

Agenda Item	4
Report No	RDB-15-23

## HIGHLAND COUNCIL

**Committee:** Redesign Board

**Date:** 5 December 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;
- ii) **Consider** the appointment of Member representatives to support the Trade Framework Redesign project.

### 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 **Health and Safety (risks arising from changes to plant, equipment, process, or people):** There are no direct Health and Safety implications arising from this report. Project Sponsors will consider any specific relevant Health and Safety implications as part of the management and delivery of their projects.
- 3.7 **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 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 have been delivered this financial year. This combined function now sits under the remit of the Head of ICT and Digital. Savings have been achieved by removing some vacant posts and realigning posts to the existing management structure.
- 4.3 Work is ongoing to strengthen the team structure and to ensure processes are running efficiently. This includes the appointment of three Principal Project Managers, funded through the restructure, who will take responsibility for larger programmes and for line management of sub teams.

#### 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)

This report also introduces a new project – Trades Framework Redesign – which has been recognised as a requirement for the Council for since the withdrawal of the previous Trades Framework in March 2020.

## 5.2 Asset Management

5.2.1 A separate report on the Asset Management project is presented to this meeting of the Redesign Board so no further update is provided here.

## 5.3 Roads

5.3.1 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:** The Project's purpose is 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 of 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.

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

5.3.3 The Project has completed LEAN reviews on Permits, Temporary and Permanent Traffic Regulation Orders as well as Compensation Claims. The Project Board has decided to go ahead with the highlighted changes and engagement with various parties including ICT Services is ongoing to deliver the proposed actions.

5.3.4 With the priority Customer Applications process reviews concluded, the team has moved on to focus on the next projects: Budget Distribution, Road Construction Consent and the Events, Marches and Parades policy. Additional policy reviews will also continue, with an update to the Structures Inspection policy planned to be presented at November E&I committee. The Members workshop is planned to take place on the 17th January 2024, in Headquarters, including revenue and capital budget distribution methodologies.

5.3.5 As the project continues, below are the expected next phases:

- Continuation of information gathering and comparison with other Roads Authorities.
- Continuation of the road construction consent process improvement project
- Continue policy revisions, including one for Events, Marches and Parades.
- Begin to deliver actions from the Traffic Regulation Order reviews, as well as continuing with those already underway.
- Review opportunities for how operational based functions are managed.

## 5.4 In-House Bus Operation

5.4.1 This is being progressed through two separate projects with the following purpose:

- To pilot an in-house bus operation to deliver passenger and school transport services at a lower cost to 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 system.

An update on progress with the TAS recommendations is given below.

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

### 5.4.3 **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, work continues to develop a Specification of Requirements and subsequent tender pack for the specialist transport management software. The stakeholder group, including the Strategic Improvement Team, has expanded the preparation work required for the software procurement into a wider process review of the Service. This will ensure a best fit between the software procured and the working methods employed, including efficiency gains enabling more proactive monitoring of transport contracts and capacity to introduce innovative solutions. The improvements made in this review will ensure minimal disruption to the Service during the migration to the new system and will work to guarantee that the software meets the required functionality, and best value for the Council.

Since the last Redesign Board update, work is still ongoing to understand the scope of the service improvements needed to support the implementation of a new way of working once the software is in place. A Project Team has been established and a revised implementation plan, including updated timescales for the project, will be drafted once the scope of the necessary service improvements has been identified. Whilst the aim for this reporting period was for the software tender to be published, there is a vacancy within the team for a dedicated Project Officer from the Passenger Transport Unit. This vacancy, coupled with the scoping of the wider review of potential service improvements, has resulted in some slippage of the project. Over the next reporting period, it is expected that the Project Officer vacancy be filled and for the team to be in a position to better understand the scope of the necessary service improvements so an updated timeline can be established.

The Passenger Transport Unit continue to develop the other recommendations outlined in the TAS Review including a continuation of work with the Education & Learning Service to identify potential opportunities to improve service delivery and a Service Level Agreement (SLA) has been drafted to support this. Whilst it was expected that the Services will come to formal agreement on the SLA and to commence discussion on ASN budget responsibility over the last reporting period, these actions have been paused as the expectation is that they will be considered as part of the wider service review, with formal agreement being sought as part of this process. The PTU are reviewing the Home to School Transport Policy and a range of policy updates were recommended and approved by Council in September. These updates included changes to the Transport Entitlement Review process and the transport eligibility criteria for both Gaelic Medium and Denominational education. It is expected that the updated transport policy, highlighting these changes, be circulated over the next reporting period.

In order to effectively explore and address some of the challenges and potentials of the Under 22 Pass for school transport services and to determine operating procedures, a pilot project has been established with two secondary schools and is in the planning stages. The pilot hopes to explore the potential of moving to a system whereby any pupil travelling on a public transport route to a secondary school would be encouraged to do so via their Under 22 Bus Pass. Applications to the Council would then only be required for pupils where there is no public transport available, where specific needs for ASN to be addressed, or where parents are unwilling to apply for an under-22 pass for their child. As children get familiar with using the Under 22 pass to travel to and from school, this will encourage public transport use at other times, increasing the income to operators and helping to sustain or expand public transport routes across Highland. It is also expected that this project will support a greater uptake of the U22 pass generally within Highland. Following initial engagement with one of the two pilot schools, various practical issues for the implementation of a pilot have been identified. These are expected to be resolvable and will be considered before implementation of the pilot. The pilot has been expanded to include an additional secondary school. Discussions have recommenced with the pilot schools and the PTU aim for the pilot to be live 12th April 2024 onwards.

## 5.5 My Council

5.5.1 The Programme Brief was approved at the 28 November 2022 Redesign Board, and from this, the summary purpose and objectives of the Programme 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.

The aim of the My Council Project is to review 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 self-service digital options for those who can use it, resources are released to better support customers who need it the most. The focus of the project is putting 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. 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).

The programme is being managed through 4 core projects:

- **Project 1** - Customer Contact Strategy
- **Project 2** - Data-led and Customer-informed Business Intelligence
- **Project 3** - End-to-end Customer Journey
- **Project 4** - Customer Contact Methods

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

5.5.3 Overall, the My Council programme is progressing and there has been a number of significant developments since the last Redesign Board in August 2023. The timescales

to develop the Customer Contact Strategy have been revised to incorporate greater staff and customer engagement as part of the development process and to support implementation. This change of direction has been led and shaped by the internal and external engagement focus groups on the Customer Charter. The engagement activities have highlighted the key theme of “Listen to us” from staff, and this increasingly indicated that the traditional top-down strategy roll out may not be the most successful approach to take for this specific programme of work, which relies heavily on culture change for its success. Internal engagement has also highlighted the importance of managing expectations and external customer focus groups have noted the importance of resolving at first point of contact – where possible – and the importance of all staff working to this approach.

- 5.5.4 Key actions to support the development and implementation of the Customer Contact Strategy relate to improving understanding of My Council Programme and its importance, ensuring staff know who their customers are and how contact is aligned to the Customer Charter and how to support staff being more customer centred in their role. An update on the development of the Charter, and an opportunity to seek further views from Members, can be found elsewhere on the Board agenda.
- 5.5.5 The My Council Board has considered detail analysis of the reasons for customer contact across three channels: Customer Services Telephony, Online Forms and Web Pages. The heatmap produced assists in informing areas for focus in terms of other elements of the Programme e.g. End-to- End customer journey but also how to improve data quality as part of any customer contact improvement project e.g. telephony.
- 5.5.6 The first strand of the End-to-End customer journey project to improve the housing repairs process is now complete; following feedback from staff across all service teams involved, contractors and tenants. Improvement actions include: reducing the number of contacts the customer has to make, getting work right first time, improving the scheduling process, improved communication with the customer and between services. This will be taken forward by a team of operational stakeholders, with the initial focus on improving process ownership and procedures.
- 5.5.7 This period has progressed the new cloud-based telephony solution, with the successful changeover of 3 pilot sites (ICT Service Desk, Strathconon Primary and Ness Castle Primary). Upcoming planned sites are Service Centre 21 November, Corporate Estate and Highlife Highland 30 November/1 December and Education into the new year. The transition to this new platform will assist in improving telephony operation and data collection processes. A further piece of work to consider streamlining the entry numbers into the Council, will shortly commence and the new platform will assist in supporting this.

Work to progress the move to a new website platform has commenced along with the web audit. There has been some slippage in the timescales for this work as a result of recruitment delays. The lead officer will be in post by the end of November but successful recruitment to the officer role remains outstanding.

## **6 Trades Framework Redesign**

6.1 This section of the report provides an overview of the proposed Trades Framework Redesign project.

### **6.2 Purpose**

The introduction of a Trades Framework will close an audit action, aligning spend on external trades suppliers with current legal requirements. The Framework will ensure work is passed to fully competent suppliers while an award of work mechanism will promote more work towards suppliers who demonstrate ongoing good value for money.

The previous Framework launched in March 2020 although was withdrawn after introduction due to a number of issues which could not be reconciled. The following are the key points identified through a lessons learned review:

- Balance between cost, environmental and localism factors – the previous introduction focused almost exclusively on cost factors. This resulted in well-resourced suppliers (often Inverness based) being able to travel to remote areas and out compete local suppliers on price. A relaunch will need to consider balancing these factors and consider the longer-term implications resulting from a likely increase in future carbon accounting.
- Increased engagement with members will improve awareness of the implications associated with the launch of a framework. Member support will be critical to the success of a subsequent relaunch of the Framework.
- Complexities associated with a Highland wide launch – the previous iteration opted for an all area, all trades launch. This meant that there was no opportunity to incorporate learnings. Any relaunch should adopt a tranche-based approach to incrementally build up the framework.
- Limits on suppliers – the previous iteration placed limits on the number of suppliers that could be included on the Framework for any particular job type. This meant that some key suppliers were excluded from the framework and would be locked out of THC jobs for a number of years. The project team has concluded that there should be no arbitrary limits upon the included number of suppliers.

The withdrawal of the framework in April 2022 coincided with the start of the Covid pandemic. The impact of lockdowns, recovery, supply chain shortages and the current high inflationary environment has changed the landscape in relation to outsourcing work. The project team is currently analysing these trends to design a framework that meets THC future needs.

### 6.3 **Project Benefits**

An internal audit action highlighted that all spend on external suppliers is currently non-compliant with Procurement rules and regulations. The introduction of a Trades Framework will ensure that The Highland Council is fully compliant with the Housing (Scotland) 2010 Act and the Construction Design and Management 2015 Regulations. In addition, the following benefits will be delivered by the project:

- **Protection of Staff** – The introduction of a formalised process for outsourcing work to external suppliers will ensure that staff are outsourcing work in a legally compliant manner. Work will be awarded on a rotational and performance-based approach removing elements of personal bias.
- **Protection of tenants/Users of THC properties** – Enhanced assurance will be achieved as framework suppliers will be vetted for appropriate levels of competency and insurances to carry out jobs in domestic and non-domestic properties.
- **Improved partnerships with suppliers** – fixed terms and conditions with suppliers along with transparency over the award of work mechanism will improve our working relationship with reliable suppliers.

- **Reduction of future costs** – The introduction of a framework will improve our control over awarding work to quality suppliers who demonstrate ongoing good value for money delivery. While the current inflationary environment is not permissive, over time real world savings will be delivered through the introduction of a competitive process for higher priced jobs.

#### 6.4 **Priorities over the next reporting period**

Board members have been identified and an initial Board will meet in the coming weeks to approve the revised Business Case and to discuss the proposed timeline and constitution of each delivery tranche. Following approval of the Business Case it is requested that a Redesign workshop is scheduled to discuss the overall framework design and discuss the key lessons identified from the previous launch.

#### 6.5 **Recommendations**

The project team would welcome a consideration by the Redesign Board towards appointing Members to support this Project. Support would be particularly helpful in relation to balancing the framework design around the cost, environmental and local considerations that were identified as the cause of a number of issues during the previous launch.

### 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.

There will be no more Redesign Board Workshops in 2023 but the following workshops are planned so far for 2024.

#### 7.1.1 **Roads**

A Roads Redesign workshop will be held to discuss options for redesign and modernisation of the engineering and roads operations This will take place after the Roads Redesign Team have investigated and analysed options as referred to in paragraph 5.3.2. The workshop will present Members with the opportunity to discuss findings and agree an updated approach to be used. The date planned for this workshop is 17th January 2024.

#### 7.1.2 **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. The scope and timescale for this workshop is still under review with the Property and Housing Service.

### 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.

This is a focused review of Council services that support employability outcomes. This is primarily an internal (Council) review but set in context of the inter-agency approach to employability – as led by the Highland Employability Partnership.



After a competitive tender exercise, Rocket Science Ltd., were appointed to undertake this study. They have provided an initial report to the Council and the next step will be a workshop with the relevant stakeholders to refine the conclusions and recommendations of the review. At the time of writing this report, the workshop is still being arranged.

Designation: Interim Depute Chief Executive

Date: 24 November 2023

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