

Agenda Item	15
Report No	HC/26/19

HIGHLAND COUNCIL

Date: 27 June 2019

Report Title: Change Strategy and Change Fund Phase 3

Report By: The Chief Executive

1. Purpose/Executive Summary

- 1.1** On 14 February 2019 the Council approved its budget strategy and Change Programme “A Sustainable Highland” based around 4 themes: Making the Council More Efficient; Commercialism and Income Generation; Redesign and Improvement; and A Flexible and Well Managed Workforce, to deliver £37.456m of savings over the next three years. At the same time, approval was given to introduce a Programme Office to oversee the delivery of 16 major transformational projects and a £2.5m Change Fund was established to ensure this ambitious programme was effectively resourced.
- 1.2** The following report provides information on the establishment of the projects that make up the Change Programme; the progress that is being made to achieve the 2019/20 savings target of £24.581m and an analysis of the opportunities, challenges and risks presented by each of the 16 transformational projects. Good progress is being made, with over 2/3 of the 2019/20 savings target already achieved and project plans in place for the remainder. The report also sets out where projects have been supported by additional resourcing from the Change Fund and provides an assessment of the benefits the Fund has helped to deliver.
- 1.3** Lastly, the report seeks Members’ approval for 4 new bids to Phase 3 of the Change Fund, amounting to a total of £332,000.

2. Recommendations

- 2.1** Members are asked to note positive progress being made to implement the Change Programme and agree that:
- i. The 4 priority areas for expenditure from the third phase of the Change Fund will be:
 - 3 packages of external research and advice relating to (i) the current Community Services revenue budget: £75,000; (ii) Investigation, analysis and options for improvement to the Council’s financial and performance systems: £70,000; and (iii) an analysis of suicide data to inform new partnership strategy for prevention: £15,000; and
 - Asset and Energy Management– Project Management, specialist expertise, EPC compliance and legal conveyancing: £172,000.
 - ii. A total sum of £332,000 to be approved for expenditure from the Change Fund in 2019/20 against the 4 areas as detailed in section 10 below.

3. Background and Context

- 3.1 The change programme and associated Programme Management Office was established to ensure appropriate governance, resourcing, scrutiny and delivery of the more ambitious and cross-service changes being proposed in the Council's budget Strategy "Sustainable Highland" to ensure that there is:
- Better collaboration and coordination across the Council;
 - Better visibility of initiatives across the Council;
 - Greater returns from the projects implemented;
 - More efficient and faster delivery of projects;
 - Better risk mitigation and structured risk resolution;
 - A clear and consistent mechanism for assessing potential projects arising from member, staff and public feedback.
- 3.3 Members also agreed that it was essential for this transformation to be properly resourced and so approved £2.5m to be set aside in 2019/20 specifically to provide sufficient funding for resourcing the change programme.

4. Oversight and Delivery to date

- 4.1 In addition to this report, since the Budget Strategy was approved at Council in February 2019, Members have been provided with Programme progress updates at full Council meetings in March and May 2019; presentations have been given at the monthly all-Member Budget Briefings and Programme updates have also been reported to the Redesign Board and the Commercial Board.
- 4.2 The Executive Leadership Team has provided detailed oversight and scrutiny of the programme at weekly Programme Board meetings and staff have been kept up to date with the aims, progress and requirements of the Programme through the recent Budget Holder Briefing sessions and the In Brief publication.
- 4.3 At the last Council in May, it was agreed that the reporting of progress against the Programme needed to be integrated with the impact of Change Fund resourcing so that it was clear how the additional resourcing was helping to deliver the budget strategy. The following report and appendices endeavour to make these linkages much more explicit and demonstrate the essential role that the Change Fund is playing in delivering against agreed priorities.

5. Progress on meeting savings and income targets – summary

- 5.1 A full evaluation of progress toward achieving the 2019/20 savings target was carried out at the Change Programme Board on 28th May 2019. This exercise has further informed the ongoing work with the Change Programme and has helped direct efforts towards the key areas where change is still required. The findings of this exercise demonstrate that very good progress is being made towards delivering the £24.581m savings agreed by Council on 14th February 2019. In order to help prioritise the areas for action, each individual proposal has been classed in one of three categories. Appendix 1 provides further details on the outcomes of this work.
- 5.2 Category 1: The first category identifies where the agreed savings have already been achieved. This demonstrates that by the first quarter of the current financial year, a total of **£16.714m** has been delivered in full, along with a further £0.136m that has arisen from savings that have been partially achieved to date (£0.075m from renegotiation of the printing contract and £0.061m from D&I Vacancy Management). This gives a total of **£16.85m, or 68% of the overall total.**

5.3 Category 2: the second category identifies where the risk to the delivery of the individual savings proposals is considered to be a low, or where the savings target is tied to income generation over the course of the whole year. This realises a further **£3.601m or 15% of the total**. Work is underway to ensure that Members are given regular information against the various income generation targets set out within the budget proposals.

5.4 Category 3: the third category identifies where there are risks to delivery that require mitigation, including closer scrutiny and oversight. This demonstrates that a total of **£4.13m falls within this, or 17% of the overall total**. As a consequence, this is the category within which many of the savings proposals have been established as a formal projects within the Council's Change Programme and, whilst there are challenges to the delivery of the savings, there are active plans in place for all of the outstanding areas, along with a high confidence that the savings will either be delivered as part of that process or that alternative mitigation can be identified through the work of the Change Programme Board. Further detail on the Change Programme is provided in Section 6 below and in Appendix 2.

5.5 The savings areas currently identified within Category 3 are as follows:

- Redesign (£1.3m)
- Care & Learning Directorate Restructure (£0.744m)
- Property (£0.600m)
- Procurement (£0.911m)
- Reduction in printing/paper costs (delivered in part) (£0.075m)
- Energy (£0.500m)

5.6 Members should be reassured that work is already underway on identifying alternative savings in the event that the ongoing monitoring detailed above indicates that there will be a shortfall. There is a focus on the following:

- Ensuring that budget holders are reviewing their individual 2019/20 budgets to identify as early as possible the opportunities for underspend within the current year.
- Monitoring significant income areas (such as Planning & Building Warrants) to target capture of any over achievement of income received, assuming that current rates of applications continue.
- Identifying new opportunities for savings, for example through the capture of rates relief on Non Domestic Rates on some mobile phone masts.
- Accelerating work on procurement of new contracts, renegotiation of existing contracts in order to derive further value from suppliers and reviewing the operation of the current procurement arrangements.

6. Progress with the Change Programme

6.1 As members are aware, the Change Programme currently comprises 16 individual projects that are all geared towards delivering the three year savings targets already identified by Council, as well as to carry out the transformation required to assist in identifying further efficiencies in the way the Council operates (and thereby inform budget planning for the next two years and beyond). The Change Programme is supported by the work being undertaken by the Redesign and Commercial Boards. The table in appendix 2 sets out an overview of progress with all of the individual projects, including progress achieved in the last month and an overview of the deliverables proposed for next month. It is important to draw attention to the role that the Change Fund has played in moving some of these projects forward, and this is set out below. Further detail of the use of change fund is shown in Appendix 3.

- 6.2 **Trade Services** - The Change Fund has been used to appoint a project manager for the trade services project. This will provide the clarity and focus around the implementation of the Redesign Review that was agreed by Council in November 2018. Great progress is already being made on completing a Lean review into the Housing and Property Repairs processes, with the aim of finding efficiencies and improving service to the customer. Similarly, work is well underway to carry out a pilot project to ensure that in-house resources are used to deliver trades work across the non-housing Council estate. In addition, work is also well underway on the procurement of a new framework for the use of sub-contractors, with the procurement exercise set to begin over the next two months.
- 6.3 **Transport** - A Project Manager has been appointed to assist in the delivery of the Transport project, using Change Fund funding. The key focus of this project is on Home/School transport, public bus contracts and community transport. The initial focus of the work has been to produce a Savings Action Plan, and with the additional resource provided, activity is now focussed on implementation, with strong confidence that the target saving of £405k during 2019/20 will be delivered.
- 6.4 **Waste Management** - As agreed by Council the Change Fund has also been used to support the Waste Management Project to procure the services of external assistance to strengthen the Council's commercial waste service. This work has commenced and is due to report by the end of June 2019. The key areas of work being looked at as part of the commission includes an assessment the local trade waste market and the Council market share, areas for potential growth, assessment of the existing service delivery (including unit cost for providing the service) and developing a set of recommendations that can be implemented over the coming year. To specifically implement the changes recommended and thereby to address the commercial waste savings target, the project is also being strengthened through the recruitment of external graduate intern resource over the summer months, the cost of which can be met from the indicative sum agreed as part of the Change Fund Phase 1 (as agreed at Council in March 2019, and as set out in Appendix 3).
- 6.5 **Additional Support Needs** - The Change Fund has been used to appoint a project manager to assist in the delivery of the Additional Support Needs savings agreed in February 2019. Good progress overall has been made over the past few months with the Additional Support Needs change project.
- 6.6 For the benchmarking of support in schools work stream most of the reductions in PSA posts are being met through deleting vacancies (over 50 FTE posts). The new HR support put in place and supported by the Change Fund is finding matches for the small number of staff to be deployed into new roles (affecting 11.7 FTE). There are now over 50 PSAs registered on the HR portal with an interest in other job roles in the Council. They are all being supported with future career choices to support the project in the future.
- 6.7 The process for transferring any ASN Teachers into other teaching roles has been agreed with the Trade Unions through the LNCT. This has been communicated through written briefings and in face to face sessions in the form of twilight sessions for ASN Teachers. The transfer process is expected to be concluded this month with the changes in place for the start of the school session after the summer holidays.
- 6.8 The Transformation of ASN forms part of the Council's overall Education Transformation programme and includes a new Change Team consisting of 5 Head Teachers on secondment, as reported recently at the CLH Committee. This part of the project will include reviewing the approach to allocating resources and activity associated with assessing needs as well as engaging with the parent voice and advocacy groups as supported by the Change Fund agreed by the Council in May 2019. Further reports will be brought to Members as this

work progresses.

- 6.9 Trade Unions have been fully involved in the process to date. The team involved in delivering the transformation and budget savings continue to meet Parent Councils, Teachers and Head Teachers when invited.
- 6.10 **Transient Visitor Levy** - Again using Change Fund support, a Project Manager has been appointed to assist in the delivery of the work around the Transient Visitor Levy and income generation. (This post is also project managing the car park income generation project). Using the Edinburgh approach as a guide, seven engagement events are being held with Highland tourism provider groups before the end of June, before a visitor survey is being undertaken (utilising external expertise, funded through the Change Fund as agreed at the Council meeting on 7 May 2019).
- 6.11 **Redesign** - Redesign work continues with progress being made into Peer Reviews of catering services and engineering services. As agreed at the last Council meeting, the Change Fund has supported the appointment of the Association of Public Sector Excellence (APSE) to assist in the delivery of the catering project, by providing external expertise in relation to the systems and processes currently used as well as identifying the means of delivering a more commercially focussed service. An update on both projects was provided to the Redesign Board on 17th June 2019.

7. Progress with Change Fund supported corporate/cross cutting initiatives

- 7.1 **NHS Partnership Review post** – On 17 June 2019 the Joint Monitoring Committee of the Council and NHS Highland agreed an approach to reviewing the Highland Partnership Agreement, including the recruitment of the senior post agreed at Council in May, supported by funding from the Change Fund. This post will go out to internal advert within the next 2 weeks with the successful candidate to be appointed for an immediate start. The new Head of Service will report directly to the Chief Executive. A proposed approach and governance arrangements for the Review were also approved at the JMC meeting, with agreement to establish a Programme Board and Project Board with membership from the Council and NHS Highland. The reviewed Partnership Agreement will come to Council for approval in December 2019.
- 7.2 **Communications Resource** – The Communications and Resilience Manager will bring a report to Council in September setting out a proposed internal and external Communications Strategy for the Council which will include recommendations for the use of the Change Fund resource approved at Council in May 2019.
- 7.3 **HR Resource** – Very good progress has been made in strengthening the Council's HR resource through use of the Change Fund for the creation of fixed term posts linked to the delivery of Change Programme priorities. Two HR Officers, an Attendance Support Officer, a Learning and Development Advisor and a Talent Manager, have been appointed and commenced in post from the beginning of June. These posts were approved at Council in March 2019 to be resourced from Phase 1 of the Change Fund.

Approval has also given for 2 more fixed term posts that have not yet been recruited to: a Data Analyst and a support officer to assist the Talent Manager.

8. Savings, income and commercial opportunities for years 2 and 3

- 8.1 As Members are aware, the process of identifying savings and delivering transformation is a constant activity, and efforts are being made to ensure that potential savings for future years are identified early and that the many changes required are carried out in a managed

structure.

8.2 As well as the Peer Reviews and commercial ideas arising from the Redesign and Commercial Boards, there is potential for further Lean Reviews and the recent round of budget holder engagement sessions specifically requested areas that might be considered for further work. It is hoped that the staff forums being held across the area will further identify opportunities for process change and savings potential. It is important that early decisions are made on the most likely areas of future change so that a sufficient lead-in time is in place. Examples of where such change might be put in place include the commercialisation of cleaning services, and this is an area of current activity prioritised by the Commercial Board.

9. Change Fund Phasing and Prioritisation – Summary of Phase 3 Bids

9.1 The Change Fund purpose is threefold: to resource the Change Programme; to support new ideas for innovation and income generation; and to manage risk around the programme as a whole. As explained in section 8, there is still a need to identify further measures to meet the Council's budget targets for 2020/21 and 2021/22 and so the Change Fund will increasingly focus on new proposals arising from the Redesign and Commercial Boards and from staff forums, when opportunities are identified for improved processes; income generation and commercialisation; and to address any emerging risks to ensure the delivery of the Council's budget commitments.

9.2 Approval is sought for Phase 3 funding through the Change Fund for 4 bids amounting to £270,000 in 2019/20 and £332,000 over the three years of the Programme. These are:

1. External research and advice to undertake 3 work packages:
 - i. Unpack, re-base and further disaggregate the current Community Services revenue budget £75,000;
 - ii. Investigate, analyse and recommend options for improvement to the Council's financial and performance systems: £70,000; and
 - iii. Analyse suicide data to inform new partnership strategy for prevention: £15,000.

2. Asset and Energy Management – Project Management resource, external advice and EPC Compliance: £110,000 in year 1 & a total of £172,000 across the 3 years of the Change Programme.

10. Change Fund – Phase 3 Bids – Detail

10.1 External research and advice

(i) It is proposed that a comprehensive review is undertaken of Community Services budgets as part of the work looking at the rolling out of additional budgetary responsibility and accountability to area committees, including the further development of local income generation opportunities. In addition to making explicit the extent to which increased income contributes towards the Council's budget targets, it will enable a clearer connection to be made between financial and staffing resources and service delivery on an area by area basis; support informed decisions to be made about local service prioritisation; and show the linkages between increased income generation and improved local services. The analysis will also have the added benefit of coming at a time when budgets and staffing will need to be reorganised in support of the new Council management structure.

The intention is to seek a short term work package from a specialist company to focus on this specific area and report with recommendations at an estimated cost of £75,000 be funded from Phase 3 of the Change Fund.

Resource requested for 2019/20: £75,000

(ii) One of the fundamentals to managing the transformation programme is ensuring effective governance through improved financial and performance reporting. A recent visit to Aberdeen City Council has demonstrated the benefits of an integrated approach to governance along with real time reporting of financial, performance and operational business intelligence can bring. Such an approach will allow better understanding of our volume business processes, identification of pressure points or blockages and enable a “predict and deploy” approach to resources. This will enable an approach to managing demand so that the deployment of resources is evidence based and more closely aligned to the geographic and functional areas within which they are most required. The development of such benefits, aligning and controlling information and data from the huge number of different systems currently in operation throughout the Council is a long term project, and mirrors the approaches being put in place in many local authorities throughout Scotland. Expertise is available from the Local Government Digital Programme Office to support the development of our approach to this, and whilst the Council has access to many of the tools available, further work is needed to accelerate the process of change. A sum of £70k is therefore sought from the change fund to be used as a resource to upskill in-house staff as well as to seek external assistance in the design and delivery of the business case for the overall data management and reporting project along with working with CIPFA on the review and accreditation of the Council’s governance processes.

Resource requested for 2019/20: £70,000

(iii) As highlighted earlier on the Council agenda, it is proposed to undertake a needs assessment to better assess current evidence across partner data sources and review successful intervention activity related to suicide prevention both nationally and internationally, through the Public Protection Chief Officer’s Group. This would also include gathering evidence from key third sector support groups and communities impacted by suicide. NHS Highland and Police Scotland both have data analyst time to contribute to this piece of work and it is proposed that the Council allocates up to £15,000 from Phase 3 Change Fund to support the research. Whilst there is currently a range of activity taking place both internally and across the partnership to promoting resilience, wellbeing and suicide prevention, it is recognised that a new collaborative approach to suicide prevention is required in Highland in order to address the scale of the current challenge. It is proposed this work would be completed by December 2019.

Resource requested for 2019/20: £15,000

10.2 Asset and Energy Management

As Members will note from elsewhere in this report, challenges remain in the delivery of savings associated with property rationalisation and energy. Members are asked that the Change Fund supports this important work in the following ways:

- One of the most important asset rationalisation projects for the 2019/20 period relates to office moves and changes in Inverness, with a particular focus on the Headquarters building. The Corporate Property Asset Management (CPAM) Team is leading on the work, but the physical changes to office layouts and staff moves have to be accompanied by a new approach to Mobile and Flexible Working. This is something that happens as a matter of course within other Councils and organisations across the country. Members may be interested to note that discussions have been held with for

example Highlands & Islands Enterprise which has already successfully implemented such changes. The feedback received from these discussions demonstrates that this involves significant change for all staff groups, and it is important that the change is managed effectively to ensure that the culture change required (for example, clear desk policies) is managed effectively, and supported by the correct IT, storage and welfare infrastructure. One of the options to allow the CPAM team to progress at pace is to seek external assistance to enable this. Initial discussions are planned with Scottish Futures Trust, which has supported other Councils and public organisations through this type of change, but it may be necessary to look at other options.

A sum of £30,000 is therefore sought from the Change Fund as a contingency to ensure the right support can be brought in at short notice if required.

- One of the key risks to delivery of the asset rationalisation work is the capacity of the in-house legal team to undertake the essential commercial and conveyancing (C&C) work needed to ensure clean title and disposal of property in a timely manner (including the work required for Community Asset Transfer). While not yet implemented, the principle of recruitment to C&C has already been agreed. In 2018 it was agreed, following recommendation by the Redesign Board that one trainee paralegal be recruited with the suggestion that a second may follow if income levels were increased on a recurring basis. Since this time, the Council has embarked on an ambitious programme of property rationalisation, coupled with a challenging savings programme. It is against this backdrop that Council is asked to enhance the previously agreed recruitment plan. At the Change Programme Board on 12th June 2019, it was agreed that Change Fund funding be sought to allow the recruitment of two solicitors on a temporary basis through until 31st March 2020, on the understanding that these will be made permanent following the budget setting for 2020/21. This will allow acceleration in both lease preparation (thereby reducing lost rental income) and disposal of property (which will avoid ongoing liabilities).

A sum of £60,000 is therefore sought from the Change Fund to enable this risk to the delivery of savings to be mitigated.

- Energy Performance Certificates (EPCs) are the current method used across the UK to assess and assign energy efficiency ratings to buildings. A valid EPC is required for the sale or lease of any property and they are valid for 10 years. They are also a legal requirement for non-domestic buildings with a useful floor area of over 500 square metres and frequently visited by the public. Buildings are rated on a scale from A to G, with A being the most efficient. Ratings are calculated using information such as the size, layout, insulation and ventilation of dwellings. The savings required from these projects are £1.1m in this financial year: £600,000 in asset rationalisation and £500,000 in energy. EPCs provide information on the energy efficiency of our buildings and recommendations on improvement measures which means they will assist in understanding how the remaining estate can be made more energy efficient. They are also a requirement for qualifying for Salix funding. Without valid EPCs in place it will also not be possible to dispose of buildings. They are consequently essential to the delivery of the savings required by both the Energy and Asset Rationalisation projects.
- To enable the development and co-ordination of EPC surveys across the non-domestic estate there is a requirement for 1 FTE graded at HC08 for 24 months (£32.5k + 30% on-costs p/a) to sit in the Energy & Sustainability team.
A sum of £82,000 is sought from the Change Fund to be split over 24 months.

Resource requested for 2019/20: c£110,000

Total resource requested across the 3 years of the Programme: £172,000

11. Implications

11.1 Resources: the resources required to deliver the 4 new Change Fund initiatives have been outlined in the main body of the report. In addition, it does need to be recognised that every project has a resource implication for the Council in terms of senior managers undertaking sponsoring roles and as members of the 16 Project Boards; as well as staff throughout the Council who provide information and support to the savings programme on a daily basis. The very positive progress that has been made to date – with over two thirds of the 2019/20 savings and income target already achieved by the first quarter of the year – demonstrates that the decision to dedicate such significant levels of financial and staff resource has been worthwhile.

11.2 Legal: The approach set out in this report will support the Council to meet its legal duty to secure Best Value and continuous improvement.

11.3 Community, Equality, Poverty and Rural: Screenings for equality, rural, and socio-economic implications were undertaken on all of the Change Programme initiatives as part of the budget process. Further screenings will be undertaken in the course of the Change Programme as and when needed. Assessments and any actions as a result of these, will be incorporated into each project plan.

11.4 Climate Change / Carbon Clever: There are no negative implications arising from the recommendations in this report. Investing in the Asset and Energy Management Programme will bring about a positive impact through the reduction in the number of occupied buildings and also in improving understanding of energy efficiency ratings of the remaining estate.

11.5 Risk: There are risks attached to the proposals set out in the report.

These include:

- delivering on the priorities. This will be mitigated by the managerial and Member governance arrangements outlined in the report;
- driving and sustaining improvement. This will be addressed by high quality and ambitious Member and corporate scrutiny and leadership; drawing on current resources and talent in the organisation along with additional support brought in, supported by the Change Fund where needed.
- impact on staff, with the right balance to be struck between supporting and challenging staff to be high performing. This will be addressed by a range of supports, provided through Phase 1 of the Change Fund with regard to enhanced HR resources, and through Phase 2 of the Fund with an additional Communications resource.

11.6 Gaelic: There are no implications for Gaelic arising from this report.

Authors:

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Date: 18 June 2019

Service	Theme Ref	Budget Area	(Brief description - should clearly state how savings will be generated) Savings Description	Savings				Category	Has Saving been Achieved (Y/N)
				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
C&L	1.2	Staffing Allocations and Absence Management	Re-base all school staffing allocations across Primary, Secondary and ASN schools to ensure transparency and fairness in allocations following national class size guidance and removing all ad-hoc allocations to ensure stable staffing within our communities. This will include procedures for staff absence management and supply staff.	3.500			3.500	1	Y
C&L	3.8	Specialist Teachers	Integrating services by maximising the deployment of specialist teachers to support mainstream teaching staff in meeting the needs of pupils with a high level of need	2.788	1.575	1.575	5.938	1	Y
C&L	1.22	Early Years/ELCC	A review of the whole early years' service will impact positively on the effectiveness and efficiency of the delivery of the expanded ELC provision. This will be based on the principles of quality, flexibility, affordability and accessibility. Additional funding from the Scottish Government is available.	2.000	0.250	0.250	2.500	1	Y
CR	3.6	ICT	ICT contractual savings	1.971	-0.275		1.696	1	Y
Corp	4.6	Redesign	Review base budgets – a review of all budget lines to identify core requirements	0.800			0.800	3	N
CS	2.9	Community Services Increase all other charges	Graduated % increases in fees and charges within the CS service	0.771	0.636	0.656	2.063	2	N

Service	Theme Ref	Budget Area	(Brief description - should clearly state how savings will be generated) Savings Description	Savings				Category	Has Saving been Achieved (Y/N)
				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
C&L	3.16	Care & Learning Directorate restructure	Senior management restructure - Bringing together education, early years and additional support needs under one head of service in order to improve collaboration and integration across service area; and bringing together all family support, health, social care and Criminal Justice services under one Head of Service	0.744			0.744	3	N
C&L	4.1	Benchmarking of Support in Schools	Building on the findings of the redesign review, a change to the allocation of resource, monitoring and training of staff and assessment of need, where ASGs control allocation of resource. Supports embedding this approach into the daily functioning of a school and can target support to those pupils with the greatest need.	0.700	1.050	1.050	2.800	1	Y
D&I	2.17	Planning & Environment	Planning & Building Warrant Fee Income - Increase income target	0.600	0.328	0.182	1.110	2	N
D&I	3.2	Property	Efficiencies in future delivery of property maintenance works. Develop an in-house property/engineering service contracts team, with less reliance on external contractors.	0.600	0.430	0.200	1.230	1	Y
Corp	3.12	Property	Property Asset Management - Further review the occupation of all operational assets (both leased and owned) including offices, schools and HLH premises to establish where effective rationalisation can be deployed to allow us to reduce the number of operational buildings across the Council estate.	0.500	0.500	0.500	1.500	3	N
Corp	SNP2	Redesign	Miscellaneous (infrastructure, ICT, Deloitte, Housing)	0.500			0.500	3	N
Corp	1.11	Council wide insurance	Insurance savings - reduced self-insurance premium	0.417			0.417	1	Y
C&L	2.16	High Life Highland	Increased funding reduction in excess of core grant reduction with a focus on increasing revenue	0.405			0.405	1	Y
CR	3.7	ICT	ICT Development Fund	0.379			0.379	1	Y

Service	Theme Ref	Budget Area	(Brief description - should clearly state how savings will be generated) Savings Description	Savings				Category	Has Saving been Achieved (Y/N)
				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
CR	1.6	Revenues & Customer Services	Efficiency Savings of 3%	0.350	0.257	0.249	0.856	1	Y
C&L	1.23	Early Learning and Childcare Specialist Support	There is a need to provide a greater focus on supporting ASN in early years, with the roll out of 1140 hours. It is proposed that the budget for the Preschool home visiting teaching service will therefore be supported from early years to support this change.	0.260			0.260	1	Y
C&L	2.6	Grants to early years organisations	A review of Early Years grant, to ensure that the services funded focus on key service objectives. Although the grant available will be reduced by £258k (from £458k), the remaining money will be redirected into Service Level Agreements	0.258			0.258	1	Y
C&L	1.12	Care & Learning non-staffing efficiencies	Non-staffing efficiencies identified through budget management. This will include savings from training budgets and flexible budgets.	0.250			0.250	2	N
C&L	4.7	Care & Learning Vacancy Management	Specialist support services- staffing budget efficiencies through vacancy management	0.250			0.250	1	Y
C&L	3.17	Sustainable education programme	Sustainable Education Programme - roll-out of the programme with a review of structures and delivery models to ensure delivery is appropriate for the local area	0.200	0.200	0.200	0.600	2	N
C&L	4.5	Education centrally managed budgets	Reduce the number of seconded and centrally funded non-teaching posts	0.200			0.200	1	Y
Corp	2.4	Council-wide	Commercial activity stemming from commercial programme	0.185	0.613	1.053	1.851	2	N
D&I	4.8	Development & Infrastructure Service Wide	Vacancy Management - Flexible retirement and further posts to be identified during the year	0.182	0.123	0.046	0.351	2	N
D&I	3.1	Property	Cleaning and FM - Further efficiencies to be achieved in the management and delivery of the CFM teams	0.160	0.000	0.000	0.160	1	Y
CR	1.5	Corporate Finance	Efficiency savings	0.155	0.000	0.095	0.250	1	Y
D&I	2.1	Property	C&L Estates Team - Efficiencies in future fee recovery for the team working on chargeable capital projects	0.150			0.150	1	Y
D&I	2.14	Property	Increase income target Property Design & PM Teams	0.150			0.150	1	Y

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				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
CS	2.21	Waste Management - Restrictions on construction and demolition waste accepted at Household Waste Recycling Centres (HWRC).	Restrictions in place at HWRCs to prohibit vans, trailers and other large vehicles from using HC centres. Plus introduction of a charge to take some such goods at our HWRCs.	0.150	0.150	0.000	0.300	2	N
CS	2.5	Income from targeting commercial waste customers	Development of business case to maximise income generation opportunities	0.150	0.020	0.020	0.190	2	N
C&L	4.2	Specialist Education Services	Further rationalisation of specialist education support teams will result in a reduction in front-line support staff, but a greater level of training and flexibility of deployment. With greater service integration development posts can be supported from quality development team.	0.119	0.080		0.199	1	Y
D&I	2.7	Development & Regeneration	Efficiencies in the management of the Industrial and Investment Portfolio	0.118	0.058	0.040	0.216	1	Y
D&I	1.3	Development & Regeneration	Economy & Regeneration - Efficiencies in annual programmes and services	0.100	0.085	0.059	0.244	1	Y
Corp	3.14	Council wide	Review of business support to create an integrated service, reduce duplication and achieve efficiencies.	0.100	0.100		0.200	2	N
CS	1.10	Street Cleaning	Building on the LEAN review, modernisation of service to ensure increased efficiency and reduction in specification mitigated by development of litter strategy	0.100	0.000	0.000	0.100	1	Y
Corp	SNP1	Property	Estate savings, office rationalisation	0.100			0.100	3	N
CR	3.18	ICT	Efficiency savings achieved as a result of the Unified Communications project	0.079	0.000	0.000	0.079	1	Y
CS	1.1	Transport - Review Subsidies	Reduce the cost of the public bus services tender per annum	0.075	0.065	0.065	0.205	2	N
CS	1.19	Grass Cutting	Reduced specification, increased productivity and efficiency, promotion of biodiversity and removal of shrub beds	0.075	0.000	0.000	0.075	1	Y
CS	1.24	Waste Haulage/Processing Contracts	To be reviewed from Sept 19. Potential to bring some of this back in-house.	0.075	0.075	0.000	0.150	1	Y
CS	2.19	Involvement in Waste Management - Newstart	Removal of grant funding	0.075	0.000	0.000	0.075	1	Y

Service	Theme Ref	Budget Area	(Brief description - should clearly state how savings will be generated) Savings Description	Savings				Category	Has Saving been Achieved (Y/N)
				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
CS	2.20	Involvement in Waste Management - Blythswood	Removal of grant funding	0.075	0.000	0.000	0.075	1	Y
D&I	3.5	Development & Regeneration	Housing Development - Identify efficiencies in delivery of affordable homes. Efficiencies in services for home adaptations for older people and disabled people by making changes to the delivery team.	0.051	0.042	0.030	0.123	1	Y
CS	1.16	Homelessness: Temporary Accommodation	Reduce the volume of private sector temporary accommodation to homeless households through increased use of HRA properties	0.050	0.000	0.000	0.050	1	Y
D&I	2.12	Property	Increase income from additional external catering contracts	0.050			0.050	2	N
D&I	2.13	Property	Increase income from School/Facility lets	0.050			0.050	2	N
D&I	2.15	Project Design Unit	Increase income target	0.050			0.050	2	N
D&I	2.2	Property	Catering Service - Redesign School Meals	0.050	0.050	0.050	0.150	2	N
CS	3.15	Transport - Home/ School Provision	Review provision - better route planning; introduce collections hubs for children and renegotiate with individual operators for revised pricing	0.050	0.080	0.000	0.130	2	N
Corp	3.10	Travel	Ongoing year on year prudent management of travel with increased use of Skype, VC/TC, reduce grey fleet mileage through increased use of car club vehicles.	0.050	0.030	0.020	0.100	1	Y
Corp	SNP3	Procurement	Invoices - amendment to credit terms	0.050			0.050	3	N
C&L	1.20	Care & Learning Programme management	Review management of C&L change programmes to provide service overview and closer collaboration between change programmes	0.046			0.046	1	Y
D&I	2.11	Planning & Environment	Increase Development Management Charges	0.044			0.044	2	N
D&I	1.4	Development & Infrastructure Service Wide	Efficiencies Identified in service budgets	0.040			0.040	1	Y
CS	1.9	Waste Management - Route Optimisation	Full implementation of Route Optimisation based on reducing the fleet by one vehicle and crew in each of years 2 and 3	0.040	0.072	0.112	0.224	2	N
CR	3.3	Internal Audit	Efficiency savings from a team restructure and Lean review of internal audit process	0.035	0.000	0.000	0.035	1	Y
CR	2.18	Finance	Reduction in Bank Charges	0.030	0.000	0.000	0.030	1	Y

Service	Theme Ref	Budget Area	(Brief description - should clearly state how savings will be generated) Savings Description	Savings				Category	Has Saving been Achieved (Y/N)
				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
CS	1.21	Recycling Centres - Opening Hours	Review of opening hours	0.020	0.020	0.000	0.040	2	N
CS	1.8	Fleet	Fuel savings from a reduction in excessive idling	0.020	0.000	0.000	0.020	1	Y
CS	2.3	Electric Vehicle Charging	Charging the public for access to EV points to cover energy charges which have been provided free until now	0.020	0.000	0.000	0.020	2	N
C&L	3.13	School transport for Looked After Children	Reduction of costs transporting Looked After and Accommodated Children to school	0.020			0.020	1	Y
Corp	1.25	Travel and Hire Desk	Year on year target to reduce spend	0.015	0.015	0.015	0.045	1	Y
CR	1.13	HR	Occupational Health Contract (following re-tender)	0.012	0.000	0.000	0.012	1	Y
CR	1.17	Learning & Development	Reduce use of external consultants	0.010	0.000	0.000	0.010	1	Y
D&I	2.8	Planning & Environment	Environment - Increase Environment Advice & Consultancy Team income target	0.010	0.010	0.010	0.030	2	N
CS	2.10	Radio Masts - Increase Income	Increase income from radio masts and recover costs from third party works	0.010	0.010	0.010	0.030	2	N
CS	1.15	Street Lighting - Dimming	Reduce brightness by an additional 20% on all new LED street lights by dimming street lights between 12 and 6am	0.005	0.010	0.005	0.020	1	Y
CS	3.9	Transport - Lean Review	Lean Review of transport processes	0.005	0.020	0.000	0.025	2	N
CS	1.18	Waste Management - Increase Recycling	Reduce waste arising from internal practices (especially schools, harbours, workshops)	0.000	0.050	0.100	0.150	2	N
Corp	1.7	Council wide	Efficiency savings through review of corporate HR/recruitment/workforce planning process	0.000	0.100	0.125	0.225	1	Y
CS	2.22	Street Lighting - Review team post LED implementation	Review numbers of staff needed post LED implementation OR offer services to others as income generator. Year 3 saving only.	0.000	0.000	0.060	0.060	2	N
Corp	3.4	Council wide	Efficiency savings through ICT corporatisation	0.000	0.075	0.175	0.250	2	N
Corp	4.3	Flexible Working (as part of Workforce Planning)	In Community Services this will include staff from family groups in Roads, Amenities and Winter. It will include a complete review of shift patterns, annualised hours and other ways to work more flexibly. It may also require a restructure to enable more efficient delivery within the Service. Savings will therefore predominantly come in years 2 and 3.	0.000	0.050	0.050	0.100	2	N
Corp	1.14	Redesign	Redesign savings in excess of 2018/19 rolled forward unallocated savings target (2020/21 & 2021/22 pension strain underspend)		0.164	0.107	0.271	2	

Service	Theme Ref	Budget Area	(Brief description - should clearly state how savings will be generated) Savings Description	Savings				Category	Has Saving been Achieved (Y/N)
				2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
C&L	2.23	Eden Court	Revise funding to Eden Court programmes with focus on income generation			0.030	0.030	1	N
C&L	2.24	Funding for external sports culture and leisure organisations	Revised funding for Sports, Leisure, Culture and Community organisations		0.200		0.200	2	N
C&L	3.11	Placement Services	The Placement Services Change Programme is already in place with the aim of reducing costs of the out of authority placements over a three year period. Early intervention and support services will be created in Highland, creating the opportunity to reduce the overall budget by avoiding the need for placements.			1.000	1.000	3	N
C&L	4.4	Children's Services Redesign	Re-align early intervention posts across Children's Services, schools and Early Learning and Childcare, linked to a re-structure of services and a review of health services funded by the Council.		0.310	0.250	0.560	2	N
Total				21.649	7.628	8.389	37.666		

Carried Forward 18-19 Savings

Ref	Budget Area	<i>(Brief description - should clearly state how savings will be generated)</i> Savings Description	Savings					Category	Has Saving been Achieved (Y/N)
			2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	Total £m		
Redesign 1	Grey Fleet Savings	Grey Fleet Review identified £2.2 million spend in 16/17 on private mileage. A further £500k is spent on private car hire. Target of £500k was identified; some progress has been achieved but will need to be accelerated to achieve full benefits.		0.500			0.500	2	N
Redesign 2	Reduction in printing/paper costs	Expenditure of £855,077 against Managed Print Services budget during 2017/18, Scope for reduction in printing, particularly colour printing		0.150			0.150	3	N
Redesign 3	Energy	Reduction in energy use.		0.500				3	N
Redesign 4	Service Income	Action Plan from Deloitte Peer review - particularly focussing on implementing an invoicing surcharge and implementing statutory interest and penalties on late payment		0.700			0.700	1	Y
Redesign 5	Non Domestic Rates	Rates relief and more efficient practices around accounting for vacant properties	0.084				0.084	1	Y
Redesign 6	Strain on Pension Funds	The annual underspends, based on existing pension strain costs and not taking account of any future retirements resulting in pension strain costs	0.123	0.121	0.164	0.107	0.515	1	Y
Redesign 7	Lean Reviews	Benefits realisation from Lean Reviews		0.100			0.100	2	N
Procurement	Procurement	Rolled forward procurement savings target		0.861			0.861	3	N
Total			0.207	2.932	0.164	0.107	2.049		

Update on Change Programme

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
CP1 Project: Trade Services	PS: Carron McDiarmid PM: Sylvia Beswick	To implement the redesign review agreed by the Redesign Board and Council and shift the balance of property maintenance to undertake more repairs in-house and reduce the cost of out-sourcing. Year 1 focus is 3 priorities out of 13 recommendations. These are to: <ul style="list-style-type: none"> • re-procure a framework for trade services so that where we do out-source, we comply with all legal, procurement and audit requirements; • make repairs processes more efficient (by undertaking 2 lean reviews); and • pilot the use of in-house trades for non-domestic repairs in 2 areas of Lochaber and the Inverness Royal Academy ASG. Savings compliance will be through budget removal at the start of the financial year and enhanced scrutiny of monthly spend in the project board and to intervene where appropriate.	Period highlights <ul style="list-style-type: none"> • Project Manager appointed. • New framework Business Case and strategy signed off. • Lean review of business processes initiated. • Work commenced quantifying job types, costs, volumes for pilot. Next period deliverables <ul style="list-style-type: none"> • Lean ‘analyse and measure’ stage reporting. • Project Manager to develop Project, risk and communications plan. • Formal Board meetings with TU involvement. • Service centre preparation for pilot. • Lean recommendations due Sept 2019.
CP2 Project: Grey Fleet	PS: Caroline Campbell PM: Keith Masson	18/19 carry forward savings of £575k to be delivered in 2019/20 through reduction in non-essential staff travel, to optimise the use of the Council’s “white fleet” (e.g. vans), and to reduce our fleet costs in so doing. Compliance through behaviour change (e.g. default	Period Highlights <ul style="list-style-type: none"> • Agreed to work towards transiting grey fleet into business as usual processes. • Agreed to initiate new project for white fleet – small commercial vehicles Next period deliverables

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
		<p>is that travel is unnecessary), and the proactive and effective management of staff, including using data to identify who is travelling, where, and for what purpose</p>	<ul style="list-style-type: none"> • Additional 24 car club vehicles to be deployed across Highland. • Staff survey to be used to shape future travel options. • White fleet project scope and resource to be agreed. • Scoping with Budget Leader opportunities to reduce costs relating to Member travel.
<p>CP3 Project: Transport</p>	<p>PS: TBC PM: Rob Macaskill</p>	<p>This project will: Deliver improvements and reduce costs by £400k for school and contracted bus service contracts, and the management of the same. Compliance will be through monitoring and tracking data (usage, costs) Implement the recommendations of the re-design review which were approved by the re-design board in February 2017, the aim being to drive efficiencies and to deliver improvements in Community Transport and Engagement. The recommendations included:</p> <ul style="list-style-type: none"> • Explore transfer of HC minibuses from establishment to central management; • Further analysis of home to school network • Establishing and implementing the recommendations from a Lean review of transport processes. • Delivering improvements to the provision of Home/School transport for all pupils through process changes, more effective route planning, introducing collection hubs and renegotiating 	<p>Period Highlights</p> <ul style="list-style-type: none"> • Project Manager appointed. • Project Board established and has produced a savings action plan. <p>Next period deliverables</p> <ul style="list-style-type: none"> • Project Manager to develop a project plan scheduling, prioritising and progressing the work with Service colleagues.

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
		<p>pricing structures with individual operators.</p> <ul style="list-style-type: none"> Ensuring effective delivery of changes to the costs of public bus tenders 	
<p>CP4 Project: Waste Management</p>	<p>PS: TBC PM: Stephen Graham</p>	<p>Delivering a waste management solution for the residual waste project which complies with the 1st January 2021 biodegradable municipal waste (BMW) landfill ban [arising from the Waste (Scotland) Regulations 2012] and the approvals secured at Environment, Development and Infrastructure Committee.</p> <p>Delivering associated infrastructure developments to provide new waste transfer stations in Lochaber and Badenoch & Strathspey.</p> <p>Delivering a range of Waste Service savings proposals:</p> <ul style="list-style-type: none"> assessing waste haulage processing contracts for potential to bring some activity back in-house from October 2019 route optimisation for waste collection services to generate savings in relation to employees, vehicles and fuel increase recycling through improved practices within Council functions and introduction of actual cost recovery for waste generated by Council functions and partner organisations identify recycling centres' optimum operating hours to reflect periods of highest demand reducing construction and demolition waste brought to Council's household waste recycling centres to decrease handling and treatment 	<p>Period Highlights</p> <ul style="list-style-type: none"> Residual Waste is subject to a full council report 27th June. Request for project resources submitted for several of the initiatives. Route optimisation system ordered. <p>Next period deliverables</p> <ul style="list-style-type: none"> Project resources approved and in place. Bulky uplift policy to be submitted to August EDI. Continuing with savings action plan development.

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
		<p>costs</p> <ul style="list-style-type: none"> • removing the grant to social enterprise groups for operating waste collection services • increasing the number of commercial premises that the Council collects waste from to generate income • Delivering the key actions as agreed by Members in the Single use Plastics Strategy 	
<p>CP5 Project:</p> <p>Education Transformation</p>	<p>PS: James Vance PM: TBC</p>	<p>This project will specifically target the following objectives:</p> <ul style="list-style-type: none"> • Delivering improved educational outcomes through schools through a rolling 3 year programme of consultation across all Associated School Groups. • Providing improved support to Head Teachers • Delivering efficiencies to working practices and processes <p>Overall target is to deliver savings of £4.3m and improvements (£3.9m year one, £200k in years 2 and 3)</p> <p>TOR to be produced that incorporates the scope and objectives relating to Education, Note that the sponsor also covers ASN and Early Learning and Childcare An overarching board oversees all 4 C&L projects.</p> <p>The additional posts established through the Change Fund to support Absence Management are integral to this project.</p>	<p>Period Highlights</p> <ul style="list-style-type: none"> • Project resource agreed and in place. • Presentation to CL and H Committee outlining main priorities. <p>Next period deliverables</p> <ul style="list-style-type: none"> • Strategic training programme is being developed to be rolled out in June. • Communications with Headteachers on attainment targets.
<p>Ref CP6 Project:</p>	<p>PS: James Vance</p>	<ul style="list-style-type: none"> • Deliver savings of £2.5m and improvements 	<p>Period Highlights</p>

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
Early Learning and Childcare	PM: Jennifer Campbell	<p>(£2m in year one, £0.5m in each of years two and three)</p> <p>Project established to achieve following objectives:</p> <ul style="list-style-type: none"> • Reconfiguration of the early years workforce • Reduction in non-contact time for staff. • Developing a career pathway by promoting the ELCC support worker role. • Promotion of purchase of non-funded hours by parents. • Promotion of a provider-neutral approach • Support to new partnerships in line with national standard. • Enhancing childminding particularly in rural areas. • Developing the ELCC MA programme. 	<ul style="list-style-type: none"> • Project on track to deliver savings. • Income from parents purchasing additional hours has been promoted. <p>Next period deliverables</p> <ul style="list-style-type: none"> • Proposal for reduced non contact time finalised and consulted on.
CP7 Project: Placement Services Change Programme (Including Fostering & Adoption)	PS: Karen Ralston PM: Lynnsey Urquhart	<ul style="list-style-type: none"> • Resolve overspend (£4.4m), deliver savings of £1m in year 3 ,and deliver improvements <p>Review of current Programme Management arrangements carried out by CET – recommendations to be implemented. Terms of reference to be refreshed.</p>	<p>Period Highlights</p> <ul style="list-style-type: none"> • New service (Àrach) operational, service to reduce number of children coming into residential care by 20%. • Specialist respite / Foster Carer commenced working for Àrach. • PSCP team viewed three prospective Highland residential unit properties. <p>Next period deliverables</p> <ul style="list-style-type: none"> • Session to review programme status planned for 27th June to assess plan and to take stock of benefits already delivered and ensure current and ongoing need continues to be addressed with programme.

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
			<ul style="list-style-type: none"> • PSCP team view prospective residential property. • PM consult with local Members on large residential site.
<p>CP8 Project:</p> <p>Additional Support Needs</p>	<p>PS: Carron McDiarmid PM: Lorna Bailey</p>	<p>This project will specifically target the following objectives:</p> <ul style="list-style-type: none"> • Transforming ASN services to enable schools to better meet the needs of children, so that resources are allocated equitably and meet the needs of children and young people. This will be delivered through a classroom-focused and inclusive approach, where teachers are best placed to identify the support needs of children. • ASN transport - ensuring it is linked to the Transport Project • Deliver savings of £9.2m and improvements 	<p>Period Highlights</p> <ul style="list-style-type: none"> • 63 FTE PSA reductions identified in schools. Staff, members and Trade Unions notified on 21st May 2019. • New HR resource supporting deployment. • This saving will be delivered at the start of the school term. • ASN Teacher Reductions. • Completed Census of ASN staffing from Head Teachers. • An estimated 65 FTE ASN Teacher (ASNT) reductions have been communicated. • Communication with ASN Teachers has been in writing via Head Teachers and in face to face Twilight Sessions in five locations. <p>Next Period Deliverables</p> <ul style="list-style-type: none"> • Conclude all PSA deployment. • Ensure vacancy controls on PSA posts are used. • Begin review of overspend in 2018/19 and confirm arrangements are in place to deliver remaining ASN savings through management action (4/6) - £879K. • Identify and notify ASNT reductions. • Confirm Teacher transfers for start of new school session (20th August 2019).

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
			<ul style="list-style-type: none"> • Continue to respond to Parent Council meeting requests. • Begin Phase 2 Project Board focussing on Review of Allocations Model, Processes and Delivery, including new stakeholder involvement e.g. parent voice and advocacy group. • Roll-out of pan Highland inclusion focussed Education training to all Highland schools.
CP9 Project: Service Income	PS: Allan Gunn PM: Caroline Urquhart	<ul style="list-style-type: none"> • Deliver £700k savings through implementing an invoicing surcharge, and statutory interest and penalties on late payment • Compliance through proactive manager budget monitoring and intervention as required 	Savings on target 19/20 Period highlights: <ul style="list-style-type: none"> • Systems changes for late payments in progress. • Ongoing communication with staff, budget holders and key stakeholders including Service contacts in advance of implementation of statutory interest and penalty on late business accounts. Next month planned deliverables: <ul style="list-style-type: none"> • Test and installation of initial SLI (Harbours) which will remove duplicate keying of data in service and financial systems. • Development, testing and delivery of first tranche of budget holder reporting and support. • Scoping for feasibility of moving additional THC services to alternative transaction methods (e.g. online or pay on site). • Analysis and initial reporting of Q1 data.
CP10 Project:	PS: Stuart Black PM: Amy Prior	<ul style="list-style-type: none"> • Complete Highland consultation on TVL to provide basis for implementing a Levy 	Period Highlights <ul style="list-style-type: none"> • Progress over the last month has included the

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
Transient Visitor Levy/ Tourism Developments		<p>(subject to Scottish Government legislation), and so maximise opportunity this affords for income generation and targeted spend of the same</p> <ul style="list-style-type: none"> Proactively target commercial opportunities for new income from Tourist Developments such as charging for camper van parking/facilities 	<p>appointment of a Project Manager.</p> <ul style="list-style-type: none"> Project Plan for pre-consultation industry meetings was signed off by the Project Board, with six round-table events planned across Highland. <p>Next period deliverables</p> <ul style="list-style-type: none"> Completing the Pre-Consultation meetings. Production of an anonymised report on the Pre-Consultation phase to inform open Consultation. Tender for Visitor Consultation expertise.
CP11 Project: Energy and Renewables	PS: Stuart Black PM: Martin Macdonald	<ul style="list-style-type: none"> Deliver £500k saving, and take urgent action to respond to increasing energy costs (10-14% by 2020/21 = additional £1m+ spend) Reduce energy consumption through compliance and behaviour change, and through rationalisation of Council property Reduce energy costs through effective management of energy supply contracts Reduce energy costs and generate income through the implementation of viable renewable schemes 	<p>Period Highlights</p> <ul style="list-style-type: none"> Formal award of £3.5m SALIX fund. Detailed plan agreed for LED and boiler replacement. SSE approval for Alness academy solar install. Work continues on a number of generation schemes. <p>Next period deliverables</p> <ul style="list-style-type: none"> Business cases have been submitted requesting Change Fund allocation for resource to support the surveying work. Three ground mounted solar sites commissioned. Complete specification for roof mounted installations. Deliver presentation on energy strategy to the 24th June 2019 Climate change seminar.
CP12 Project: Asset Management,	PS: Edward Foster PM: Graham Bull	<ul style="list-style-type: none"> Deliver efficiencies and reduce Council Estate to deliver £1.7m savings Compliance and behaviour change through 	<p>Period Highlights</p> <ul style="list-style-type: none"> Target list of properties proposed for disposal reported to weekly strategic meeting.

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
Property Rationalisation and Investment		<p>Corporate Landlord approach with all properties treated as Corporate assets and must be used to best effect (cost/service delivery), and through adoption of agile working that maximises usage of space (e.g. presumption of hot desking)</p> <p>This project will specifically target the following objectives:</p> <ul style="list-style-type: none"> • Challenging/supporting and ensuring that adequate resource exists in legal and asset management (surveyors) to deliver a quicker and more efficient asset disposals programme • Implementing new ways of working to become more a more agile, modern workplace and reduce space requirements • Reducing the number of properties occupied by the Council, with a particular focus on those with poor condition ratings and high backlog maintenance liabilities • Ensuring that Community Asset Transfer process is carried out as efficiently and effectively as possible, with strong support provided for communities. • Ensuring that Community Asset Reviews are carried out with Community Planning Partners to ensure that opportunities for co-location are identified and delivered. • Ensuring that commercial opportunities for property investment, as identified through the Commercial Board, are actioned 	<p>Next period deliverables</p> <ul style="list-style-type: none"> • HQ accommodation rationalisation feasibility study to commence June. • Secure approval for the proposed Property Rationalisation list.

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
		<p>appropriately.</p> <ul style="list-style-type: none"> • A smarter asset management system that accurately triggers rent reviews. 	
CP13 Project: ICT Development/Digital	PS: Steve Walsh PM: TBC	<p>The Council has embarked upon an ambitious and challenging programme of change to upgrade the ICT estate to a state of the art operating model. The programme includes:</p> <ul style="list-style-type: none"> • Migration to Microsoft Office 365 and Windows10, with a full device refresh programme, all underpinned by a comprehensive upgrade of the Councils' ageing network across schools and the Corporate estate. • Through communication and engagement, the Council will promote the efficient use of data, technology and applications that it has invested in. This will characterise digital and technology as a key enabler for transformation across the Council and endeavour to deliver continuous service improvement in line with business objectives. • Council Services will identify the right data structures, tools, applications and technologies to meet their business objectives. This in turn enables positive outcomes for its internal and external customers, which include citizens, pupils, staff and elected members alike. • The Council will use national and local 	<p>The savings element of the project is effectively delivered, as it was part of contractual savings.</p> <p>Period Highlights</p> <ul style="list-style-type: none"> • Corporate Pre-Pilot complete, pilot commenced. • Curriculum pilot user testing complete, new school servers procured. • Network programme complete, chrome book delivery ahead of schedule. <p>Next period deliverables</p> <ul style="list-style-type: none"> • Further roll out of devices to Corporate users. • Curriculum pilot commencing this week.

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
		<p>government strategies, key legislative and other industry trends in the ICT sector. This includes Scotland wide programme of work being driven through the Local Government Digital Office.</p> <ul style="list-style-type: none"> To deliver savings of £2.15m 	
CP14 Project: Workforce Planning	PS: Steve Walsh PM: TBC	<p>This project will specifically target the following objective:</p> <ul style="list-style-type: none"> Developing a strategy for the Council around: vision and values, flexible workforce, leadership and Management training for all employees, sustainable workforce, transition and C&L Management Restructure. Review of Terms and Conditions Programme/Project Board for Workforce Planning with workstreams for each of the key themes <p>Key to enabling staff related savings to be taken and sustained</p>	<p>Period Highlights</p> <ul style="list-style-type: none"> ASN project supported with 2x HR Officers. Talent Manager recruited. On track to deliver Training programme in accord with performance targets
CP15 Project: Redesign	PS: Malcolm Macleod PM: N/A	<ul style="list-style-type: none"> Savings of £1.38m to be delivered which are not covered elsewhere in the change programme. Will include work around service budget peer review challenge as a separate budget management exercise. New redesign reviews on catering, cleaning & FM and Engineering Services to be progressed ASAP Includes ensuring the delivery of completed 	<p>Period Highlights</p> <ul style="list-style-type: none"> Engineering Services Review commenced Catering Services Review commenced – initial meetings taking place. APSE has been commissioned to support the review – focus on systems and procedures and commercialism. Lean reviews on Trades and Cash collection underway. Scoping meeting for bereavement services lean reviews undertaken with Community Services

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
		<p>redesign reviews to maximise benefits (that are not covered through other project streams).</p> <ul style="list-style-type: none"> Lean reviews will continue to be identified and benefits realised (in addition to those captured above). 	<ul style="list-style-type: none"> Initial work on mitigating savings has started including a review of underspend areas to determine recurring savings, Council Tax Refunds. <p>Next period deliverables</p> <ul style="list-style-type: none"> Redesign Board updates on progress to meeting of Board on 17th June Lean work on Bereavement Services to continue – resource to be identified. Redesign work on Cleaning & FM to formally start Commercialism projects to be moved forward Alternative savings under the redesign savings heading to continue to be discussed and captured as appropriate.
<p>CP16 Project:</p> <p>Income Generation</p>	<p>PS: Alison Clark PM Amy Prior</p>	<ul style="list-style-type: none"> Delivery of £700k income generation - £300k income target Feb 2019, £400k unmet target 2018/19 (in relation specifically to car parking income). Implementation of a new policy approach to income generation at a local level within the context of increasing local decision making and involvement of communities. Implementation of the approach agreed by Redesign Board in June 2018 	<p>Period highlights</p> <ul style="list-style-type: none"> Project Board established, and terms of reference agreed. Engagement sessions with members underway – 5 completed at Monday 10 June – to understand options and target areas. <p>Next period deliverables</p> <ul style="list-style-type: none"> A phased approach for low, medium and high impact areas and implementation plan to be developed on that basis. Priority to accelerate delivery in low impact areas to meet income targets in year 1. Study to be undertaken to understand the

Project	Project Sponsor/ Project Manager	Scope and Purpose of Project	Update on Progress
			current allocation of expenditure and income in terms of types of expenditure and geographic split to fully inform options for allocating locally generated income.

Change Fund – Progress Report June 2019

Appendix 3

Projects	Status	Committed Cost to Change Fund	Running Total
			£2,500,000
<u>Education Transformation</u>			
5 X HTs + Expert Advisor	Appointed	£500,000	£2,000,000
<u>Care Placement Services Programme</u>			
1 X Project Manager	This post has been recruited to from within exiting CET Resources, so no longer required from the Change Fund.		
1 X Business Analyst	No longer required		
2 X Social Workers	Tbc	£100,000	£1,900,000
<u>Trades Review</u>			
1 X Project Manager	post filled from 10 June 2019.	£53,000	£1,847,000
<u>Transport and Grey Fleet</u>			
1 X Project Manager	Post filled from 10 June 2019	£53,000	£1,794,000
1 X Business Analyst	Not being progressed at present so no requirement from Change Fund.		
<u>Waste Strategy</u>			
External Advice	External assistance has been procured and work is underway. (£60k)	£60,000	£1,734,000
<u>Income Generation including Visitor Levy</u>			
1 X Project Lead	post filled from 30 May 2019.	£53,000	£1,681,000
1 X Project coordinator	Not being progressed at present so no requirement from the Change Fund.		
<u>Corporate Support</u>			
2 X HR Officers	Both posts filled from 3.6.19 and 10.6.19 2 HROs HC7 12 months @ £31,012 x 2	£62,024	£1,618,976

2 X Learning and Development Officers	2 L&D Adviser HC07 12 months. Only one filled – seconded by Depute HT @ £48K second post will not be filled	£48,000	£1,570,976
Attendance Management Officer	1 ASO HC07 12 months @ £31,012 Filled and commenced 3.6.19	£31,012	£1,539,964
Talent Attraction Manager	1 Talent Manager HC10 12 months Filled and commenced 3.6.19	£43,589	£1,496,375
<u>Visitor Levy</u> Procure independent engagement expertise	A tender for visitor consultation is being prepared and will be actioned over the next month. Six round-table events are being held across Highland with 10-15 reps in each from tourism industry to be completed by end June (using internal resources).	£23,000	£1,473,375
<u>Education Transformation</u> Project/Programme Manager	Following a review, this project is being managed from existing resources so there is no requirement to take up the Change Fund allocation.		
<u>ASN</u> Project Manager	Interviews have been held and post has been filled.	£53,000	£1,420,375
Parent and Pupil Advocacy posts – communication support for communities and parents with children with ASN	Not yet progressed.	£22,000	£1,398,375
<u>Enhanced Communications</u> Communications	Not yet progressed – report to Council in September.	£60,000	£1,338,375

resource to support the Change Programme			
Senior Health post at Head of Service level	Post approved at JMC on 17 June	c£80,000	£1,258,375
Redesign Peer Review of Catering	The Association of Public Sector Excellence (APSE) has been commissioned to assist the ongoing Peer Review of Catering Services. Update provided to the Redesign Board on 17 th June.	£16,000	£1,242,375
Total		£1,257,625	£1,242,375