

BUILDING AMBITION

The Council's Transformation Strategy 2015-2020



FOREWORD



Councillor Ian Miller Leader of the Council Bernadette Malone Chief Executive



FOREWORD



We welcome a new age of working together with our Community Planning partners, with our communities and with the business/voluntary sector. We will jointly tackle the challenges, we will build a better place to live, work and visit, and we will protect the most vulnerable in our community.

Perth & Kinross Council is acknowledged as a high-performing organisation. We have negotiated our transformation journey successfully so far, and our approach laid out in this strategy gives both the confidence and ambition to continue our progress, tackle the challenges, and provide the best possible service to the people of Perth and Kinross.



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Current Context

By 2020, we will...

Transformation Themes



How will we do it?



Transformation Programme 2015–2020 ^{39 Transformation Reviews}

There are a host of challenges and opportunities facing the Council as we head towards the next decade. Here are the main ones.

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Finance and Resources

Scottish Government funding for Councils has reduced by 8.5% in real terms between 2010/11 and 2013/14. Between 2010-2015 the Council has delivered savings of £56m in its revenue budget, this includes £12m recurring savings delivered by the last transformation programme. The Office for Budget Responsibility *P* reports that we are halfway through the current UK austerity programme to close the gap between public spending and income. Based on a 'mid-range' scenario, the savings required by the Council from 2015 to 2020 are estimated at £53m.



There are a host of challenges and opportunities facing the Council as we head towards the next decade. Here are the main ones.

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Public Service Reform and New Legislation

The pace of public service reform is accelerating, supported by several significant pieces of new legislation. This is driving the Council and partners to deliver better outcomes for our communities through strong effective collaborations, particularly between Community Planning Partners. Here are the main areas of reform.

'Effective community planning arrangements will be at the core of public service reform'

Scottish Government/COSLA Statement of Ambition



There are a host of challenges and opportunities facing the Council as we head towards the next decade. Here are the main ones.

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Demographics and Service Demand

Demographics - the population of Perth and Kinross is set to rise by

↑ 24% by 2037

The number of people over 75 set to rise by 89% in that same period.

Demands for services - personalisation is driving the shape of all public services, with a growing public expectation that services will be tailored to meet service users' needs, helping them achieve personal goals and aspirations.

For example, due to rising population, the projected additional Health & Social Care Spend in Perth and Kinross will increase by

↑ £128m by 2037



There are a host of challenges and opportunities facing the Council as we head towards the next decade. Here are the main ones.

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"the Overview Report outlines that these are increasingly complex times for local authorities, and their partners, as a result of major change arising from public sector reform, such as the establishment of health and social care partnerships. Audit Scotland reflects that this requires strong leadership and sufficient capacity at senior officer level to ensure that these challenges can be met."

> Audit Scotland Overview report 2015

More Complexity

Traditional Council services are now being delivered by a much wider range of models - such as arm's length external organisations, commissioned services, jointly with Community Planning partners *P* and strategic partnerships such as the Scottish Cities Alliance *P*. With partners, we are jointly tackling major issues such as health and social care, inequality and economic regeneration. This creates a more complex role for elected members and Council staff to manage and oversee these activities.

Our communities are also changing. Democratic renewal in Scotland has been reflected in significantly higher public participation and interest in recent democratic processes, such as the referendum and UK elections. The new Community Empowerment Bill *P* reflects a growing expectation from communities that they will be entitled to take control of issues that affect them and their area, and this will drive forward the way we work with communities to deliver services.



'The overall scrutiny risk assessment for Perth & Kinross Council is that of a low risk Council which shows good self-awareness and demonstrates a positive response to external scrutiny '

Audit Scotland, Assurance and Improvement Plan 2014-17

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'And for all of us, no matter how difficult some of the challenges we face, that makes this an amazing time to be working in public service in Scotland'

First Minister, speech to COSLA Conference, 13 March 2015

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Confidence and Ambition

decade. Here are the main ones.

The Council has a strong track record of planning for the future, no matter how challenging that future looks. We have many strengths. We are a high-performing organisation, with a clear vision and strong elected member and officer leadership; we have excellent financial management, sound governance, and a talented and committed workforce. We can demonstrate many outstanding achievements, and these are confirmed through robust self-evaluation, as well as positive recognition by external scrutiny bodies. Strong leadership of partnership arrangements by the Council is a key factor in our success.

There are a host of challenges and opportunities facing the Council as we head towards the next

This gives us confidence to build on our ambition, to maximise the opportunities and tackle the challenges facing the Council, so we can protect the most vulnerable, and secure the best possible outcomes for the people and communities of Perth and Kinross.



WHAT ARE WE TRYING TO ACHIEVE?

Our vision is of a confident and ambitious Perth and Kinross, to which everyone can contribute and in which all can share. Through delivery of the shared Community Planning strategic objectives for Perth and Kinross *?*, we aim to build on our strengths and maximise the opportunities available to our citizens to achieve their potential.

Transforming the organisation will keep us on track to achieve that vision.

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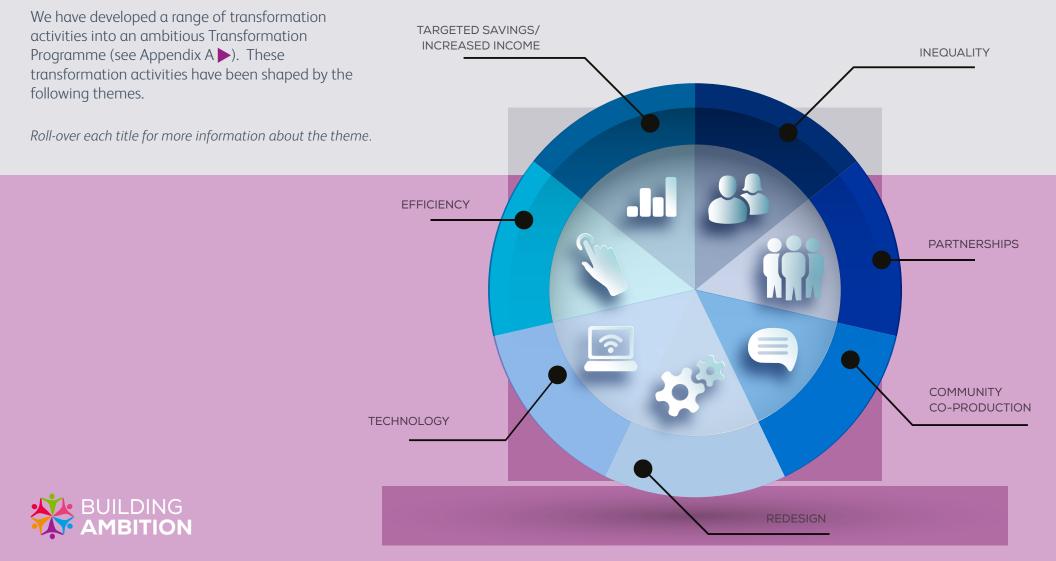
By **2020** we will...

...be confident that we can deal with the next set of challenges facing the organisation and our communities in the future.





WHAT ARE OUR TRANSFORMATION THEMES?





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Leadership roles in the organisation are evolving, to respond to the **increasingly complex** landscape. As a result, elected members have a much broader role, overseeing a range of service delivery models, and leading on cross-cutting issues such as tackling inequality and health and social care.

Leadership capacity is vital in achieving these aims. We will take forward our re-shaped senior management arrangements which will increase senior leader capacity, introduce more flexible arrangements, and enable our transformation to develop new, modern models of service delivery.



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We will cascade knowledge and understanding of the dynamic public service landscape, to **maintain our shared vision** throughout the organisation, over what we want to achieve, and how we are collectively going to do it.

As senior managers support elected members to rise to the challenge of the emerging strategic challenges, we look to all levels of the organisation to demonstrate a **'living leadership'** approach to our activities, as we maximise the contributions from all our employees, to fulfil our ambition to support the achievement of better outcomes for all, at every life stage, regardless of the challenges we face.



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Cultural change is vital to our transformation and this requires a **'big picture'** view, which firstly brings clarity to our ambitions, unearths the assumptions which may hinder progress, and creates the **conditions which support** employees at every level, to engage with, and deliver the change we need.

Changing the way we think and work must be supported by an **organisational system which supports and** reinforces the new ways, as it is the system which drives behavioural change. We will examine our organisational rules (such as policies, processes and procedures) to ensure that they are robust but also flexible to be responsive and focused on supporting what is important. This includes further development of the authorising environment, **a risk positive approach** to our activity, a focus on innovation and improvement, and along with that, an **entrepreneurial state** of mind and the proactive pursuit of commercial opportunities.



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Reinforcing the link between organisational culture and its impact on employee engagement is critical, as **people are at the heart of our transformation**

journey. It is more important than ever that every employee has the opportunity to fully contribute to the evolving programme of renewal and improvement.

Our renewed organisational philosophy, set out in our Organisational Development Framework 2, will reinforce the cultural vision in a practical and understandable way, with three practical principles reinforcing our ethos for cultural change and transformation; **Learn, Innovate, Grow**. These principles can be applied at every level across the Council, from individuals to Services. We will promote this approach to support thinking, working and future growth and in doing so, reinforce the mindset we need to effectively transform our organisation.

We will continue our commitment to maintaining a collective focus on the connection between leadership, employee engagement and organisational culture, in **supporting the level and pace of change required**.



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Click here for more information on Our People Strategy 🔗

Click here for more information on Workforce Plan *2*

Click here for more information on Health, Safety & Wellbeing *2*

All we are as a Council and all that we can be is **reliant on our people**. We know we have a talented and skilled workforce who demonstrate their passion and commitment to public service, their resourcefulness and their professionalism on a daily basis. We have been preparing our workforce for the future and this provides a strong foundation for implementing our Transformation Strategy.

Resilience and flexibility are key

to becoming a more agile organisation which is essential as the Council explores and implements new ways of thinking and working with partners and communities, and makes the best use of technology. Resilience comes in part from involving employees in transformation and change, encouraging their learning to boost creativity and innovation, and supporting them through corporate change.



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Click here for more information on Our People Strategy *2*

Click here for more information on Workforce Plan *2*

Click here for more information on Health, Safety & Wellbeing *2*



Our positive and proactive approach to employee health and wellbeing will contribute to having a thriving and productive workforce who are inspired to make a positive difference to the lives of the people we serve.

Corporate resilience also comes from a **sustainable approach to**

workforce development which seeks to build leadership at all levels, to encourage learning and development for the skills and roles we will require in future, and to support people moving around the organisation to take on new roles and positions as the nature of our work evolves. There will be more importance placed on commercial and business skills, as well as **working across organisational boundaries** as more services are delivered on a collaborative basis. We will design job roles which are flexible and responsive to the changing needs of the organisation and which provide opportunities for personal and professional development.

As we continue on our transformational journey, our focus will be to secure a **highperforming workforce** with the talent and capabilities to meet the changing demands of public services.

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We will go even further in developing our relationship with the people and communities we serve. Our Chief Officers will play a lead role in each of our localities, with all Council Services working with partners, to support communities' requirements and aspirations, including the opportunities presented by the Community Empowerment Bill *2*.

To target reduced resources most effectively, we will extend our knowledge of local peoples' insights and experiences, to understand what their needs are, and work with them over decisions on how our services will have the best impact on their lives. We will jointly plan, develop and deliver services, which complement their own community activities.

We will meet customer demands for better, faster, more accessible services by offering improved digital offerings which our users can 'self serve' to access anytime of the day. We will do this by acting on customer feedback and ensuring that people who are not online are still able to fully access the services they need.



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We have a strong track record in managing our finances and delivering efficiency savings, however this will become more and more challenging in the future. We have also prepared for the future by maintaining recurring revenue budget headroom (excess of income over expenditure) that will be available from 2016/17 to cushion the anticipated tough financial settlements over the short to medium term. In addition, we will continue to update and refine the Medium Term Financial Plan 2016 to ensure that we are making informed, evidence-based decisions on future expenditure priorities.

We will take forward joint resourcing with our Community Planning partners, by sharing the resources to collectively make a difference to people's lives.



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The use of data will become increasingly important to ensure we understand local needs, and work with service users and local communities to identify priorities and desired outcomes ?. We will ensure we are making the **best use of information**

resources jointly with Community Planning partners to achieve value for money, and improve outcomes for people and communities, as part of our duty to work in partnership to plan and improve outcomes for the area. We will use the Local Government Benchmarking Framework and other comparison opportunities to support improvement, **learn from the best**, develop more efficient methods, and import innovative solutions into our own transformations.

We will increase the use of **digital**

technology *P* to capture patterns of socio-economic changes, service use and customer feedback, so that users of public services are more directly involved in service design and improvement.



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We will accelerate the **sharing of data**

and information between services and partners. This will open our data to citizens, researchers and developers to access, and make this available for community groups and community planning partners to use - to find new solutions to the area's issues, and create value for wider economic and community benefit. Consistent community information has the potential to transform how we enable public engagement and deliver data to the public and partners, supporting communities to take an active role in community planning.

We will modernise our performance

information and service data, to make it easier for Elected Members, our partners and our communities, to readily available access to performance and other Council Information across all services *O*. This will improve accountability, scrutiny and also help support decision-making.



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We must **unlock capacity** in the

organisation to continue providing services which people rely on each day, whilst responding fully to the public service reform agenda and also implementing our Transformation Programme, to ensure we remain a modern, high-performing Council.

Focussing on the best use of our physical assets - properties, roads, vehicles, public space and technology equipment - through an **asset management** approach will ensure diminishing resources are targeted at priorities and improving our efficiency.

Our focus on technology has great potential to release capacity, with **transformation** proposals in areas such as mobile working, and citizen accounts, capable of delivering great improvements in productivity and efficiency.



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With 40% of public service spending absorbed by dealing with social problems and 'failure demand' (Commission on the Future Delivery of Public Services), our continued

approach to **early interventions and preventative action** will be essential to making a difference to our most vulnerable citizens and giving people an equal chance in life. We will release capacity through revising our approach to procurement, rebalancing procurement and commissioning from cost efficiency, to effectiveness - taking into account the power of effective procurement to lever social benefits, to generate sustainable economic growth, and drive economy of scale savings, through collaborative procurements with other organisations.



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With the Council leading on an increasingly diverse range of service delivery models and with major changes to our staffing and management arrangements, it is important

that we continue to **maintain strong**

governance. This includes rules for authorising decisions and spending, systems for managing risk, processes for reporting and scrutinising financial and service performance, and standards of behaviour. We will ensure that governance arrangements are reviewed as part of our change processes.

We will need to be prepared to be bolder in our innovation and creativity. The scale of the challenges in public service are such that taking a risk adverse approach is no longer appropriate. Instead we need to be risk aware. This does not translate to ignoring risks, or taking an irresponsible approach to risk. To ensure decisions are made with risk in mind, when we develop and decide on options and proposals, we will be clear about the risks associated with each option.

As part of this culture of risk awareness, and to create capacity in the organisation, we need to balance the controls of strong governance with risk management, and also with the development of an authorising environment where decisions and responsibility are devolved to the most appropriate level in the organisation.



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'There can be no compromise on the importance of good governance, particularly where there are significant changes in personnel and systems.'

Audit Scotland Local
Government Overview 2015 2

The need for strong, effective governance in these changing times is reflected in the governance arrangements for this Transformation Strategy, to ensure the productive delivery of the outcomes, and that elected members are able to engage with and oversee the progress being made. See Appendix $B \triangleright$ for governance arrangements.



Click here for more information on Reserves Strategy *2* Evidence from local authority transformation programmes in England shows that creating the capacity to deliver transformation initiatives - whilst delivering valuable daily public services - is the single largest obstacle to successful transformation. Potentially transformative innovations are not progressed due to lack of time and space to take them forward.

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In recognition of this challenge, an Investment in Improvement Transformation Fund has been established, to provide phased funding (to 2020) for transformations (see Appendix A \triangleright), to engage temporary staff time, additional support capacity, external expertise, technology and other requirements, which will support making the changes happen successfully. The transformation projects qualifying for this funding have been assessed against criteria, and determined to be the most appropriate.



Click here for more information on Risk Management *2*

We will manage risks through effective business case and project management arrangements, with key risks being reported to senior management and elected members to consider the implications of options presented. As part of the ongoing delivery of the transformation programme, risks will be regularly monitored and reviewed.



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The Centre for Innovation and Improvement (established in 2013) aims to support the delivery of our Transformation Strategy. Branded 'Learn, Innovate, Grow' the Centre's focus to date has been about placing innovation and improvement at the heart of everyday business. Building on our progress to date, we will continue to use this platform to support sustainable change, and build capacity and capability for innovation and improvement at all levels across the Council, through our Organisational Development Framework *2*.

As learning is fundamental to change, we will continue to increase opportunities for people to learn and gain new skills, share knowledge and broaden their network of useful connections. The Leadership and Learning Network will work to maximise available resources and expertise, and ensure a joined up focus on all matters related to learning and development.



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An Improvement Practitioners Network has been established to collectively build capacity for improvement across the Council, by developing a shared approach to the use of the wide range of improvement methodologies and expertise in existence within the Council, and across the Community Planning Partnership ?. We will maximise available resources and build capacity to support the Transformation Programme. We will also identify and action areas which require further exploration and investment, such as supporting innovation in service design and delivery, changing customer behaviour, growing our capacity for commercialism, and building skills in areas such as project management, community engagement and empowerment.



NEXT STEPS



Programme of Transformation Reviews 2015-2020

1	Corporate Property Asset Management Review Developing a portfolio strategy to ensure future investment areas are prioritised, providing fit for purpose accommodation.
2	Procurement Reform Review Achieving further savings from procurement activities - through more collaborative procurements, closer management of suppliers, reducing demand, and avoiding unnecessary expenditure.
3	Smart Perth and Kinross: Perth and Kinross Open Data Review Exploring the publication of Council's data and information on the web, and allowing others to share their data, making many aspects open and transparent, to foster collaborative working.
4	Strategic Commissioning with the 3rd Sector Review of funding to all 3rd sector groups and their respective contributions to our strategic priorities and outcomes.
5	Corporate Digital Services and My Account Review Adopting digital services for our customers to access Council services online anytime, anywhere, and from a device of their choice.
6	Mobile Working Review Investigating a mobile working programme to transform employee culture and working styles, and enable PKC staff to be truly mobile.
7	Communities First Review Strengthening the services provided through communities, and reduce the reliance of citizens on Council services.
8	Review of Older People's Services Assisting people to remain at home for longer in their localities, and shift the balance from traditional services to community focussed services.

Programme of Transformation Reviews 2015-2020

9	Review of Community Capacity and Empowerment Exploring the feasibility of pooling all PKC community development skills and resources, to unlock more resources for communities.
10	Home First: Review of Homeless Service <i>Providing options for direct access to settled accommodation for homeless people, missing out the temporary stage where possible.</i>
11	Review and Remodelling of Residential Care Services (children and young people) Avoiding escalating costs of residential care for children through alternative and innovative models for local provision.
12	Building for Communities Review Supporting communities to take a more active role in managing and maintaining Council-owned community buildings, unlocking access to funding which the Council is unable to access.
13	Review of School Staffing Standards Reviewing current staffing standards currently used to inform the different annual staffing exercises linked to schools. Gather benchmarking information from other Education Authorities to inform this work.
14	Review of HCC Repairs Service Reviewing options for repairs in localities, to improve services and maximise cost savings.
15	Review of Facility Management (FM) Service Arrangements (including Tayside Contracts) <i>Reviewing the role of the Facilities Management Service, and its partnership and management</i> <i>arrangements.</i>
16	Electronic Document Management Investigating implementation of Sharepoint as the corporate electronic document management solution for the Council, with "back scanning" of existing paper documents, to allow digital access to all relevant documents.

Programme of Transformation Reviews 2015-2020

17	Review of Community Campuses Contract Arrangements Reviewing Community Campus contracts and charging to identify efficiency savings and commercial opportunities.
18	Review of Catering Services Examining optimum production, menu and service arrangements and looking at options for area- based kitchens and partnership working with other organisations.
19	Early Years Strategy Phase 3 Review Ensuring services continue to align with the Perth and Kinross Early Years Strategy.
20	Review of Inclusion Services Examining Inclusion Services to take a fresh look at Additional Support Needs service provision and determine how we can deliver a more focused delivery model.
21	Securing the Future of the School Estate Modernising the school estate by making efficiencies and more effective use of all existing resources.
22	Review of Community Care Packages for People with a Learning Disability Maintaining as many people with a Learning Disability as possible in a community setting, in accordance with the Learning Disability Strategy.
23	Review the Delivery of Class Contact Time Exploring the re-design of Reducing Class Contact Time (RCCT), to give schools more flexibility to be responsive to delivering the curriculum.
24	Expansion of Family Based Care Review Examining expanding the numbers of foster carers and increasing the range of family-based options for young people, reducing the costs of placements outwith the Council area.

Programme of Transformation Reviews 2015-2020

25	Council Vehicle Fleet Utilisation and Optimisation Review Investigating the use of technology and telematics in the Council's smaller fleet vehicles, and reviewing the use of personal vehicles for Council business, to identify greater efficiency opportunities.
26	Review of Efficiencies in ICT Investigating how we can deliver quality ICT services more efficiently and at a reduced cost, through 'cloud' storage and partnering with neighbouring public bodies.
27	Review of Council Assets for Commercial Sponsorship Exploring a variety of advertisement/sponsorship opportunities on a wide range of assets and sites.
28	Review of Roads Activities Examining potential efficiencies, including joint working arrangements with Tayside Contracts.
29	Review of Recycling Service Identifying the range of recyclables accepted through the kerbside lidded bin, while reducing households general waste capacity.
30	Review of Structure of the School Week Investigating options using a range of benchmarking information and other relevant data, to assist schools to plan and deliver teaching and learning in a more efficient way.
31	Community Greenspace Review Engage, Equip and Empower our Communities - Identifying grounds maintenance sites not owned by the Council which could be adopted by local communities, with support from the Council.
32	Public Toilet Best Value Review Considering options for provision of public toilet facilities within Perth and Kinross, including more Comfort Scheme Partnerships.

Programme of Transformation Reviews 2015-2020

33	Modernising Performance Reporting Review Using technology better to transform the presentation of performance management information, allowing instant access to Council performance data.
34	Optimising our Peripheral Workforce Review Examining management of our peripheral workforce - ie use of agency, supply, consultants, part- time additional hours and overtime.
35	Modernising Licences, Permissions and Approvals Processes Review Streamlining and digitalising the process for all applicable licences and permissions.
36	Review of Administrative Support Services Identifying options to deliver a more efficient and effective support function across the Council.
37	Inveralmond Reuse Shop Review Investigating the creation of a reuse shop to capture householders' unwanted items that are still in good, reusable condition to divert waste from landfill, and reuse household furniture/white goods.
38	Grounds Maintenance - Continental Shift Working Review Investigating a 7 day week provision of Council-wide grounds maintenance service.
39	Review of Event Management Investigating options for enhanced event management services to raised increased income.

APPENDIX B Governance

- 1 Progress on the Transformation Strategy and Programme will be reported at least annually to Council. Matters related to financial management of budgets associated with the Transformation Programme will be dealt with by Strategic Policy and Resources Committee. Service issues will be reported to relevant themed Committees.
- 2 The Modernising Governance Member Officer Group will provide elected member oversight on the Transformation Strategy and Programme at each meeting.
- 3 The Executive Officer Team (Change and Transformation Board) provide an officer level Executive Board for the Transformation Programme. It will receive progress reports on the Programme every 8 weeks.
- 4 Corporate Management Group manages the interface between Services in relation to cross cutting reviews.
- 5 Individual Service Management Teams manage and monitor Service- specific reviews, or where the Service takes the lead on a corporate project.

The following diagram represents the governance arrangements for the Transformation Review Programme, for Category A Reviews.

