

# **PERTH AND KINROSS COUNCIL**

## **Strategic Policy & Resources Committee 13 June 2018**

### **TRANSFORMATION PROGRAMME 2015-2020**

#### **Report by Depute Chief Executive (Chief Operating Officer) (Report No. 18/198)**

This report comprises:

- An update on progress with the Transformation Programme approved by Council on 1 July 2015 (Report No 473/15),
- Feedback on the Can Do Challenge Bid; and
- An update on Collaborative Working with Dundee City and Angus Councils

## **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 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 17 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 four phases of reviews, initiated over the past three years. The fourth phase of reviews, continuing our commitment to transformation, was presented to Committee on 18 April 2018 (Report No. 18/137), and the projects that were approved for funding will be reported to Committee in future update reports.

## **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 One project has been completed since the last report. The Environment Service – Review of Roads Activities, realised savings of £200,000.

- 2.1.3 The status of the 17 transformation projects is as follows - 8 projects are 'on target', 6 projects have "some issues", 2 projects are at risk and 1 project is marked as 'on hold'.
- 2.1.4 Savings to date from completed projects amounts to £2 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.

## 2.2 Can Do Challenge Bid Feedback

- 2.2.1 The CAN DO Innovation Challenge Fund is a national fund which supports Scottish public sector organisations to find and develop innovative solutions to operational service and policy delivery challenges. The Fund is managed by a partnership of Scottish Enterprise, Highlands and Islands Enterprise, Scottish Government and the Scottish Funding Council.
- 2.2.2 Perth and Kinross Council submitted 4 bids to the Can Do Challenge Fund in January this year. Three bids did not progress past the expression of interest stage. However, one bid progressed to the next stage and the Can Do Innovation Challenge Fund management team have now approved support for the Perth and Kinross Council SEN (Smart Energy Network) bid, to progress to the development stage.
- 2.2.3 This bid proposes the installation of a network of systems that can generate, save, store and trade renewable energy. This will be achieved by installing solar panels coupled with innovative energy storage and management systems at a selection of Council properties to create a Virtual Power Plant (VPP) network. The solar and storage systems will allow buildings to avoid peak electricity charges thereby lowering overall energy bills. The VPP will enable further savings by trading excess energy between Council-owned buildings and providing balancing services to national grid operators.
- 2.2.4 £50,000 was allocated through phase 4 transformation funding (Report No. 18/137), to show the commitment of Perth and Kinross Council to support the Can Do Innovation Challenge bid application. The allocation of funding from the Can Do Innovation Challenge is worth £200,000 towards the development of the Smart Energy Network.

## 2.3 Tayside Collaborative Working Update

- 2.3.1 Across Tayside, the three Councils have led a joint approach to wider collaborative working. Reviews have been identified across ten themes, in collaboration with Angus and Dundee City Councils. The initiation of this work was reported to the Strategic Policy & Resources Committee on 20 April 2016, (Report No 16/187). The themes comprise:

- Integration of Waste
- Economic Development and City Deal
- Children's Services
- Procurement and Commissioning

- Digital Transformation
- One Public Estate
- Developing Tayside Contracts
- Roads
- Fleet/Transportation
- Corporate Services

2.3.2 Working together across our three Councils provides an opportunity to deliver better outcomes for our communities, as well as creating new opportunities for our staff. Collaborative working between the three local authorities creates access to a wider pool of specialist staff to support communities across the whole area. It also offers new opportunities for colleagues, by creating career paths and greater opportunities for advancement.

2.3.3 By reducing duplication, effective sharing of assets, pooling our purchasing power, sharing our investment and standardising around best practices, we can help create more efficient services, to help us face the challenging financial climate with confidence.

2.3.4 Working between our three Councils is not new. Several partnerships have been well-established for many years, such as the Roads Maintenance and Street Lighting Partnerships, and the Tayside Procurement Consortium. However, these new developments are taking our collaborative working to a new level.

2.3.5 An update of the Collaborative work underway across each of the workstreams is attached at Appendix 3.

### **3. CONCLUSION AND RECOMMENDATIONS**

3.1 It is recommended that the Committee:

- Notes the progress related to the Transformation Programme, as detailed in Appendices 1 and 2;
- Notes the confirmation of funding for the Can Do Challenge Fund bid for Perth Smart Energy Network;
- Notes the Tayside Collaborative Working Update.

#### **Author(s)**

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**Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Jim Valentine	Depute Chief Executive and Chief Operating Officer	16 May 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 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 are available on the ERIC Transformation page.
- Hard copies of The Transformation Strategy are available from [transformationeng@pkc.gov.uk](mailto:transformationeng@pkc.gov.uk)

## **3. APPENDICES**

- Appendix 1 – Verto Project Report – Programme Dashboard
- Appendix 2 – Progress Report (by line) on active Transformation reviews Progress Status
- Appendix 3 – Collaborative Working Update