

**THE HIGHLAND COUNCIL**  
**29 June 2006**

**The Highland Council beyond 2007**  
**Report by the Chief Executive**

**Summary**

This report considers key issues likely to influence the management and staffing arrangements of the Council over the next few years.

It recommends that the Council considers organising service delivery around the multi-member ward that will be put in place following the 2007 election, that there should also be three operational management areas for more strategic services and that the number of services should be reduced to six.

The report makes recommendations for a programme of procurement and business improvement activity aimed at securing efficiencies in the way the Council delivers services.

**Introduction**

1. The Highland Council, in common with other local authorities in Scotland, will face significant change in the period leading up to, and following, the 2007 Local Government Election. The Council considered a report at its February 2006 meeting which provided an overview of these changes and options for the way that the Council organises itself.
2. The Council agreed that these issues would be the subject of discussions between the Convener, Vice Convener and local members before considering further reports on this issue at future Council meetings. Discussions have now been held with members of all Area Committees and with Area Chairmen and Strategic Chairmen. I have also discussed this with the Senior Management Team.
3. A report to the May 2006 meeting of the Council set out the broad corporate implications for the Council's staffing in the event that the Council transfers its housing to Highland Housing Association following the tenant ballot in October 2006. This report looks further at the management and staffing implications in the event of housing transfer; considers the impact of the 2007-8 and subsequent budgets; considers the implication for service delivery and management arrangements of multi member wards; and looks beyond 2007 to changes to planning legislation and liquor licensing. Other changes in relation to a unified court system, shared services and public sector reform may also come in that period.

4. Two separate reports on this agenda deal with the implications of the Scottish Executive's report on procurement arrangements in the public sector and the Scottish Executive's consultation on shared services.
5. A further report to the special Council meeting in September will consider member issues and the impact that the 2007 electoral changes may have on the Council as well as further issues arising for management and staffing arrangements.

### **Key Issues**

6. Forthcoming budgets will see a continuation of the need to find savings. In the case of the 2007-8 budget, the Director of Finance advises that The Highland Council needs to find savings in excess of £20m to deal with price rises, service pressures, the costs of job evaluation and the impact of housing transfer. These budget pressures will continue in future years and it is quite clear that if the Council is to deal with these pressures it needs to organise service delivery as efficiently as it can and also ensure that its management and administrative overheads are kept to the minimum.
7. The Council considered a report on the corporate implications of housing transfer at its meeting on 4 May. If the tenant ballot favours transfer and if Scottish Ministers approve the transfer proposals, then it will be important to have the organisational implications of the transfer clearly set out. Equally, if the transfer does not take place it will be important to have set out the implications arising from that.
8. For these reasons the focus of this report is on management and staffing arrangements. It is proper that consideration of management and staffing arrangements should be primarily driven by the most effective and efficient way to meet service needs. New committee and political arrangements may not be finalised until after the 2007 election. Nevertheless, there are issues relating to the organisation of committees and arrangements to support the roles of elected members that will influence the arrangements for service delivery. In the discussions with members and the senior management team there appears to be a broad consensus around the following points that impact on management and staffing arrangements:
  - a. Most members recognised that multi member wards will require new ways of working together within wards and that the new arrangements afforded the opportunity for decentralisation of the delivery and management of local services to ward level with support for the concept of a ward manager serving one or two wards. Within this general principle there is a general recognition of the need to deal with the City of Inverness as a whole rather than as a collection of wards. It is also clear that there are common sense and efficiency considerations in organising service delivery for Inverness as a whole. The two Lochaber wards split Fort William and similar considerations apply; whilst in Caithness the rural Caithness ward is served primarily from Wick and Thurso.

- b. The issue of member involvement in local service decision making remains to be considered; however, there is general acceptance that the creation of formal arrangements for 22 ward committees or sub-committees could create an unwieldy bureaucracy in support of them and could also lead to difficult issues in decision making that involves only 3 or 4 members. Most members support the development of a ward forum comprising of the 3 or 4 ward members together with appropriate community representatives meeting regularly with local managers and other public service organisations in a way that meets local circumstances. This arrangement could allow effective local democratic and public scrutiny of service delivery as well as being a good forum for community planning.
- c. The current roles for Area Committees will be significantly changed post 2007. Not only will boundaries change; new planning legislation currently before parliament will reduce the numbers of planning items – which can make up half or more of committee business - to 15% of present volumes. It will also, however, give new roles to members in dealing with complex planning applications and some planning appeals and will demand significantly revised arrangements for members' roles in planning matters. If housing transfer goes ahead, then items on council housing will no longer be reported to committee. New liquor licensing arrangements will also throw into question the need for 8 separate Licensing Boards.
- d. There is a clear desire to create local arrangements that will continue to reflect local identities, provide local political leadership and which would allow civic traditions to continue.

As mentioned in paragraph 5 above, a further report on committee and political issues will be presented to the September meeting of the Council.

- 9. Elsewhere on this agenda, members will consider reports on shared services and procurement. The Minister for Finance and Public Services Reform published earlier this month a paper on “Transforming Public Services” that is aimed at stimulating debate on the nature of public services in Scotland. That debate will take place over the coming months. What is clear, however, are the themes that public service delivery in Scotland is fragmented between many organisations; that the focus of public services needs to be on making a difference to lives of service users and the communities they live in; and that there is a need to generate the maximum benefit from every public pound spent. The report also highlights the potential role for elected members in scrutinising public services, whether or not delivered by the local authority.
- 10. The proposals in this report set out a direction of change for the Council. As the preceding paragraphs demonstrate it is highly likely that over the next few years there will be other changes affecting the Council and how it organises itself. Amongst these changes are likely to be consideration of how children's services and community care should be organised and delivered. This report does not

deal with that, but I believe that these are matters that should be addressed in the next term of the Council.

## Principles

11. Discussions with members and managers over the last few months have set out very clearly the main principles that should lie behind the organisation of service delivery by the Council:-
  - a. There is a need to have a clear focus on **affordability, effectiveness and efficiency**. Budget pressures inevitably mean that there will be a need to reduce management and staffing numbers. There needs to be a focus on minimising overheads to protect service delivery, but service delivery also needs to be efficient;
  - b. There needs to be **standardisation and consolidation of functions** across services coupled with modernisation of business processes, job roles and conditions to be more efficient and reduce costs;
  - c. There should be **focus on local service delivery at Multi Member Ward level**;
  - d. For those functions that need to be managed on a wider basis; **operational management areas should be based on efficiency and effectiveness of service delivery** and there should be no operations directly managed from HQ, if possible,
  - e. The Council plays a key role in the rural economy through jobs and services. Whilst there will be a need to reduce numbers, it is important that the Council has a **policy of dispersed management and functions** in recognition of this;
  - f. The Council operates together with **other service providers**, whether with other public organisations, such as the NHS, or with the private sector for services such as IT or construction projects. That needs different partnership arrangements and different scrutiny arrangements.

## Proposals for local service delivery

12. Following on from these principles it is proposed that:
  - a. **Local service delivery**, management and budgetary responsibility should be based, as far as possible, at ward level with a ward manager managing one or two wards together. **The ward manager** would have responsibility for working with elected members, ensuring effective local service delivery, and running a community forum which brings members, community representatives and local service managers together to scrutinise service delivery and provide a forum for community planning.
  - b. There should be **three operational management areas** for those services that can not be effectively or efficiently delivered and managed at ward level. It is proposed that services will re-organise their service management arrangements to reflect this and that there will be three area based posts of **corporate manager** in the Chief

Executive's Office who will co-ordinate services and line manage the ward managers.

- c. Operational service delivery will not normally be carried out from HQ. Where a direct service does require to be managed on a Highland wide basis it should be from a suitable location outwith HQ.

13. **Appendix 1** contains a first draft of a profile for East Sutherland and Edderton ward providing a map of the ward and information on community councils, properties, establishments and depots in the wards together with a population profile of the ward residents. This is very much a first draft of the information and the intention would be to supplement this with a profile of service delivery and capital projects in the ward. The purpose of presenting this draft at this early stage is to demonstrate the extent of service delivery that takes place and is managed within the new wards and to provide a framework for ward management and member and public scrutiny of service delivery. In the Education Culture and Sport Service, for example, the East Sutherland and Edderton ward contains 6 primary schools, 2 secondary schools and three libraries all of which are locally managed. Increasingly, community schools will provide a focal point for the delivery of a wider range of services to children and families. Similarly, the TEC Services teams based in the local depots deal with grounds maintenance, burials and burial grounds maintenance, street sweeping, drainage maintenance, play area inspection and maintenance, public convenience cleaning, war memorials maintenance, minor road and footpath repairs and winter maintenance for footpaths. In most cases these services should and can be managed from within the ward or a combination of two adjacent wards.
14. An important principle which the Council has already established, and which works well in some areas, is that of flexibility to local communities, members and managers to vary service delivery to suit local circumstances provided it complies with the Council's overall policies, does not create inefficiencies and is lawful. A key lesson is that this only really works well where there is discretion in spending and I would recommend that local discretionary grant budgets should be brought together for disbursement at the new ward level.
15. The proposed local service delivery model is intended to strengthen first line management of these and other services that are delivered within wards and to make sure that what can be decided locally is decided locally, but also that if services need to be managed and decisions taken on a wider area that is clearly set out. These proposals to devolve as much as possible to front line management will involve reductions in the numbers of other management posts at other levels in the organisation. Directors have been asked to consider how these proposals for service delivery together with the reduction in number of separate services will lead to a reduction in management costs in their services.
16. Currently, there is a mish-mash of administrative boundaries in the Highlands. Each public body has a different basis for its internal management and administrative arrangements and the Scottish and Westminster Parliamentary Constituency boundaries differ from each other. For the purpose of service

delivery it is important that the three areas are each of reasonable size, make sense in terms of communities and allow for efficient service delivery arrangements. It is also important that within the Council, services are working to common boundaries. For the purpose of working with partners it will be important to take a pragmatic approach, given the different boundaries, and be able to work across boundaries with partners. It is proposed that administrative boundaries should be dealt with in the report to council in September along with partnership working.

### **Proposals for service organisation**

17. The Council has re-organised and slimmed down its management and service structures in 1998 and 2001 to the present arrangements of a Chief Executive's Office, 3 support services and 5 direct services. It is proposed to reduce this further by
  - a. **Merging the Chief Executive's Office and Corporate Services;**
  - b. **Transferring retained Housing Service functions to Planning and Development and Social Work Services** if housing transfer proceeds:  
and
  - c. **Transferring Property and Architectural Service functions to Planning and Development** if housing transfer proceeds.
  
18. This will organise the Council into six services rather than the present nine, with consequent reductions in overlapping functions, management and overhead costs. All Directors have also been asked to consider how, within the proposals for local service delivery set out above, they would achieve a 5% reduction in staffing costs and a 20% reduction in management costs between now and April 2009 as part of implementing these changes and as part of the approach to the 2007-8 and 2008-9 budgets. It is important to recognise that teacher numbers in schools need to meet national conditions of service and that changes will be driven by school roll numbers. Members will also recall that an element of savings in school staffing from roll changes has been allocated to part fund the Schools PPP.
  
19. The current arrangement of 9 services with 8 areas leads to fragmentation and overlap in the way functions are carried out. The proposals above will improve on this position. There is also a need to standardise and consolidate on the way functions are carried out to allow for more efficient working. The Council has been pursuing improvement in the issues set out below for some time, however the need to deliver efficiencies for budgetary reasons coupled with the opportunity presented by the restructuring, lead me to recommend that the Council should increase the efforts devoted to these areas:
  - a. **Procurement:** A report elsewhere on this agenda will recommend that as a response to the McClelland report on procurement, the Council should organise its procurement function into a single unit within the Finance Service as the best means of gaining maximum efficiency and allow the Council to lead on procurement for other public bodies in the future;

- b. Property rationalisation:** The Council has agreed to pursue office property rationalisation in East Sutherland, Wick and Dingwall. This should lead to a reduction in property costs and running costs. However, there is also an opportunity to rationalise on the way services are organised within corporate buildings to reduce back office and front office costs. The work for East Sutherland provides a model that can be replicated in other areas. This is a model that can be applied in existing corporate buildings as well as new build.
- c. Capturing IT efficiency and benefits:** The Council has made a significant investment in IT over recent years and has seen significant improvements in productivity as a result. There remains, however, the need to take the full benefits from the introduction of new and replacement systems over the coming two years.
- d. Rationalise back office processes:** The standardisation and consolidation of back office functions such as benefits processing, financial assessments and job costing is essential to achieve consistent outcomes and efficiencies in operation. Some of this may be achievable by the use of technology, but for other areas and services it may also require fewer separate functions and teams.

20. **Appendix 2** outlines this business improvement agenda. Members agreed in September 2005 to devote £250,000 from balances to fund the continuation of a business improvement team of secondees working to this agenda. 24 staff have so far been fully trained in this approach with a further 179 staff receiving some elements of training; savings of over £300,000 per year have been identified so far from the work of the team. It is recommended that the Council agrees to continue the contribution from balances devoted to this area of work for the period up to the end of 2008-9 and that a detailed report be submitted to the Budget Working Group to take this recommendation forward. The opportunity should be taken in this report to consider whether the organisation of performance management and business improvement activity in the Council is organised in the most effective way.

### **Proposals to merge the Chief Executive's Office and Corporate Services**

- 21. The creation of multi member wards with ward managers, changes to Area Committee functions and move to operational management areas will, if agreed by Council, make significant differences to the functions and roles of staff in the Chief Executive's Office and Corporate Services. There will also be changes to managers', administrators' and solicitors' roles in the future as a result of housing transfer, changes to licensing and the proposed creation of a unified court system by 2008. There are also opportunities to share support services between the two services in areas and at HQ. Steps have already been taken towards that in Ross and Cromarty, Nairn and Badenoch and Strathspey.
- 22. It is recommended that the Chief Executive's Office and Corporate Services should merge and that the Director of Corporate Services/Depute Chief Executive's post should be redesignated as Depute Chief Executive. Reflecting the previous recommendations that there should be created posts of ward manager and corporate managers, it is recommended that the posts of Area

Managers, Area Development Managers and Area Administrators should be deleted.

23. The full implementation of the Council's payroll and personnel system will afford the opportunity to consolidate personnel, employee development, recruitment and health and safety functions across the Council. This area should also be subject to review.
24. The roll out of CRM between August and November of this year will allow more functions to be dealt with through the single "front office" of service points and corporate offices. The registration and service point network already overlap in staffing and premises to a significant extent and the opportunity should be taken to create a single management.
25. Members may also wish to consider whether to transfer the European Unit from Planning and Development to the Chief Executive's Office to allow the management of the 2007-2013 European programme to be more closely linked to the work of the Highlands and Islands Conveners Group. This would also allow a more co-ordinated approach to community regeneration funding managed through the Community Planning Partnership.
26. As a result of member concerns at the progress of the Energy Management Working Group it is proposed to create a single Sustainability Team in the Chief Executive's Office instead of staff being located in different services.

### **Proposals for the Housing Service and Property and Architectural Services**

27. The functions and staff that will transfer to Highland Housing Association should housing transfer proceed have already been reported to Council. It is proposed that there should not be a separate housing service within the Council if transfer proceeds, that the post of Director of Housing together with those management and staff on the TUPE transfer list would transfer to the Highland Housing Association and that the functions remaining with the Council should be organised as follows:
  - a. Housing Strategy, Grants and Development should transfer to the Planning and Development Service;
  - b. Supporting People and Homelessness should transfer to the Social Work Service;
  - c. Discussions continue on the most appropriate arrangements for the management of Gypsy Travellers sites, Community Wardens and Anti Social Behaviour and recommendations will be made to the Council in a future report.
28. It is also anticipated that up to one third of Property and Architectural Services staff will transfer to Highland Housing Association by TUPE transfer or recruitment. This will make delivery of the Council's capital programme even more difficult and also leave high overhead costs. It is proposed, therefore, that the Council should examine the business case for procuring a private sector partner for the delivery of its property functions and that Property and

Architectural Services should no longer operate as a separate service. It is proposed that responsibility for these functions should transfer to the Planning and Development Service with the deletion of the post of Director of Property and Architectural Services and a review of the management requirements to deliver an effective property service.

29. It was previously reported to Council that housing related services provided by the Finance Service, Corporate Services, the Chief Executive's Office and TEC Services could either continue to be provided to Highland Housing Association under fixed term contracts or would leave the Council with excess staffing levels. Discussions continue with Highland Housing Association about staff transfer and the basis on which the Council could provide services to the Association. Any resultant issues, not already covered by the proposals above will be picked up in the budget proposals of each of these services for 2007-8 and subsequent years.
30. In the event that Housing transfer does not take place, the Council is likely to be asked by Communities Scotland to demonstrate how it will meet and fund the Scottish Housing Quality Standards by 2015. It will also have to review how long the current housing staffing structure remains viable if house sales continue at a rate of 500-600 per year; and to take steps to reduce corporate costs borne by the HRA. It is envisaged that action might require to be taken over a 3 year budgetary period rather than the 2 years assumed for the implementation of housing transfer in this report. I am clear that the current organisational arrangements are not a viable option for the Council beyond the medium term. It is also very unlikely that housing retention would improve on the Council's ability to deliver its capital programme without the assistance of a partner.

### **Timescales**

31. The timescale for these changes covers the period from now until April 2009. Implementation over that period recognises the urgency of addressing budget issues as soon as possible; the step change that will occur following the election in May 2007; a period of managed change to implement housing transfer following a positive decision to proceed; the timescales for a major procurement exercise; and major legislation, the commencement date of which is beyond 2007, but which should be planned for now. **Appendix 3** sets out an indicative timetable for the events covered in this report.
32. This timescale recognises the realities of events outwith the control of the Council, but also allows a planned and well communicated process which minimised the amount of change at any one time to ensure that disruption to service delivery is kept to the minimum. It is very important to stress that 90% of Council employees' jobs will remain unchanged by these proposals and that in the planning of any changes continuity of service delivery is paramount. There will, however, require to be greater flexibility in roles and in the way tasks are carried out.

### **Next steps**

33. If the Council is minded to agree the recommendations in this report on the way forward, further detailed reports will be brought back for consideration by the appropriate committees of the Council and the Budget Working Group in respect of the efficiency strategy and budget issues.
34. The trades unions have already had an opportunity to discuss this report with the Chief Executive and Director of Corporate Services. A formal process of consultation and communication with trades unions and staff will follow decisions by the Council.
35. Further reports to the Council in September will deal with committee and political issues; partnership working and community planning; any follow up to the management and staffing issues arising from the Council's decisions at this meeting; and the Scottish Executive's discussion paper on "Transforming Public Services".

#### **Recommendations:**

It is recommended that the Council:-

- (i) Notes that the budgetary position in future years, the impact of job evaluation and the outcome of housing transfer will all have far reaching implications for the Council's management arrangements and staffing numbers;
- (ii) Notes that the creation of multi member wards at the 2007 election and the significant changes to the functions carried out by Area Committees as a result of legislation and housing transfer demand a rethink on how the Council can best deliver services locally.

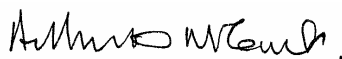
In consequence, it is recommended that the Council:-

- (iii) agrees that **local service delivery** should be based as far as possible at multi member ward level;
- (iv) agrees that there should be created posts of **Ward Manager** within the Chief Executive's Office managing one or two wards together with responsibility for working with elected members, ensuring effective local service delivery, and running a community forum which brings members, community representatives and local service managers together to scrutinise service delivery and provide a forum for community planning.
- (v) agrees that there should be **three operational management areas** for those services that can not be effectively or efficiently delivered and managed at ward level and that services will re-organise their service management arrangements to reflect this;
- (vi) agrees that there will be **three posts of Corporate Manager** in the Chief Executive's Office who will co-ordinate services and line manage the ward managers;

- (vii) Agrees that **operational service delivery will not normally be carried out from HQ;**
- (viii) **Agrees to reduce the number of services and review management arrangements** by:-
- a. **Merging the Chief Executive's Office and Corporate Services** and that the Director of Corporate Service/Depute Chief Executive's post should be redesignated as Depute Chief Executive and:-
    - i. Deleting the posts of Area Managers, Area Development Managers and Area Administrators;
    - ii. Reviewing personnel, employee development, recruitment and Health and Safety functions across the Council;
    - iii. Creating a single management for the registration service and service point network as part of the development of a single "front office" for the Council;
    - iv. Transferring the European Unit from Planning and Development to the Chief Executive's Office;
    - v. Creating a single Sustainability Team in the Chief Executive's Office instead of staff being located in different services.
  
  - b. **Transferring Housing Service functions to Highland Housing Association**, in the event that housing stock transfer proceeds, together with the post of Director of Housing and those management and staff posts on the TUPE transfer list and **organising the retained housing functions as part of the Planning and Development and Social Work Services** and specifically that:-
    - i. Housing Strategy, Grants and Development should transfer to Planning and Development;
    - ii. Supporting People and Homelessness should transfer to Social Work; and
    - iii. further consideration is given to responsibility for Gypsy Traveller Sites, Community Wardens and Anti Social Behaviour.
  
  - c. **Transferring Property and Architectural Service functions to Planning and Development** if housing transfer proceeds, deleting the post of Director of Property and Architectural Services and reviewing the management and staffing requirements to deliver an effective property service, whether delivered in house or with a partner organisation;
  
  - d. **Considering the business case for procuring a private sector partner for the delivery of its property functions** if housing transfer proceeds;
- (ix) Notes that **should housing transfer not take place, the current**

**organisational arrangements for Housing and Property and Architectural Services are unlikely to be a viable option** for the Council beyond the medium term and that housing retention would not change the Council's ability to deliver its current capital programme without the assistance of a partner. In these circumstances a further review of organisational arrangement would be necessary;

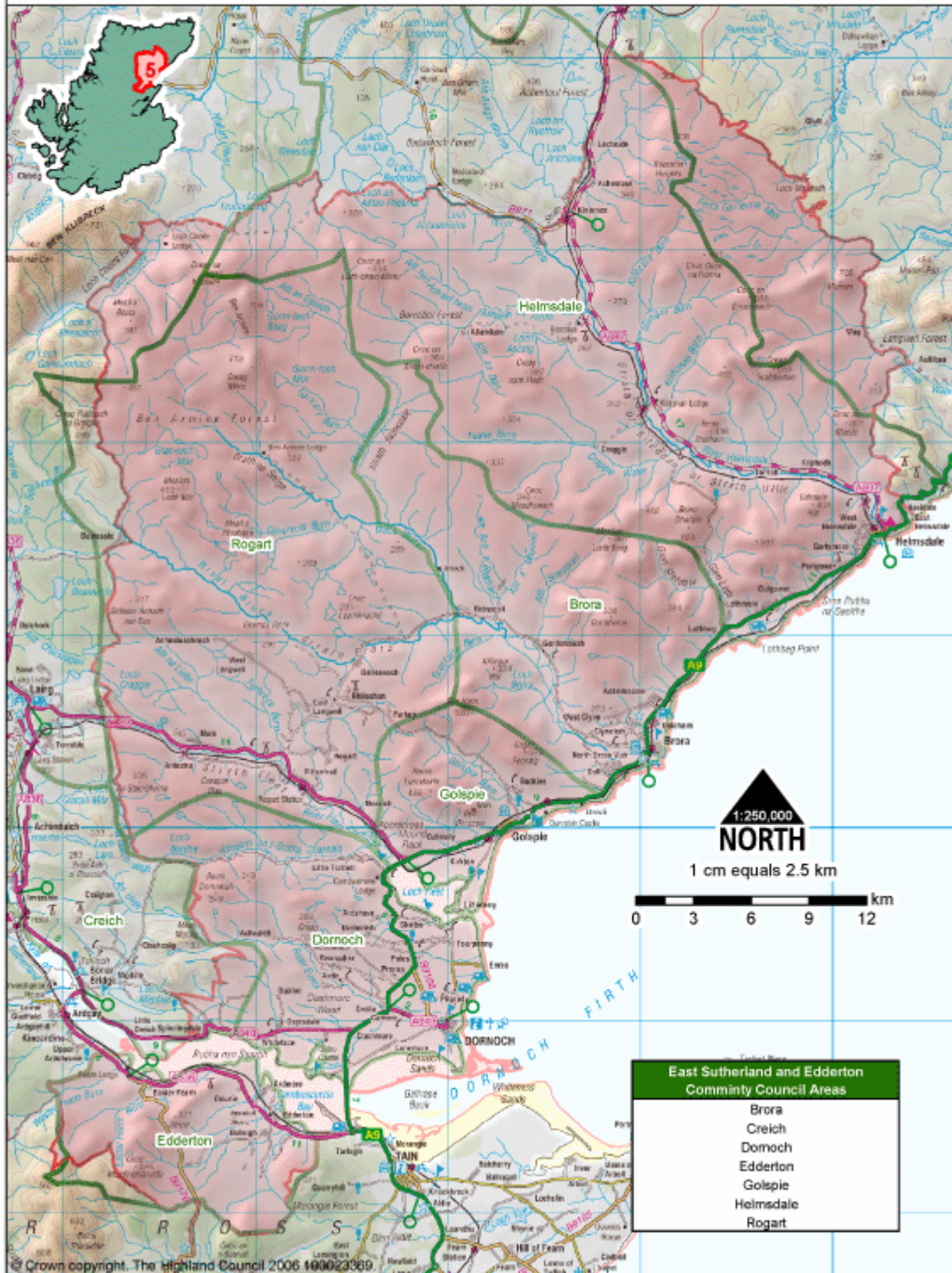
- (x) Agrees to **develop a programme of work for procurement and business improvement activities** to standardise and consolidate the way functions are carried out to allow for more efficient working in the following areas:
  - a. Procurement (as set out in the paper elsewhere on this agenda);
  - b. Property rationalisation;
  - c. Capturing IT benefits and efficiencies;
  - d. Rationalising back office processes;and to continue the contribution from balances devoted to business improvement activities as set out above for the period up to the end of 2008-9 and that a detailed report be submitted to the Budget Working Group to take this recommendation forward. That report should include consideration of the most effective way to organise performance management across the Council;
- (xi) Agrees **that the Chief Executive and Directors should consider the detailed actions to implement the principles set out in this report**, should they be agreed by the Council, with a target of reducing management and staffing by 20% and 5% respectively over the budgetary period to March 2009 recognising the specific circumstances in schools where teacher numbers are determined by national standards and roll numbers;
- (xii) Notes **the timescale to implement these revised arrangements** will take the Council through to April 2009, but that early action is needed to enable changes to contribute to the 2007-8 budget savings and to have arrangements ready should housing transfer take place in spring 2007;
- (xiii) Notes that **a programme of consultation and communication** with trades unions and staff will follow from decisions by the Council today; and
- (xiv) Notes that **further reports to the Council in September** will deal with committee and political issues; partnership working and community planning; the follow up to the management and staffing issues arising from the Council's decisions at this meeting; and the Scottish Executive's discussion paper on "Transforming Public Services".



**Arthur McCourt**  
**Chief Executive**  
**The Highland Council**  
**22 June 2006**

# HIGHLAND COUNCIL

## Profile for Multi-Member Ward 5: East Sutherland and Edderton



- | East Sutherland and Edderton<br>Community Council Areas |  |
|---|--|
| Brora   |  |
| Creich  |  |
| Dornoch   |  |
| Edderton  |  |
| Golspie   |  |
| Helmsdale   |  |
| Rogart  |  |

## SERVICE PROFILE FOR WARD 5: EAST SUTHERLAND AND EDDERTON

LOCATION	FACILITY	SERVICE
Dornoch Council Offices	Office	Accommodation Account
Dornoch Council Offices	Service Point	Chief Executive
Brora Service Point	Service Point	Chief Executive
Helmsdale Library & Service P	Service Point	Chief Executive
Golspie Offices	Service Point	Chief Executive
Dornoch Library & Chambers	Library	Education, Culture and Sport
Brora Library & Cultural Cent	Library	Education, Culture and Sport
Helmsdale Library & Service P	Library	Education, Culture and Sport
Brora Primary School	Primary School	Education, Culture and Sport
Edderton Primary School	Primary School	Education, Culture and Sport
Golspie Primary School	Primary School	Education, Culture and Sport
Helmsdale Primary School	Primary School	Education, Culture and Sport
Kinbrace Primary School	Primary School	Education, Culture and Sport
Rogart Primary School	Primary School	Education, Culture and Sport
Dornoch Academy & Primary	Secondary School	Education, Culture and Sport
Golspie High School	Secondary School	Education, Culture and Sport
Brora Heritage Centre	Visitor Centre	Education, Culture and Sport
Dornoch Retained Fire Station	Fire Station - Retained	Fire Board
Golspie Retained Fire Station	Fire Station - Retained	Fire Board
Helmsdale Fire Station	Fire Station - Retained	Fire Board
Depot & Yard	Depot	Housing Maintenance
Golspie Offices	Office	Multiple (exclusive
Brora Police Station	Police Station	Police Board
Dornoch Police Station	Police Station	Police Board
Golspie Police Station	Police Station	Police Board
Helmsdale Police Station	Police Station	Police Board
Beachview Lodge Resource Cent	Day / Community Care Centre	Social Work
Auction Rooms	Hall	Social Work
Olsen House Social Work Offic	Criminal Justice Team	Social Work
Olsen House Social Work Offic	Golspie Area Team	Social Work
Olsen House Social Work Offic	Office	Social Work
Beachview Lodge Respite Centr	Residential Centre - Special	Social Work
Seaforth House Resource Centr	Residential Home - Elderly	Social Work
Grass Airstrip	Air Strip	TEC Services
Clyne Cemetery	Burial Ground	TEC Services
Dornoch Cemetery	Burial Ground	TEC Services
Edderton Burial Ground	Burial Ground	TEC Services
Golspie Cemetery	Burial Ground	TEC Services
Loth Burial Ground	Burial Ground	TEC Services
Proncy Cemetery	Burial Ground	TEC Services
West Helmsdale Cemetery	Burial Ground	TEC Services
Brora Repair Depot	Depot	TEC Services
Depot & Storage Yard	Depot	TEC Services
Helmsdale Road Depot	Depot	TEC Services
Roads Depot	Depot	TEC Services
Brora Harbour	Harbour	TEC Services
Brora Divisional Engineers Of	Office	TEC Services
Helmsdale Harbour Building	Office	TEC Services
Ardachu Waste Transfer Statio	Waste Transfer Station	TEC Services
Depot Buildings	Workshop	TEC Services
Embo Community Centre	Community Centre	Third Party
Helmsdale Community Centre	Community Centre	Third Party
Edderton Village Hall	Hall	Third Party
Helmsdale Industrial Estate	Industrial Site	Third Party
Dornoch Industrial Estate	Industrial Unit	Third Party
Helmsdale Heritage Centre (Ti	Museum / Art Gallery	Third Party

<b>Grouped Minor Facilities (excludes houses, garages, individual industrial units, land and "sites")</b>		
<b>Facility</b>	<b>Number</b>	
Business Park	1	
Car Park	12	
Fishing / Shooting Rights	1	
Garden Area	1	
Land Fill Site	1	
Landscaped Area	1	
Lorry Park	1	
Pier / Jetty / Slipway	2	
Play Area	10	
Playing Field	8	
Public Convenience	6	
Salt Store	1	
Shop	1	
Store	2	
Tennis Court	1	
Viewpoint	1	
War Memorial	7	
Youth Centre	1	

## ECONOMIC AND DEMOGRAPHIC PROFILE

### 5 - East Sutherland and Edderton

<b>Population (from GRO(S) 2004 mid-year estimates)</b>	<b>Ward</b>	<b>Highland</b>	<b>Ward</b>	<b>Highland</b>
<b>Total Population</b>			<b>7,620</b>	<b>211,340</b>
<b>Age Structure</b>	<b>Number</b>	<b>Number</b>	<b>%</b>	<b>%</b>
0-15	1,269	39,680	16.7	18.8
16-49	2,740	90,418	36.0	42.8
50-64	1,841	44,619	24.2	21.1
65-74	952	20,302	12.5	9.6
75-84	642	12,542	8.4	5.9
85+	176	3,764	2.3	1.8
<b>Unemployment and Incapacity Benefit (from Nomis)</b>			<b>Ward</b>	<b>Highland</b>
<b>Percentage of 16-64 year olds claiming:</b>				
Unemployment Benefit (Job Seekers Allowance) - (Apr 2006)			2.6	2.2
Incapacity Benefit / Severe Disability Allowance - (Nov 2005)			7.7	7.7

All of the information below is from the 2001 Census

<b>Population (from 2001 Census)</b>	<b>Ward</b>	<b>Highland</b>	<b>Ward</b>	<b>Highland</b>
<b>Total Population</b>			<b>7,402</b>	<b>208,904</b>
<b>Age Structure</b>	<b>Number</b>	<b>Number</b>	<b>%</b>	<b>%</b>
0-15	1,294	40,984	17.5	19.6
16-49	2,716	91,850	36.7	44.0
50-64	1,692	41,396	22.9	19.8
65-74	928	19,429	12.5	9.3
75-84	579	11,382	7.8	5.4
85+	192	3,860	2.6	1.8
<b>Households &amp; Housing Stock</b>			<b>Ward</b>	<b>Highland</b>
<b>Total number of households</b>			<b>3,371</b>	<b>89,533</b>
<b>Percentage of households that:</b>				
are owner occupied			63.6	65.7
are rented from the Council/Scottish Homes			19.3	18.0
are rented from a housing association			2.7	3.6
are privately rented			8.6	7.0
other			5.8	5.7
<b>Total number of household spaces (housing stock)</b>			<b>3,880</b>	<b>99,748</b>
<b>Percentage of housing stock that is:</b>				
occupied			86.9	89.8
second/holiday homes			8.2	6.2
vacant			5.0	4.0

<b>Health</b>	<b>Ward</b>	<b>Highland</b>
<b>Percentage of total population:</b>		
with limiting long-term illness	<b>22.0</b>	18.4
without limiting long-term illness	<b>78.0</b>	81.6
<b>Employment</b>	<b>Ward</b>	<b>Highland</b>
<b>Percentage of the 16-74 year olds in employment*:</b>		
Agriculture/hunting/forestry	<b>5.4</b>	3.7
Fishing/fishfarming	<b>0.9</b>	1.4
Mining/quarrying	<b>1.5</b>	1.3
Manufacturing	<b>8.0</b>	9.1
Electricity/gas/water supply	<b>0.7</b>	1.0
Construction	<b>12.0</b>	9.2
Wholesale/retail/motor vehicle repair	<b>12.4</b>	14.7
Hotels/catering	<b>10.8</b>	9.3
Transport/storage/communication	<b>5.3</b>	7.1
Financial	<b>1.5</b>	2.0
Real estate/renting/business	<b>9.1</b>	9.9
Public administration/defence	<b>5.8</b>	6.8
Education	<b>6.6</b>	6.6
Health/social work	<b>12.8</b>	12.4
Other	<b>7.0</b>	5.3
<i>* total 16-74 year olds in employment</i>	<i>2,981</i>	<i>97,190</i>
<b>Economic Activity</b>	<b>Ward</b>	<b>Highland</b>
<b>Percentage of 16-74 year olds*:</b>		
Total economically active	<b>61.1</b>	68.1
Full-time employees	<b>31.3</b>	38.9
Part-time employees	<b>11.5</b>	12.9
Self employed	<b>11.8</b>	10.2
Full-time student	<b>1.4</b>	1.8
Unemployed (latest rates available earlier in this profile)	<b>5.1</b>	4.3
<i>* total 16-74 year olds</i>	<i>5,336</i>	<i>152,684</i>
<b>Qualifications</b>	<b>Ward</b>	<b>Highland</b>
<b>Percentage of 16-74 year olds*:</b>		
<b>Highest qualification:</b>		
Group 1	<b>26.7</b>	26.1
Group 2	<b>14.4</b>	15.3
Group 3	<b>4.7</b>	6.4
Group 4	<b>19.3</b>	19.6
No qualifications	<b>34.9</b>	32.6
<i>* total 16-74 year olds</i>	<i>5,336</i>	<i>152,684</i>
<i>Group 1: 'O' Grade, Standard Grade, Intermediate 1 or 2, City &amp; Guilds Craft, SVQ level 1 or 2 or equivalent</i>		
<i>Group 2: Higher Grade, CSYS, ONC, OND, City &amp; Guilds Advanced Craft, RSA Advanced Diploma, SVQ level 3 or equivalent</i>		
<i>Group 3: HND, HNC RSA Higher Diploma, SVQ level 4 or 5 or equivalent</i>		
<i>Group 4: First degree, Higher degree, Professional qualification</i>		

## Appendix 2

### Business Improvement Agenda

#### a. Procurement:

- i. **20 corporate contracts** with a value £24 million will be let up to April 2007 with a target of 5% saving.
- ii. **Aggregated procurement for broadband:** will provide broadband to schools and offices and allow improvements in telephony and data costs as well as underpinning the IT and back office benefits noted below.
- iii. **IS reprocurement:** the reprocurement of the Fujitsu IS contract will allow a review of the scope of the contract and consideration of additional partners as well as including education needs.

#### b. Property rationalisation:

- i. **Drummuie:** creation of 1 office for East Sutherland will allow rationalisation of 5 current offices with reduced property, running costs and staffing costs. Co-location with other public sector partners is possible.
- ii. **Wick:** the replacement of existing sub-standard offices in Wick will allow reduced property costs, operating costs and staffing costs. Co-location with other public sector partners and dispersal of jobs is possible.
- iii. **Dingwall:** The rationalisation of a large number of sub-standard offices in two locations will allow reduced property costs, operating costs and staffing costs. Co-location with other public sector partners and dispersal of jobs is possible.
- iv. **Other:** The Council has agreed to proceed with the development of Sandown in Nairn and the Fort William waterfront. No specific office proposals have yet been worked through, but the same principle of rationalising on the use of office accommodation with resultant savings is possible. It is proposed to examine the office estate in Inverness to assess whether this rationalisation model can be applied to HQ and Inverness area offices.

#### c. Capturing IT efficiency and benefits:

- i. **Oracle Financials:** will allow simplified project accounting and report production with productive time savings
- ii. **Social Work Information system:** will allow streamlined systems in tracking cases, managing workloads and workflow. There will be productive time savings
- iii. **Highland e-care:** will deliver significant time savings in the capture, recording and sharing of single shared assessment information for community care. There will be productive time savings.

- iv. **Payroll and personnel:** will allow more efficient payroll processing (together with harmonisation of conditions) and more efficient personnel processes.
- v. **Oracle projects:** the re-implementation of Oracle projects will allow more efficient job costing in TEC Services

**d. Rationalise back office processes:**

- i. **Recruitment centre:** The business case for a single recruitment centre for the Council is being prepared.
- ii. **Benefits processing:** The business case for standardisation and rationalisation of Benefits processing across eight teams is currently being prepared.
- iii. **Financial assessments:** the opportunity to rationalise on financial assessments being carried out in Finance, Social Work and Education, Culture and Sport should be explored
- iv. **Service Point Network:** The implementation and roll out of CRM will allow the extension of SPN functions to all of the electronic service delivery targets set by the Scottish Executive
- v. **Telephony:** The business case for the transfer of out of hours, emergency and community alarm telephony to the Service Centre is being prepared.
- vi. **Video and tele-conferencing:** Investment in video and tele-conferencing will allow savings in staff time and travel costs.

Appendix 3

<b>TIMESCALES</b>	
Council	29 June 2006
Special Council	September 2006
<b>2007-08 Budget</b>	June-November 2006
Staffing/Management Changes 1	September 2006-March 2007
<b>Job Evaluation Agreement</b>	October 2006
Job Evaluation Implementation	October 2006-September 2007
<b>Housing Transfer Decision</b>	November 2006
Implementation of Housing Stock Transfer	April 2007-October 2008
Property Partnering Procurement	December 2006-June 2008
<b>Election</b>	May 2007
New Political Arrangements	June-November 2007
Staffing/Management changes 2	May 2007-March 2008
New Planning Legislation Implementation	Post May 2007
New Gambling and Liquor Licensing Legislation	Post May 2007
Unified Court System	2008
Staffing/Management changes 3	April 2008-March 2009
Shared Services	?
Public Sector Reform	?