

**PERTH AND KINROSS COUNCIL****Modernising Governance Member Officer Working Group  
16 April 2018****Strategic Policy & Resources Committee  
18 April 2018****TRANSFORMATION PROGRAMME 2015-2020****Report by the Depute Chief Executive, Chief Operating Officer**

This report comprises:

- An update on the Transformation Programme approved by Council on 1 July 2015 (Report No 473/15),
- New proposals submitted for Phase 4 of the Transformation programme.

**1. BACKGROUND / MAIN ISSUES****1.1 Overview**

- 1.1.1 The Transformation programme is focused on continuing Perth and Kinross Council's proactive approach to public service reform. The Transformation Strategy ([click here](#)) \* provides a framework for innovation, creativity, flexibility and greater entrepreneurship to meet the significant challenges ahead.
- 1.1.2 A major part of the Council's Transformation Strategy is being delivered through a programme of transformation reviews. The programme currently comprises 18 projects which are developing new ways of working to sustain high quality service delivery, whilst achieving a challenging scale of savings. These reviews are reported to each meeting of the Strategic Policy and Resources Committee.
- 1.1.3 The current programme consists of three phases of reviews, initiated over the past three years. The need for transformational change continues, and this report contains proposals supported and agreed by EOT for a fourth phase of transformation reviews, including proposals which are seeking funding support, through the Council's Earmarked Transformation Reserve.

**2. PROPOSALS****2.1 Progress with Current Transformation**

- 2.1.1 Progress to date on each of the projects is provided in Appendix 1 and 2, as reported through the project management system (VERTO). Appendix 1 is an 'at a glance' dashboard with more detail on a project by project basis, in Appendix 2.

- 2.1.2 The status of the 18 transformation projects is as follows - 9 projects are 'on target', 6 projects have "some issues", 2 projects are at risk and one project is marked as re-scoped.
- 2.1.3 In addition to the active projects which comprise the current programme, two projects (Review of Community Development and Engagement Functions, and Review of Community Campuses Contract and Charging Arrangements) have been completed since the last report on 7 February 2018 (Report number 18/43).
- 2.1.4 The Review of Community Development and Engagement functions realised recurring savings of £80,000 as part of this process. The project was supported with investment of £40,000, which was spent in full to facilitate this work.
- 2.1.5 The Review of Community Campuses Contract and Charging Arrangements realised recurring savings of £180,000. The project was supported with investment of £50,000 to facilitate this, of which £34,000 was spent.
- 2.1.6 Savings to date from completed projects amounts to £1.8 million. This does not include savings achieved by the Transformation projects which are now reported to, and monitored, by the Integrated Joint Board for Health and Social Care.
- 2.1.7 Monitoring of the current projects within the Transformation Programme has identified financial movements in the projects, with £142,000 funding no longer required. This is principally due to some projects being delivered under budget, or with a greater proportion of funding coming from mainstream revenue budgets. The details of the underspend are noted in the table below;

Project	Underspend (£000s)
Licensing transformation	20
Collaborative working (Teacher Supply pool)	20
Collaborative general TES	21
Roads	48
Waste review (collaborative)	33
TOTAL	142

- 2.1.8 This has been offset by requests totalling £126,000 from current Transformation projects for additional funding. These funding requests are detailed in Appendix 3.

## 2.2 Future Transformation Programme (Phase 4)

- 2.2.1 Appendix 4 identifies the proposed future programme of transformation reviews, based on new proposals nominated by Services. Further transformation proposals may arise over time and these will be reported to future Strategic Policy and Resources Committee.

2.2.2 The initial phase 4 proposals, including Outline Business Cases with bids for additional Transformation Funding, were approved by the Executive Officer Team on 27 March 2018.

2.2.3 Currently the available funding in the Earmarked Transformation Reserve is £500,000.

### 3. CONCLUSION AND RECOMMENDATIONS

3.1 It is recommended that the Committee:

- (a) Notes the progress related to the Transformation Programme, as detailed in Appendices 1 and 2.
- (b) Agrees the allocation of funding to address existing project cost pressures as detailed in Appendix 3.
- (c) Agrees the initial Phase 4 Transformation programme, including allocation of funding from the Earmarked Transformation Reserve as detailed in Appendix 4.

#### Author(s)

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#### Approved

Name	Designation	Date
Jim Valentine	Depute Chief Executive and Chief Operating Officer	4 April 2018

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**IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION**

<b>Strategic Implications</b>	<b>Yes/None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>Yes</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>None</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>None</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>No</b>
<b>Communication</b>	
Communications Plan	<b>No</b>

**1. Strategic Implications**Community Plan / Single Outcome Agreement

- 1.1 This report supports the delivery of the Strategic Objectives within the Community Plan 2013-23 and the Corporate Plan 2018-2022.

**2. Resource Implications**Financial

- 2.1 The projections for funding and savings for each project are detailed in Appendices 1 and 2.

Workforce

- 2.2 There are no workforce implications arising from this report.

Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report.

### **3. Assessments**

#### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as not relevant for the purposes of EqIA.

#### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The proposals within this report have been considered under the terms of the act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

#### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

#### Legal and Governance

- 3.7 Not applicable

#### Risk

- 3.8 The report presents progress on all aspects of the transformation programme including movements in financial projections. There are no additional risks which arise from this report.
- 3.9. Project risks are managed within the context of each project.

## **4. Consultation**

### Internal

- 4.1 The Executive Officer Team, Senior Management teams and the Corporate Transformation Board have been consulted in the preparation of this report.

### External

- 4.2 Not applicable.

## **5. Communication**

- 5.1 Communications with staff will be undertaken as part of the individual reviews/projects.

## **2. BACKGROUND PAPERS**

The background papers referred to within the report are:

- Report to Council on 1 July 2015 (Report No 473/15)
- Report to Council, Building Ambition: The Council's Transformation Strategy 2015-2020 and the Organisational Development Framework (report 15/292)
- Report to SP&R Committee in February 2016 (Report No: 16/187)
- Report to Council on 22 February 2017 (Report No: 17/82)
- Report to Strategic Policy and Resources Committee, 27 November 2017, (Report No: 17/393)
- Report to Council on 22 February 2018 (Report No 18/47)
- Highlight Reports of each project on the ERIC Transformation page, ([click here](#))
- \*Hard copies are available from [transformationenq@pkc.gov.uk](mailto:transformationenq@pkc.gov.uk)

## **3. APPENDICES**

- Appendix 1 – Verto Project Report –Programme Dashboard
- Appendix 2 – Progress Report on active Transformation reviews Progress Status
- Appendix 3 – Funding Requests in Current Programme
- Appendix 4 – New Bids in Future Programme