

# PERTH AND KINROSS COUNCIL

## Perth & Kinross Council

22 June 2022

### TRANSFORMATION & CHANGE STRATEGY 2022/23-2027/28

#### Report by Chief Executive

(Report No 22/142)

## 1. PURPOSE

- 1.1 The Revenue Budget 2022/23 & Reserve Strategy (Report No 22/35) presented on 23 February 2022 referred to the need to introduce an organisational wide programme of transformation and change to help address the significant financial, economic, social and environmental challenges.
- 1.2 This report sets out our strategy for Transformation & Change for the period 2022/23 -2027/28.

## 2. RECOMMENDATIONS

- |     |   |
|-----|---|
| 2.1 | <p>It is recommended that Council:</p> <ul style="list-style-type: none"><li>notes the Council's strong track record of effective delivery of Transformation and Change programmes – Ambition Programme 2015 – 2020</li><li>notes the links with the Council's 5-Year Financial Strategy</li><li>approves the content and approach outlined within the Transformation &amp; Change Strategy 2022/23 – 2027/28</li><li>requests the Chief Executive to bring forward further reports to the Finance and Resources Committee on the implementation and delivery of the Strategy</li></ul> |
|-----|---|

## 3. STRUCTURE OF REPORT

- 3.1 This report is structured over the following sections:
- Section 4: Background
  - Section 5: Proposals
  - Section 6: Conclusion
  - Appendix 1: Transformation and Change Strategy

## 4. BACKGROUND / MAIN ISSUES

- 4.1 Since it came into being in 1996, Perth and Kinross Council has been required to change and respond to the needs of our local communities and the many social, economic, environmental, and other challenges we have faced. As we continue our recovery from the Covid pandemic, see the impact of ongoing conflict in Ukraine, work to address our climate emergency and face significant financial challenges to us as an organisation and people across our communities, the need to evolve and change is more pressing than ever.
- 4.2 Like all councils, we are facing these and other challenges against a backdrop of the most challenging financial circumstances local government has ever experienced. Rising costs also impact on what we need to pay out, and with a reducing income we are left with a significant budget deficit. It is impossible to continue doing the same things we have done in the past and we must rethink how we work with, and within, our communities as well as with all our partners to achieve the best outcomes for the people of Perth & Kinross.
- 4.3 We have a successful track record in delivering transformation and continuous improvement across the Council. Our Building Ambition Programme 2015 – 2020 supported the delivery at a local level of public service reform with transformation projects across a range of areas including the school estate, Home First, REACH, and our corporate digital strategy with a shift to online services and mobile working.
- 4.4 In its Covid-19 Recovery Strategy - for a fairer future, the Scottish Government sets out its vision for recovery and the actions it will take to address systemic inequalities made worse by Covid-19, make progress towards a wellbeing economy, and accelerate inclusive person-centred public services. The strategy highlights the need to re-build public services and sets out how it will work differently with partners to deliver change.
- 4.5 Although the challenges we face are substantial, we have significant experience in delivering transformation and improvement projects and we know from previous experience that a focussed programme of transformational change can make a real impact on the way that we operate. The success of our future transformation and change programme will be built on our biggest asset, our staff team. They show an unwavering commitment to serving the public and when required have stepped up and faced challenges and changes whilst continuing to deliver.
- 4.6 The Transformation & Change Strategy is a 5-year strategy and sets out our next phase of transformation and sits within the Council's wider strategic framework and acts as an enabler to deliver on our Corporate objectives.
- The revised **Corporate Plan 2022/23 - 2027/28** will set our vision and corporate objectives, aligned with our values, and will be designed to address, or mitigate, the impact of the many challenges our organisation and our communities are facing. These objectives will be underpinned by

themes including reducing poverty and inequality; improving life chances and choices for all; improving people's wellbeing; supporting sustainable communities and ensuring people are connected.

- The **Financial Strategy** – details the financial challenges we face, the extent of the structural deficit and measures we must take now and over the next 5 years to identify savings, reduce our budgets and support the Council to become financially sustainable.
- The new **Local Outcome Improvement Plan** - will detail new priorities and the actions that the Community Planning Partnership will take in the coming years to focus on inequalities which are stubborn and require new collaborative approaches.
- The **Perth and Kinross Offer Framework** - details the actions that we will take over the next 5 years to deliver and embed the Perth and Kinross Offer and the programme of cultural change that will transform how we work with colleagues, communities and our partners.

4.7 The strategy sets out our commitment to develop an organisation for the future which:

- Puts people first, focussing on getting it right for those who most need our help and support
- Has a values led culture with ambition, compassion and integrity at the core
- Prioritises services which help prevent a crisis happening, rather than just reacting
- Works together with our communities and partners to deliver the best services we can within the resources and budget we have available
- Makes the most of the buildings and other assets we have, and disposes of those we no longer need
- Supports our workforce to be the best, ensuring they are well-trained and empowered to work flexibly in and with our communities
- Is a visible and valued part of our communities, recognisable and available where and when we're needed
- Makes full use of data and local knowledge to understand where and when we are most needed and makes use of technology to allow those who can self-serve to do so

## 5. PROPOSALS

5.1 Delivery of the Transformation & Change programme will be underpinned by our organisational wide cultural and behavioural change programme and a clear commitment to fully embed and demonstrate our values of **Ambition, Compassion, and Integrity**.

5.2 The success of our transformation and change programme will, as with all previous changes, be built on building support both inside and outwith our organisation. A continued focus on building relationships, connecting, supporting, involving, and communicating with our staff, communities and

partners is an essential part of a successful transformation and change programme. We recognise that change can be both exciting and scary, creates opportunities and threats and is best done with and not to people.

- 5.3 We recognise that the shape and structure of our organisation needs to change, and we need to place a greater focus on the delivery of the Perth and Kinross Offer to transform the experience of people who use our services. This needs to be the cornerstone of our transformation and change programme.
- 5.4 Due to the size and complexity of the organisation and the nature of challenges we face, the transformation and change programme will require a range of approaches as detailed below. No two projects will be the same and for larger scale projects of a more complex nature, it is likely that many of the approaches will be adopted to deliver the required outcomes.
- 5.5 Aligned with our corporate objectives and priorities the programme will be categorised into three key themes:
  - **People and Place** – we will change and transform how we work with people, bothin inside and outwith our organisation
  - **Partners** – we will change and transform our engagement and work with partners and local businesses to strengthen our ability to meet priorities
  - **Perth & Kinross Council (our organisation)** – we will change the shape of the organisation to transform and meet our ambitions, increase our flexibility with our people, finances and assets.
- 5.6 The programme will be developed and phased over a 5 year period and work undertaken during year 1 will be key to setting the foundation for the successful delivery of the programme in future years. In the short-term, we will focus on activity to reduce the budget shortfall.
- 5.7 To meet the significant financial challenges the strategy needs to dovetail with the ambitions of the Council’s 5-Year Financial Strategy.
- 5.8 The strategy provides an early indication of potential projects. However, these proposals require to have a clear scope, as well as clearly articulating the benefits, savings and impact. Projects will then be developed into full business cases to evidence and provide greater assurance on deliverability and achievement of outcomes.
- 5.9 Integral to developing the programme will be improvements to internal efficiency through our demand management approach. In developing projects, we will target areas where we can achieve greater efficiency by further reducing duplication and wastage. This is to ensure services reach the right people at the right time and helps us deliver our vision and objectives.

- 5.10 As this is a 5 year plan, a flexible and agile approach will be adopted to the programme and projects may be added, changed or removed if the original benefits and/or outcomes do not offer best value.
- 5.11 The Chief Executive will lead the Transformation Programme and chair the newly established Transformation Board. Update reports on the Transformation and Change Strategy will be provided on a regular basis to Council for information and approval as required. In addition the development and progression of the programme of activities will be regularly updated to Joint Leaders meetings and will form an element of the focus of future Governance Member Officer Working Groups.
- 5.12 Through a range of methods and mechanisms we will measure and assess the impact and outcomes of the transformation and change work. Quality assurance, benefits realisation assessments, ongoing review and monitoring will be embedded at a project and programme level. In addition, and where appropriate, achieved outcomes from the programme will be reported at an organisational level through the Council's Annual Performance Report with service specific updates being provided within individual service Annual Performance and Business Improvement Plans

## 6. CONCLUSION

- 6.1 This report sets out our proposals for our Transformation & Change Strategy and aligns with the Council's 5-Year Financial Strategy. It also underpins the delivery of our strategic objectives to ensure that transformation and improvement is embedded in the delivery of council services.

### Author(s)

Name	Designation	Contact Details
Charlene Guild Clare Mailer		

### Approved

Name	Designation	Date
Thomas Glen	Chief Executive	15 June 2022

- Appendix 1 – Transformation and Change Strategy

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

You can also send us a text message on 07824 498145.

All Council Services can offer a telephone translation facility.

## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

The undernoted table should be completed for all reports. Where the answer is 'yes', the relevant section(s) should also be completed. Where the answer is 'no', the relevant section(s) should be marked 'not available (n/a)'.

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan	n/a
Corporate Plan	n/a
<b>Resource Implications</b>	
Financial	n/a
Workforce	n/a
Asset Management (land, property, IST)	n/a
<b>Assessments</b>	
Equality Impact Assessment	n/a
Strategic Environmental Assessment	n/a
Sustainability (community, economic, environmental)	n/a
Legal and Governance	n/a
Risk	n/a
<b>Consultation</b>	
Internal	n/a
External	n/a
<b>Communication</b>	
Communications Plan	n/a

### 1. Strategic Implications

#### Community Plan

1.1 This report supports all of the objectives within the Community Plan.

- (i) *Giving every child the best start in life*
- (ii) *Developing educated, responsible and informed citizens*
- (iii) *Promoting a prosperous, inclusive and sustainable economy*
- (iv) *Supporting people to lead independent, healthy and active lives*
- (v) *Creating a safe and sustainable place for future generation*

#### Corporate Plan

1.2 This report supports all of the objectives within the Community Plan.

- (i) *Giving every child the best start in life;*
- (ii) *Developing educated, responsible and informed citizens;*
- (iii) *Promoting a prosperous, inclusive and sustainable economy;*
- (iv) *Supporting people to lead independent, healthy and active lives; and*
- (v) *Creating a safe and sustainable place for future generations.*

## **2. Resource Implications**

### Financial

- 2.1 The transformation and change strategy, and projects identified within it will support the Council's Finance Strategy along with the medium term financial plan.

### Workforce

- 2.2 The transformation and change strategy, and projects identified within it will be supported by the Council's Workforce Management Plan.

### Asset Management (land, property, IT)

- 2.3 Not applicable at the moment.

## **3. Assessments**

- 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.

### **This has still to be completed**

### Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

### Sustainability

- 3.3 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. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change and, in exercising its functions must act:
- in the way best calculated to delivery of the Act's emissions reduction targets;
  - in the way best calculated to deliver any statutory adaptation programmes; and
  - in a way that it considers most sustainable.

This section has still to be completed.

## Legal and Governance

- 3.4 The Head of Legal and Governance has been consulted as part of the Transformation Board.

## Risk

- 3.5 Risk management will be an integral part of managing the Transformation and Change Strategy and plan. key risks will be reported to elected members as required.

## **4. Consultation**

### Internal

- 4.1 The Joint Leaders have been consulted with in relation to the strategy, along with the wider leadership forum of officers across the Council.

### External

- 4.2 There will be an extensive consultation and enegagement plan for the Strategy

## **5. Communication**

- 5.1 There will be an extensive consultation and enegagement plan for the Strategy.

## **2. BACKGROUND PAPERS**

This section should list the documents that have been relied on in preparing the report, other than those committee reports already referenced within the main body of the report. All documents must be kept available by the author for inspection by the public for four years from the date of the meeting at which the report is presented.