

Finance and Resources Committee

2.00pm, Thursday, 18 August 2016

Transformation Programme: Progress Update

Item number	7.1
Report number	
Executive/routine	
Wards	

Executive summary

This report provides the Finance and Resources Committee with a single, consolidated status update on the Council Transformation Programme, aimed at delivering a lean and agile Council, centred on customers, services and communities. This report provides progress updates across the major workstreams and notes the most up to date position with VERA/VR and the delivery of organisational reviews. The report includes the most recent management information dashboards.

Links

Coalition pledges
Council outcomes
Single Outcome Agreement

Transformation Programme: Progress Update

Recommendations

- 1.1 Note the progress to date with organisational reviews and the associated savings;
- 1.2 Note the management information dashboards for the month to 15 July 2016 attached at Appendix 1.

Background

- 2.1 The Council continues to operate in a challenging environment with increases in demand for services within ongoing financial constraints. In response, the Council has developed a Transformation Programme aimed at building a lean and agile organisation, centred on customers, services and communities.
- 2.2 On 25 June 2015, Council approved a report on the Transformation Programme which set out the future operating model for the Council.
- 2.3 This report highlights the following:
 - Progress to date with the realisation of savings through organisational reviews;
 - Progress with major workstreams;
 - Updated VERA/VR figures; and
 - Management information dashboards for the month to 15 July 2016

Main report

Progress of Organisational Reviews and the Realisation of Savings

- 3.1 A significant proportion of the Transformation Programme savings are being delivered through a series of organisational reviews aligned to Head of Service areas of responsibility.
- 3.2 The first phase of organisational reviews are now successfully nearing conclusion, with new structures implemented and associated savings realised in 17 areas. A further 7 areas are in the consultation or matching and assignment phase and are on track to deliver new structures and associated savings in the coming weeks. 2 areas are on track to start consultation shortly. The table below outlines the current status of Phase 1 reviews.

Organisational Review	STATUS	Projected Savings £M	Benefits Status
Communications	IMPLEMENTED	0.463	achieved
ICT	IMPLEMENTED	0.78	achieved
Human Resources	IMPLEMENTED	0.514	achieved
Business Support: Executive Support	IMPLEMENTED	0.78	achieved
City Strategy & Economy	IMPLEMENTED	1.409	achieved
Strategy & Insight	IMPLEMENTED	1.246	achieved
Transformation and Business Change	IMPLEMENTED	0.336	achieved
Communities and Families Operations	IMPLEMENTED	0.141	achieved
Children's Services - Management	IMPLEMENTED	1.394	achieved
Customer Contact - Phase 1	IMPLEMENTED	1.507	achieved
Corporate Property - Phase 1 - Tiers 3 and 4	IMPLEMENTED	0.173	achieved
Business Support in Schools	IMPLEMENTED	0.744	achieved
Safer & Stronger Communities	IMPLEMENTED	1.962	achieved
Schools & Lifelong Learning – Early Years	IMPLEMENTED	0	achieved
Legal Services	IMPLEMENTED	0.443	achieved
Risk, Audit and Resilience	IMPLEMENTED	0.25	achieved
Transactions Phase 1	IMPLEMENTED	1.984	achieved
Transport & Planning	MATCHING & ASSIGNMENT PROCESS	3.547	on track to deliver in September 2016
Environment	MATCHING & ASSIGNMENT PROCESS	4.89	on track to deliver in September 2016
Housing and Regulatory Services	MATCHING & ASSIGNMENT PROCESS	1.835	on track to deliver in September 2016
Business Support Shared & Locality Services	MATCHING & ASSIGNMENT PROCESS	1.717	on track to deliver in October 2016
Commercial and Procurement	MATCHING & ASSIGNMENT PROCESS	0.398	on track to deliver in September 2016
Finance	MATCHING & ASSIGNMENT PROCESS	0.882	on track to deliver in September 2016
Schools and Lifelong Learning - Outdoor Centres	IN CONSULTATION	0	N/A
Corporate Property - Tier 5 and below	ON TARGET TO START CONSULTATION	0.206	on track to deliver in November 2016
Democratic Services	ON TARGET TO START CONSULTATION	0.422	on track to deliver in December 2016
TOTAL PHASE 1 SAVINGS		28.236	

3.3 Target timescales for delivery of phase 1 organisational reviews have been successfully met in most cases. Minor extensions to consultation periods were agreed with staff and unions in some areas to ensure that feedback was fully addressed, but these have generally been relatively short and have not had any significant impact on the realisation of associated savings.

3.4 The Embedding Change work continues, to ensure that necessary process, technology, asset and service changes are implemented to support the new staffing structures in these areas over the coming year. Workshops are scheduled with directors and their senior management teams in August to identify cross-directorate work required and agree priority projects for the coming 12 months.

Phase 2 Plans

- 3.5 Phase 2 of the Transformation Programme also looks to achieve significant cost savings. The phase 2 business cases are now well under development to identify how the cost savings will be achieved as well as developing the detailed project plans to demonstrate how and when.

Organisational Review	STATUS	Projected Savings £M	Benefits Status
Customer (Customer, Transactions & Business Support)	Business Case Under Development	7.852	Due for implementation by January 2017
Libraries, Schools & Life Long Learning	Business Case Under Development	8.103	Due for implementation by January 2017
Safer & Stronger Communities Advice Services/Family Solutions and CCTV	Business Case Under Development	1.555	Due for implementation by January 2017
ICT Phase 2	Business Case Under Development	0.200	Due for implementation by January 2017
Health & Social Care Phase 2	Detailed Planning Under Development	11.246	Due for implementation by January 2017
Childrens Services - Support to Special Schools	Business Case Under Development	0.440	Due for implementation by January 2017
Total Projected Phase 2 Savings		29.396	

- 3.6 A more detailed Phase 2 report will be delivered at the next Transformation update setting out how the phase 2 saving will be realised.
- 3.7 The business case for the Libraries, Schools and Lifelong Learning area has now been agreed by the Corporate Leadership Team (CLT).
- 3.8 The business case for the review of Advice Services in Safer and Stronger Communities is also under development and due for consideration by CLT in August. Work is underway to identify and validate all staff, grants and contracts that will be in scope of the review and the project team is currently meeting with finance, procurement and key service contacts to drive this forward. The

business case is due for completion by the end of July and will set out proposed savings and options for this service.

- 3.9 The business case for Phase 2 in ICT is due to be considered by CLT in September 2016. The programme team is in discussion with the Interim Head of ICT to identify the resources which are required to develop and implement the savings proposals in this area.
- 3.10 There are also a range of non-organisational review savings within Children's Services which form part of phase 2 of the Transformation Programme. Work is already underway in the service area to deliver these and the programme team is currently engaging with Children's Services to ensure full visibility of plans. The intention is to allocate a project manager from within the programme to support Children's Services with delivery.

Workstream Updates – Localities

- 3.11 Organisational reviews continue to progress, with matching and assignment in Environment, Housing and Regulatory Services, Planning and Transport, and Safer and Stronger Communities largely in place. Environment is due to complete final matching and assignment by mid-August followed by Housing Property at the end of August. Edinburgh Road Services, as part of the Transport and Planning review is expected to be concluded by the end of September. Embedding Change sessions are underway and the process of transforming service delivery will continue over the next 12 months.
- 3.12 As the organisational reviews conclude and new staffing structures are implemented, the locality operating model is being populated, with a complete picture of staff and vacancies in each Locality expected to be available by September.
- 3.13 An approach to developing, approving, delivering and evaluating Locality Improvement Plans, required as a result of the Community Empowerment Act 2015, is being progressed by the Council and Community planning partners. The proposed approach involves establishing a project team in each of the four localities, reporting to each Locality Leadership Team, to conduct two phases of engagement; (i) locality wide engagement to inform locality wide outcomes (October to December 2016), and (ii) smaller area engagement (February 2017 to May 2017) in areas of high social deprivation to develop action to address poverty and inequality. Under the proposals, plans would be ready for approval by Council committee and the Edinburgh Partnership Board between July and October 2017
- 3.14 Data Services team within Strategy and Insight have started the development of a data warehousing solution in conjunction with senior service users and CGI to deliver Insights (dashboards) for localities to ensure managers and leadership teams not only have accurate and current service data to plan service delivery but also have improved management information to support operational decision making. The data warehouse will be a single repository for all Council data,

providing a single view of data from multiple source systems and enabling the development of dynamic dashboards that are customisable, have drill down capabilities and be developed to evolve with the changing needs of the business.

- 3.15 The Localities programme plan has been refreshed, with priority areas including ongoing development of Locality Leadership Teams and Locality Management Teams; ensuring greater integration between CEC and Health and Social Care Localities and service delivery models; and implementation of the Phase 2 review in Schools and Lifelong learning into the Localities model.

Workstream Updates - Customer

- 3.16 Phase 1 continues to progress with completion of the outstanding organisational reviews. Matching and assignment and interviews for vacant posts are continuing and all reviews are on track to go operational as planned.
- 3.17 Phase 2 planning and delivery has continued. Through working with the service area and reviewing their process, procedure and customer journeys, a number of projects have been identified. These have been prioritised and categorised according to their financial benefit, non-financial benefit, complexity and speed of delivery to enable the maximum impact to be achieved in the most efficient timescale.
- 3.18 Project management and Business analyst resources have been allocated to each initiative to manage the delivery of the benefit and plan. A business case has been developed showing the estimated savings, delivery approach and timeline to achieve the benefits, as well as identifying potential risks and additional opportunities that may produce additional savings to close the current savings gap.
- 3.19 CGI and partner Agilisys have encountered difficulties in the development of the new digital platform and automated transactions for Channel Shift. The Council is working closely with CGI to support the creation of a new delivery plan. This plan will include a comprehensive business impact assessment which will detail training, communications and business change required to implement the new systems and to support channel shift with citizens and customers. Progress continues with the analysis of the transactional pipeline moving into new areas such as Licensing, Parking, Housing and Planning and Building Standards
- 3.20 Over 68,000 individuals have now signed up for online MyGovScot accounts. Proposals for improving digital participation are being developed in conjunction with SCVO and CGI, and these will be subject to wider engagement to inform a detailed implementation plan.

Workstream Updates – Health and Social Care

- 3.21 Consultation for phase 1 has now closed and the project team are currently reviewing feedback. Allocation and Assignment is scheduled to take place in August, with the management structure operational by mid September.
- 3.22 It has now been agreed that the remainder of the structure will be implemented in a single phase under Health and Social Care Phase 2 and detailed planning is underway for this. Consultation is currently scheduled to start in September and run for 45 days.
- 3.23 The project team is currently reviewing possible strategies to accelerate implementation, including how Voluntary Redundancy is applied for Phase 2.
- 3.24 The Transformation project team is working closely to ensure alignment with the wider programme of work ongoing within Health and Social Care and identify the key management risks and dependencies.

Workstream Updates - Asset Management Strategy

- 3.25 The New Property and Facilities Senior Management team (tiers 3 and 4) became operational on 30 June 2016. Some vacancies remain and these will be filled via the standard recruitment process.
- 3.26 Given there are a significant number of staff in Facilities Management who will be unavailable for consultation during the school summer holidays, a decision has been taken, in consultation with the Trade Unions, to split the next phase of organisational review into two phases.
- 3.27 Phase 2, which will include non-Facilities Management staff below tier 4 is scheduled to commence in August 2016. This is slightly later than originally anticipated but will not impact on the overall savings targets.
- 3.28 Phase 3, which includes all Facilities Management staff below tier 4, was due to commence at the end of August 2016 but will now begin later in the year, probably at the end of October. The delay is a result of the engagement period for FM re-design being extended to ensure all key stakeholders are on board with the proposals. The current aim is to sign off service level agreements and delivery plans by the end of September. This extended time period for consultation will not impact on the overall savings targets.
- 3.29 Work has now commenced to develop the survey specification and detailed methodology for the Asset Condition survey programme.
- 3.30 The business cases for Lothian Chambers and 329 High Street continue to be progressed. Engagement with services in these buildings is underway and a workshop was held in July in order to further develop the brief of the receiving space at 249 High Street so that service requirements can be fully supported by any remodelling of the space.

- 3.31 A consultation strategy has been developed for the Wester Hailes place based approach. Conveners and local elected members have been briefed. A programme of proposed public engagement is planned following next Locality Leadership Team meeting in August. This will help shape the detail of the proposals to allow development of a full business case in autumn.

VERA/VR Update

- 3.32 As at 5 August 2016, 653.2 FTE have left or are confirmed to leave the organisation under VERA or VR arrangements. This will achieve recurring savings of £24.1 million. The one off cost associated with those cases is £28.6 million and the overall payback period is 14.2 months, which is in line with planning assumptions.

Transformation Management Information Dashboards

- 3.33 The management information dashboards for the month to 15 July 2016 are attached as appendix 1.

Measures of success

- 4.1 The business cases have identified significant financial and non-financial benefits associated with the Transformation Programme.
- 4.2 The PMO have developed a clear financial and non-financial benefits framework which forms the basis of bi-monthly dashboard reporting to Committee.

Financial impact

- 5.1 As approved by Council the Transformation Programme is targeting the development and delivery of cumulative savings of £77.0m as a critical element of the Council's approved budget framework.
- 5.2 VERA and VR are being used to maximise delivery of workforce savings through voluntary measures. Annualised cost savings of £24.1m have been achieved to date with associated voluntary severance costs and pension strain costs totalling £28.6m. The overall payback period of 14.2 months is in line with planning assumptions.

Risk, policy, compliance and governance impact

- 6.1 A risk register has been developed as part of the PMO and is reported monthly to the Corporate Leadership Team.

Equalities impact

- 7.1 New locality management arrangements and local community engagement arrangements take cognisance of the needs of equalities communities of interest in addition to communities of place

- 7.2 New grant and contract programmes are designed to ensure the protection of the most vulnerable communities, families and individuals to maintain equality of opportunity.
- 7.3 Face to face contact and other contact channels are maintained for individuals, families and groups that have difficulties when accessing new or IT based channels.
- 7.4 Proposals comprising the budget framework will be assessed for their corresponding potential equalities and human rights impacts. The combined and cumulative impact of the proposals across the transformation programme will be assessed and reported to Committee. The results of these assessments will then be referred to Council to ensure that members pay due regard to them in setting the Council's 2016/17 budget.

Sustainability impact

- 8.1 The recommendations of this report have been assessed in line with the public bodies duties described within the Climate Change Scotland Act (2009). In summary, a move to enhanced locality working will provide for new opportunities to strengthen the Council's work to mitigate against climate change, adapt to climate change and act in a more sustainable manner.

Consultation and engagement

- 9.1 The Council Transformation Programme has engaged with staff using a number of methods, including drop-in sessions, workshops, a dedicated email address, ORB pages, blogs, communications updates and briefings from line managers.
- 9.2 A comprehensive employee engagement plan has been developed for each organisational review, with a dedicated overarching change plan involving staff, elected members, partners and trade unions.

Background reading/external references

N/A

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Chief Executive

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Links

[Report to Finance and Resources Committee, May 2016 - Transformation Programme: Progress Update](#)

[Report to Finance and Resources Committee, March 2016 - Transformation Programme: Progress Update](#)

[Report to Finance and Resources Committee, March 2016 - Asset Management Strategy Update](#)

Coalition pledges

Council outcomes

Single Outcome Agreement

Appendices

Appendix 1 – Management Information Dashboards

Transformation Programme Management Dashboard

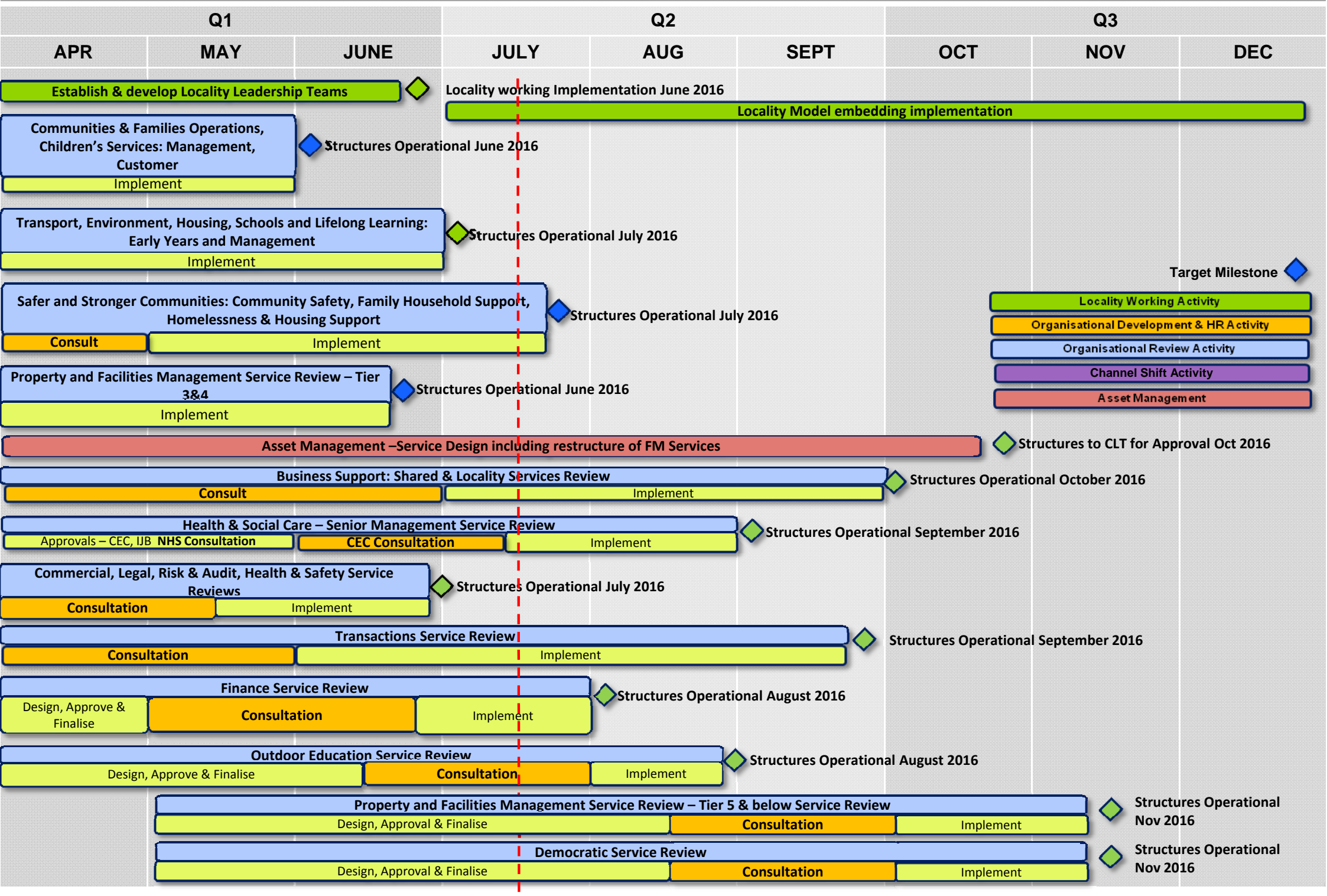
Monthly progress update - July 2016

OVERVIEW OF PROGRESS

16 Organisational reviews have now completed and a further 3 due to complete in August for Phase 1. Benefits tracking is being refined and improved to ensure that there is a clear picture of projected and actual savings and that any emerging gaps are identified to allow mitigating action to be taken. Individuals continue to exit the organisation on VERA and VR terms achieving an annualised saving of £23.7m per annum including pension and NI contributions.

PROJECT	RAG	COMMENTS	KEY PROGRAMME DECISIONS & TIMESCALES			
			July	August	September	
Customer & Business Support	→	<ul style="list-style-type: none"> Customer Contact Matching & Assignment exercise complete and structural management realignments are being finalised Ph1 Customer Reviews on track to deliver savings Ph 2 projects prioritised and estimated savings identified and overarching Business Case finalised 		Dashboards & CLT Report CLT Meeting		
Health & Social Care	→	<ul style="list-style-type: none"> Phase 1 on track. Consultation completed and feedback considered Ph 2 Costs and savings to be agreed and finalised Ph 2 structure to be signed off and published and savings to be identified and agreed by area Ph 2 plan being finalised 	Operational July Place, Communities and Families, Property and Facilities Management Tier 3 & 4 Reviews , Customer			CLT Meeting
Asset Management	→	<ul style="list-style-type: none"> Arcadis undertaking final due diligence to finalise Ph3 soft FM Tranche 1 Estate Rationalisation Business Cases developed and submitted to Property Facilities Management Board 	Embedding Transformation – Imp Plan Ph 2 Prog Plan	CLT Meeting	F&R Committee	
Localities	→	<ul style="list-style-type: none"> Embedding Change Sessions complete & plans being developed led by OD, across the Transformation Prog Consultation for Sports & Lifelong Learning expected to commence August Localities Plan refresh completed by 14th July 	Operational July Safer & Stronger : Ph1, Commercial, Legal, Risk & Audit, H&S Sve Reviews			
Resources	→	<ul style="list-style-type: none"> Matching & Assignment complete for Legal Services; Risk, IA and Health & Safety and structures implemented Matching & Assignment for Commercial extended and expected to be operational end July Finance now planned to be operational by 5/9/16 	Finance,		Operational August	
Chief Exec Dept	→	<ul style="list-style-type: none"> Strategy & Transformation implemented and vacancies being recruited internally & externally Resilience team structure is operational Governance & Democratic Svcs on track to start consultation 	Outdoor Education Centres Business Support and Transactions Services Democratic Service Review			Operational August
Place & Economy	→	<ul style="list-style-type: none"> Now in matching & assignment. Locality Management teams being assembled through this process 				
Communities & Families	→	<ul style="list-style-type: none"> Early Years and Schools management – remain in matching & assignment and vacancies advertised Consultation pack ready for Trade Union meeting for Outdoor Centres 				
RISK	DESCRIPTION	RAG	MITIGATION			
Service Failure (TPR002)	Acceleration of the Programme to realise savings more quickly causes disruption	→	Forward planning of restructuring and realignment of staff with each service is underway. CLT reviewing robustness of all Organisational Review proposals. Cross-Council working group in place to drive forward plans to embed transformation across all services.			
Engagement and Change (TPR001)	Managing change with staff and partners may be difficult due to scale and complexity of programme	→	A communications plan is in place, aligned with regular committee reporting. Regular union engagement meetings are in place. A Wider Leadership forum has been established to engage and inform senior leaders and ensure cascade of vital information. Templates have been developed to support consistent and accurate comms for organisational review and this is supported by HR business partners, Lead Officers and the programme team. A localities communications and engagement plan is under development.			

Transformation Programme Plan - Key Activities & Target Milestones to December 2016



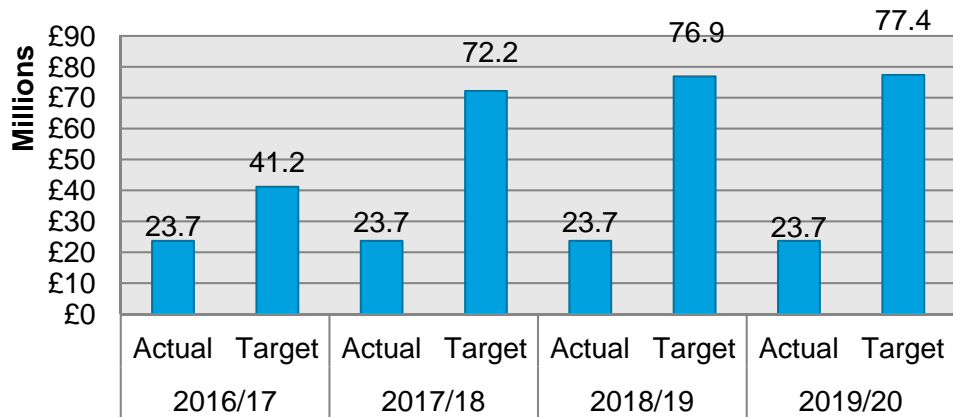
Target Milestone

- Locality Working Activity
- Organisational Development & HR Activity
- Organisational Review Activity
- Channel Shift Activity
- Asset Management

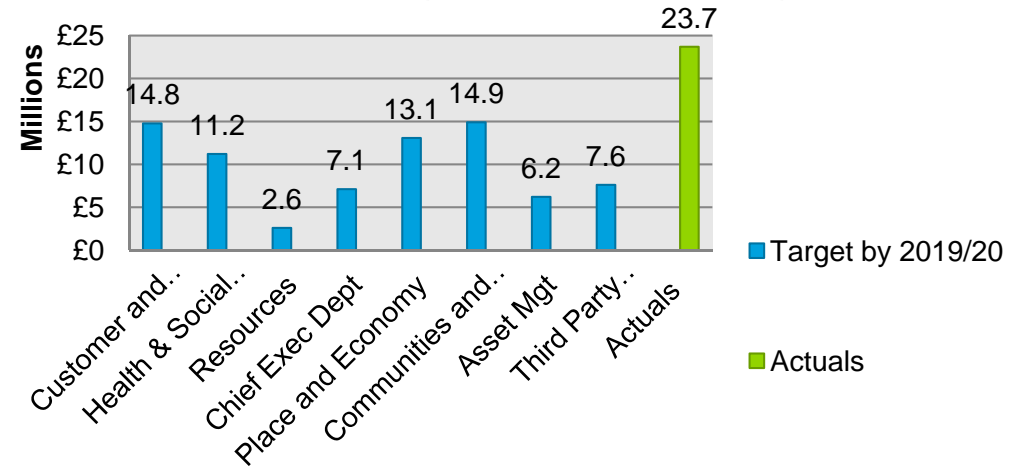


Finance & Benefits Update

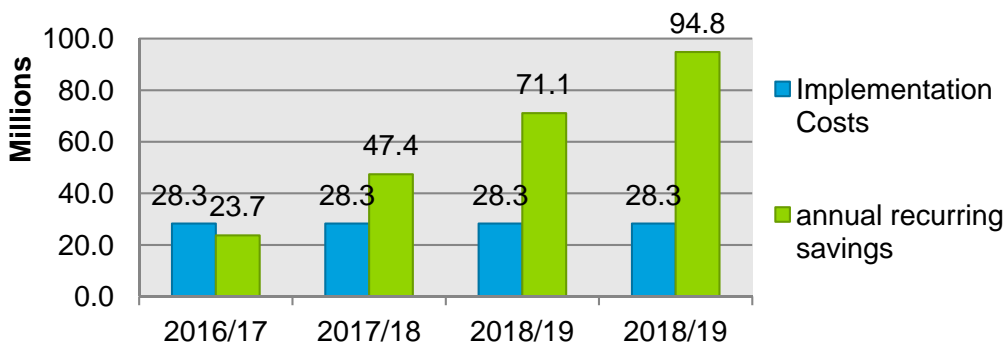
Annual Savings Targets vs Actual



Total Programme Savings



VERA COST BENEFIT ANALYSIS FOR LEAVERS TO DATE



Initiative



Activity

Completed

- Phase 1 Consultation completed and feedback reviewed
- Amendments being made from outcomes of consultation
- Alignment with Health and Social Care Transformation Programme for Phase 2
- Embedding Transformation session completed 1 July16

Planned

- Interviews for allocation and assignment of posts for Phase 1
- Amendments to structure for Phase 2 being finalised
- Costs and savings to be finalised and agreed for Phase 2
- Phase 2 structure to be signed off and prepared for consultation
- July 16 dataset to be obtained to review current staffing position against proposed future state
- Phase 2 consultation launch September 2016

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
	Phase 2 consultation to include all remaining staff and services will require significant resources to support the planning and consultation process	Mapping exercise planned to identify resource requirements		
	Complexity of integrating two large organisations	Ensure clear communication strategy Clearly articulate areas of significant change, and clarify degree of other changes proposed		
	Integration of Health and Social Care may require longer implementation time due to complexity	Induction and development plan to support managers in new integrated service		
	Due to the holiday period there is a risk that Phase 1 interviews are delayed. This may have an impact on phase 2 planning.	Plan meetings in advance as much as possible and map out all phase 1 and phase 2 dependencies to be managed		

ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	RAG
	Continued challenge of developing safe structures within available budget	

Risks & Issues

	June			July			August			September		
Organisational review												
Phase 1 Consultation Completed												
Phase 1 Allocation and Assignment to posts												
Phase 1 Go Live												
Phase 2 Structures Baselined												
Phase 2 Consultation (Ends 25/10/16)												

Project Dependencies

The Council's Support Services will need to be responsive and flexible to the development of the Locality model, so will require close partnership working with other work streams

Timescales and approvals for VR and VERA applications from staff within the scope will have a significant impact on future savings targets and project delivery plans.



Key Milestones

Asset Management Strategy (AMS)

Workstream Dashboard as of 08 July 2016

Previous Progress RAG	Current Progress RAG	Capability Maturity Rating

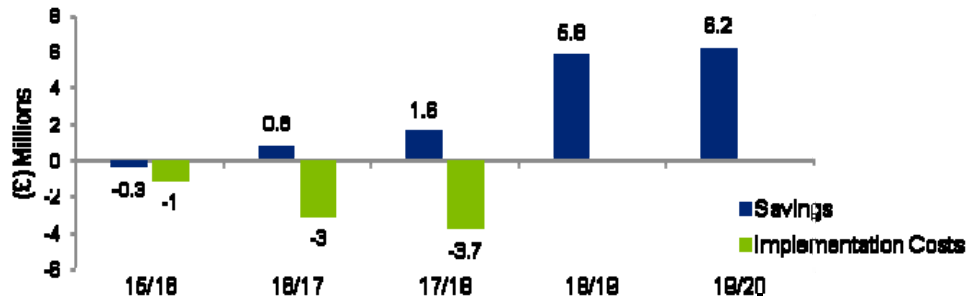
Completed

- Service Level Agreements (SLAs) - Arcadis undertaking final due diligence to finalise Phase 3 soft FM.
- Organisational Review for Phase 1 closed on 11th April with remaining vacancies going through the standard recruitment process
- Tier 5 org design is ongoing.
- First tranche of Estate Rationalisation business cases developed and submitted to Property and Facilities Management board.
- CLT approval to take forward the procurement of a delivery partner to expedite the Asset Condition survey programme.

Planned

- Organisation Review Phase 2 (August), Phase 3 (Area FM - October) and Phase 4 (ESRS - September)
- SLA comms sessions agreed with Schools Working Group
- Continue process design work across all workstreams.
- Budget transfers for transitioned services to be completed for end of July 2016.
- Review of TF Cloud CAFM system functionality.
- Commence preparation of outsourced survey specification and ITT documents
- Meeting with Housing to discuss value of land swaps for HRA portfolio

Asset Management Savings Per Year



Financial Year	15/16	16/17	17/18	18/19	19/20
Savings	-0.3	0.8	1.6	5.8	6.2
Implementation Costs	-1	-3	-3.7		
Net Saving	-1.3	-2.2	-2.1	5.8	6.2
Cumulative Saving	-1.3	-3.5	-5.6	0.2	6.4

	July	Aug	Sept	Oct
1 Commence Phase 2 Staff Consultation		Attention		
2 Phase 3 SLA consultation		In progress	In progress	
3 Commence Phase 3 Staff Consultation				Attention
4 Complete external survey brief			In progress	
5 329 /Lothian – Report to Council				In progress
6 August F&R Committee		In progress		
7 Investments business cases	On track	On track	On track	On track

Key: On track In progress Attention

PROJECT RISKS	MITIGATION	RAG
STAKEHOLDER / POLITICAL SUPPORT There is a risk of failing to secure stakeholder and political support for property and facilities management transformation proposals resulting in a failure to deliver the anticipated savings.	Ensure the programme has support from Senior Sponsors, within the Council and utilise this support to achieve political buy in to the initiatives and recommendations.	Attention
BACKLOG MAINTENANCE CAPITAL There is a risk that a lack of capital availability affects the ability to reduce the backlog of maintenance across the operational estate.	Decision has been taken to outsource surveys across the entire estate this year to enable recent data to be gathered asap.	Attention
CAFM MOBILISATION Risk of delays to CAFM mobilisation having impact on new FM process and implementation of new service standards	CAFM to be operational once SLA goes live and new FM processes established. Re-planning of CAFM is underway, once this is complete both the schedule and resource requirements will be clearer.	Attention
RESISTANCE TO PROPERTY STRATEGIES Risk of other Council services resisting property strategy leading to failures to deliver the required cost savings.	Engage with AMS PMO and management. Implement blueprint, i.e. ensure demand strategies are provided to inform, and escalate if required. Identify areas where data or support is required to be communicated by ER W/stream lead to management teams.	Attention
SERVICE AREA BUY-IN Risk of service areas not accepting new service standards leading to working around newly implemented standards. This will result in benefits from the new SLAs not being fully realised. e.g. Head teachers not directly engaged in the process.	Ongoing interaction with Service Areas to collate feedback and concerns. Ensure senior support/endorsement during SLA briefings and sign off. Implement new service level performance processes to ensure buy-in is retained during early stages of SLA roll-out.	Attention

Project Dependencies

- Communities & Families in relation to FM re-design;
- Business Support initiatives in schools
- Demand strategies from localities and service areas;
- Executive and senior management support in leading the change and helping to secure the buy in to change;
- The Council's commitment and appetite to drive out savings (political buy-in);
- CAFM project roll out including CGI and data cleansing of historic data sets to provide a single source of baseline information;

Initiative	Completed	Planned
 Activity	<ul style="list-style-type: none"> •Embedding change sessions completed and plans developed 	<ul style="list-style-type: none"> •Embedding change plans being developed across Transformation Programme, led by OD •Work continues on Sport and Lifelong Learning review with a view to consultation beginning in August •Workshops to be arranged to begin work on Locality Priorities and Improvement Plans •Localities Programme Plan refresh completed by 14th July

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
TPR000 15	People & Organisation – Continuing budget pressures, increased workload and changing priorities puts strain on the workforce, leading to lower staff morale, increased absence and stress levels.	12/07/16: A number of activities and processes are now embedded within the BAU structure council wide which address the concerns raised. Whilst these reduce the risk/impact, it is unlikely that the risk can be entirely eliminated and this risk will now therefore need to be tolerated. Paul Lawrence will need to confirm.	Red	Yellow
TPR000 25	Structure Implementation - There is a risk that Structures, if not synchronised in an effective manner across the relevant service areas, may result in operational challenges	12/07/16: The Organisational Review is complete and managers have been appointed to work with services reducing the level of this risk.	Red	Yellow

ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG
	No issues for escalation at this time		Yellow


Risks & Issues



Key Milestones

	July				August				September				October			
Matching and assignment of staff to services	Green	Green	Green	Green												
Service 'Embedding change' plans implemented					Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Locality structures populated	Green	Green	Green	Green	Green	Green	Green	Green								

Project Dependencies
<ul style="list-style-type: none"> •Aspects of Business and Customer Support Services consultation and implementation will overlap implementation of services and localities model •Work with Asset Management ongoing •Allocation of staff , budget and HR functions to localities

Initiative	Completed	Planned
 Activity	<ul style="list-style-type: none"> Legal Services consultations and the matching & assignment process has been completed. The structures has now been implemented Commercial matching & assignment has been extended, this is to minimise redundancies and allow staff the opportunity to apply for available roles. It is now planned that the structure will be operational by end of July The Risk, IA and Health & Safety consultations and the matching & assignment process has been completed .The structures has now been implemented The Finance review is in matching & assignment and is planned to be operational by 5/9/16 HR are working closely with Customer and are supporting the Ph 2 review . 	<ul style="list-style-type: none"> Continue to focus on the delivery of the outstanding reviews and complete the matching and assignment process Work with the Transformation Programme to embed the change in each area, focusing on day 1 to day 365 activities Continue to work with Customer to further develop the improvement opportunities for HRSS, building them into specific initiatives


RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
	Saving for Legal, Risk and Internal Audit are dependent on agreement to transfer of budgets and the reduction of external spend. Without a clear governance and tracking mechanism this may not be delivered.	Part of the implementation planning includes the development of a new governance system and centralisation of Legal budgets		
	Without significant culture change the implementation of the new operating models will be less efficient and full benefits may not be delivered.	As part of the programme implementation significant change management activities are being built into the delivery plan. Embedding change session are currently being delivered		

ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG
	Lack of staff availability is making it harder to schedule all the required interviews both during matching & assignment and to fill vacancies internally.	Teams are working to find the most flexible solution to completing interviews and are pre-planning interviews around holidays of key stakeholder.	

	Timeline												Project Dependencies
	June			July			August						
Legal structure operational													Close working with Strategy is required to allow the future Risk/IA/H&S and Resilience operating models to be successfully delivered. Close working with Customer to support the Phase 2 review of HRSS
Commercial consultation review complete													
Commercial structure operational													
Risk, IA, H&S consultation review completed													
Risk, IA, H&S structure operational													
Finance consultation review completed													
Finance consultation structure operational													

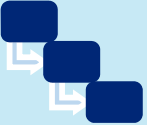
Risks & Issues

Key Milestones

Initiative	Completed	Planned
 Activity	<ul style="list-style-type: none"> • Strategy and Transformation have been implemented and vacancies are being recruited both internally and externally • The Resilience team consultation review has closed and the matching and assignment is completed. The structures has now become operational • The Strategy team is continuing to support the Customer team through managing the development of the Customer Strategy • Democratic Services – On track to begin consultation in August 	<ul style="list-style-type: none"> • Finalise scope list for the Democratic reviews • Finalise all required documentation and activities to enter and manage the consultation process for Governance and Democratic services • Work with Services to build on previous work to confirm, enhance and rationalise insight requirements • Continue to work with the Transformation Programme to embed the change in each area, focusing on day1 to day 365 activities

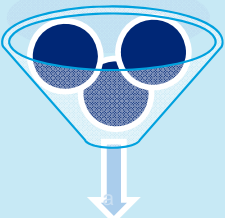
RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
	Without significant culture change the implementation of the new operating models will be less efficient and full benefits may not be delivered	As part of the programme implementation significant change management activities are being built into the delivery plan and Embedding change session are being held		
	Due to a number of vacant posts there is potential for the functions to be unable to deliver at full capacity in the originally planned timescales	Continue to work with HR and Finance to ensure vacant post can be recruited as quickly as possible		

ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG
	Issues are being managed at this time with nothing requiring escalation		

	June	July	August
 Key Milestones	<div style="display: flex; justify-content: space-between;"> <div style="width: 20px; height: 20px; background-color: #003366;"></div> <div style="width: 20px; height: 20px; background-color: #003366;"></div> <div style="width: 20px; height: 20px; background-color: #003366;"></div> </div>	<div style="display: flex; justify-content: space-between;"> <div style="width: 20px; height: 20px; background-color: #003366;"></div> <div style="width: 20px; height: 20px; background-color: #003366;"></div> <div style="width: 20px; height: 20px; background-color: #003366;"></div> </div>	<div style="display: flex; justify-content: space-between;"> <div style="width: 20px; height: 20px; background-color: #003366;"></div> <div style="width: 20px; height: 20px; background-color: #003366;"></div> <div style="width: 20px; height: 20px; background-color: #003366;"></div> </div>
Strategy and Transformation structures implemented	▶		
Resilience consultation review completed	▶		
Resilience structure operational		▶	
Democratic review commence			▶

Project Dependencies
<p>Close working with Risk, Audit, HS and Resilience is required to allow the future operating model to be successfully delivered..</p> <p>Dependency on IT for the creation and delivery of Data Services in support of Strategy & Insight</p>

Initiative	Completed	Planned
 Activity	<ul style="list-style-type: none"> All reviews complete / in matching and assignment phase, Locality Management teams being assembled through this process 	<ul style="list-style-type: none"> Embedding transformation plans being developed for all services Tracking of benefits ongoing Risks and Issues identified as part of the Org Reviews are being compiled to hand over to BAU for their acknowledgement/acceptance



Risks & Issues

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
TPR000 15	People & Organisation – There is a risk that the embedding of the new structures and ways of working is unplanned impacting the teams and delivery of an effective structure.	12/07/16: The embedding change workstream has been formed and a number of activities and processes are now embedded within the BAU structure council wide which address the concerns raised.		
TPR000 25	Structure Implementation - There is a risk that Structures, if not synchronised in an effective manner across the relevant service areas, may result in operational challenges	12/07/16: The Organisational Review is complete and managers have been appointed to work with services reducing the level of this risk.		

ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG
	Issues are being managed at this time with nothing requiring escalation		

		Project Dependencies			
		July	August	September	October
	Phase 1 Org review complete and implemented				
	Localities Implementation				
	Embedding transformation plans				

- Aspects of Business Support Services consultation and implementation will overlap implementation of services and localities model
- Allocation of staff to localities ongoing

Safer and Stronger Communities

July 2016

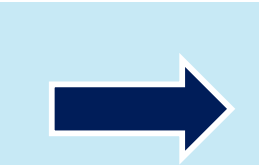
Current RAG



Initiative

Completed

Planned

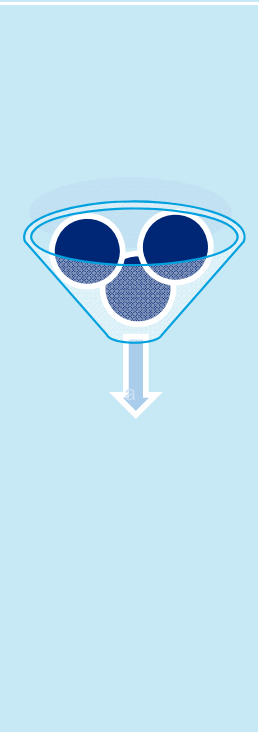


- VR offers Issued and accepted
- Matching and Assignment completed
- Interviews for family and household support now complete

- Interviews for vacant posts (Homelessness/Family and Household Support)
- Work with corporate property to identify locations for integrated teams
- Engagement session with all staff across the new integrated service

Activity

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
	Post review staff feel de-motivated and not engaged with the organisation going forward	Ongoing consultation with staff management briefings and midpoint reviews / implementation plans being drafted. Engagement sessions being set up	Yellow	Green
	Significant budget reductions. Ongoing uncertainty over the scale and potential increase in savings targets over the next 2-3 years	Finance Lead involved in Service group , Ongoing work by Finance	Red	Yellow
	Concern that experience held in new management structure insufficient to manage all services within scope	Training and development being designed, and manage assignment to posts to balance experience across all disciplines	Yellow	Yellow
	Concern from staff regarding delivery of support and enforcement functions within a single team and potential conflicts of interests	Support and information from T3 managers with experience of working within a spectrum of early intervention / prevention and enforcement	Yellow	Yellow



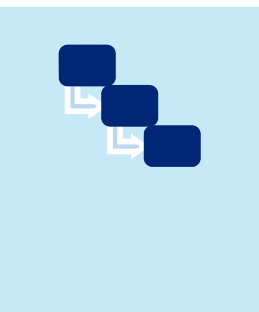
ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG
	Significant development / training programme. Costs associated with training staff to work at a higher level (increasing staff from grade 3 to 4 and grade 5 to 6)	Work closely with Learning and Development to identify available resource vs requirement	Yellow
	Vacant tier 3 post: Regulation and Professional Governance	Recruitment awaiting finalisation of Health and Social Care structure	Yellow

Risks & Issues

	June			July			August		
	1	2	3	1	2	3	1	2	3
Service implementation plans				Green	Green	Green	Green	Green	Green
Localities implementation							Green	Green	Green

Project Dependencies

The Council's Support Services will need to be responsive and flexible to the development of the locality model, and will require close partnership working with other work streams. Timescales and approvals for VERA/VR applications from staff within the scope will have a significant impact on future savings targets and project delivery plans.




Key Milestones

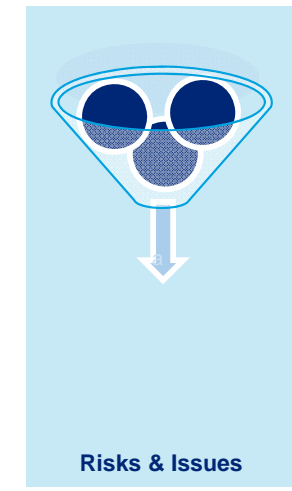
Communities and Families

July 2016

Current RAG

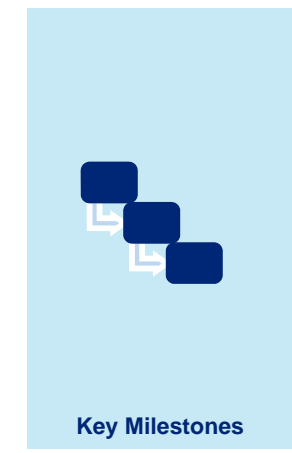


Initiative	Completed	Planned
 Activity	<ul style="list-style-type: none"> • Organisational reviews – Children’s Services management– matching and assignment is complete and the new structure is operational. Embedding transformation session held. • Organisational reviews – Early Years and Schools management - new structures appointed and fully operational. • Lifelong Learning – Proposed structure developed by project team and service leads. • Edinburgh Leisure & Schools facilities –report went to Corporate Policy and Strategy Committee on 14/06/16. 	<ul style="list-style-type: none"> • Outdoor Centres – Consultation in progress • Lifelong Learning –Business case developed • Edinburgh Leisure & Schools facilities – Business case being developed and report back to Corporate Policy & Strategy in 3 cycles (late autumn).



Risks & Issues

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERRENT RAG	RESIDUAL RAG
	New operating models, after efficiency savings realised, unable to support full range of current activities.	Develop strong links with locality leadership and build a comprehensive communication and engagement plan ensuring council and local priorities are addressed.		
	Changes in culture and practice necessary to support the new Children’s Services management structure are not successfully implemented or embedded, negatively impacting on service delivery and increasing risk to vulnerable children	Continue to build a learning culture across Children’s Services and within multi agency partnerships. Develop management capacity among front line Team Leaders and Assistant Team Leaders to support staff in undertaking their duties.		
	Failure to communicate and engage with the public and Councillors could lead to service user expectations being unfulfilled	Transition arrangements will form part of communication and engagement plan.		



Key Milestones

		June			July			August			September		
Outdoor Centres	Consultation and implementation												
Lifelong Learning	Design phase												
	Review phase (including consultation)												

Project Dependencies
<p>Asset Management – to support relocation of community based services within VCC, where appropriate, and to support the move to four localities for locally based Children’s Services (eg Children’s Social Work Practice Teams).</p> <p>Business Support - service design to align with emerging business support structure in localities and schools.</p>