

To: Finance, Resources and Customer Services Policy Board

On: 30 January 2018

Report by: Director of Finance and Resources

Heading: Better Council Change Programme Update

1. Summary

- 1.1 This report provides members with an update on progress with the delivery of the Better Council Change Programme.
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2. Recommendations

- 2.1 It is recommended that members note the contents of this report.
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3. Background

- 3.1 Since 2011/12, the Council has managed a total of £117 million of savings and otherwise avoidable cost pressures. The Better Council Change Programme has been important element of the Council's approach to transformation and supporting longer term financial sustainability.
- 3.2 Since 2014/15, the Better Council Change Programme (BCCP) has been developed on a rolling basis and has supported the delivery of in-excess of £20 million of budget savings over the period 2015 – 2018.
- 3.3 In the Council's financial outlook reports, most recently presented to the Leadership Board on 12th December, it has been highlighted the need for the Council to appropriately plan to sustainably address significant anticipated budget gaps that are expected to emerge over the medium term. In this context, the importance of the Council continuing to proactively progress the Better Council Change Programme has been reinforced as a key strategic challenge to support the delivery of sustainable changes in service delivery and associated savings.

- 3.4 This report provides the regular update for Elected Members of the progress being achieved across the key projects forming part of the existing Better Council Programme.

4. Update on Current Projects

4.1 Digital, Technology Development and Customer Experience

- 4.1.1 The Customer Experience and Digital theme of the Better Council Change Programme includes projects focussed on developing the customer experience, delivering digital services and exploiting new technology to drive improved productivity and efficiency across business processes. A number of these projects directly support these projects support the Council's Customer Strategy 2017 – 2022, approved at the Finance Resources & Customer Services Board on 8 November 2018. In total it is planned that around £2 million in savings will be realisable from the successful implementation of the range of projects under these key themes over the next 2 years.

4.1.2 Digital First

A key enabler for delivery of the Customer Strategy and the ambition of the Better Council programme is an integrated self-service customer portal (MyAccount) and Customer Relationship Management (CRM) solution that improves the service delivered to customers whilst reducing the cost of customer transactions.

With over 27,000 Renfrewshire citizens now signed up for MyAccount and over 200 new users joining each week, development of these services has been a crucial step for the Council in delivering the capability to provide a wider range of secure digital services for Renfrewshire's citizens. In addition to the online services now available to make payments for council services, access and transact in relation to council tax, view rent accounts and make benefit applications, over recent months work has progressed to develop a fully end to end digital solution for Special Uplifts.

Aligned to the Customer Strategy, the new Special Uplift process has been designed with and for customers; customers have directly shaped the new process and have provided positive feedback during the testing phase. It is anticipated that the new service will begin towards the end of January 2018.

Customers who are comfortable transacting online for this service will be able to do so at a time that suits. The redesign process has focused not just on the front-end customer contact but on the whole end to end process. This will support the delivery of a better service by deploying resources in a way that better meets the needs of all customers, including those who continue to require access to phone or face to face services during standard hours.

It is recognised that creating a digital front end will not in itself deliver substantial efficiencies and improved services for customers unless business processes are redesigned on an end to end basis and importantly from a customer perspective. This approach has been critical to the recent redesign of the Special Uplift process and will continue to underpin future work.

Delivering the longer terms objectives of the Digital First programme will extend beyond the deployment of the Customer Portal to service design and digital delivery through a structured programme of process and customer journey redesign across appropriate areas of council services.

Detailed plans are now being developed to deliver enhanced digital services across council services, underpinned by the principles and themes detailed in the Council's Customer Strategy. The Digital First project will embrace service design principles to improve the customer experience and enable a reduction in non-essential contacts from customers. The project will start in areas with high levels of customer processes and interactions to ensure greatest opportunity to deliver the anticipated benefits which include:

- Increased choice for customers wishing to access our services through the introduction of digital service delivery
- Greater customer satisfaction by implementing more efficient and streamlined services
- Reduced cost of service delivery by redesigning and streamlined business processes, removing manual intervention where possible

Arrangements are in place to track customer uptake of all the digital services as they go live, measure the impact and realise the benefits of digital services, both from a customer experience and efficiency perspective. Further developments in this area will be reported to the board as the pipeline of future areas of redesign are delivered.

4.1.3 Process Automation

A project to progress the implementation of process automation technology and capability has been progressed on a pilot basis within Customer & Business Services. A small team has been established and trained on the use of automation software, initially in the Revenues and Benefits service area.

The team have developed and deployed the software across two processes, with a third development underway. It is expected that the number of automated processes will be extended over time and that the capability will also be widened to potentially take in rule based processes in other service areas.

Whilst it remains early days for this development, the newly automated pilot processes operate faster and more efficiently than the previous manual process. It is anticipated that efficiencies will be realised if the Council is able to create the capability to fully optimise the software licenses across a range of processes, leading to increased benefits for both the customers and the Council.

It is recognised that properly managed and with careful targeted implementation, automation technology has the potential to bring a range of benefits to the Council over the medium to longer term, including:

- Improved productivity
- Faster performance
- More efficient processes with reduced risk of error
- More opportunity to design processes around customer needs
- Improved customer satisfaction - transactions are faster, more accurate and consistent
- Opportunity to invest in new skills and create more rewarding roles for employees.
- Scalability – the ability to replicate the approach over a number of high volume business processes where suitable opportunities are identified to apply the approach.

4.1.4 Business World (ERP)

The Business World ERP (Enterprise Resource Planning) project will replace the Council's existing Finance, HR, Payroll and Procurement systems with a single, on-line, fully integrated software application which will:

- Significantly improve efficiency across the Council's financial, HR, Payroll and Procurement processes and deliver associated financial savings;
- improve the availability and accuracy of the budgetary, staffing and service information available to support managers plan and run their service more efficiently and effectively;
- allow managers and staff to self-serve across a range of processes such as expense claims, booking leave, receiving payslips, updating personal information, producing budget and staffing reports etc;
- allow staff and managers more flexible access to information and services wherever they are via different devices (laptop, tablet, smart phone) and,
- improve service resilience and reduce risk of major systems failure.

Implementation of the chosen ERP solution ("Business World" from Unit 4) commenced in July 2016 and is being undertaken by a joint staff team from the Council and Agilisys, the Council's chosen implementation partner. The Business World programme had been targeting a December 2017 go-live for all functionality (HR, Payroll, Procurement and Core Financials).

A go-live readiness assessment commenced in the closing months of 2017 and which flagged up several areas of concern in relation to the readiness to migrate to the new system, issues with the Business World system build that had been developed to date and issues with data to be transitioned from existing legacy systems. Detailed consideration and review of the issues identified concluded that further development was required prior to a go live transition to ensure a successful cut-over from existing systems and the delivery of the envisaged business benefits that are expected to be realised by the project. A number of the key issues identified included :

- The condition and quality of the data held within existing legacy systems is poorer than anticipated and has required to undergo some significant pre-work before it can be transitioned to the new ERP system. In addition, parallel run testing identified issues with existing legacy systems that will require to be addressed prior to transition to the new system. Addressing legacy system issues of this nature has had a knock-on delay to the development of the new system project, including the deployment of internal resources to work on the new system build, testing and business readiness and familiarisation stages phases;
- This is the first time the Council has undertaken a programme of this nature, complexity and scale and greater focus is required to ensure an appropriate degree of skill transfer to key staff that will support the new system environment is achieved during the implementation process, as well as a focus on improving the wider organisational business readiness for the adoption of Business World; and the new business processes.

- The Council's project has been informed by recent go live sites in other organisations that have provided vital lessons in both best practice approaches as well as identifying problems with key system build issues that have caused significant difficulties in a live environment. The opportunity to learn from these go live sites, incorporating key areas of best practice learning as well as identifying and resolving system build issues prior to a go live presents a key opportunity to support the delivery of a 'fit for purpose' system at go live within Renfrewshire.

At present the project is in a managed pause with all Agilisys resources and where appropriate internal Council resources stepped down from the project. The project implementation is currently being assessed following a review of work carried out to date and work still to be completed. This assessment process is not finalised, however it is anticipated that go-live of the system will be delayed potentially until September 2018. At present detailed discussions are ongoing with Agilisys in respect to both the resourcing and approach to this next critical phase to the system development and project delivery.

Notwithstanding the challenging and ambitious timetable initially set for the project, a September 2018 go-live would represent around a year delay on the initial project timeline. Similar to all large scale projects undertaken by the Council, the project budget included contingency to manage key risks and unforeseen challenges and issues that could emerge. However, in the context of the time delay being experienced on the project, the existing budget provision is under significant pressure and it is not anticipated at this stage to be sufficient to support the project through to full implementation. The scale of the anticipated additional resources that will be required to support implementation will be identified over the coming weeks as the full re-plan exercise is concluded along with key engagement with Agilisys. The outcome of both the re-planned go-live date and the associated financial implications will be reported to the board in the next reporting cycle and prior to the closure of the Council's 2017/18 accounts.

4.1.5 Paperless

Currently there is a reliance on print media for a range of internal and external Council productions. A project, targeted at moving, where appropriate away from paper based media to digital media is underway. This project is considering opportunities to move away from print to digital means for these and other productions. The benefits of doing so include the provision of a more cost effective, streamlined format and which will in specific circumstances align and support the adoption of self service for citizens.

As the project progresses, it aims to create an ethos of paperless working and paperless contact. This will be followed by a wider look at how the Council might continue to reduce the corporate print estate. An initial saving of £0.060 million is expected to flow from this ongoing workstream

4.2 Ongoing Review of Business Support Functions

- 4.2.1 With the national focus on attainment, the demands on Renfrewshire's schools are increasing. Whilst the focus is on the learning and teaching, it is recognised that teachers are supported in this by office staff based across the school estate.
- 4.2.2 A review of the administrative activities carried out in schools has been undertaken to better understand the nature and catalogue the administrative tasks. This has highlighted that many of the administrative tasks office staff carry out rely on longstanding, paper based processes.

- 4.2.3 The opportunity has been identified to more effectively manage these administrative tasks by standardising processes and deploying digital technology to reduce the administrative overheads in schools, whilst providing better and improved services and support for teachers, parents and pupils.
- 4.2.4 The key projects currently being progressed to support this are noted below and which are expected to support the release of around £0.200 million in efficiencies over 2018-20:
- Redesign of administrative processes – this workstream will introduce more flexible use of resources across the school estate, through the implementation of standard, consistent processes, supported wherever possible by technology.
 - On line school payments and cashless catering - this workstream will implement an integrated online payment, school fund management and cashless catering solution across the school estate that allows parents/guardians to pay online for school services. The project seeks to significantly reduce, and where possible eliminate cash handling and processing in all schools. Preparatory work is currently under way to develop implementation plans.

4.3 Workforce Planning and Development

- 4.3.1 Renfrewshire Council has a highly diverse workforce which has undergone significant change in recent years in order to respond to the pace and depth of transformational change across both the organisation and the public sector.
- 4.3.2 As previously reported to the Board, a number of changes to the way the workforce is managed and organised is being supported by effective workforce planning and employee development initiatives outlined in the Workforce Planning and Organisational Development arrangements being deployed across the Council. These key developments are strategically aligned to the Council Plan and Better Council Change Programme (BCCP) and captures the workforce implications of the Council's ongoing process of transformation
- 4.3.3 In terms of driving these areas of key strategic development across the complex range of Council Services, a new officer level **Strategic OD and Workforce Planning Board** has been established. The purpose of the Board, supported by a project management approach, is to oversee the direction of, and monitor agreed Council OD and Workforce Planning objectives. Heads of Service from all Council Services and relevant partners are represented on the board. The board is chaired by the Head of HR and OD and at an officer level reports progress to the CMT each quarter, and formally to the Board through this Better Council report and annually through overall reporting arrangements linked to the respective strategies.
- 4.3.4 The Council Workforce Plan was approved by the Finance, Resources and Customer Services Board on 30 August 2017 with key communications deployed across all staff groups to raise awareness. The plan provides a strategic link to the Council Plan, Better Council Change Programme (BCCP), Organisational Development Strategy 2016-2019, and takes steps to achieve the commitments made by the Council as part of its response to key outcomes highlighted in Audit Scotland following the Council's Best Value Audit in 2017. The key priorities of the plan are being progressed by services through their own service workforce plan, which are now integrated into Service Improvement Plans in recognition of the key strategic planning objectives

linked to Workforce Planning. This will ensure the robust monitoring and reporting of progress in addition to reducing the risk that workforce planning viewed in isolation from consideration and planning of wider strategic issues facing services and the Council as a whole. Regular meetings take place with Senior Managers across services to capture and monitor progress made against the key priorities and to identify any targeted HR and OD support required. The Council also has representation on the Improvement Service's National Workforce Planning Group and the Scottish Government's Public Sector Network which has a focus on public sector workforce planning around improving youth employment.

- 4.3.5 Since September 2017, new Management and Leadership Development Programmes have been launched. 50 workshop have been delivered so far to approximately 184 managers from across services who participate in Leaders of the Future, ASPIRE and the Chartered Management Institute (CMI) Development programmes. These programmes are targeted at developing our managers around the key themes of managing and leading change, developing a high performing culture, embedding workforce planning and creating innovation to enhance service and business opportunities. Positive feedback from managers attending these programmes have highlighted that the delivery style, course content, Head of Service endorsement/engagement and peer networking opportunities are all key benefits of participating.
- 4.3.6 To ensure the future people development is modern, sustainable, targeted and accessible, a review of all Corporate People Development provision has commenced involving key stakeholders from services, trade unions and staff panels. All corporate people development activities, incorporating the development needs staff at all levels, the contract for e-learning provision, and how to support our female workforce into management or leadership roles are in scope of the review. The future vision being to move to a delivery model which provides services with improved and accessible on-demand, targeted interventions which are modern, fit for purpose and involves key partners where necessary. All future people development provided will be aligned to the priorities of service workforce plans and needs and will reinforce a culture of engagement and high performance across the Council. It is anticipated the review will be concluded by March 2018.
- 4.3.7 The HR Policy Plan Review is progressing positively with the Trade Unions with a new People, Performance and Talent Appraisal Policy as well as looking at developing new policies to support changing needs across the workforce in respect to caring responsibilities and the introduction of flexible retirement options as part of managing an ageing workforce. It is anticipated that revised policies in this regard will be presented to the next cycle of the policy board for consideration and approval.
- 4.3.8 The Council successfully secured £10k from the **Flexible Working Development Fund** which will be used to develop frontline employees on the area of digital skills. The Council is working with West College and the Trade Unions to identify key priority frontline employees to put through phase 1 of the training. The Trade Union Unison has also given the Council £5k contribution towards this project. The Council also sits on the Local Government Digital Partnership (Digital Skills Project) Group where it is identifying the relevant level of digital skills training required for the wider workforce, i.e., basic, operational or specialist and which will form an integral part of the overall development profile across the workforce as the deployment of new digital technology becomes and increasingly commonplace in wider change and transformation programmes.
- 4.3.9 The Council in partnership with other Public and Private Sector Businesses are exploring the opportunity to re-launch the **Cross Organisational Mentoring Scheme**

from April 2018. The Council and NHS Greater Glasgow and Clyde and the National Australia Group (Clydesdale & Yorkshire Banks) previously ran a successful Cross Organisational Mentoring Scheme between 2013-2015. This was the first of its kind in Scotland with involvement from both the public and private sector. The programme won the Professional Development Project of the Year Award at the Scottish Mentoring Network awards in 2015.

4.4 Energy Efficiency

- 4.4.1 As previously reported to the Board, further opportunities for improvement and savings have been identified through the ongoing energy efficiency improvement programme that aim to reduce energy consumption and carbon emissions, whilst reducing spend on energy. This will be delivered through various measures listed below. It is estimated that the ongoing programme will support the release of a further £0.2 million of efficiencies between now and the end of 2017/18. A list of the active projects in this latest batch of projects are outlined below.

Facility	Project Title	Expected Completion Date	Status	Total Financial Saving
Linwood ON-X	CHP Upgrade Works	31/03/2018	Complete	£ 33,928
Lagoon	CHP Relocation from ON-X	31/03/2018	Ongoing	£ 11,605
Renfrew Sports Centre	PV	31/03/2018	Ongoing	£ 4,303
Bridgewater Sports Centre	PV	31/03/2018	Ongoing	£ 3,993
Johnstone Sports Hub Pool	PV	31/03/2018	Ongoing	£ 4,678
Lagoon	Variable Speed Drives	31/03/2018	Complete	£ 9,182
Inchinnan PS	PV	14/04/2018	Ongoing	£ 3,869
Bridge of Weir PS	LED Internal Replacement	Complete	Complete	£ 4,776
East Fulton PS	LED Internal Replacement	Complete	Complete	£ 4,776
St Catherines PS	LED Internal Replacement	Complete	Complete	£ 1,929
St Annes PS	LED Internal Replacement	Complete	Complete	£ 1,891
Underwood Rd Depot	Oil Boiler Replacement	Ongoing	Ongoing	£ 26,460
Our Lady of Peace PS	Boiler Replacement	Complete	Complete	£ 975
Auchenlodment PS	Boiler Replacement	Complete	Complete	£ 1,492
Houston PS	Boiler Replacement	Complete	Complete	£ 2,223
Anchor Centre	Boiler Replacement	Complete	Complete	£ 3,613
St Fergus PS	Biomass RHI	Complete	Complete	£ 23,027
Mossvale/St James	Gas Boilers	Complete	Complete	£ 1,393
Riverbrae ASN	Biomass RHI	Complete	Complete	£ 17,000
Bargarran/St John Bosco	Biomass RHI	01/06/2018	Ongoing	£ 12,000
St Pauls PS	Biomass RHI	01/06/2018	Ongoing	£ 10,000
Various	Anglian Water Payment in Advance	31/03/2018	Ongoing	£ 18,000
Total Savings				£ 201,113

Implications of the Report

1. **Financial** – The report sets out the savings achieved through the BCC programme and those expected to be delivered of coming months. Savings arising from the programme will be appropriately reflected in future year budgets.
2. **HR & Organisational Development** – *no direct implications*
3. **Community Planning** – *none*
 - Children and Young People** – none
 - Community Care, Health & Well-being** - none
 - Empowering our Communities** - none
 - Greener** - none
 - Jobs and the Economy** - none
 - Safer and Stronger** - none
4. **Legal** – *none*
5. **Property/Assets** - *none*
6. **Information Technology** - *none*
7. **Equality & Human Rights** - *The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.*
8. **Health & Safety** – n/a
9. **Procurement** - None.
10. **Risk** – n/a
11. **Privacy Impact** - None.
12. **Cosla Policy position** – None

List of Background Papers

None

Author: Alan Russell, Director of Finance & Resources