

Agenda Item	4
Report No	RDB/07/23

HIGHLAND COUNCIL

Committee: Redesign Board

Date: 31 May 2023

Report Title: Redesign of Highland Council – Work Programme Update

Report By: Interim 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 2 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.

2 Recommendations

2.1 Members are asked to:-

- i) **Note** the Work Programme Update; and
- ii) **Note** the proposed series of Redesign Board Workshops to be scheduled for 2023; and
- iii) **Agree** that the review of the Community Support and Engagement structure is progressed through Redesign.

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. Programme Delivery – Update on Staffing Structure

- 4.1 The Work Programme Update report taken to the meeting of the Redesign Board on 30 March 2023 referred to '[Our Future Highland - Budget Strategy 2023/24](#)' which sets out the context and related financial challenges faced by the Council. This re-emphasised the remit of the Redesign Board and the importance of delivering a portfolio of programmes and projects as a key part of the Council's response to the financial challenges.
- 4.2 Another aspect of the Budget Strategy that is being implemented is a review of the team structures within the Depute Chief Executive (DCE) Service. By bringing together the ICT Services and Transformation teams within the DCE Service and redesigning how the functions are delivered, combined staffing savings of £307k will be delivered this financial year. This combined function now sits under the remit of the Head of ICT and Digital. Savings will be achieved by removing some vacant posts and realigning posts to the existing management structure.
- 4.3 This restructure will deliver direct savings but is mainly driven by a service review aimed at creating a sustainable long-term structure to meet the needs of the Council. Bringing together the separate ICT and Transformation project management teams will lead to greater standardisation and efficiencies in the running and reporting on projects. It also means that a digital approach can be applied across all major projects in line with the Council's Digital Strategy.
- 4.4 Work is underway currently to realign the staffing structure and carry out a full review of the portfolio of work undertaken by the teams. The aim will be to rationalise the programme, closing projects which have delivered their objectives, handing projects back to Services where they have become "business as usual" and bringing other work packages together into a core set of high value programmes and projects managed corporately. This will enable resources to be focussed on the activities that will deliver the greatest benefits.

5 Major Redesign Projects Update

- 5.1 The four major Redesign Projects that come under the remit of the Redesign Board are as follows:-
- Asset Management (see section 5.2);
 - Roads (see section 5.3);
 - In-House Bus Operation (see section 5.4); and
 - My Council (see section 5.5)

5.2 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; an
- Portree Public Sector Co-location Project

A separate report is included on the 31 May 2023 Redesign Board agenda updating the Board on progress specifically for the HQ Modernisation project.

5.2.1 The Redesign Board Members assigned to this Project are Cllrs Calum Munro and Marianne Hutchison.

5.2.2 This project seeks to deliver improvements in our estate by reviewing the use of our General Fund properties and reducing the number of assets, thereby reducing associated maintenance costs, energy use and carbon emissions to deliver ongoing revenue savings. It should be noted that the school estate and Housing Revenue Account properties are not included in the scope of the project.

The report on the 2023/24 revenue and capital budgets that was approved at the Council meeting on 2 March 2023 reiterated the need to reduce the Council's asset base and energy usage, develop wider projects such as depot rationalisation, and work with public sector partners to support co-location.

Discussions are ongoing with senior management regarding the staff resources that will be required in the Asset Management and HR teams to maintain the progress to date and to continue to deliver the revenue savings in the future.

5.2.3 Inverness Offices

The relocation of Council staff from Town House to Headquarters was successfully completed by the end of March. The project team has continued to work on relocating staff internally at HQ to co-locate service teams and create service zones. The next steps include Team Manager workshops to embed hybrid working, identify possible changes to the office areas to create more flexible workspaces, and consideration of adaptations to the HQ buildings to improve the reception arrangements and create multi-functional training space and staff welfare areas.

Although project resources were prioritised in terms of relocation of staff from the Town House to meet the end of financial year deadline, it should be noted that further work and engagement regarding other in-scope offices in the Inverness area has continued as follows:

- **Culcabock Child Guidance Centre:** Improvements to the former Merkinch Family Centre building to accommodate staff currently based at Culcabock are being considered.
- **Criminal Justice Services, Culduthel:** Improvements to bring this building up to the required standard are also being considered.

- **Dochfour Hutted Accommodation:** Engagement with service teams is ongoing. Options have been identified for all teams and work is ongoing to agree and plan for eventual staff relocation. The options being developed will require internal staff moves within HQ and other receiving properties.
- **Offices at 4 Castle Wynd:** Engagement with service teams has commenced to relocate teams. The property is planned to be vacated by the end of July, with the first moves due to be completed by the end of this month.
- **Trading Standards Office, Harbour Road:** Various options are being appraised, and some of the functions delivered from this property are being considered as part of the Depot review workstream.

5.2.4 Council Depots

This workstream is focussed on improving the depot and stores facilities by identifying opportunities for rationalisation based on regional needs and best use of the available estate. Discussions are ongoing with other public sector bodies to explore the possibility of co-location and partnership working.

Initial activities were to capture the current and future requirements of services operating out of these sites, identify the operational status of each site, and review the condition survey information that has been produced to date. This process was informed by accommodation profiles that were completed by Service Managers. The next stage will include design workshops with stakeholders to establish how services could be delivered in the future.

There are now 97 potential sites included in the scope of this workstream. Financial information, such as site valuations and running costs, is being collated to inform the review of rationalisation options.

5.2.5 **Other Workstreams**

Portree Place Demonstrator Project

The Council have been awarded a grant of up to £800,000 from the Scottish Government's Place Based Investment Programme (PBIP) supplemented by a further £100,000 each from Highland Council and Highlands and Islands Enterprise (HIE). The PBIP aims to link and align place-based funding initiatives and ensure that all place-based investments are shaped by the needs and aspirations of local communities. A project team has been assembled to take forward the project in two phases as outlined below, and a Project Board has been established with representatives from HIE and other potential partners.

- Phase 1: Preparation of a Strategic Masterplan and Concept Design based on a longer-term investment programme to be delivered in a phased manner, and that could be the subject of further bids to the PBIP or other external funding opportunities.
- Phase 2: Delivery of a capital project within the available funding as a first phase of investment in line with the Strategic Masterplan.

Dingwall Properties

There are several properties in Dingwall within the scope of the project; the High Life Highland Offices in Tulloch Street (now vacated), the “Portakabin” building (opposite the main County Buildings), and the Criminal Justice Services building on Station Road. Several meetings have taken place with Ward Members to discuss an approach based on increased utilisation of the County Buildings and to consider options for some of the other buildings in Dingwall. A Dingwall-wide masterplan needs to be developed and these in-scope properties should not be considered in isolation. The initial engagement with Ward Members has identified the need to vacate the “Portakabin” building as the immediate priority, and a further meeting with Members will take place next month. The aim is to develop a Place-Based strategy to inform decisions on which buildings to retain or dispose of, and to help identify opportunities for potential co-location with other partners. It is considered that this approach could then be applied to other locations across the Highlands.

Criminal Justice Service

There are several properties in Alness, Dingwall and Inverness that are included in the scope of the project and are occupied by Criminal Justice Services (CJS). There has been engagement with the Health and Social Care Management Team to discuss these and other properties occupied by CJS and to ensure that all current facilities, and those that may be used in the future, fully meet the operational needs of the CJS team. Again, the in-scope properties should not be looked at in isolation and should also be part of any Place-Based reviews or other relevant workstreams that are undertaken.

Other Properties

The other properties that are currently in scope are at Golspie, Nairn, Tain and Thurso. As previously indicated resources have recently been largely focused on the Inverness Town House and HQ project and the other workstreams outlined in this report. However, there has been some progress on these properties and work will continue in the coming weeks.

5.3 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:-

- **Purpose** - to redesign the service to modernise it and ensure efficient processes are in place. This is to identify improvements for the effective and sustainable delivery of all Engineering and Roads Operations. It is fundamental to the delivery of professional, quality services that continue to deliver value for money and meet the needs of all those who use them.
- **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.

5.3.1 Redesign Board Members assigned to this Project are Cllrs Raymond Bremner, Russell Jones and Trish Robertson.

5.3.2 As reported to the Redesign Board held on 30 March 2023, the Project is currently focusing on the following LEAN reviews in order to suggest improvements:-

- Temporary and Permanent Traffic Regulation Orders
- Compensation Claims
- Road Construction Consent

The report for Temporary Traffic Regulation Orders has been drafted. The data collected on Permanent Traffic Regulation Orders is currently being collated into a report and recommendations identified in order to improve the process. The Compensation Claims review is progressing and will be concluded shortly. The usage of SharePoint to manage claims has been instigated and staff trained, which will enable more efficient reporting. The data collected and process maps created are currently being aggregated into a report highlighting identified recommendations to improve the process. With the Permit review completed and the reviews of Temporary and Permanent Traffic Regulation Orders and Compensation Claims close to completion, the project team will next focus on the next two identified priorities: Budget Distribution and Road Construction Consent. Policy reviews will also continue.

5.3.3 At the recent Working Group meeting, Members asked that a wider consultation with other Members is undertaken for a new Roadside Memorials Policy. Police Scotland's Family Liaison Officer and relevant Council staff have already been consulted. The Redesign Team will send out an e-mail consultation to Members, with a view to taking the policy to the next available committee.

5.3.4 As the project continues, below are the expected next phases:-

- continuation of information gathering and comparison with other Roads Authorities;
- complete reviews of customer based online applications;
- continuation of the road construction consent process improvement project;
- initiation of investigation work on alternatives to the current methodology used for the Roads Budget Distribution formula;
- continue policy revisions, including one for Events, Marches and Parades; and
- review opportunities for how operational based functions are managed.

5.4 **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.

5.4.1 The Redesign Board Members assigned to this Project are Cllrs Bill Lobban, Alasdair Christie and Michael Green.

5.4.2 This is now being taken forward as two separate aligned projects. The purposes of the two projects are:-

- to pilot an In-House Bus Operation to deliver passenger and school transport services at a lower cost than that offered by commercial contractors; and

- to develop the recommendations made by the TAS Partnership in a review of school transport arrangements, including the procurement of a specialist transport management software.

5.4.3 In-House Bus Operation

At the 30 March 2023 Redesign Board, Members were advised that the operational centre for the In-House Bus Operations had been secured, with sundry and welfare facilities mostly in place. The final works have now been completed and the team are operating out of the centre on a permanent basis.

Eleven PCV Bus Drivers have been recruited for the eight pilot routes. One further post has been advertised with a closing date of 15/05/23. The Drivers are supported by six project management staff. Bus specific Policy and Procedure documentation to support in-house operations have been produced by the Project Team and are currently being reviewed by colleagues in the Fleet Team.

Following a minor change of timetabling after the Easter Break, the success on the In-House Bus Operation continues with positive feedback being received from Members of the public and Elected Members.

The Project Team now feel that the project is well enough established to begin considering extra work for the vehicles and exploring the potential for increasing the size of the operation. Furthermore, a Scottish Government Grant application is currently being considered for the second round of Zero Emission Bus Funding. If successful, there is potential to replace the existing fleet with fully electric buses and associated infrastructure. A Redesign Workshop is due to be arranged in the near future (date TBC) to explore future opportunities for the In-House Bus Operation.

Following the workshop, the Project Team will work to ensure that the appropriate Governance is in place and the operation is compliant with all legislation relating to the use of vehicles operating private hire and contract work for any current or future operational opportunities.

5.4.4 TAS Recommendations

Following engagement with several suppliers and, in considering the information gathered through the publishing of a Request for Information on Public Contracts Scotland, the stakeholder group continue to work to develop a Specification of Requirements for a specialist transport management software.

Despite initially aiming to publish the invitation to tender for the software in the Spring, the stakeholder group continue work to identify the most appropriate route to market and to establish an appropriate implementation plan, prior to the tender being published. This will ensure minimal disruption to the Service during the migration to the software and will work to guarantee that the software meets the required functionality, at best value for THC.

The Passenger Transport Unit (PTU) continue to develop the other recommendations outlined in the TAS Review. The team are working to identify ways of increasing contract compliance and usage monitoring, and a pilot project is in the early stages of being developed to encourage the use of the Under 22 Concessionary Card on public services by pupils eligible for free home to school transport.

The Passenger Transport Unit continues to work with the Education & Learning Service to identify potential opportunities to improve service delivery and a Service Level Agreement has been drafted to support this. The PTU are reviewing the Home to School Transport Policy and are aiming to provide recommendations for updates to the Infrastructure & Economy Committee in August.

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:-

- 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 centre 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.

5.5.1 At the Redesign Board on 30 March 2023, four strands of work were agreed to form the work of the My Council Redesign Programme. These were:-

- Customer Contact Strategy – setting out the Council’s proposed approach to Customer Contact in the future, the methods, approaches, and expectations internally and externally;
- Data-led and Customer Informed (Business Intelligence) – ensuring that our customer contact improvements are data-led and informed by customer feedback;
- End to End Customer Journey – ensuring the customer has sight of their requests throughout the contact process; and
- Customer Contact Methods (Online: Website / CRM & Telephony) – developing our contact offering to improving digital and self-service mechanisms and improving access to timely information through our web offering

As noted to the last Redesign Board, it has been agreed that a Programme approach is adopted for this area of work, recognising the scale, complexity and interconnectedness of the individual projects. This approach has been developed over the period since the last Board, along with the intention to develop a Target Operating Model to support the Council’s approach to Customer Contact.

Significant progress has been made within this reporting period to develop the design and deliverables of the four projects since the Redesign Board Report 30/03/23. This has included meeting with stakeholders for all four projects to understand the three levels of work required: (A) strategic, (B) tactical, and (C) key priority actions (previously termed ‘quick-wins’). The interconnectedness and dependencies between the four different projects have been considered, along with the resourcing requirements at this stage of the Programme.

A full update on the work of the My Council Programme is found in a separate report to the Board at item 5 and this includes a recommendation to request drawdown of funds from the allocation agreed as part of the Budget in March in order to progress key elements of work.

5.5.2 The Redesign Board Members assigned to this Project are Cllrs Maxine Smith, Jackie Hendry and Bill Boyd.

6 Redesign Board Workshops

6.1 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.

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

6.2.1 Investment Programme – Renewables

This workshop was held on 25 April 2023 and an update is provided as a separate agenda item to the 31 May 2023 Redesign Board.

6.2.2 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. The current expectation from the team is to schedule the workshop towards the end of 2023.

6.2.3 Asset Management

As agreed at 28 November 2022 Redesign Board, this Workshop will consider options for the delivery of the functions of the property service such as maintenance. The scope and timescale for this workshop is under review with the Property and Housing Service.

6.2.4 Community Support and Engagement

A management review of the Community Support and Engagement structure (including ward management) is underway. As a result of staff changes and changes to legislation, which have impacted on the work of the team, this review has been outstanding for a number of years and is required to ensure a sustainable team to deliver against Council priorities. A further driver is that a saving of £100,000 was agreed as part of the budget setting process against the structure review of this team.

The process is in the design phase and has involved several sessions with staff to review the current priorities and functions across the whole team. Individual sessions have also been held with the Executive Leadership Team. Given the important corporate functions delivered across the team, it is proposed the structure review is progressed through the Redesign board. This is to support Member engagement and involvement in the process but also aligns with the need to fundamentally review the work of the team to ensure it delivers against the priorities and legislative duties of the organisation.

Should this be agreed, a Redesign Workshop would be held in June to review the team's priorities and functions, with a final structure to be considered by the Redesign Board in August.

7 Other Projects

7.1 Employability Review

A report was taken to 30 March 2023 Redesign Board detailing plans for a corporate review of employability services across the Council and partners.

As per the reported next steps, an external adviser brief has been produced and the tender process is now underway to select a consultant. When the review has been completed it will be brought back to a future meeting of the Redesign Board for further consideration.

Designation: Interim Depute Chief Executive

Date: 19 May 2023

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