

Agenda Item	4
Report No	RDB-01-23

## HIGHLAND COUNCIL

**Date:** 30 March 2023

**Report Title:** Redesign of Highland Council – Work Programme Update

**Report By:** Depute Chief Executive

### 1. Purpose/Executive Summary

- 1.1 This report highlights the ongoing importance of the work of the Redesign Board with the Council's priorities, in particular as set out in the approved report to 02 March 2023 Council [‘Our Future Highland- Budget Strategy 2023/24’](#).

The report updates the Redesign Board on the current Work Programme, comprising major projects and a programme of Lean/Rapid Reviews, and also proposes a series of Redesign Board Workshops to be scheduled during 2023.

### 2. Recommendations

- 2.1 Members are asked to:
- i. Note the Work Programme Update
  - ii. Approve the proposed series of Redesign Board Workshops to be scheduled during 2023

### 3. Implications

- 3.1 **Resource:** There are no direct resource implications arising from this report, Project Sponsors manage the resource commitments required for the successful delivery of their projects from a corporate perspective, ensuring targeted deployment of resource for the effective redesign of Council services in line with the Council's priorities.
- 3.2 **Legal:** There are no direct legal implications arising from this report. Project Sponsors seek legal advice and take appropriate action as required in respect of their projects.
- 3.3 **Community (Equality, Poverty and Rural):** Impact assessments, informed by engagement with key stakeholders including partners and communities, are undertaken to evaluate proposals and decisions.
- 3.4 **Climate Change / Carbon Clever:** There are no direct Climate Change / Carbon Clever implications arising from this report. All Redesign projects proactively make linkages to the Council's Net Zero Strategy.

3.5 **Risk:** All Redesign projects comply with Corporate and Transformation PMO standards in respect of proactive risk management as a key discipline in the controlled and managed delivery of the work. Importantly, the Redesign Board work programme and activity of the Board directly contributes to the risk response to of the Corporate Risk in respect of Financial Sustainability (CR1).

3.6 **Gaelic:** There are no specific Gaelic implications arising from this report. All projects will ensure the Council's bilingual policy is appropriately applied.

#### 4. **Redesign Board: Our Future Highland - Budget Strategy 2023/24**

4.1 The report to 02 March 2023 Council ['Our Future Highland - Budget Strategy 2023/24'](#) set out the context and related financial challenges faced by the Council, and in so doing highlighted the following:

“In its current structure and model of service delivery the Council is not considered to be financially sustainable over the medium to long term and will not be able to offer the same breadth and level of service provision as currently. Meeting a budget gap of this size will require substantial transformative activity.”

In line with the importance of delivering change and performance improvement to the scale required, and ensuring resource is focused on where greatest priority improvement is required, acting on the Redesign Board remit (below) and delivering the Board's ongoing work programme is a key part of the Council's response to the financial challenges.

The Redesign Board remit:

“Redesign will be a continual and systematic process of change and improvement, constructively challenging our current processes and ensuring the Council adapts successfully to its changing operating environment, including its budget challenges.”

4.2 Specifically, the Budget Strategy highlights the importance of service redesign and efficiency, reducing waste, and reducing avoidable spend. Both through the Redesign Board projects, and through the Lean Programme referred to later in this report, the work of the Redesign Board is intended to make a significant contribution to the aims and objectives of the Budget Strategy.

4.3 Also part of the Council's Budget Strategy was the investment agreed at 02 March 2023 Council, including funding that relates to, and directly supports, current Redesign Board projects such as Roads Redesign and My Council. Separate reports on both these Projects are included on the 30 March 2023 Redesign Board agenda.

4.4 As a guiding principle for sustainable expenditure set out in the Council's budget strategy, investment in change must deliver improvement, and as reported to the [07 September 2022 Redesign Board](#), it is imperative to ensure a robust and evidence based focus on delivering expected benefits.

This means that in addition to the standard project and programme management approach of setting clear expectations and targets for the timeframe, cost, and outcomes expected from each Project and Review (time/cost/quality), a key focus will continue to be on tracking and measuring expected benefits delivered to provide an evidence base for the return on investment. A review will be carried out across all the major projects and other work packages to ensure a consistent and accurate approach to measuring and reporting on the benefits and this will be seen across individual project reports in future.

Regular reporting of progress and delivery in respect of the Redesign Projects and Reviews will continue to be made to this Board.

- 4.5 As well as the referred to focus on service redesign and efficiency, reducing waste, and reducing avoidable spend, the Budget Strategy also sets out the need for increasing income.

Accordingly, it is proposed to further define and establish an Investment Programme as part of the remit of the Redesign Board, for the purpose of identifying and driving forward potential new areas for income generation, building on existing, and in so doing, optimise investment opportunities for maximum return and impact.

A Redesign Board Workshop is to be held 25 April 2023 on the Investment Programme workstream with a focus on Renewables, and this is outlined later in the report.

## 5. Major Redesign Projects

- 5.1 The four major Redesign Projects that come under the remit of the Redesign Board are as follows:

- Asset Management (see section 5.3)
- Roads (see section 5.4)
- My Council (see section 5.5)
- In-House Bus Operation (see section 5.6)

- 5.2 For each project, Members of the Redesign Board have been assigned to work within the respective Project Boards. Redesign Board Members assigned to each project are confirmed in the following sections, with the role of Members in the Projects Boards outlined as follows:

- Attend Board meetings, whose purpose is to direct the Project in line with the agreed scope and objectives set out in the Project Brief
- Attend planned site/learning visits
- Represent the Redesign Board

### 5.3 **Asset Management**

The Project Brief was approved at the [20 August 2021 Redesign Board](#) with the Project focussing on the following workstreams:

- HQ Modernisation
- Block B – Modern Flexible Working Space
- Rationalisation Target List
- Depot Rationalisation in Inverness
- Portree Public Sector Co-location Project

A separate report is included on the 30 March 2023 Redesign Board agenda updating the Board on progress.

- 5.3.1 The Redesign Board Members assigned to this Project are as follows:

Cllr Calum Munro  
Cllr Marianne Hutchison

### 5.4 **Roads**

The Project Brief was approved at the [18 February 2022 Redesign Board](#), and from this, the summary purpose and objectives of the Project are as follows. A separate report is included on the 30 March 2023 Redesign Board agenda updating the Board on progress.

- **Purpose:** To redesign the service where necessary and deliver improvements for the effective, efficient, and sustainable delivery of all Engineering and Roads operations and improve Road Condition across the Highlands
- **Objectives:**
  - Improved Road Condition and Strategic Roads and Asset Management Plan
  - A more responsive service and improved communication with our stakeholders.
  - A more efficient use of resources and value for money.
  - Improving cross functional and service collaboration. Using Lean to improve service delivery.
  - Leveraging partnerships to improve our value proposition.

5.4.1 Redesign Board Members assigned to this Project are as follows:

Cllr Raymond Bremner  
Cllr Russell Jones  
Cllr Trish Robertson

## 5.5 **My Council**

The Project Brief was approved at the [28 November 2022 Redesign Board](#), and from this, the summary purpose and objectives of the Project are as follows. A separate report is included on the 30 March 2023 Redesign Board agenda updating the Board on progress.

- **Purpose:**  
To review, improve and create a joined-up customer contact experience at the Highland Council, including the opportunities to further utilise digital approaches to support improved outcomes for our citizens, our staff, and the Council. By developing the use of technology, resources are released to better support customers who need it the most.

This project aims to put the citizen at the center of customer engagement at the Highland Council, to improve our process and approach for all contact methods (digital, telephony, face to face) and to provide a seamless customer experience. This is not only limited to initial customer contact but the end-to-end service delivery meaning we look holistically at the processes that support the delivery of services initiated by customer contact.

This project acknowledges communication is a two-way process, and endeavors to avoid unnecessary repeat contacts by ensuring alignment with customer needs. The outcomes of this data-driven and customer focused project will drive cost-saving efficiencies (financial benefits); reduce failure demand (greater efficiency); and increase internal/external customer satisfaction (improvement).

- **Objectives:**
  - Improved Customer Journey/Experience through ability for customers to self-serve or service centre to process their request at first point of contact (supported by defined business process)

- Customer centered process: optimising customer journey and availability of required information sources
- Streamlining processes resulting in service improvement
- Reduced waste & duplication by designing detailed business process that enables resolution at first point of contact
- Increased customer satisfaction.
- Increased service efficiency and delivery
- Staff wellbeing through reduced volumes of complaints and general enquiries being passed to back office/operational staff and lower value tasks being technology enabled
- Improved use of resources (e.g. staffing)
- Support the delivery of the related savings
- Supporting / contributing to NetZero

5.5.1 The Redesign Board Members assigned to this Project are as follows:

Cllr Maxine Smith  
Cllr Jackie Hendry  
Cllr Bill Boyd

5.5.2 As part of the Budget setting meeting on 2 March 2023, the Council agreed to allocate £0.5m investment to take forward the My Council project. The proposed allocation of this will be subject to a future report to the My Council and Redesign Boards.

## 5.6 **In-House Bus Operation**

A separate report is included on the 30 March 2023 Redesign Board agenda updating the Board on progress.

- **Purpose:** To develop an in-house bus operation to deliver passenger and school transport services at a lower cost to that offered by commercial contractors.
- **Objectives** – To establish a project team to procure buses, drivers and an operating base to pilot the inhouse delivery of 7 contracts from January 2023, in accordance with the regulations of the Traffic Commissioner.

5.6.1 The Redesign Board Members assigned to this Project are as follows:

Cllr Bill Lobban  
Cllr Alasdair Christie  
Cllr Michael Green

## 6. **Lean/Rapid Reviews Programme**

6.1 As referred to earlier in this report, the Council's Budget Strategy highlights the importance of service redesign and efficiency, reducing waste, and reducing avoidable spend.

In responding to the ongoing necessity for efficiency, the oversight of Lean and Rapid Reviews is an important element of the Redesign Board's work programme, both as part of the delivery approach for Major Projects such as Roads and My Council, and through targeted interventions to deliver improvements and efficiencies at pace to specific areas of service delivery.

6.2 The Lean approach and benefits of this were detailed to members in a report to [07 September 2022 Redesign Board](#).

- 6.3 Through a business case led approach, the Lean Programme will target reviews where the greatest positive impact can be made in terms of financial and customer benefits, and so optimising the return on invested time and effort.

The sources of information and data that will be used to identify where to best target resource include the following:

- **Financial Performance** – budget pressures, forecasts/trends, savings, income targets
- **Benchmarking** – performance indicators, Local Financial Returns
- **Customer Related** – customer contact, response times, feedback/surveys, complaints (sourced through, and in support of the My Council Project)
- **Staff Ideas** – ongoing, staff to propose opportunities for improvements and efficiencies

- 6.4 For the reviews, staff presentations will be made to the Redesign Board to showcase how improvements are being made to current processes and procedures, highlighting where “non-value add” (waste) activity is being taken out, and the benefits this provides, financially, and for the customer.

## 7. Redesign Board Workshops

- 7.1 Redesign Board Workshops present the opportunity for member input and consideration of particular areas of service delivery, business opportunities and problems. Workshop outputs will inform actions to be taken to deliver the desired outcomes and benefits, such as the initiation of feasibility and business case work, and the initiation of projects.

- 7.2 The following sections outline the currently proposed Redesign Board Workshops for 2023, and the Board are asked for any further suggestions for Workshops.

### 7.2.1 Investment Programme – Renewables (25 April 2023)

The Council’s Budget Strategy includes the need for increasing income, and this Workshop will further define an Investment Programme, with a specific focus on Renewables.

The Investment Programme will come under the remit of the Redesign Board, for the purpose of identifying and driving forward potential new areas for income generation, building on existing, and in so doing, optimise investment opportunities for maximum return and impact.

The Investment Programme will align to the Council Programme Strategic Outcomes and include initiatives across various sectors (see below), all aimed at increasing income, and delivering wider benefits, including economic, environmental and social.

To ensure work is focussed on viable opportunities, a business case led approach will be consistently applied, with such initiatives typically coming under the following sectors:

- Energy Renewable Schemes
- Tourism
- Land & Property
- Transport

### 7.2.2 Roads Budget Allocation Formula

A Roads Redesign workshop will be held to discuss options for modernising the Roads budget distribution formula. This will take place after the Roads Redesign Team have investigated and analysed options. The workshop will present Members with the opportunity to discuss findings and agree an updated method to be used.

### 7.2.3 **Asset Management**

As agreed at the 28 November 2022 Redesign Board, this Workshop will consider options for the delivery of the functions of the property service such as maintenance.

Designation: Depute Chief Executive

Date: 20 March 2023

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