (Equality, Poverty and Rural):** All the Improvement 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:** Understanding the links to the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 and the associated Climate Change projects included in the Improvement and Transformation Programme and across the Council are imperative. These links are regularly discussed, and the interdependencies highlighted through the Programme Management Office (PMO) via Programme Co-ordination and Assurance activity such as direct engagement with project teams, PMO monthly drop-in sessions and ever-expanding use of Microsoft (MS) Teams communication channels within the projects and programme.
- 3.5 An example of this are the links that have been identified between the carbon impact associated with the Council's cloud-based storage and the Digital Transformation Project and between energy and asset rationalisation. The Highland Council has itself set a target of 2025 to achieve a carbon neutral Highland, all projects under the Improvement and Transformation Programme must take cognisance of and aim to mitigate any consequences of their delivery that may impact the Council's climate change agenda.
- 3.6 **Risk:** The PMO, working closely with Sponsors, will maintain, monitor and report via a Programme Risk Register. The PMO will continue to liaise with Corporate Audit & Performance in order to cross-reference programme risks with the Corporate Risk Register. The PMO also maintains regular contact with Project Managers, Project Leads and Sponsors, to provide overall Programme Assurance through regular assessment. Each project has a risk register and is reflected in the individual updates shown at section 7 and appendices 1-9 of this report.
- 3.7 **Gaelic:** There are no specific Gaelic implications arising from this report. Opportunities to promote and enhance Gaelic will be identified across a number of the workstreams.

## **4. Background**

- 4.1 Initiation of the Improvement and Transformation Programme commenced immediately following approval by The Highland Council on 4 March 2021. Good progress is evident across the programme, with a number of the projects having completed the requisite 'next steps' as detailed in that report, moving on from initiation and into their first project delivery stage(s). Members will be aware that this Programme commenced in parallel to the commitment to sustain effort to complete the Recovery Action Plan and its associated tasks amidst the continued evolving context regarding Covid-19 and easing of restrictions.
- 4.2 Significant progress has continued against the Recovery Action Plan (RAP) as reported at item 4 of today's agenda. Where the small number of RAP actions are on-going, those are not Business as Usual (BAU) will be reported within the overall Improvement and Transformation Programme project updates in which they have been subsumed, as well as exceptions also being reported to respective Strategic Committees.
- 4.3 PMO staff continue to develop new ways of working and reporting, as well as making best use of existing software with solutions such as Microsoft Teams for Projects. Their work has allowed new approaches to be introduced within the project team environment which streamline project management, enhance communications within the projects and across the programme and provide opportunities for sharing best practice, informed research and align interdependencies such as New Ways of working, Digital Transformation and Climate Change. Further information on PMO activity can be found at section 9 of this report.

## **5. Improvement and Transformation Programme**

The remainder of this report provides a comprehensive update on the Council's Improvement and Transformation Programme as shown below:

- Recruitment Update - Section 6
- Projects Update – Section 7 and Appendices 1-9
- Cashable Benefits Update – Section 8
- Programme Management Office Update – Section 9

## **6. Improvement and Transformation Programme - Recruitment**

- 6.1 As reported to this Board on 24 May 2021 an essential step in getting each project underway has been resourcing and assembling project staff and teams as quickly as possible. Supported by the Council's Talent Team, HR and business support, the focussed recruitment campaign has continued and is nearing completion.
- 6.2 Members are reminded that there are 39 posts approved to support this Programme. Although excellent progress has been made overall, the substantive posts shown below are currently unfilled.

## 6.3

Project - Post	Update
Economy - Growth Investment Manager	<ul style="list-style-type: none"> <li>As reported to last Board, the initial recruitment process did not lead to appointment.</li> <li>Post has been reviewed and subsequent HR job re-evaluation completed. Recruitment process has commenced; aim is to appoint September 21.</li> <li>Existing resources within Economic Development &amp; Regeneration section is providing cover and further information on this project overall reported to E&amp;I Committee</li> </ul>
Asset Rationalisation - Property Manager (Asset Management) x 2	<ul style="list-style-type: none"> <li>Both posts have been advertised twice (as first recruitment process did not result in appointments being made).</li> <li>Interviews are due to take place towards end of August 2021. Plan is to make appointments and provide update on these appointments to Housing &amp; Property Committee on 30 September 21</li> <li>Existing resources within Property &amp; Housing is providing some cover.</li> </ul>
Asset Rationalisation – Project Manager (Asset Management)	<ul style="list-style-type: none"> <li>This post has been advertised twice (as first recruitment process did not result in appointment being made).</li> <li>Interviews are due to take place towards end of August 2021. Plan is to make appointment and provide update on the appointment to Housing &amp; Property Committee on 30 September 21</li> <li>Existing resources within Property &amp; Housing is providing some cover</li> </ul>
Procurement & Contracts Management - Project Manager (0.5 fte)	<ul style="list-style-type: none"> <li>An appointment was made to this post on a 0.5 FTE basis.</li> <li>Sponsor will consider whether further project management resourcing is required as this project develops.</li> </ul>
Procurement & Contracts Management – Business Analyst x 2	<ul style="list-style-type: none"> <li>Recruitment undertaken but unfortunately posts remain vacant.</li> <li>Intention is to complete recruitment by end September with update provided on the appointments to Corporate Resources Committee in November 21</li> <li>Resource measures to provide cover are currently being reviewed to ensure the project timelines remain on track</li> </ul>

## 6.4

With the majority of appropriate project teams and support in place, the 9 projects (21 workstreams) have concentrated on addressing the 'next steps' as set out in the 4 March 21 Revenue Budget report. These are: Resource project teams via a rapid recruitment campaign; Assemble Project teams as required; Agree roles & responsibilities; Refine and issue a full Business Case for each project; Establish Boards (project level); Produce a detailed Project Plan including key milestones; Develop initial Risk Register; Develop provisional benefits plan; Produce a Project Document set for each project (tailored & proportionate); Conduct initial Project Board meetings; Prepare initial RITB reports. Through proactive engagement by the PMO and its staff, guidance has been provided to Project Leads and their Teams as to the most appropriate approach to the initiation stage.

- 6.5 PMO staff continue to support Sponsors, including a *tailored* and proportionate approach to the next steps and associated project documentation. This is in recognition of the requirement to afford Sponsors and Leads the flexibility to deliver on their projects without unnecessary administrative burden, in an efficient way. This is reflected in the individual updates which are tailored to each Project.
- 6.6 Members will also be aware that as part of the overall programme governance of these projects, that each Sponsor is required to report to their Strategic Committee in recognition of the ultimate responsibility for delivery being with the Strategic Committees. The table below shows the latest reports being taken (noting that *Service Redesign* was reported to The Highland Council in May 21 and to all strategic committees thereafter via the detailed Service Plans). The RITB continue to provide strategic oversight and co-ordination for the Programme including monitoring, evaluation and reporting to the Highland Council on overall progress.

<b>Project</b>	<b>Strategic Committee / Redesign Board</b>	<b>Date</b>
Economy	Economy & Infrastructure Committee	1 Sep 21
Asset Rationalisation & New Ways of Working	Redesign Board and Strategic Committees as appropriate	20 Aug 21 (Redesign Board) 30 Sep 21 (H&P Cttee)
Roads & Transport	Economy & Infrastructure Committee	1 Sep 21
Social Care	Health, Social Care & Wellbeing Committee	11 Aug 21
Waste	Communities & Place Committee	31 Aug 21
Climate Change	Economy & Infrastructure Committee	1 Sep 21
Digital Transformation	Corporate Resources Committee	25 Aug 21
Procurement & Contracts Management	Corporate Resources Committee	25 Aug 21

## 7. Improvement and Transformation Programme - Project Progress

7.1 Progress against each of the 9 projects continues to be monitored by the PMO, with assurance provided by Officer Recovery, Improvement and Transformation (ORIT) on behalf of the Board. Reflective of the significant size of these projects, each contain a number of projects/workstreams within themselves. Collectively, they comprise the Council's Improvement and Transformation Programme and a summary highlight report is available for each of the 9 projects in appendices 1 to 9 as shown in the table below.

Project	Appendix	Projects / Workstreams / Portfolio
<b>Economy</b>	1	<ul style="list-style-type: none"> <li>• Growth Investment</li> <li>• Planning</li> </ul>
<b>Asset Rationalisation &amp; New Ways of Working</b>	2	<ul style="list-style-type: none"> <li>• Asset Rationalisation</li> <li>• New Ways of Working</li> </ul>
<b>Service Redesign</b>	3	<ul style="list-style-type: none"> <li>• Senior Leadership restructure</li> <li>• Service restructure</li> </ul>
<b>Digital Transformation</b>	4	<ul style="list-style-type: none"> <li>• Connected Customers</li> <li>• Digitise records (moderniseworkplace)</li> <li>• Microsoft Cloud Navigator</li> </ul>
<b>Social Care</b>	5	<ul style="list-style-type: none"> <li>• NHS Partnership Review</li> <li>• Adult Social Care</li> <li>• Placement Services</li> </ul>
<b>Climate Change</b>	6	<ul style="list-style-type: none"> <li>• Development of low carbonheat strategies</li> <li>• Decarbonisation of Council'sfleet</li> <li>• Food Growing strategy / <i>Growing our future</i></li> </ul>
<b>Waste</b>	7	<ul style="list-style-type: none"> <li>• Waste Strategy</li> <li>• Route Optimisation</li> </ul>
<b>Roads &amp; Transport</b>	8	<ul style="list-style-type: none"> <li>• Highland Road ImprovementStrategy</li> <li>• Schools Transport Review</li> </ul>
<b>Procurement and Contracts Management</b>	9	<ul style="list-style-type: none"> <li>• Procurement</li> <li>• Contracts Management</li> </ul>

7.2 Each Highlight report provides the following via a standard template designed by the PMO:

- Project aims
- Activity summary to date, with table
- Risks and issues table
- Planned activity next reporting period and table







7.3 Members are advised this update is comprehensive, reflecting the significant amount of effort that has been undertaken to initiate and take forward the projects. Future reports will provide the Board with updates on the intended planned activity, as detailed in each of the respective projects as can be seen in appendices 1-9.



## 8. Improvement and Transformation Programme – Cashable Benefits Update 21/22

8.1 The table shown at 8.2 summarises those Improvement and Transformation Projects planned to deliver cashable benefits in 21/22. Members should note that the forecasted benefits 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
- 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).

8.2

Project	Cashable Benefits target for 21/22 (£M)	Forecast
Asset Rationalisation	0.250	
Service Redesign	4.350	
Digital Transformation	0.254	
Social Care – ASC	3.000	
Social Care – Placement Services	0.875	
Procurement & Contracts Management	0.450	
<b>Total</b>	<b>9.179</b>	

8.3 The forecasts at table 8.2 show projects on target (Green ) with 2 projects reporting some risk that the target may be not achieved (Amber ). A project indicated as “red” would indicate a major risk that the target would not be met in 21/22. Comments are provided below for the 2 Amber projects (with further detail also shown within the respective appendices).

- In relation to the “Social Care – ASC” project, as reported to the Health, Social Care and Wellbeing Committee on 11 August 21, the unadjusted pipeline total of savings already identified is £1.95m. The risk adjusted pipeline total is £1.45m. Although positive progress has therefore already been made in 21/22, the risks as detailed at A5.15 (Appendix 5) including the

ongoing challenges from COVID does mean that delivering this target in 21/22 is difficult. In addition to the Joint Monitoring Committee having overall sight in terms of the overall partnership arrangements, regular progress reports are also presented to the Strategic Committees of both partner agencies. There is also a joint Programme Management Board (co-chaired) consisting of elected members and senior officials from both organisations to provide delivery assurance. Notwithstanding the risks as detailed and the positive progress already made, it is important that assurances on the delivery of the £3m target are provided. As detailed in Appendix 5, The Highland Council and NHS Highland are committed to working in partnership including attendance by Senior officers and the Chief Executives from both organisations meeting in person to discuss how they can continue to strengthen the transformation programme to delivering services in the Highlands.

- In relation to “Asset Rationalisation”, recruitment delays have affected efforts to meet this target in 21/22. As reported at Appendix 2, while the Council understands the costs of property overall, it has been established that not all detailed individual property costs are fully known. Addressing the data gaps and full condition surveys are some of the actions being taken forward as quickly as possible to identify and implement options that repurpose our office estate and deliver revenue savings. Led by the Redesign Board, it is intended that possible early opportunities for repurposing / rationalising our office estate are considered as soon as practicable including at the Housing & Property Committee by no later than 15 December 21.

## **9. Programme Management Office (PMO) – Delivering the programme**

- 9.1 Since the report to this Board on 24 May 2021, the PMO has recruited a Programme Officer and Programme Administrator, which completed the recruitment of this Team.
- 9.2 The PMO has been working with Project Managers and workstream leads to support the overall delivery of this Programme, including the provision of updates on their projects for this Board. One example of this support includes the design and provision of a standard highlight report as reported earlier at section 7.2. This helpfully provided Project Teams the opportunity to provide the PMO with information including the planned activity in the next reporting period (Sept – Dec 21). This information then enables the overall updates that are reported at Section 7 and appendices 1-9 of this report.
- 9.3 In order to facilitate and support the provision of updates, each of the 9 Improvement and Transformation projects (and associated workstreams) were assigned a lead contact from the PMO who have been engaging with each of the Project Managers or workstream leads.
- 9.4 This has involved meeting with them individually to provide detailed guidance and support to the project teams on using the template, level of content, timelines and where and how to provide it using MS Teams and Project SharePoint sites which have been put in place.
- 9.5 The PMO Team is well advanced in the development of a *Transformation Hub* (SharePoint site) and Microsoft (MS) Teams for all of the Transformation Projects. By its very description the Transformation Hub will provide a central point for Project staff to access Project documentation such as templates and research material. This ‘Hub’ approach complements the monthly PMO drop-in sessions which all Project staff can attend to share knowledge and best practice and receive updates on the activity of the PMO.

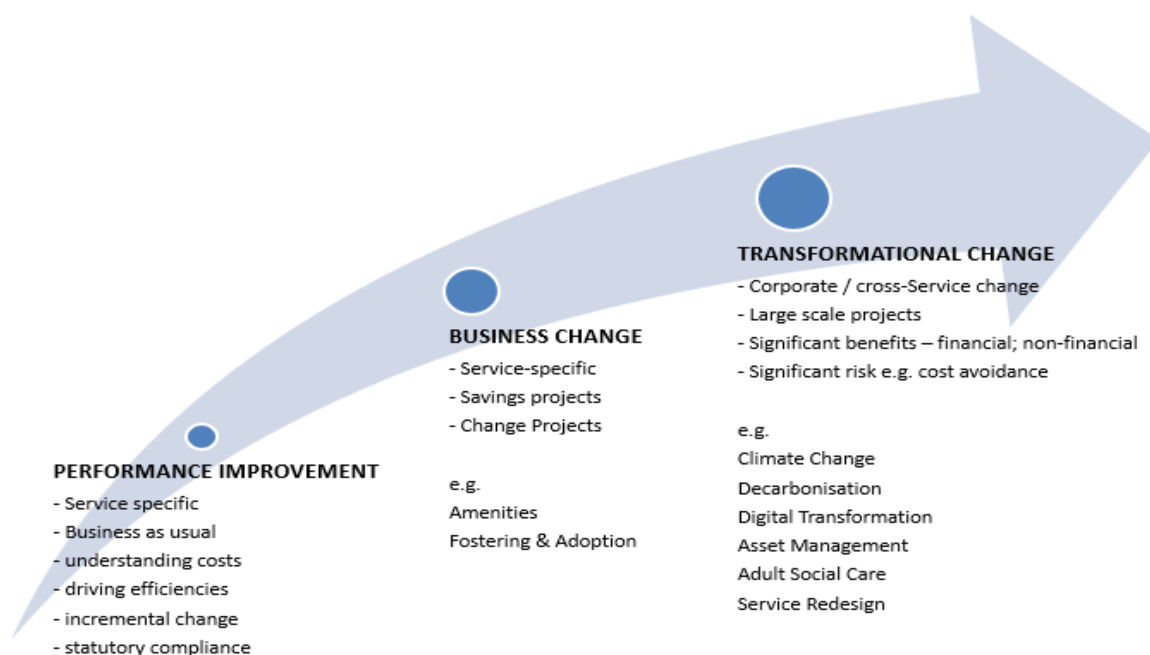


- 9.6 Developed in partnership with staff working on Projects, the Transformation Hub provides Project Managers and Leads an opportunity to promote key information about their projects on their dedicated project information pages. The information pages provide a snapshot view of the Project Aims, Project Workstreams and includes dynamic information such as up and coming Project Boards and latest news updates associated with the Projects. The Transformation Hub is now live for Project Managers and Leads, and access to the site will be extended to all Council staff and Members as part of our ongoing approach to promote the Transformation Programme and effective management of business change, along with how to access support from the Transformation Service.
- 9.7 In conjunction with developing the Transformation Hub, the PMO Team has also been developing MS Teams to support the delivery of the Transformation Projects. Integrated with the Transformation Site and other associated Project SharePoint sites, this solution provides Project Teams with a collaborative space to engage with one another, share and discuss project documentation and research. It also serves as an effective way for the PMO to engage with all the Project Teams using a specifically created area within the wider MS Teams group to specifically communicate with the PMO. This specific area is known as a 'channel' within MS Teams and is like a social media feed. MS Teams channels, for example, have been used during this reporting period to facilitate correspondence between the PMO and the different Transformation Projects.
- 9.8 Using MS Teams in this way introduces a new way of working (moving away from email, for example) which much better lends itself to working in the fast-paced Project environment. Using MS Teams enables Project Managers to reduce email traffic and ensures consistent communication with all Project Team Members with up to the minute information. Whilst developing this, the PMO has already extended its support in the development of MS Teams to other extended Project Teams out with the Council's Improvement and Transformation Programme such as Highland Adapts, Inverness City Active Travel Networks (ICATN) and Neuro Developmental Assessment Service (NDAS). This is a positive example of increased use of existing ICT and sharing learning across the organisation.
- 9.9 PMO staff have continued undertaking additional research and investigation to provide project staff with detailed material and information to support project objectives. This has included formalising a PMO approach to consolidating and sharing private, public, and academic research with Project Teams. The innovative approach to sharing research has three strands. Strand One focuses on consolidating and sharing research into highlights bespoke to project teams, strand two is concerned with building the cross-project PMO research library and strand three is gathering the information held on previous strategic committees and working group minutes and reports. An example of how this approach is working in practice can be seen at Appendix 10.
- 9.10 This holistic approach to gathering information already held internally by the Highland Council, along with consolidating and sharing information external public and private research, has been welcomed by Project Teams. This new approach to research also capitalises on existing software, encouraging greater efficiency. For example, the MS Teams Research 'channel' within each Project Team group is used by both the PMO and project teams to share links to up to date research and shared discussion as to the contents, including online chat.

- 9.11 Research 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.
- 9.12 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. For example, 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.
- 9.13 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.

## 10. Improvement and Transformation Programme – future projects

- 10.1 As reported to this Board on 29 March 2021, change / improvement and can be considered at different levels. The diagram below represents the different types of changes/improvement. Considered left to right, in terms of complexity and risk; from right to left in terms of priority of investment.



- 10.2 The three levels can be described as:

- **Performance Improvement:** Forms part of Services Service Plans. This level of change is what we should all expect to be able to achieve within *business as usual*. This change can generally be delivered at Service level. We should not think it is any less challenging for Managers and Members alike, as such improvements will require adjustment to services and therefore the need to manage customer expectations. Progress would be reported to respective Strategic Committees and Redesign Board, as appropriate.
- **Business Change:** Forms part of Services Service Plans. This level of change is again achievable within Services but is most likely not business as usual and

requires additional project management resource to support delivery. Being more complex, the norm would be for a Board within the Service to be established. Progress would be reported to the respective Strategic Committees and Redesign Board, as appropriate.

- **Transformational Change:** Forms part of the Council's Improvement and Transformation Programme. Transformational change occurs in response to, or in anticipation of, major changes in an organisation's environment or technology, e.g., COVID-19 pandemic, Brexit, Climate Change, Digital Transformation. These changes often are associated with significant revision of the organisation's strategy, which in turn requires modifying internal structures and processes as well as its corporate culture to support the new direction. These changes present the highest requirement for resource and monitoring and will normally affect the whole organisation. Large scale projects with broad reaching implications, require higher levels of scrutiny and are best served with dedicated corporate-level boards. This role is fulfilled by the Recovery, Improvement and Transformation Board with the respective Strategic Committees and Redesign Board responsible for project delivery.

10.3 Building on the extensive work undertaken to inform the current Improvement and Transformation programme, additional projects will be identified to deliver further change and improvement to provide benefits, financial and non-financial. These projects can also support the Council's medium-term financial strategy coming forward for consideration as part of the Council's budget setting process. With delivery of such projects being led by the strategic committees and the Redesign Board, the governance role of the RITB for monitoring and evaluation progress will therefore be key to both current and future projects as part of the Council's ongoing Improvement and Transformation Programme.

Designation: Executive Chief Officer –Transformation  
Authors: Allan Gunn, Paul Whitham, Laura Williamson  
Date: 13 August 2021

**Background papers:**

RITB 29 March 2021 Improvement and 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  
Recovery Improvement and Transformation Board Update 24 May 2021

## Appendices - Summary

Project	Appendix	Projects / Workstreams / Portfolio
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<b>Service Redesign</b>	3	<ul style="list-style-type: none"> <li>• Senior Leadership restructure</li> <li>• Service restructure</li> </ul>
<b>Digital Transformation</b>	4	<ul style="list-style-type: none"> <li>• Connected Customers</li> <li>• Digitise records (modernise workplace)</li> <li>• Microsoft Cloud Navigator</li> </ul>
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## A1 **Appendix 1 - Economy**

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

A1.1 This project aims to address the challenges of dealing with economic recovery and the opportunities that will come from the investment into the Economic Prosperity Fund set out above, further transformation in the Council's economic development teams will bring significant benefits.

This project has two workstreams: Growth Investment and the next Economy & Infrastructure Strategic Committee to which an update will be provided is on 1 September 2021.

#### A1.2 **Growth Investment**

The project includes a new post, for up to 24 months, of Growth Investment Manager to identify and attract additional public and private sector investment to the Highlands.

#### A1.3 **Activities undertaken (this reporting period June – August 2021)**

Prompt attention was provided to the design and advertising of the new role, Growth Investment Manager. There were no applicants received in respect of the advert issued in April. The post has been subsequently reviewed and an HR job re-evaluation completed. The recruitment process has commenced. Despite not filling the post, utilising existing resources has enabled progress to be made on various funding opportunities which have arisen. Bids for over £80 million of Levelling up bids for the highland area, putting in 3 bids

- Highland wide £50 million bid for improvements to NC 500
- Caithness bid for improvements to Wick harbour and Wick town centre
- Inverness bid for new renewable heating for Inverness Castle, Bught Park and Northern Meeting Park

The outcome of the bids should be known in late autumn. A bid has also been submitted to the UK to the community fund for revenue support. Other funding sources are also being actively pursued

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Submission of bids	<b>Ongoing</b>	Awaiting UK government response
Post re-evaluated and re-advertised	<b>Ongoing</b>	Closing date to be set – hope to appoint by October

#### A1.4 Key Issues, Risks and Mitigation

Description	Category (Risk or Issue)	Status (High, Medium or Low)	Mitigation
Recruitment of Growth Investment Manager - Post not filled	Risk	High	Use external sources if required for preparation of new bids with support from existing staff
Levelling up bids potentially being unsuccessful	Risk	High	Identify alternative sources of funding

#### A1.5 Planned Activities (Next Reporting Period Sept – Dec 2021)

It is envisaged that the post will be filled by October. It is not envisaged that there will be one single project board as such but possibly project level boards set up on the back of successful bids themselves. In the meantime, the aim is to submit a fourth bid to the levelling up bid for the Skye, Lochaber and Wester Ross constituency. It is anticipated that a response will be received back in late autumn and continue to identify other projects and tie in with other funding opportunities. An update will be provided to the Economy & Infrastructure Committee on 1st September 2021.

Activity	Status	Notes
Appointment of Growth Investment Manager	Ongoing	Awaiting responses
Lochaber & Skye levelling up bid	Ongoing	Anticipated bid by October

#### A1.6 Planning Monitoring Officer

This project will 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 for the applicant /developers is that they would have a dedicated point of contact to coordinate, review and discharge the relevant conditions. The appointment of a dedicated officer, for up to 24 months, is to provide a post-planning determination that would offer a value-added service and generate income for the Council.

## A1.7 Activities undertaken (this reporting period – June – August 2021)

Following successful interviews, we have now appointed a graduate planner to this post, and they will be starting work in early September 2021. Despite not having someone in post, the wider team have made good progress on raising awareness of the value-added services which we offer and have begun to put together clearer guidance on the value-added services for time critical aspects of major developments. In addition, two further developers have notified the Council of their willingness to use these services and the Service is currently finalising timescales for their submissions to both the Satisfaction of Conditions Service and our Priority Determination Service. One of which will result in a payment of just over £23,000 to the Council.

Activity	Status	Notes
Post Filled	Ongoing	Awaiting staff member entering post – anticipated start date of 06 September 2021
Publish Formal Guidance on Priority Determination Service	Ongoing	Guidance has been drafted and awaits the candidate being in post.
Produce work programme for Planning Monitoring Officer	Ongoing	Work is ongoing on this task and is being evaluated with the wider team based upon our current knowledge of the projects likely to be brought forward
Training Programme	Ongoing	Training programme is being produced for the successful candidate to ensure that they have a broad range of experience in the role to allow them to gain Royal Town Planning Institute Membership

## A1.9 Key Issues, Risks and Mitigation

(Summary of actual or potential problems and risks which may related to both activities undertaken during the reporting period or planned activity in the next section)

Description	Risk or Issue	Status (High, Medium or Low)	Mitigation
Lack of projects being brought forward through the <b>Satisfaction of Conditions service</b> - Less funds being secured through this workstream	Risk	Low	continued promotion of the service through a range of channels, including with industry bodies.

Lack of projects being brought forward through the <b>Priority Determinations process</b> - Less funds being secured through this workstream	Risk	Low	continued promotion of the service through a range of channels, including with industry bodies.
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A1.10 **Planned activities (Next reporting period Sep – Dec 2021)**

Appointment of the Planning Monitoring Officer is critical to this project to attract additional public investment to the Highlands and facilitate the delivery of the value-added services we offer. It is not envisaged that there will be a project board, but the Planning Monitoring Officer will report to the existing Strategic Projects Board (comprising Head of Planning and Environment, Head of Environment, Area Planning Managers, Development Plans Manager, Integrated Transport Manager and Strategic Projects Team Leader). In the interim, the wider team will continue to deliver the value-added services in addition to their current roles and will actively market these through relevant discussions. An update will be provided to the next Economy & Infrastructure Committee on 1st September 2021.

<b>Work Package or Activity Name</b>	<b>Status</b>	<b>Notes</b>
Appointment of Planning Monitoring Officer	<b>Ongoing</b>	Awaiting post start



## A2 **Appendix 2 - Asset Rationalisation & New Ways of Working (AR/NWOW)**

### **Sponsor – ECO Property & Housing; Peer – ECO Education & Learning**

A2.1 This project aims to design and deliver a revised office accommodation estate for the Council, including HLH, reflecting and harnessing new ways of working and improvements in technology. This ambitious and significant project is therefore about introducing new ways of working and delivering a revised accommodation estate which will include repurposing and rationalisation of our existing office accommodation estate. Led by The Redesign Board. Board members form part of the Project Team. Redesign workshops were in held June and August 21 to consider all aspects of this project including the scope, objectives and approach. The Redesign Board will formally consider the Project Brief on 20 August 21.

Taking cognisance of Staff & Members and the return to work and the ongoing updates to Scottish Government guidance, this has informed that the delivery of this project should be in phases:

- **Phase 1** will focus on re-establishing the 9 main hub offices, returning our workforce safely to these spaces in line with reducing restrictions. This approach will extend across all satellite offices. This phase will also focus upon developing policies and working practices for new ways of working. In addition, this phase will include a data gathering exercise to provide a rich picture of each property asset which will be used to inform long term strategic decisions.
- **Phase 2** will focus on improving the depot and stores estates while improving work flexibility for field-based teams. Embedding the corporate landlord model will act to improve the overall management of assets. Teams will be closely supported to implement a tailored 'dynamic' model of working which aligns business priorities with employee ambitions for improved working conditions.
- **Phase 3** will culminate in a targeted approach towards focusing Health and Safety investments in line with an affordable greener, sustainable estate.

Engagement with all stakeholders throughout all phases of this project is critical, indeed the results of the staff survey to The Highland Council on 24 June 2021 is a good example of the benefits that such engagement can provide. This collective approach is aimed at optimising the local delivery of services from a sustainable asset base.

### A2.2 **Activities undertaken (this reporting period June – Aug 2021)**

A2.3 Recruitment is ongoing to fill the final 3 posts of the project team. These posts are two Property Asset Managers and one Project Manager - Asset Rationalisation. These posts will be critical towards the progressing of asset rationalisation and repurposing opportunities over the next 24 months.

- A2.4 At the Highland Council meeting on the 24 June 2021, £1million was committed to support staff to work safely and effectively to deliver the blended return to the workplace programme. This fund is to provide ICT related equipment to support new ways of working, particularly to support staff to work flexibly from both office and home. ICT equipment includes laptops, monitors, docking stations and headsets.
- A2.5 A review of current flexible working policies and guidance documents is ongoing. This will help identify current gaps that prevent dynamic forms of working and categorise proposed changes in relation to the speed at which they can be implemented.
- A2.6 The intention is that returns to the offices will be phased. Following updated guidance from the Scottish Government taking effect from 9 August 21, detailed guidance was issued to managers and staff to support the phased return. This included FAQs following recent staff engagement sessions as well as the support & wellbeing resources available.
- A2.7 The New Ways of Working project will continue to work closely with returning staff/teams to ensure employees are supported. It is anticipated that phased returns for Members will also commence from Quarter 3.
- A2.8 While the Council understands the costs of property overall, it has been established that the detailed individual property costs are not fully known. Actions that continue to be undertaken include:
- Addressing the data gaps
  - Full condition surveys (excluding the education estate)
  - Integration of all data sets into the Concerto property system
  - Identify options that repurpose our office estate and deliver revenue savings

## A2.9 Key Issues Risks and Mitigation

Description	Risk or Issue	Status (High, Medium or Low)	Mitigation
Initial Office Returns: RPO coverage is not in place at all 9 Hub offices	Risk	Medium	A support team of volunteers is being identified at each of the hub offices to support some of the tasks required for reopening and empowering staff. This is also being carried out in offices with coverage to share workloads as widely as possible.
Initial Office Returns: Short notice changes of Scottish Government Announcements	Risk	Medium	The project team has prepared for a number of scenarios and will be able to react quickly to any further tightening or easing of restrictions.
Initial Office Returns: Initial returns result in/migrate to previous ways of working	Risk	Medium	Ongoing engagement with all involved towards delivering the a tailored dynamic model that meets the needs of all involved wherever practicable and affordable.
Project Resourcing: Recruitment of full project team	Risk	High	Proactive steps taken to complete the recruitment process.

A2.10 **Planned Activities (next reporting period - Sept – Dec 2021)**

Over the next period the following activities are the highest priority:

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Report to Redesign Board	<b>Ongoing</b>	Next Redesign Board on 20 August 2021.
Report to P & H Committee	<b>Ongoing</b>	An update will be provided to the P & H Committee on the 30 September 2021
Provide updated guidance to all Staff, Managers. Trade Unions and Members on the very latest Scottish Government guidance.	<b>Ongoing</b>	This will include updates provided by the Scottish Government on 2 August and 9 August 2021.
Support Staff and Members with phased return.	<b>Ongoing</b>	Office returns will be phased to support staff & Members.
Address the data gaps	<b>Ongoing</b>	
Undertake full condition surveys (excluding the education estate)	<b>Ongoing</b>	Full property surveys of depots are ongoing. For all remaining properties, surveying is being prioritised towards assets where the current data quality is low
Integration of all data sets into the Concerto property system	<b>Ongoing</b>	
Completion of asset data gathering for short-term opportunities that are being progressed for rationalisation and/or repurposing	<b>Ongoing</b>	Decisions over assets need to be fully informed by accurate data. The property team are developing the Concerto system to store all asset information.
Closer working with partners in NHS to identify asset sharing opportunities	<b>Ongoing</b>	Conversations are also ongoing with other public bodies over potential sharing opportunities. NHS Highland retains local decision-making over assets decisions

A3 **Appendix 3 - Service Redesign**

**Sponsor – ECO Transformation; Peer – ECO Resource & Finance**

A3.1 This project aims to support the transition to the Council's new management structure and re-designed services which will be key to delivering efficiencies, value for money and transformation to adapt to the drivers for change and move forward in a post pandemic environment.

A3.2 On 13 May 21, the Highland Council agreed to a restructure of the Senior Leadership Team to include a Depute Chief Executive and reduce the number of ECOs from 8 to 7 permanent ECO posts.

A3.3 **Activities undertaken (this reporting period June – August 2021)**

Communications were issued to all staff to confirm the Council decision and meetings have been set up with the HR team to progress structure changes. The matching process with permanent Heads of Service (HoS) has commenced and engagement sessions held with those members of staff. The Council has successfully recruited to ECO Education and Learning and commenced recruitment for the Depute Chief Executive vacancy.

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
HR BP lead on Engagement sessions with Heads of Service	<b>Ongoing</b>	HR Lead
Design job specs and evaluation of posts to support ongoing restructuring process	<b>Ongoing</b>	HR Lead

A3.4 **Key Issues, Risks and Mitigation**

<b>Work Description</b>	<b>Category (Risk or Issue)</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Recruitment to senior post vacancies - Not attracting suitable candidates	Risk	<b>Low</b>	Positive responses to date from posts advertised as part of implementation of the Senior Leadership Redesign approved in May. Alternate arrangements will be considered to provide over for vacancies if required.
Engagement with Trade Unions (TUs)	Issue	<b>Low</b>	Hold regular meetings with TUs (Corporate and Service) to ensure issues are being identified and addressed through partnership arrangements with unions.
H&S Implications - Knowledge of the health and safety risks within Services.	Risk	<b>Medium</b>	IOSH for Senior Executives to be offered to all senior managers in September 2021, with follow up H&S workshops with OHSW Manager.

A3.5 **Planned Activities (Next reporting period Sept – Dec 2021)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Recruitment to Depute Chief Executive & vacant Heads of Service	<b>Ongoing</b>	HR/Talent Team. As reported above, positive responses to date from posts advertised as part of implementation of the Senior Leadership Redesign approved in May.
Communication with all stakeholders. Communication plan being developed including communicating appointments and support roles in structure.	<b>Ongoing</b>	HR/Corporate Comms
Continue with ongoing restructuring reviews led by respective ECOs supported by Peer reviews.	<b>Ongoing</b>	

## A4 **Appendix 4 - Digital Transformation**

### **Sponsor – ECO Transformation; Peer – ECO Performance & Governance**

A4.1 This project aims to deliver the digital transformation of services and the development of the Council's digital strategy. There are three projects: Connected Customers; Digitising Records and Microsoft Navigator. A full detailed report will be presented to the Corporate Resources Committee on 25 August 2021 providing an update on progress.

A4.2 At a one-off cost of £198k, this project will deliver £254k annual recurring savings and robust business cases to support the Council's Digital Transformation objectives. The project is currently being delivered on-time and within budget.

#### A4.3 **Activity undertaken (this reporting period – June – August 2021)**

The Digital Transformation Team is now fully resourced to deliver against the objectives. The Digital Transformation Project will identify medium term financial benefits by driving efficiencies in managing customer demand, improving our ability to collect income and make interacting with the Council more straightforward for our customers. This will be achieved through the high-level objectives of connecting customers, digitising, and modernising workspaces and wider use of digital tools across service delivery.

A4.4 The Digital Transformation Project Board had its inaugural meeting on 29 June 2021 and is scheduled to meet monthly. The board agreed their terms of reference and roles and responsibilities and received several updates on initiation of the project. A background briefing was provided from the project lead, the Project Initiation Document (PID) was reviewed and presented at the 30th July Board meeting for formal sign off. The board approved the proposed approach including seven key enabling products that will support the delivery of Connected Customers, Digitisation of Records (Modern workspace) and Microsoft Navigator, high level objectives set out in the 4th March Revenue Report.

A4.5 The project team have created a Project plan and list of products that will ensure the Council, with our citizens at the heart of our approach, thrives in a constantly evolving digital world and is able to sustain Digital Transformation initiatives. The Digital Transformation project plan covers the overall project which has been split into 4 stages detailing the activities for those 4 stages and the proposed timelines.

A4.6 The Digital Transformation Board have approved the development of products to support the three high-level objectives.

Seven key **products** will lay the foundations and enable the team to develop a robust roadmap and digital strategy for the Highland Council, supporting digital transformation, delivering better outcomes for its citizens through the best use of people and digital technology. Having the right skills and culture in place is critical to the delivery of Digital Transformation.

### Project Products:

1. Conduct a Digital Maturity Assessment
2. Digital technology audit and review – stock take of current systems
3. A plan for a Digital Workforce
4. Revised Digital Strategy
5. Updated Data Strategy
6. Review service delivery model for delivering Digital Transformation
7. Develop Digital Transformation Business Case(s) which identify and support financial and non-financial benefits.

### A4.7 Key Issues, Risks and Mitigation

Description	Category (Risk or Issue)	Status (High, Medium or Low)	Mitigation
Digital Workforce and Digital Skills Research - The scope of the Digital skills survey becomes too wide and there are too many questions which reduces response rate	Risk	High	Define and agree the scope of the digital skills staff survey and secure approval from Project Board.
Staff who lack confidence in their digital skills may feel threatened by a digital skills survey which may appear to 'assess' them individually.	Risk	High	Emphasise that respondents to the survey are anonymous  Emphasise that Highland Council is committed to supporting staff to feel confident about their digital skills; to enable them to develop and improve their skills; and stay up to date. Commitment to improving literacy skills and providing necessary support to Staff and Managers
Staff do not understand the context and importance of a digital skills survey which means the response rate for the survey is too low	Risk	Medium	Implement a communications and engagement plan which involves senior leadership to explain context and motivates staff to complete the survey, similar to NWOW comms and engagement plan.



<p>Staff without a work or personal email are less likely to complete the survey</p>	<p>Risk</p>	<p>Medium</p>	<p>Implement an 'inclusion plan' for the staff digital skills survey, supported by senior leaders and managers so that staff without work emails or personal emails have good opportunity to complete the survey.</p>
<p>The timing of the Project's surveys may coincide with the Corporate Engagement Staff Survey</p>	<p>Risk</p>	<p>Low</p>	<p>Plan the timing of the Corporate Engagement survey and the Digital Skills staff surveys so that staff are clear about which survey they are being asked to respond to. Surveys also form part of the overall approach to engagement including staff visits for example.</p>
<p>Education – Innovate to Educate, Future Learn, Digital Academy – to produce a summary of findings and opportunities (both internally and externally) - A risk identified is that not all relevant parties do not take advantage of Scottish Government's free training currently available</p>	<p>Risk</p>	<p>Low</p>	<p>Encourage elected members and senior executives to register for Scottish Government's training which is available.</p>
<p>A risk is that relevant parties may not appreciate the scope; magnitude; and importance of digital transformation and how their role will be critical to creating the right conditions to make digital transformation a success</p>	<p>Risk</p>	<p>High</p>	<p>Options being considered include securing an inspiring speaker to articulate the scale and importance of digital transformation; and its potential benefits for Highland citizens, businesses; and other stakeholders; as well as for the Council itself.</p>

## A4.8

**Planned Activity (next reporting period Sept -December 2021)**

In the next reporting period, the Project Team will continue to engage with stakeholders given the complexity and their availability. The team will prepare and develop the work packages for the first 3 products to enable moving those forward in September and finalise the digital skills staff survey for distribution in September. With a caveat that there is also a Corporate Engagement Survey, to be issued in September 2021 and the Digital Transformation Survey will need to align with this survey.

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Issue Staff survey	<b>To commence</b>	Issue Sept 21 seeking views, opportunities, etc. on Digital Transformation
Issue Members survey	<b>To commence</b>	Issue Sept 21 seeking views, opportunities, etc. on Digital Transformation
Embark on the following products:  1. Digital Maturity Assessment review  2. Digital Technology audit and review  3. Digital Workforce Plan	<b>Ongoing</b>	
Conduct monthly Project board meeting	<b>Ongoing</b>	
Prepare and submit report to RITB Board	<b>Ongoing</b>	
Report to Corporate Resources Committee	<b>Ongoing</b>	25 August 2021

A5 **Appendix 5 - Social Care**  
**Sponsor – ECO Health & Social Care; Peer – ECO Property & Housing**

A5.1 This project aims to support the review of the NHS partnership and respond to the challenges facing adult social Care and placement services.

A5.2 There are three projects/workstreams within the Social Care project: NHS Partnership Review; Adult Social Care; and Placement Services.

A5.3 **Activities undertaken (this reporting period – June – August 2021)**

A5.4 An update report on Social Care is being taken to the Health, Social Care and Wellbeing Committee on 11 August 2021. On 23 July a workshop was convened. Senior officers and the Chief Executives from NHS Highland and The Highland Council met in person to discuss how they can continue to strengthen the transformation programme to delivering services in the Highlands.

A5.5 The Partnership and collaboration workshop began the process of developing a shared vision for integrated services for 2024 and a set of principles to work towards and empower our staff to achieve our aims. It was recognised that it was not likely to be possible to achieve everything required in isolation and that there is a need to engage directly with local communities across Highland in order to create a shared vision of how services would be delivered in 2024.

A5.6 It was recognised that a successful vision and strategy will be underpinned by recognising that services should focus on each individual person: their strengths, interests and needs and how they can be supported across all sectors. Further essential principles to guide the transformation will include:

- To have as a result of the transformation a place & person-centred service
- Reducing inequalities and increasing life chances
- To work with communities to co-produce services
- A willingness to cede power and reinvent approaches
- The support of a self-determining population
- To think if the individual and beyond the boundaries of service provision.
- That outcomes should be wider than just the provision of care but be a public sector contribution ‘towards reducing poverty, unemployment and the carbon footprint’.

A5.7 Outputs from the workshop also described areas for strengthening. These areas included organisational development, the use of business intelligence and exploiting synergies and a rethink of the constituent projects. Specific thinking included but was not limited to:

- Developing the new skills required to move away from assessments and towards conversations with individuals – (their strengths and needs) to become more responsive and to ensure staff feel empowered to deliver the flexible solutions required.
- To have a sustainable, energised workforce -fully grasping the benefits of workforce planning & management
- Designing organisational development that matches strategic direction
- Identifying the synergies between organisations and the partnerships and ensuring they are exploited
- To take advantage of digital opportunities

A5.8 A key next step is starting the process of engagement with communities and stakeholders to develop a jointly owned vision. Leading up to that the immediate next steps are to:

- To develop and share the vision and the strategy
- To begin the planning with NHS & THC engagement teams to create the framework for engagement
- To work with Senior Responsible Owners to review constituent projects
- To understand from partners what works in other locations
- Understand data and what it's providing to help measure success to move forward
- Understand how we support the existing workstreams

A5.9 The updates below are provided against four workstreams:

- Transitions – Younger Adults with complex needs
- Community Led Support
- Residential Transformation Programme
- Integrated children's health workstream

The savings total to date has been delivered within the Residential Transformation Project (the cost improvement workstream). For year 1 the cost efficiency element of this workstream overlaps with the Transitional Younger Adults workstream. As reported to the Health, Social Care and Wellbeing Committee on 11 August 21, the unadjusted pipeline total is £1.95m. The risk adjusted pipeline total is £1.45m This progress is against the £3m target. Although positive progress has been made in 21/22 thus far, the risks as detailed at A5.13 including the COVID does mean that the target is challenging.

A5.10 **Transitions – Younger Adults with complex needs**

The Transitions workstream is seeking to deliver three specifically transformational projects as follows: -

- **Transitions** – A focus on clarifying process and procedure with a view to moving to a joint commissioning process which ought to make savings and deliver improvements for those young people moving from children’s services to adult care services.
- **Housing** – It is intended to focus on new ways of working with Housing colleagues that will minimise delay and improve allocations for young people with complex needs.
- **Alternative Models of Care** – A business case is being prepared to consider the possible implementation of the Shared Lives approach which would build on the existing supported lodgings programme within Children’s Services and would provide a more community-based respite programme.

Each of the projects above are at different stages of development but the task for all is to produce a business case setting out the expected benefits including savings and what is required to deliver these. The intention is to deliver the business cases in the third quarter.

#### A5.11 **Community Led Support**

A5.12 The Community Led Support Workstream is an entirely transformational workstream with, at present, no short terms savings target. Its purpose is to implement community led support principles and practice in the delivery of care to reduce reliance on statutory service which in the long-term ought to lead to cost avoidance. There will be a focus instead on the community supports which is available. Such an approach will require new approaches to referral and assessment. Three pilot areas have been provisionally identified which will inform a broader implementation of the community led support ethos. The highlights for the period include:

- Local progress with asset mapping and building resource directories
- Setting up links with community groups regarding potential hub locations
- Planning for Blueprint Workshop 8<sup>th</sup> June
- Communications pack developed and first phase of staff engagement in place
- Establishing links with CPP leadership and community engagement roles

#### A5.13 **Residential Transformation Programme**

To date the Residential Care Workstream has focussed on efficiencies and cost improvement across the whole adult social care budget delivering the entirety of the savings figure above. The focus of the workstream is shifting to developing projects to deliver high quality, sustainable and cost effective residential based services to adults across NHS Highland, by:

- supporting the development of a Strategic Commissioning Plan to identify transformational change actions within residential in house and commissioned provision, which meets individual and community needs, and which is sustainable and affordable.
- undertaking the necessary steps to arrive at a costed capacity plan, as the basis of the Strategic Commissioning Plan.
- planning the implementation of the transformational changes

within residential in house and commissioned provision during year 1 (2021-2022) for delivery from year 2 (2022-2023) and earlier if feasible

#### A5.14 **Integrated Children’s Health Workstream**

The Integrated Children’s Care workstream focuses on the commissioned child health service and is currently examining the budgets associated with commissioned services to seek efficiencies. The following areas of work are also being examined and or taken forward:

- NDAS
- The Orchard
- Performance Management framework for Child Health services

#### A5.15 **Key Risks Issues and Mitigation**

<b>Description</b>	<b>Risk or Issue</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Financial: After initial assessment there is a shortfall in the possible amount of money available against expectations (formal target £3m)	<b>Risk</b>	<b>Medium</b>	Project development to be scrutinised for focus and route to cashable efficiencies and when these will be delivered
Prioritisation of the transformational programme whilst in a continuing and faced paced period of Covid-19 related change.	<b>Risk</b>	<b>Medium</b>	Ongoing scrutiny and reporting of impact
Deliverables: If the constituent projects are not capable of delivering the objectives from the Programme Board the Programme will not be successful.	<b>Risk</b>	<b>Medium</b>	Progress to be scrutinised for ability to deliver cashable efficiencies and transformation. To be escalated in the first instance to the CEO oversight mtg
Performance and Business Intelligence Information capacity does not match the needs for the Programme Determining efficiencies, good decision making, and planning and	<b>Risk</b>	<b>Medium</b>	Investigate "gap" in provision and the consequences of the gap

planning requires business intelligence and data			
National Care Consultation. This was launched, with extended scope, on 9 August 21.	<b>Risk</b>	<b>(To be assessed)</b>	Understand the consultation and work with members and stakeholders to both provide responses to the consultation and with the programme board to ensure a consistent direction of travel. Impact and risks on the Social Care programme being taken forward in partnership with the Highland Council and NHS Highland to be assessed.

A5.16 **Planned Activities (next reporting period - September - December 2021)**

The focus for the next period is:

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
The identification and development of further cost efficiency initiatives for year 1	<b>Ongoing</b>	
The development of a target operating model for the partnership	<b>Ongoing</b>	
The identification of further transformational savings projects	<b>Ongoing</b>	
Preparation and approval for business cases where possible	<b>Ongoing</b>	
Development of Monitoring for project progress monitoring	<b>Ongoing</b>	

## A5.17 **Placement Services**

This project looks to continue the review of the delivery of children's services - particularly fostering/adoption and Out of Authority (OOA), significantly reducing the end-to-end process for people applying to be foster carers and increasing the number of foster carers and adoptive parents in Highland. The primary purpose of this project is to improve outcomes for young people in Highland.

## A5.18 **Activities undertaken (this reporting period June to Aug 2021)**

### A5.19 Placement Programme progress in enabling young people to return to Highlands

The current number of Out of Area Residential Placements (OOA), is at the lowest level in over 8 years at 18 young people. In April 2018 (pre-Placement Programme), 41 children were in residential placements OOA.

This is due to concerted effort by the Placement Services Change Programme (PSCP) team and family teams over the last year and despite the pandemic increasing OOA placements, significantly stalling returns and delaying the development of new provisions in Highland. In addition, the young people remaining OOA were significantly complex and return packages were more difficult to plan, taking substantial time to execute.

Since the enhanced placement programme began in June 2018, 53 young people have been enabled to return to Highland avoiding costs of over £11M as compared with these young people remaining out of area for a further year. This demonstrates the traction of the programme against the original Business Case agreed by this committee in March 2018. This return figure does not include the children enabled to remain in-area due to new services developed.

Children returned went to the following destinations:

- Residential Units: 14 26%
- Supported flats: 14 26%
- Home or Kinship: 13 25%
- Adult Services: 5 9%
- College accommodation 4 7%
- Foster care: 3 6%

A key aim of the PSCP was to reduce the spend on OOA placements in order to utilise the money to develop services in Highland. Pre-placement programme in 2018/19, just over £1.4M of the allocated budget was spent on new services in-area whilst £13.1M was spent on OOA placements, by 2019/20 this figure had increased to £2.6M on Alternatives and OOA placements had reduced to £10.6M. Last financial year, new services spend again increased to almost £4M and OOA spend reduced once more to £9.1M. This shift in the balance of spend indicates that the programme is achieving another of its key aims.



<b>Budget Name</b>	<b>2018/19 Actual Spend</b>	<b>2019/20 Actual Spend</b>	<b>2020/21 Actual Spend</b>
Residential - Independent/3rd Sector (OOA Placements)	£13,159,422	£10,640,582	£9,158,463
Alternatives to OOA (New Services in Highland Area)	£1,427,122	£2,689,337	£3,956,323
<b>Total</b>	<b>£14,586,544</b>	<b>£13,329,919</b>	<b>£13,200,873</b>

#### A5.20 **Development of Highland Resources**

As detailed in the original Business Case, new Highland services have been developed by the Programme to accommodate children in-area at significantly reduced cost to OOA placements. In April 2018 (pre-Placement Programme), 17 children were in provisions in Highland developed as alternatives to OOA placements. In March 2020 (pre-Covid), 35 children were in alternatives to OOA placements. Currently there are 45 children in our Alternatives to OOA provisions, these are a mix of children returned through the programme and young people who have avoided going OOA as these new services are available in Highland.

In March 2021, a property on the Black Isle opened as a residential house for 3 young children to return from OOA. The house replicates the highly successful Killen model where youngsters are cared for in a nurturing environment with the highest Care Inspectorate grades and bespoke education packages developed with link schools and dedicated support staff

In May 2021, a house close to the Orchard opened as a small linked residential. The acquisition of the house (at no capital cost) extends the Orchard by 2 beds allowing 2 very young children with complex disabilities to live safely, close to their families rather than go OOA for expensive specialist care.

A further property, south of Inverness has been redeveloped as another small residential for 3 young people to return from OOA or avoid leaving the area. The service will soon recruit the Manager and residential staffing for this provision.

#### A5.21 **Looked After Children (LAC) Education**

The suite of services to supplement school placements and enable the return of young people is progressing well led by the teacher within the PSCP team, underpinned by the new Scottish Attainment Challenge Funding for Care Experienced Young People. Flexible individualised packages have been developed for each young person returning to Highland using mainstream schools, nurture bases, off-site provisions such as the Bridge, Family Firm and third sector organisations.

#### A5.22 **Young People Transitioning to Adult Services with NHS**

The issue of adults remaining in Children's units who should transition to Adult Services at 18 years old has significantly improved. NHS, the PSCP and the Transition Team have been consistently working on packages of support to transition these individuals around their 18<sup>th</sup> birthday.

A5.23 **Key Risks Issues and Mitigation**

<b>Description</b>	<b>Category (Risk or Issue)</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Financial: continued risk that the number of children requiring to be looked after continues to increase	Risk	Medium	Continue to develop financially beneficial alternatives that meet the needs of these children within the Highland area

A5.24 **Planned Activities (next reporting period Sept to Dec 2021)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Supporting Children to remain at home	<b>Ongoing</b>	Developing different practice (i.e. Family Group Decision Making), developing and building kinship placements and working with partners to provide wrap around services, will all contribute to the shift in the balance of care
Prepare & submit report to Health, Social Care and Wellbeing Committee	<b>Ongoing</b>	Next Health, Social Care and Wellbeing Committee is on 11 August, 11 November 2021.

A6 **Appendix 6 - Climate Change  
Sponsor – ECO Performance & Governance; Peer – ECO Communities  
&Place**

A6.1 This investment will contribute towards delivering the transformation required meet the Council's commitments to Climate Change and will be delivered alongside the wider climate change action plan and associated initiatives.

A6.2 There are three 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.

A detailed update will be provided to the next Economy and Infrastructure committee on the 1st September 2021. These initiatives are an important addition to the action underway to deliver the Council's Climate Change commitments and further work is ongoing looking at how the Council can work with partners and the Scottish Government with Climate Change as key driver to deliver large scale transformational projects. This will be brought forward to a future Council meeting.

A6.3 **Hydrogen and Low Carbon Heat Strategies**

This workstream focusses on the development of corporately agreed hydrogen & low carbon heat strategies to ensure the Council benefits from the energy-systems transformation that these technologies will bring to the region. It also aims to ensure that opportunities within the capital programme as well as strategic partnering opportunities are maximised in respect of delivering carbon reduction for both the Council and wider region.

A6.4 **Activities undertaken (this reporting period June – August 2021)**

A6.5 Focus during this reporting period has been on initial conversations with areas of the council to help shape strategy. It was important to have some understanding of current workflow and the challenges they face in adopting decarbonisation into their immediate workstreams.

A6.6 Housing: Property and Fleet have all been both positive and constructive during initial conversations. There are to various degrees concerns over the adoption of decarbonisation. There is a consistency in both Housing and Property: Operational cost, performance of systems in current stock and being used to trial unproven and perceived inefficient systems. While a cohesive long-term strategy is some way off early indications confirm that attention to the rationalisation of assets and improvement to the fabric of the buildings will be key to operational costs within a long-term decarbonisation programme.

A6.7 Transport has to date made more in-roads with the adoption of EV into the fleet. The challenge within fleet is a more condensed time frame for the decarbonisation process coupled with the likelihood of increased costs in running a combustion engine fleet. Hydrogen does provide a possible solution for heavy fleet. The challenge being it is very much in its infancy. Purpose made vehicles are not yet fully available. Conversions are likely to form at least the initial crossover; initial performance reports are positive, and the Council are keen to progress trials to allow assessment of operation within the challenging geography of the Highlands.

The more pressing issue created by Highland geography is in the storage and distribution of Hydrogen across the region which needs some early focus.

- A6.8 In terms of external Stakeholders all conversations have been extremely positive. Dialogue with Scottish Government has progressed in both key areas. Discussions on Hydrogen have clearly indicated that Scottish Government view the Highlands as major proponent within the National Hydrogen strategy. It was agreed a greater understanding of the full potential for production in the Highlands should be quantified. An application has been submitted for funding to allow Highland Council to progress the work on their behalf. If successful, it will help develop an informed picture for the potential of use within the various regions of the Highlands and have a greater understanding of potential areas for production. First-hand access to this information will provide early opportunities to promote and develop the Highlands position within the Hydrogen Economy.
- A6.9 In low carbon heating Scottish Government are looking to progress the next phase in the development of LHEES. A funding call submitted late July would provide the opportunity to advance the work carried out on the initial pilot project. If successful, the Highland Council would be one of the first local authorities to be at the stage of testing the strategy and methodology within two vastly contrasting demographics it will also provide the opportunity to compare findings against the national assessment expected to be available from Scottish Government towards the end of 2021.
- A6.10 In order to deliver a decarbonisation strategy that will achieve net zero on target, a toolkit which allows modelling and interrogation of various options will be key to its realisation. The opportunity to be at the forefront in the delivery of a national toolkit provides the opportunity to learn from other local authorities while influencing the development in a way that recognises the challenges of our diverse communities.
- A6.11 A positive and early interaction with Aberdeen City Council has allowed the opportunity to gain hands on information on their heavy fleet and an insight into their operation of a generation/refuelling site, providing opportunities and possible funding options to explore how Hydrogen could work for the organisation going forward
- A6.12 Working collaboratively with Hi-Trans, it is hoped that Hydrogen vehicles will be available for trialling within Inverness are during the run up to COP26. Stagecoach have also confirmed they will trial a bus during this period. Work is ongoing to trial an RCV and Road Sweeper
- A6.13 Initial discussions with stakeholders such as Hydrogen Accelerator, Highlands and Islands Enterprise and Opportunity Cromarty Firth have been useful not only to gaining insights but also to build future relationships

A6.14 **Key Issues Risks and Mitigation**

Description	Category (Risk or Issue)	Status (High, Medium or Low)	Mitigation
<p>Hydrogen High Expectation. A number of early conversations have revolved around timescale for implementation</p>	<p>Risk</p>	<p>Medium</p>	<p>Managing expectations will be key until a greater understanding of the opportunity is understood. Hydrogen is at a very early stage and first priority is in identifying the generation potential within the Highlands. We need commitment from key stakeholders to achieve viable unit cost to understand where it can be utilised within the Highland economy.</p>
<p>Low Carbon Heating Speed of Infrastructure development</p>	<p>Risk</p>	<p>Medium</p>	<p>Conversion to low carbon heat will increase the demand for electrical infrastructure in the Highlands. We need to understand the impact on the grid and explore alternative options both in generation and storage.</p>
<p>Buildings fit for purpose</p>	<p>Risk</p>	<p>Medium</p>	<p>A key aspect in achieving net zero is in reducing energy demand. In moving to Low carbon heating, it is important for understanding in the importance of improving the fabric of the buildings. Through education it is important to get the message out that upgrading heating systems without the work on improving the buildings reduces the efficiency of the heating and results in increased operational costs.</p>

A6.15

**Planned Activity (next reporting period – September – December 2021)**

Activity	Status	Notes
Housing: Frame out a short-term strategy/policy which will introduce methods and procedures for maintaining property within the context of low carbon.	<b>To commence</b>	The approach needs to focus on maintaining long term flexibility until a region wide strategy has been developed.
Property: Develop a short-term strategy for enhancing usage of low carbon technologies to reduce a continual cycle of adding to the existing issue, which will include work to understand the whole life cost of Biomass installations in the region.	<b>To commence</b>	This will help assess whether long-term use should continue running stand-alone sites or if they could be better utilised in supply to multiple sites.
Transport: continue work to obtain test vehicles for the area which will allow enhanced understanding of how the vehicles could operate in the Highlands.	<b>Ongoing</b>	
Continue to work with the transport team on how best to develop a fuel network in the Highlands introducing various stakeholders and source funding opportunities to get some working examples in place.	<b>Ongoing</b>	This could include establishing a working group with commercial road Hauliers in the Highlands who essentially face the same issues and are at varying stages of developing their own decarbonisation strategies. It would be valuable to develop some early synergies. Early adoption commercially will help to deliver market driven cost saving.
Continue to develop stakeholder relationships. A priority will be opening discussions with DNO's SSE from a local	<b>Ongoing</b>	The Council has regular liaison with HIE and other north of Scotland Councils through the energy regulatory roundtable meetings and therefore has good oversight

<p>perspective and Scottish Power for their current Hydrogen involvement.</p>		<p>of developments in and around the energy and low carbon sectors. It would also be useful to have early discussions with other companies such as Eon and niche energy start-ups to understand options in energy balancing and smart localised networks. No matter how we progress the electrification within the Highlands will put some considerable strain on the existing network. The government have just removed the control of national grid to pave the way for a more flexible network. It will be a good time to explore how this may be utilised by Highland Council to enhance our service in the future.</p>
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**A6.16 Decarbonisation of Council Fleet**

This workstream involves the identification and development of energy and fleet projects with partners which can secure external funding e.g. through Scottish Cities Alliance, COSLA, Sustainable Scotland Network etc. In addition, it provides a focus on the decarbonisation of the fleet (Greening the Fleet) i.e. electric and hydrogen alternatives, to ensure we work towards the Scottish Government target and Highland Council's ambition to decarbonise local government fleet by 2025.

**A6.17 Activities Undertaken (this reporting period June - August 2021)**

External meetings/discussions have taken place with prospective partners to explore options to work collaboratively. In addition, Internal meetings have been held between the Fleet team and the EV Infrastructure team to commence work on a baseline dataset from which fleet decarbonisation planning will be taken forward. The post of Project Manager has been filled with the post holder commencing on the 3<sup>rd</sup> August. This post is designed to assist with the development and delivery of fleet decarbonisation plans.

**A6.18 Key Issues Risks and Mitigation**

Description	Category (Risk or Issue)	Status (High, Medium or Low)	Mitigation
Fleet Dataset Extent and quality of data unknown	Risk	Low	Dedicated access to fleet database arranged for EV team Regular communication (working group)
Fleet EV Infrastructure funding	Risk	Medium	Calculate forecasted cost to decarbonise and assess against funding award

External funding award likely to be too low to meet targets			Explore other funding streams
Government targets National target date of 2025 challenging	Risk	Medium	Assess once decarbonisation planning exercise is complete Report findings to Board

**A6.19 Planned Activity (next reporting period September - December 2021)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Draft process maps	<b>Ongoing</b>	
Draft fleet decarbonisation plan	<b>Ongoing</b>	Research underway
Board meeting	<b>Ongoing</b>	Scheduled for mid-August
Stakeholder & partner meetings	<b>Ongoing</b>	
Assess dataset	<b>To commence</b>	
Set up working group	<b>To commence</b>	

**A6.20 Community Food Growing Co-ordinator**

A project within the Climate Change programme, this project will provide a dedicated Community Food Growing Co-ordinator. This post will lead on the delivery of the Council's approach to supporting food growing initiatives as required under the Community Empowerment Act. Initial work will be to finalise the Council's food growing strategy, Growing Our Future and taking forward the Council's obligations within the strategy. The role will also include supporting community engagement activity related to the food growing agenda as well as the Council's 'Place Based approach', identifying suitable land for food growing/allotments opportunities, developing local relationships and networks within community bodies, encouraging participation and involvement, with an emphasis on improving food growing outcomes and healthy lives across the region.

**A6.21 Activity undertaken (this reporting period)**

An appointment has been made to the post of Food Growing Co-ordinator to take forward the Council's draft Community Food Growing Strategy, *Growing Our Future*. The successful applicant started on 2 August 2021 and is based in the Communities and Place Service and part of the wider Ward Management and Community Support Team. At the time of writing, an induction programme is underway and a series of meetings with key stakeholders, predominantly within the Council initially, are arranged.



A6.22 **Key Issues Risks and Mitigation**

<b>Description</b>	<b>Category (Risk or Issue)</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Community Engagement and Managing Expectations	Risk	High	This will be a focus for the post holder
Delays in meeting key milestones	Risk	Low	Regular review of project progress

A6.23 **Planned Activity (next reporting period)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Engagement with wider stakeholders	<b>To commence</b>	Post holder starts on 2 <sup>nd</sup> August 2021
Review consultation responses and finalise draft community food growing strategy	<b>Ongoing</b>	This will be the main focus for the post holder during the first 6 months.
Prepare & submit report to Community and Places Committee	<b>Ongoing</b>	Next Community and Places Committee is 10 November 2021

A7 **Appendix 7 - Waste Sponsor – ECO Communities & Place; Peer – ECO Infrastructure & Environment**

The aims of this project are to respond to the legal requirements to no longer landfill biodegradable municipal waste from 1st January 2026, develop a circular economy and to continue to adjust our waste collection approaches. There are 2 projects / workstreams within the Waste project. Waste Strategy;and Route Optimisation.

A7.1 **Waste Strategy**

A7.2 This report relates to the Waste Strategy component of the Waste Transformation Project. From the 29th March 2021 report to the Recovery, Improvement & Transformation Board (RITB) this is described as “...to support the alternative to landfilling waste and conclude the options appraisal into the feasibility of an Energy from Waste (EfW) Plant including a review of the associated wider socio-economic and environmental benefits.”

The cost of dealing with residual municipal waste continue to increase, with landfill tax and contract costs increasing. In 2021/22 additional funding of £405k was agreed by Council in March 2021. There are no revenue savings currently earmarked for the long-term solution for residual municipal waste. It is envisaged that whatever option is pursued that costs are likely to increase, but by how much is not yet certain. Income generation and avoided costs would also be part of an EFW solution and these are not yet estimated to off-set costs. A key part of the options appraisal underway is to consider how to derive value, including financial value, from waste that currently goes to landfill as well as removing the need to pay landfill tax (currently around £8m per annum). Work is underway to determine the cost of procuring a medium term solution of contracting with external suppliers to transport and process the Council’s residual waste for the period 2023-27 (with scope for a 36 month extension). These costs will be known by early 2022. Further detailed and site-specific work will be required to quantify all costs, income and avoided costs associated with an EfW option. Further work is also required to understand the range of funding options for EfW currently in use and possible in Scotland. This will include capital as well as revenue options. Further information on the project will be presented to Members from September 2021.

A7.3 **Activity – Summary Update – Long-term Waste Management Solution**

	<b>Activity</b>	<b>Timescale</b>
1.	Officer workshop – options appraisal of three long-term waste management solutions	16-17 June 2021 (completed on target)
2.	Peer review of first draft options appraisal report: <ul style="list-style-type: none"> <li>• External peer review from the Project Lead in Aberdeen City Council for the EfW plant coming on stream; and</li> <li>• Internal officer peer review from Officer RITB and other senior</li> </ul>	On target for completion by end of August 2021

	management scheduled for 18.8.21.	
3.	Desktop review of EfW funding models	Options to gather information being reviewed for end of August 2021
4	Energy-from-Waste plant site visit	Original date to visit Lothian site postponed given Covid wave 3 concerns. New date TBC for end of August 2021 (provisional, Covid dependent).
5.	Identify any implications for any phase 3 funding bids and the planned capital programme review to be considered at Council meetings.	September and October Council meetings, 2021.
6.	Draft recommendations to Members' Waste Strategy Working Group and an all-Members' seminar.	From September to October 2021
7	Recommendations to Communities and Place Committee and/or Council	December 2021
8	Interim solution to procure residual waste contracts for 2023 to 2027 (with provision for up to 36 months' extension).	On track, with procurement underway from mid-July and tender report expected end December 2021/early January 2022.

#### A7.4

#### **Activity undertaken this reporting period (June to August 2021)**

1. A cross-service group of officers examined the pros and cons of three potential long-term waste management solutions for municipal residual waste 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 over a two-day mid-June.
2. The findings of the workshop, and the project development context thus far, are being prepared as a briefing paper to inform the peer review of the options appraisal work. External and internal peer review is arranged to confirm the options appraisal findings by the end of August 2021. This will be reported to Members from September 2021 through a number of routes (please see below).
3. Related to the long-term waste management requirement is the medium-term need to provide suitable waste management provision. Current waste management contracts are due to expire at the end of December 2022, with provision to extend until June 2023. A procurement process was initiated on

13th July 2021 via Public Contracts Scotland to seek a solution to manage the residual waste collected by Highland Council for the period 1st January 2023 – 31st December 2027 (with an option to extend for up to thirty-six months subject to mutual agreement). It is anticipated that the preferred contractor will be appointed in the early months of 2022, providing preparation time for the service provider and the Council's Waste Service ahead of the new contract's commencement.

4. The intended visit (officers and Members) to an Energy-from-Waste plant on 1st July, part of the process of information gathering, was postponed due to the upsurge in Covid cases; it is provisionally being reconsidered for late August 2021.

#### A7.5

#### Key Issues, Risks and Mitigation

(Summary of actual or potential problems and risks which may related to both activities undertaken during the reporting period or planned activity in the next section)

Description	Category (Risk or Issue)	Status (High, Medium or Low)	Mitigation
Medium term waste management contracts tender – low market interest in the tender opportunity	Risk	Low	Soft market testing undertaken in advance to raise market awareness.
Medium term waste management -contracts tender tender prices outstrip anticipated cost.	Risk	Medium	Adopting a competitive procedure with negotiation approach to the procurement to facilitate engagement and an effective outcome. However market pricing is outwith the Council's control.
Developing the appraisal - work to date includes some key assumptions, forecasts, and estimates	Issue	High	Further detailed work required to be explicit about these factors, and how they affect the choices to be made and the decision-making process. The medium-term waste management contracts will provide real-time information to assist with this process. but will not provide certainty of costs beyond the new contracting period (2023-27).

A7.6 **Planned activity in the next reporting period (Sept to Dec 2021)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Following-up requirements produced by the internal and external peer review process of the options appraisal to confirm officer recommendations	<b>To commence</b>	Peer review taking place during August.
Medium-term waste contracts procurement process continuing	<b>Ongoing</b>	On target and tender notice published 13.07.21
Identifying funding models in use for energy-from-waste facilities dealing with municipal waste elsewhere in Scotland	<b>Ongoing</b>	Options for undertaking this high-level assessment being considered.
Engagement with Members from September 2021 onwards on the outcome of the options appraisal – to the Waste Strategy Working Group, an all-Member seminar to be arranged, and in contributing to any reporting to Council on phase 3 investment and the capital programme	<b>To commence</b>	To be programmed from September onwards
Covid-conditions permitting, energy-from-waste plant visit(s) to be undertaken	<b>Ongoing</b>	Original date in July cancelled due to Covid concerns on-site. Provisionally scheduled for late August.
Prepare & submit report	<b>Ongoing</b>	Report to The Highland Council September 21

A7.7 **Route Optimisation**

The second workstream is to conclude one aspect of change in our collection of waste. It is to design optimised collection routes to make sure the Council collects both household and commercial waste in the most efficient way.

A7.8. **Activities Undertaken (this reporting period June to August 2021)**

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 are expected in Highland each year.

A key efficiency route optimisation will achieve is a reduction 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.

Progress up to the 23 August 2021 includes:

- Draft redesigned optimised routes for Inverness have been developed and are currently with Waste Operations Inverness for review.
- Draft redesigned optimised routes for Lochaber have been developed and are currently with Waste Operations Lochaber for review.
- Data cleanse for Nairn over 90% complete in preparation for route optimisation process
- Data cleanse for Badenoch & Strathspey over 90% complete in preparation for route optimisation process

The data cleansing process involves the preparation of multiple datasets including Corporate Address Gazetteer, Commercial Waste Collection Customers database, Residents with second bins, Residents requiring assisted collections, litter bin locations, narrow access streets, tonnage collected etc.

The introduction of optimised collection routes across Highland will result in future cost avoidance through fuel efficiency and managing household growth within the existing vehicle and staff resource.

#### A7.9 **Key Risks Issues and Mitigation**

<b>Description</b>	<b>Category (Risk or Issue)</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Going live with redesigned optimised collection routes Existing adjusted service delivery method in response to Covid risks	Risk	Medium	Continue the process of data cleansing and developing redesigned collection routes for introducing once normal service delivery is achievable

A7.10 **Planned Activity (next reporting period Sept to Dec 2021)**

Activity	Status	Notes
A continued process of area data cleansing targeting completion of both Nairn and Badenoch and Strathspey	<b>Ongoing</b>	
A production of draft redesigned optimised collection routes for B&S and Nairn.	<b>Ongoing</b>	
Engagement with waste operations in Inverness and Lochaber to confirm final optimised routes including engagement with Trade Unions.	<b>Ongoing</b>	
Carry out preparatory work before commencing the next operational area.	<b>Ongoing</b>	
Hold a pre-Committee workshop in November 2021 on route optimisation and present a report to the Communities and Place Committee on implementation.	<b>Ongoing</b>	Report to Communities and Place Committee 10 November 21

**A8 Appendix 8 - Roads & Transport**  
**Sponsor – ECO Infrastructure & Environment; Peer – ECO Transformation**

A8.1 This project aims to support the existing transport planning and strategy, design and construction management and area operational and maintenance teams to more effectively deliver services, improve performance and demonstrate value for money.

A8.2 There are two projects/workstreams within the Roads and Transport Project: Highland Road Improvement Strategy; and School Transport Review.

**A8.3 Highland Road Improvement Strategy**

**A8.4 Activity undertaken this reporting period**

In terms of the wider transformation of the service, there have been a number of detailed discussions with teams on the areas that need to be improved to improve efficiency in service sustainability and efficiency. A key element of this is the financial strategy for the service, recognising the substantial benefits the additional capital of £20m over the 2021/22 and 2022/23 years has made to the delivery of capital improvements. The sustainability of this level of capital funding and the organisation and deployment of the service to ensure full delivery will be a key element of the overall transformation project

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.

Highland Wide Review – Local Road Improvement Strategies:

- Lairg & Central Sutherland Road Improvement Strategy - Draft

In response to established and growing desire for renewable energy projects in this area, initial meetings have taken place with development control and the area roads teams to consider and progress a local strategy which will provide a strategic approach to securing and delivering roads mitigation and improving the principle roads that will be utilised. Routes have been identified and priority mitigation measures are being developed.

- Caithness Quarry Routes Road Improvement Strategy - Draft

Longstanding use and deterioration of roads serving local quarries in Caithness area identifies this as a useful local strategy to improve the network to serve the Caithness area and beyond. Routes and associated priority mitigation measures still to be developed.

- South Loch Ness Road Improvement Strategy – Under Review

Existing strategy established in 2011, strategy document prepared in 2014, currently under review to provide updated strategy document to reflect work done to date, best practice, design and construction methodologies and prioritising strategy mitigation. Revised document could be used as a template to guide the production of the other local road improvement strategies.



<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Initial review meetings of Lairg & Central Sutherland Road Improvement Strategy Draft	Ongoing	In draft - Initial discussion with PDU, C&S Area Roads and Transport Planning Team.
Caithness Quarry Routes Road Improvement Strategy Draft	Ongoing	In draft - Initial discussion with PDU, C&S Area Roads and Transport Planning Team.
South Loch Ness Road Improvement Strategy	Review Ongoing	Updating of strategy document text and work to date in progress. Revised strategy drawings nearing completion.

#### A8.5 **Key Issues, Risks and Mitigation**

<b>Description</b>	<b>Category (Risk or Issue)</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Staff availability and team resource to engage with team members to progress with developing local road improvement strategies	Risk	Medium	Liaise with team members to ensure collaborative approach.

#### A8.6 **Planned activity in the next reporting period (Sept – Dec 2021)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Review and approval of Draft Project Initiation Document (PID) by the Project Manager and Sponsor.	<b>Ongoing</b>	Draft PID in circulation
Hold inaugural Board meeting	<b>Ongoing</b>	To be arranged
Production of Risk Register	<b>To commence</b>	
Caithness & Sutherland	<b>Ongoing</b>	Further engagement with development control and the area roads teams.  Progress the current draft road improvement strategies.
Other Areas	<b>Ongoing</b>	Further work to be carried out to consider additional suitable locations for local road improvement strategies.

South Loch Ness Road Improvement Strategy	<b>Ongoing</b>	Existing strategy document is currently under review to update current status. This will be used as a template document to guide the other draft and emerging local road improvement strategies.
Report to E & I Committee	<b>Ongoing</b>	Next report 1 September 2021.

#### A8.7 **School Transport Review**

School Transport contract costs are increasing due to the economic impact of Covid-19 and forthcoming secondary legislation under the Transport (Scotland) Act 2019 is expected to increase the scope for in-house operation. An external review of our home to school transport system will assess the efficiency and effectiveness of it and recommend areas for change.

#### A8.8 **Activity undertaken this reporting period (June – August 2021)**

The specialist SME consultant TAS Partnership were appointed in March 2021 with project initiation meeting held and data gathering progressing. HC staff provided additional data and detailed information on routes and policies, review meetings have been held, and to date (26 July) two Technical Notes have been received, along with a structure for the final report and a list of notes in preparation. Operational inspections have also been carried out at 4 schools, leading to recommendations to improve procedures for safety of passengers in wheelchairs.

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Project Brief agreed	<b>Completed</b>	Expanded in conjunction with SME to ensure comprehensive assessment of service.
Project tender	<b>Completed</b>	
Project award.	<b>Completed</b>	Exemption approval for Single action award signed off by Governance Board. Contract awarded to the TAS Partnership, an SME Consultant specialising advising LA on Passenger, School and Community Transport.
Project inception meeting	<b>Completed</b>	
Project brief reviewed. Report structure agreed	<b>Completed</b>	Brief updated. Structure of report with phasing of reporting to HC agreed
Consultant's review and report	<b>Ongoing May – July/August.</b>	Operational risks identified enabling HC to take immediate action to address for new academic year. Regular project review meetings held (latest 27/7/21)
Provision of additional information/data	<b>Ongoing</b>	Further data provided to consultant as identified.

## A8.9 Key Issues, Risks and Mitigation

There are risks associated with the delivery of the financial elements of the project as a result of the on-going pressures on the public transport sector as a result of the pandemic. Members are already aware of the overspends related to the threatened withdrawal of service by some contractors. This will require innovative approaches to community, accessing external funding (building on the £2m already achieved from the Bus Partnership Fund) and ensuring that the use of public transport is promoted and supported.

## A8.10 Planned Activity in the next reporting period (September – December 2021)

Further technical notes to be completed and submitted. Advice on specification of contract management software to be provided. Following completion of the study, a report to the Economy & Infrastructure Committee is intended (in December).

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Submission of initial sections of report	<b>Ongoing</b>	Initial sections submitted to HC in draft format.
Report review process	<b>To commence</b>	
Submission of final draft report and recommendations	<b>To commence</b>	
Adoption of report	<b>To commence</b>	To be reported to EI committee Dec 2021
School Transport retender process	<b>To commence (Jan 2022 to Dec 2022)</b>	Retender process delayed by a year; 12-month contract extensions approved by EI Committee May 2021. New contract end date Dec 2022.  Impact of COVID and ongoing Scottish Government/Transport Scotland social distancing requirements impacting the ability of contractors to provide economically realistic tender prices for 5-year contracts.
Review of options for securing cashable benefits.	<b>Ongoing</b>	Using advice from consultant, localised service reviews and mini tender options to secure cashable benefits in 2021/22 and Q1-Q3 2022/23.
Report to E & I Committee	<b>Ongoing</b>	To be reported to E & I committee Dec 2021

**A9 Appendix 9 - Procurement & Contracts Management  
Sponsor – ECO Resources & Finance; Peer – ECO Health & Social Care**

A9.1 This project aims to deliver efficiency in both procurement and contract management. The Council spends in excess of £380M per annum on non-staff costs; this is higher than the total spent on staff costs.

**A9.2 Activities undertaken (this reporting period June to August 2021)**

Following member approval of the project scope and rationale at Corporate Resources Committee on 26 May 2021, a project team, comprising officers from The Highland Council and the Commercial & Procurement Shared Service was established, which included the appointment of the project manager (0.5FTE) concluded in June. The recruitment process for the remaining project team members commenced at the end of Q1 and unfortunately did not result in the post being filled. However, mitigating resource measures are currently being reviewed to ensure the project timelines remain on track, with the aim of recruiting to the remaining vacant positions during September 2021.

The Project Board has met weekly since the project commenced and has overseen the completion of the following activities:

- Project Roles & Responsibilities agreed
- Detailed Project Plan drafted, reviewed and agreed
- Project Initiation Document finalised
- Initial Risk Register completed – this is subject to continued review and update as appropriate
- Workstream benefits and outcomes identified

Project updates are provided regularly to the Transformation Programme Office, The Recovery Improvement and Transformation Board and will continue to be reported to Corporate Resources Committee until project completion.

**A9.3 Planned Activities (next reporting period Sept to December 2021)**

<b>Activity</b>	<b>Status</b>	<b>Notes</b>
Recruitment to vacant posts	<b>Ongoing</b>	Completion during September 2021
Completion of project documentation and work plans	<b>Ongoing</b>	
Critical appraisal and development of Procurement and Contract Management Roles & Responsibilities, including Roles Matrix	<b>Ongoing</b>	Consultation with ECOs and key contract managers scheduled for completion by September 2021
Engagement with stakeholders	<b>Ongoing</b>	Following on from informative seminar on 28 April 21 with ECOs, engagement with individual ECOs and contract managers is planned.

To ensure value for money, and in conjunction with contract managers/owners, detailed data analysis and review of contracts.	<b>Ongoing</b>	A significant and important activity which involves a number of stages. This activity initially involves interrogating the ledger and other data, and thereafter developing a robust Contracts Register in conjunction with Services. A review of governance arrangements is also planned.
Incorporate feedback from Services and approve Procurement & Contract Management Roles and Responsibilities Documentation	<b>Ongoing</b>	Initial engagement with key ECOs and Contract Owners/Managers. Thereafter the Executive Leadership Team will be provided with an opportunity to review.
Report to Corporate Resources Committee	<b>Ongoing</b>	Next Corporate Resources Committee 25 August 2021

#### A9.4 **Key Risks and Mitigation**

<b>Description</b>	<b>Risk or Issue</b>	<b>Status (High, Medium or Low)</b>	<b>Mitigation</b>
Vacant posts remaining unfilled	Risk	High	Recruitment to the two vacancies is underway. The remaining 0.5 FTE vacancy (Project Manager) will be recruited if required.
Non-alignment of Procurement & Council Strategies	Risk	Medium	Should this occur, the identified risk will be considered within the context of the broader impacts for the Council and Shared Service. Issues will be resolved at Board level with escalation arrangements in place, if required.

## A10 Appendix 10 – PMO Research

A10.1 The graphic below demonstrates the approach the PMO is taking to consolidate and share private, public and academic research with Transformation Project Teams via the Research channels the PMO has set up on MS Teams for the respective projects. Strand one focuses on consolidating and sharing research into highlights bespoke to project teams, strand two is concerned with building the cross-project PMO research library and strand three is gathering the information held on previous strategic committees and working group minutes and reports.



Teams ☰ cc Climate Change Research Posts

**McKinsey: Focused Adaption Report**  
Mckinsey Sustainability & C40 Cities (2021) Focused Adaption: A Strategic approach to climate adaption in cities:

**The key takeaway from this report is that cities will be greatly impacted by climate change if ‘systemic-resilience’ and ‘hazard-specific’ actions are not taken.**

In brief Mckinsey Sustainability & C40 Cities (2021) (link above) explain that high potential systemic-resilience actions are:

1. Risk assessment: hazard maps, impact assessment, and spatial analysis
2. Incorporating climate risk into urban planning
3. Early-warning systems and protocols
4. Climate insurance provision and alignment


Whereas hazard-specific actions address the five hazard types:

1. Extreme Heat
2. Inland Flooding
3. Coastal Flooding and storm surges
4. Drought
5. Wildfires

What is particularly significant about this research paper is that McKinsey & C40 (2021) highlight that climate change will likely disproportionately impact the poorest in both our society and across the globe. When applied to the city, the report explains that the poorest are likely situated in areas with the poorest infrastructure and be unlikely to have insurance and/or means of relocating.

<https://www.mckinsey.com/business-functions/sustainability/our-insights/how-cities-can-adapt-to-climate-change>

See less



**How cities can adapt to climate change**  
Research identifies 15 proven ways that urban areas around the world can adapt to climate risk.

[www.mckinsey.com](https://www.mckinsey.com)