

Finance and Resources Committee

10.00am, Thursday, 29 September 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 details of progress to date with the implementation of organisational reviews and their associated savings targets. It also provides details of the Transformation delivery plan going forward. The programme management information dashboards for the month to 15th September are included.

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 as set out in this report and at Appendix 1;
- 1.2 Note the details and timing of the Transformation Delivery Plan, as set out in paragraphs 3.14 – 3.35;
- 1.3 Note the progress to date with the implementation of the localities model and the locality staffing structures attached as Appendix 2; and
- 1.4 Note the management information dashboards for the month to 15 September 2016 attached at Appendix 3.

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. The Transformation Programme was then tasked with delivering £77 million in savings through the implementation of this new model.
- 2.3 This report highlights the following:
 - Progress to date with the realisation of savings through organisational reviews, including the successful realisation of the £28 million savings associated with the initial set of reviews;
 - Plans for the delivery of the remaining Transformation Programme financial savings;
 - Progress with the implementation of the localities model; and
 - Management information dashboards for the month to 15 September 2016

Transformation Programme Savings

- 3.1 In October 2015, the Finance and Resources Committee approved a report which set out the level of savings to be achieved through the Transformation Programme.
- 3.2 The Transformation Programme was tasked with delivering savings of £77 million, broken down as follows:
 - £6 million from Asset Management;
 - £7 million from Payments to Third Parties; and
 - £64 million from the review of services.
- 3.3 Plans for the delivery of the £6 million in asset management are set out in the Asset Management Strategy, which was approved by this Committee in September 2015. A separate report outlining progress to date in this workstream forms Part B of this agenda item.
- 3.4 Detailed proposals have been developed for the delivery of the £7 million savings in the Payments to Third Parties workstream and implementation is underway. Currently, £5.4 million of this is considered to have a green “RAG” status, with confidence in delivery. Implementation plans are being further developed for the remaining £1.6 million and it is anticipated that a significant proportion of this will move to green status in the coming months as delivery plans for 2017/18 savings are firmed up. The programme will continue to monitor the Payments to Third Parties workstream going forward and progress with delivery will form part of the future reporting to this Committee.
- 3.5 The remaining £64 million savings were to be delivered through a series of organisational reviews, aligned to Head of Service areas of responsibilities. Heads of Service were tasked with designing new staffing structures which could support the continued delivery of high quality services whilst ensuring that the necessary cost savings were delivered.
- 3.6 Savings of 26% were targeted in the “Business and Support Services” workstream (primarily those functions which now sit within Resources or report directly to the Chief Executive). Within the “Citizens and Localities” workstream, (primarily those services within Place, Safer and Stronger Communities and Communities and Families) targets were applied to reduce management costs by 27% and frontline costs by 15%.
- 3.7 For the purposes of delivery and to ensure that services could be safely maintained during this period of change, the organisational reviews were approached on a phased basis. The initial set of organisational reviews was targeted with delivering £28 million, with a further £29 million to be saved through a following set of organisational reviews. A further £7 million was targeted through a range of non-organisational review savings proposals.

Progress to Date with Organisational Reviews

- 3.8 Excellent progress has been made with the delivery of organisational reviews to date. The majority of these have now concluded, with a small number in the final stages of matching and assignment and two reviews – Democratic Services and Property and Facilities Management (non-FM staff) in the consultation period.
- 3.9 In approaching the re-design of service areas, every effort has been made to protect vital services and mitigate the potential for redundancy wherever possible. Service areas, working with the programme team, have sought to maximise the opportunities to reduce non-staff related costs where possible and appropriate. The focus on maximising savings through a reduction in management costs rather than at front line has also helped to protect vital services.
- 3.10 As a result of this focus on mitigating redundancy, £5 million in non- staffing savings have been identified in the initial set of organisational reviews and are now being implemented. In addition to this, a further £4 million savings has been identified in vacancies and agency costs (the equivalent of a further 180 FTE), which has helped to reduce the impact on Council staff.
- 3.11 The table below summarises the delivery of the savings associated with this first phase of organisational reviews.

	Savings Target	VERA / VR to date	Further VR in the pipeline	Vacancies / Agency	Staff-Related	Non-Staff
Phase 1 Reviews – Benefits Realised	£28.4m	£17.0m	£2.0m	£4.4m	£23.4m	£5.0m

- 3.12 The savings associated with these reviews have either been banked, or there are firm plans in place to do so. Appendix 1 shows the current “RAG” status of the savings in terms of confidence in delivery. A small proportion remains at amber status pending the completion of matching and assignment or the phased release of agency staff, but these are anticipated to turn to green in the coming months.
- 3.13 As such, there is now confidence in the delivery of the £28 million and going forward, the programme will focus on the remainder of the Transformation delivery plan. The details of this are set out below.

Transformation Delivery Plan

- 3.14 The Transformation Programme is developing detailed plans to deliver a further £29.4 million through the review of Council services. This savings target is broken down into a number of component projects which will be implemented before the end of this financial year to ensure full year savings are realised in 2017/18. The following table summarises the savings being targeted and details of the proposed delivery plans for each are outlined below.

Review	Savings Target
Schools & Lifelong Learning	£6.6m
Health & Social Care	£11.2m
Customer and Business Support	£7.6m
Safer & Stronger Communities	£1.6m
Other savings (ICT and Children's Services)	£0.7m
School Instrumental Music Service	£1.7m
TOTAL	£29.4m

Schools and Lifelong Learning

- 3.15 The Business Case for Schools and Life Long Learning was approved at CLT on the 17th August 2016. The project is due for implementation by January 2017, to allow time for financial savings to be fully implemented before the year end.
- 3.16 Work currently underway includes carrying out design workshops to finalise the new staff structure and define the new generic job descriptions, engagement with new leadership for localities and learning from other reviews within the transformational programme to ensure consistency and efficiency. The project plan is now being finalised with key milestones and timelines.
- 3.17 The formal staff consultation period is due to commence in October and public engagement arrangements are being finalised. Further details will be provided in the next report to Committee.

- 3.18 Financial benefits accrued will be £6.4 million. The review will also see the introduction of new integrated working practices, aligned with the ambitions of a new locality model for the council and its partners.
- 3.19 Key delivery risks for this review revolve around the community reaction to perceived cuts or reduction in service and the changes to historical practice.

Health and Social Care

- 3.20 Savings of £11.2 million are targeted through the review of Health and Social Care. This is a particularly complex area, as it involves integrating services across both the City of Edinburgh Council and NHS Lothian. The review provides an opportunity to create a structure which allows the two organisations to work together in a truly effective and innovative way. The review also aims to support delivery of local priorities at a reduced cost and to renew the focus on early intervention and prevention.
- 3.21 The re-structuring of Health and Social Care is based on improved access and service delivery across four locality areas which will allow for closer working with community planning partners, local citizens, service users and communities.
- 3.22 The organisational review of senior management tiers within the service has now completed and the majority of the new management team is in place and supporting the implementation of the new model across the remaining tiers.
- 3.23 The next phase of the organisational review, covering all remaining tiers, is now underway. Structures have been designed which provide safe and sustainable services whilst also meeting the financial challenge. A programme challenge panel took place on 5 September 2016, ahead of formal Corporate Leadership Team (CLT) approval on 7 September 2016. The 45 day formal consultation period commenced on 15 September and the new model is expected to be implemented by late December 2016.

Customer and Business Support

- 3.24 The overarching business case for the next stage of the Customer and Business Support project was approved by CLT in July 2016.
- 3.25 The project team is now developing these further improvement initiatives across all the functional areas. These improvement opportunities include:
- Process improvement/reengineering
 - Channel shift
 - Culture, leadership and performance management
 - Cost Containment and revenue generation
 - New ICT, automation/robotics
- 3.26 From an initial long list of opportunities, through grouping and prioritisation, 22 projects have been identified with estimated annual financial savings of £4.1million. In addition substantial customer and non financial benefits are being delivered.

- 3.27 Currently 5 projects are at the end of the identify stage and have submitted mini business cases to move to the design phase of the project. The project team are confirming the scope and requirements and working with the business to confirm the savings/benefit estimates and the preferred delivery model.
- 3.28 A number of ICT change requests have been raised and a key dependency will be the timescale and cost associated with them as well as the delivery timescale for the ICT current roadmap. Over the next period the team will continue to progress individual projects and complete a full update of the project plan taking account of changes identified from the initial reviews of all the projects.
- 3.29 Within the Channel Shift project, the Council continues to work closely with CGI and partner Agilisys to re-plan the delivery schedule for the new digital platform and associated transactions. 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.
- 3.30 Over 70,000 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.
- 3.31 The Customer project team is continuing the work to identify further improvement opportunities which will realise the remainder of the targeted savings. Progress in relation to this will form part of the regular reporting to this Committee going forward.

Safer and Stronger Communities

- 3.32 A business case is currently in development to identify proposals which will meet the remaining savings target of £1.6 million within Safer and Stronger Communities. Initial plans have indicated potential recurring annual savings shortfalls totalling £1m across the Advice Services and CCTV areas. This is due to be considered by CLT in late September and further detail of the delivery plan will be provided in the next update to Committee.

ICT

- 3.33 The ICT service was one of the first areas of the Council to undergo an organisational review as part of the Transformation Programme, with new structures implemented in January 2016. The first phase of the review saw staff from across the Council consolidated into the ICT service and savings of £780,000 realised.
- 3.34 Now that the new structure has had time to bed in, the opportunity is being taken to further refine and improve the operating model for the service. This second phase of review is targeted with delivering a further £200,000 in savings. A

detailed business case is currently being developed. This is scheduled to be considered by a programme challenge panel in mid September, prior to consideration and approval by CLT in late September.

Other Savings Proposals

- 3.35 Work continues within the Programme to identify further options to meet the remaining savings targets. In the case of school instrumental music tuition (£1.7m in 2017/18) it has not been possible to develop proposals striking the required balance between delivering the level of savings assumed within the budget framework and securing on-going service access.
- 3.36 Assessment of options to deliver changes to the service model for school business support also points to a potential recurring shortfall of £1.2m.

Development of the Localities Model

- 3.37 The organisational reviews which will populate the localities staffing model are now largely complete. Since the previous update to Committee, matching and assignment in Environment has concluded with the exception of Waste. Housing and Regulatory Services has concluded and, Planning and Transport, and Safer and Stronger Communities are also nearing conclusion.
- 3.38 Appendix 2 details the staffing structures and current vacancies within localities.
- 3.39 The 'Blueprint' for Localities is currently being refreshed and a clear scope and plan is being developed for the next phase of the programme. Delivery of these will require input from key stakeholders, including partners and formal approval will be required to ensure there is a common understanding and agreement of the programme's desired outcomes.
- 3.40 Included in the scope and planning work will be delivery of Locality Improvement Plans. These are being progressed by the Council and Community planning partners to align and support requirements detailed in the Community Empowerment Act 2015. 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 Committee and the Edinburgh Partnership Board between July and October 2017.

Transformation Management Information Dashboards

- 3.41 The management information dashboards for the month to 15 September 2016 are attached as appendix 3.

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.

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

Andrew Kerr

Chief Executive

Contact: Kirsty-Louise Campbell, Interim Head of Strategy & Insight

E-mail: kirstylouise.campbell@edinburgh.gov.uk | Tel: 0131 529 3654

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 – Financial savings RAG status

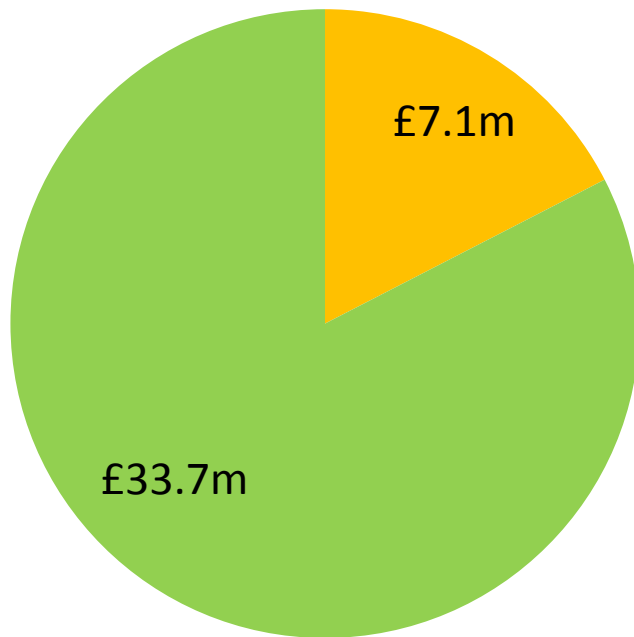
Appendix 2 – Localities staffing structures

Appendix 3 - Management Information Dashboards

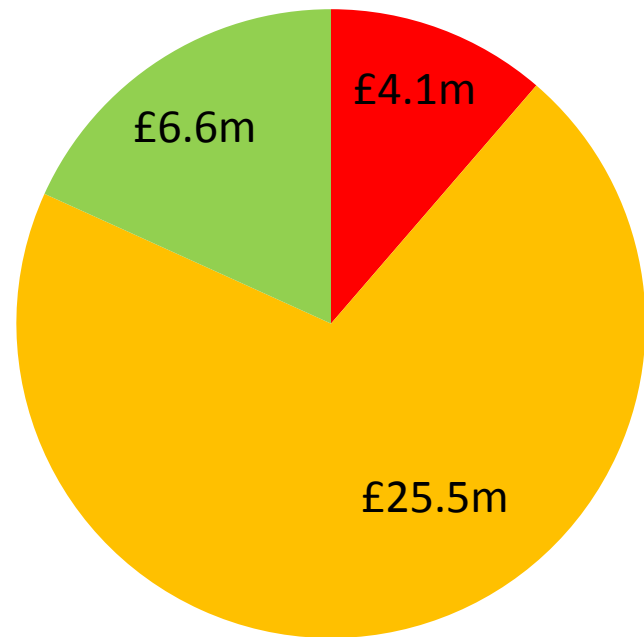
Council Transformation Programme

Approved Savings

2016-17
£40.8m



2017/18 & Later Years
£36.2



The above includes £2.2m of Third Party Savings Approved in 15/16

New Locality Working – South West

Direct Management (Council)

Head of Safer & Stronger Communities/CSWO
Michelle Miller

Executive Director of Place
Paul Lawrence

CEC Locality Manager
Mike Avery

Regulation and Professional Governance
Senior Manager
(Vacancy)

Family & Household Support Manager
Simon Porteous

Local Transport & Environment Manager
Andy Edwards

Housing Operations Manager
Michaela Smith

Family & Household Team Lead x 3
(Vacancy)

Environmental Warden Team Leader 1 FTE

Senior Transport Team Leader 2 FTE

Housing Team Leader Team Leader x 4 FTE

Housing Support Officer 13 FTE

Environmental Warden 6 FTE

Technician 2 FTE

Housing Officers x 32 FTE

Community Safety Officer 6 FTE

Locality Office- Waste & Cleansing

Inspector 3 FTE

Concierge Services Team Leader x 2 FTE

Family Solutions SNR Support Worker 1FTE

Parks and Greenspace Officer 1 FTE

Engineer 3 FTE

Concierge Officer x 20 FTE

Family Solutions Support Worker 4 FTE

Park Ranger 2 FTE

Roadworks Support Inspectors/RCC Clerks of Works 1.5FTE

Sheltered Housing Support Officer 5FTE

Matrix Management

Direct Management

New Locality Working – North East

Direct Management (Council)

Head of Safer & Stronger Communities/CSWO
Michelle Miller

Executive Director of Place
Paul Lawrence

CEC Locality Manager
Natalie McKail

Regulation and Professional Governance
Senior Manager (Vacancy)

Family & Household Support Manager
Derek McGowan

Local Transport & Environment Manager
(Vacancy)

Housing Operations Manager
Libby Strong

Family & Household Team Lead x 3

Environmental Warden Team Leader
Jacqui Renton

Senior Transport Team Leader x 2
Alec Hope (Vacancy)

Housing Team Leader x 4 FTE

Housing Support Officer 11 FTE

Environmental Warden 6 FTE

Technician 2 FTE

Housing Officers x 26 FTE

Community Safety Officer 6 FTE

Locality Office-Waste & Cleansing 1 FTE

Inspector 3 FTE

Concierge Services Team Leader x 1 FTE

Family Solutions SNR Support Worker 1FTE

Parks and Greenspace Officer 1 FTE

Engineer 3 FTE

Concierge Officer x 20 FTE

Family Solutions Support Worker 4 FTE

Park Ranger 2 FTE

Roadworks Support Inspectors/RCC Clerks of Works 1.5 FTE

Sheltered Housing Support Officer 7FTE

Matrix Management

Direct Management

New Locality Working – South East

Direct Management (Council)

Head of Safer & Stronger Communities/CSWO
Michelle Miller

Executive Director of Place
Paul Lawrence

CEC Locality Manager
Sarah Burns

Regulation and Professional Governance
Senior Manager
(Vacancy)

Family & Household Support Manager
Kathy Evans

Local Transport & Environment Manager
Stephen Cuthill

Housing Operations Manager
Paul Swan

Family & Household Team Lead x 3

Environmental Warden Team Leader 1 FTE

Senior Transport Team Leader 2 FTE

Housing Team Leader Team Leader x 3 FTE

Housing Support Officer 13 FTE

Environmental Warden 6 FTE

Technician 3 FTE

Housing Officers x 21 FTE

Community Safety Officer 7 FTE

Senior Environmental Warden 6 FTE

Inspector 5 FTE

Concierge Services Team Leader x 1 FTE

Family Solutions SNR Support Worker 1 FTE

Night Environmental Warden 2FTE

Engineer 4 FTE

Concierge Officer x 18 FTE

Family Solutions Support Worker 4FTE

Locality Office- Waste & Cleansing

Roadworks Support Inspectors/RCC Clerks of Works 2.5 FTE

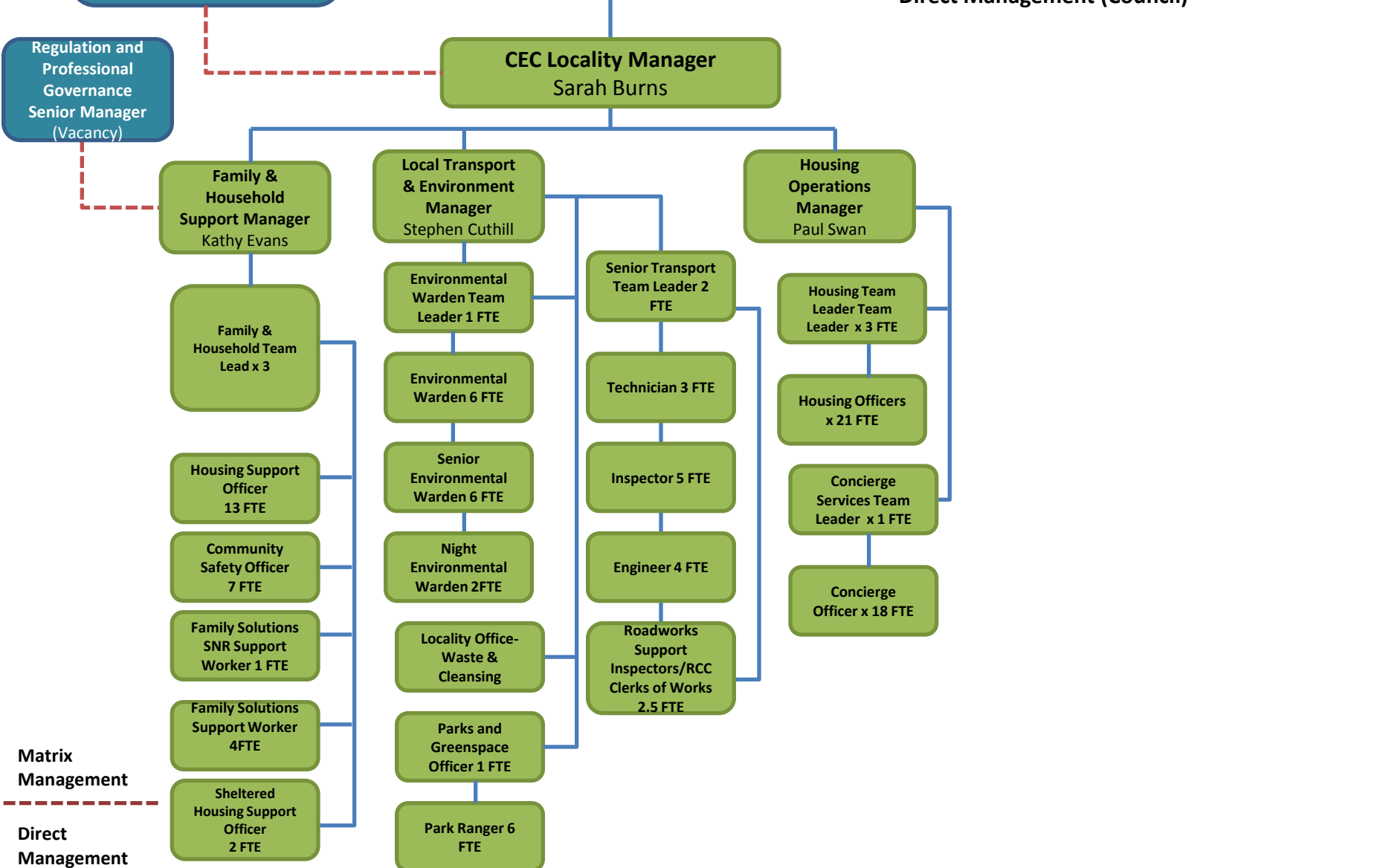
Sheltered Housing Support Officer 2 FTE

Parks and Greenspace Officer 1 FTE

Park Ranger 6 FTE

Matrix Management

Direct Management





Transformation Programme Management Dashboard

Monthly progress update - September 2016

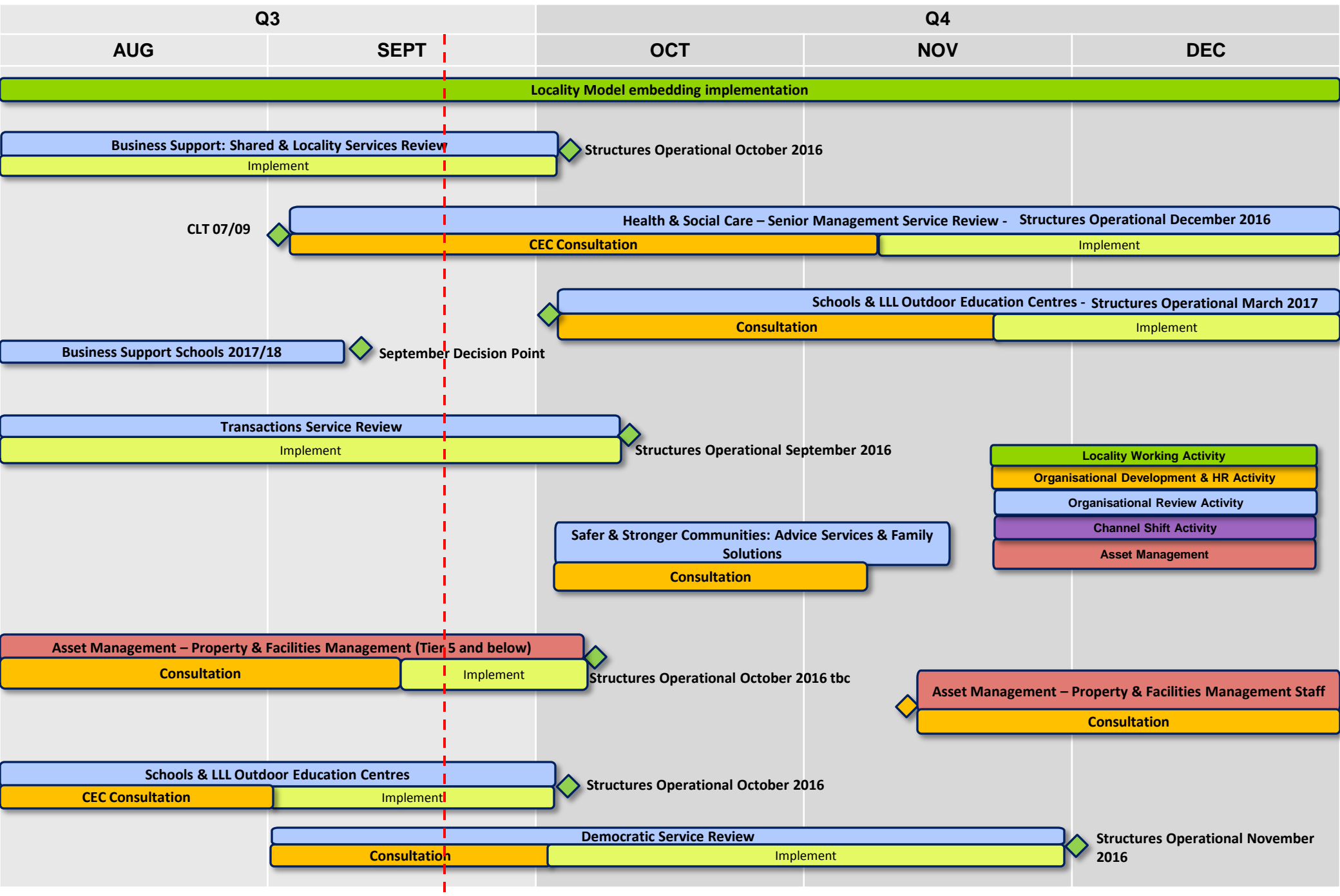
OVERVIEW OF PROGRESS

6 Organisational reviews remain to complete for the first part of Transformation, one of which has been delayed to 1st October following requests from staff and TU's to allow an extended period of Matching & Assignment, with savings on track. Benefits tracking has now been 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. £2m for VERA in this part of Transformation was previously classed as pipeline but this is now approved. Detailed plans for the next stages of Transformation are in development

PROJECT	RAG	COMMENTS	KEY PROGRAMME DECISIONS & TIMESCALES				
			August	September	October	November	December
Customer & Business Support	→	<ul style="list-style-type: none"> BS SSL full implementation planned by the end of September First set of project business cases developed and under review with 5 signed off and additional projects identified and brought into scope of existing projects Change Requests submitted and working with ICT/CGI to manage the Change Request process. ICT requirements list being tracked against delivery plan. Work ongoing with CGI re ICT dependencies 	Environment ◆ Operational October ◆ CLT Meeting Business Support: Shared & Locality Services ◆ Operational October ◆ F&R Committee CLT Meeting ◆ Dashboards & CLT Report CLT Meeting ◆ Health & Social Care CLT Meeting ◆ Safer & Stronger : Advice Services/Family Solutions ◆ Facilities Management Staff				
Health & Social Care	→	<ul style="list-style-type: none"> Phase 1 interviews for hub and cluster key management posts scheduled for w/c 26th September. Phase 1 Locality Manager & Strategy Planning & Quality Managers appointed with two vacancies remaining to be filled Phase 2 proposed structure approved at CLT, with Comms Plan and FAQ's drafted Consultation launched 15th Sept 	Facilities Management structure development ◆ Operational October Schools & LLL: Outdoor Education Centres ◆ Operational October Democratic Service Review				
Asset Management	→	<ul style="list-style-type: none"> Org Review Phase 1 implemented with 2 vacancies to fill externally First tranche of Estate Rationalisation Business Cases developed and submitted to CLT Budget transfers for transitioned services nearing completion Review of TF Cloud CAFM system functionality 					
Localities	→	<ul style="list-style-type: none"> Phase 1 reviews with a locality interest largely complete with revised completion date of 1st October for waste element of Environment Organisational Review. CR raised to assess delay impact 					
Resources	→	<ul style="list-style-type: none"> HRSC completing iTrent update HR working with Customer and supporting Ph2 HR Service Centre Review Finance review complete and working with HR to complete formal post review administration. 					
Chief Exec Dept	→	<ul style="list-style-type: none"> Strategy team continuing to support Customer team through the development of the Customer Strategy Democratic Services – Organisation review commenced and mid point review complete. Extended by 1 week to accommodate additional scope brought into the review 					
Place & Economy	→	<ul style="list-style-type: none"> Reviews either complete or with Matching & assignment nearing completion. Locality Management teams being assembled 					
Safer and Stronger	→	<ul style="list-style-type: none"> Alternative savings proposals addressing budget shortfalls to be taken back to CLT for review/discussion 					
Communities & Families	→	<ul style="list-style-type: none"> Formal consultation complete for Outdoor Centres Lifelong Learning project now commenced following Business Case approval Further update paper to go to Corporate Policy & Strategy Committee in October for Edinburgh Leisure & Schools Facilities 					

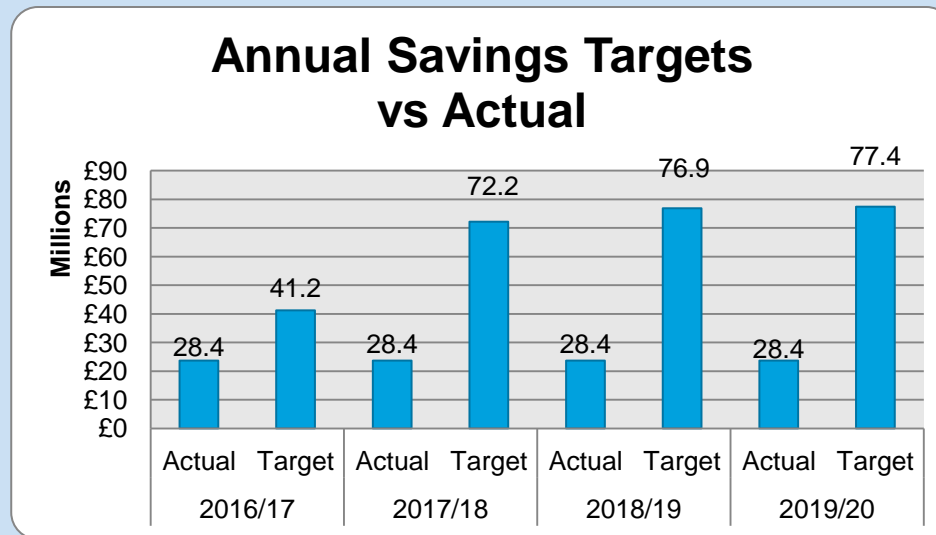
RISK	DESCRIPTION	RAG	MITIGATION
Service Failure (TPR002)	Acceleration of the Programme to realise savings more quickly causes disruption	→	Forward planning of restructuring and realignment of staff with each service is underway. CLT reviewing robustness of all Organisational Review proposals. Cross-Council 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 New Localities Programme Manager is now in place (Scott Robertson) localities communications and an engagement plan is under development.


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





Finance & Benefits Update




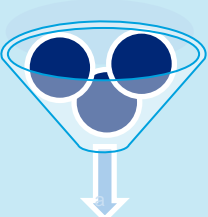
Initiative	Completed	Planned
 Activity	<ul style="list-style-type: none"> Customer Contact , Transactions, and Executive Support review have been completed and implemented BS SSL has delivered a soft launch in specific areas, final grades are being match and assigned, full implementation planned by the end of the month. In phase 2 multiple project business cases and options papers have been developed, with 5 signed off. ICT Change requests have been submitted and the team has worked with ICT/CGI to refine the process and ICT requirements list is being tracked against the delivery plan Additional projects have been identified and brought into scope as part of existing projects. 2 projects are being reviewed to confirm if there are alternative project which will deliver better benefits 	<ul style="list-style-type: none"> Business Support will complete the Matching & Assigning process and be fully implemented Recruit for vacancies as required across the areas Continue to progress individual project with the first phase of projects being implemented in October Following challenge session refine the project portfolio to maximise the in year savings and delivery of high value projects Work with ICT, CGI, commercial and procurement to move forward to deliver project which have considerable cross over and dependencies

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERRENT RAG	RESIDUAL RAG
	Significant cultural change is required, internally and externally to embed processes, service levels could initially be impacted requiring close working with services and the real need for senior buy in for this to be successfully delivered	Close working with other services will continue and plans developed to further build on this. Working with Transformation/ HR on the embedding change sessions		
	A number of the phase 2 projects require IT enablement and are dependent on systems being available in line with delivery timeframes	Continue to work closely with CGI business partner to identify an issues or potential misalignment of delivery schedules		
	Insufficient BAU or Project resources available to deliver the project	There has been close work to identify resource requirements and the newly appointed Customer tier 4 team continue to support the project delivery team		

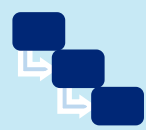
ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG
	It is taking time to finalise the financial position for the phase 1 reviews in particular the alignment of budgets to the Itrent scope lists There are leavers and vacancies from both scopes which need to be aligned to budgets	Working with Finance to understand where these numbers could be aligned	

Key Milestones													Project Dependencies
	July			August			September						
BS Executive Support structure operational													Dependency on IT as a enabler is critical for the delivery of savings in the required timescale. The delivery is reliant on the implementation of new systems in the required timescale and requires close working with CGI and partners to implement to plan Close working with HR to identify an deliver improvement opportunities within HRSS
Customer Contact consultation review completed													
Customer Contact structure operational													
Transaction consultation Structure Operational													
BS Shared Services Structure Operational (complete end Sept)													

Initiative	Completed	Planned
 <p>Activity</p>	<ul style="list-style-type: none"> • Legal Services, Risk, Internal Audit and H&S reviews are complete and the organisation structures have been implemented • Commercial and Procurement has implemented the new structure, the final presentation has been completed. The HRSC is completing the update of Irtent • The Finance review is now complete with final alignment to specific service lines being bedded in. They are working with HR to complete the formal post review administration • HR are working closely with Customer and are supporting the Ph 2 review of the HR Service Centre 	<ul style="list-style-type: none"> • Work with the Transformation Programme to embed the change in each area, • Continue to work with Customer to further develop the improvement opportunities for HR Service Centre, building them into specific initiatives

 <p>Risks & Issues</p>	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 ongoing implementation planning includes the development of a new governance system and centralisation of Legal budgets	Yellow	Yellow
		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	Yellow	Green

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

 <p>Key Milestones</p>		July	August	September	Project Dependencies
	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			▶	

Initiative



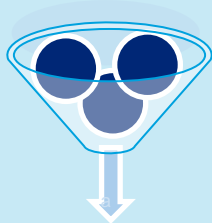
Activity

Completed

- 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 – The organisation review has commenced and has had its mid point review. It has been extended by 1 week as additional scope where brought into the review
- ICT Phase 2 is in the planning phase and the business case will be developed for CLT in September.

Planned

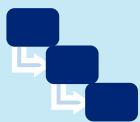
- Continue to deliver the democratic services review
- Work with Services to build on previous work to confirm, enhance and rationalise insight requirements
- Continue to work with the Transformation Programme to embed the change in each area,



Risks & Issues

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	Yellow	Green
	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	Yellow	Green

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



Key Milestones

	July			August			September		
Resilience consultation review completed									
Resilience structure operational	▶								
Democratic review commences					▶				
Democratic Organisation review closed									▶

Project Dependencies
Close working with Risk, Audit, HS and Resilience is required to allow the future operating model to be successfully delivered

Initiative



Activity

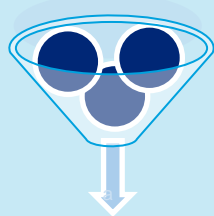
Completed

- Phase 1 appointments to Locality Managers and Strategy Planning and Quality managers, with two vacancies
- Phase 1 interviews for Hub and Cluster Managers and MH and SM Managers Scheduled w/c 26 September
- Phase 2 proposed structure approved at CLT
- Phase 2 Comms Plan and FAQs drafted

Planned

- Phase 1 – Implementation (October)
- Phase 2 – Consultation launch (15/09)
- Phase 2 – VR process started (15/09)
- Phase 2 – Mid point consultation update session (06/10)
- Phase 2 – Consultation 45 days completed (31/10)

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
TRP00110	Structure finalised. Exact numbers of reductions confirmed and final costing of draft structure completed and financial targets met . If deadline is missed required savings will not be made.	Full structure drafted for consultation deadline (AMBER – GREEN)	Green	Yellow
TPR00091	Management required to be in place (Phase 1) by agreed date or this will cause delays to Phase 2 interview stages.	Interviews of Locality Managers and Strategy Managers completed and all other phase 1 interviews scheduled w/c for 26 /9/16 (GREEN)	Green	Green
TPR00113	Health and Social Care joint inspection 12 week notification . Inspection to take place during October and November. This may cause some delays to change in social work which overall may impact the savings.	Financial arrangements to be considered to mitigate any reduction in savings to be achieved (AMBER)	Yellow	Yellow



Risks & Issues

	September			October			November			December		
Organisational review												
Phase 1 Interviews (Hub & Cluster and Mental Health Roles)				Green								
Phase 1 Go Live					Green							
Phase 2 Structure Agreed		Green										
Phase 2 Consultation Start			Green									
Phase 2 VR Interest Received				Green	Green							
Phase 2 Consultation End								Green				

Project Dependencies

To ensure agreed savings are made, phase 2 will have to go live by December. The structure is now agreed and official launch held on 13/09/16. Consultation 45 day period started on 15/09/16.

Timescales and approvals for VR 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)

August/September 2016

Current RAG



Initiative

Activity

- Completed**
- Organisational Review for stage 1 closed on 11th April with remaining vacancies filled bar two for external recruitment.
 - Tier 5 org design approved at CLT for development to consult
 - First tranche of Estate Rationalisation business cases developed and submitted to CLT.
 - CLT approval to take forward the procurement of a delivery partner to expedite the Asset Condition survey programme.
 - Budget transfers for transitioned services to nearing completion
 - Review of TF Cloud CAFM system functionality.

- Planned**
- Service Level Agreements (SLAs) engagement with key stakeholders - due diligence underway to finalise Soft FM design.
 - Estates Rationalisation initiatives continue to be progressed with engagement underway at Wester Hailes, 329 High Street and Lothian Chambers
 - Organisational Review tier 5 and below underway
 - FM organisational review targeted for November 2016
 - Continue preparation of all enabling information for the Asset Condition survey programme and the reparation of survey ITT documentation .
 - Continue process design work across SAM, Helpdesk and Asset Condition.

Risks & Issues

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	RESIDUAL RAG
TPR00039	Stakeholder / political support There is a risk of failing to secure stakeholder / political support for property transformation proposals resulting in a delay or failure to deliver the anticipated savings.	Continued communication of AMS strategies with key service areas to facilitate a better understanding of the programme .Senior Management continue to engage with politicians with key briefings to be planned inline with the programme milestones.	Red
TPR00040	Backlog Maintenance Capital There is a risk that lack of funding for maintenance of the Council estate will lead to a significant backlog of works/repairs. Savings made in hard FM would need to be re-invested to meet Health & Safety requirements.	Decision has been taken to outsource surveys across the entire estate this year to enable recent data to be gathered asap. Programme currently in development.	Red
TPR00045	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.	Yellow

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

Key Milestones

		Aug	Sept	Oct
1	Stage 2 Consultation launch	On track		
2	FM User group briefing sessions	In progress		
3	Develop external survey brief for survives	On track		
4	September F&R Committee – Full Update		On track	
5	FM SLA's and outline design agreed			On track
6	Preparing for FM consultation		In progress	
7	Estate Business Case engagement		In progress	

Key: On track In progress Attention

	2015/16	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m	£m
TARGET					
Service Redesign Total	(0.400)	(0.300)	(1.800)	2.100	1.900
Estates Rationalisation Total	0.100	(0.200)	1.600	1.800	2.200
Investment Estate Total	0.000	1.300	1.800	1.900	2.100
AMS SAVINGS TARGET	(0.300)	0.800	1.600	5.800	6.200

Initiative



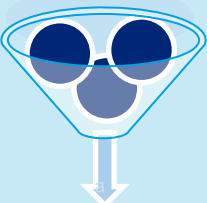
Activity

Completed

- Phase 1 reviews with a Locality interest are complete with the exception of the waste element of the Environment Organisational Review. Revised completion date 1st October and Change Request raised to assess impact of delay.

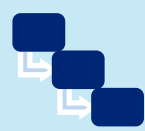
Planned

- Delivery of Locality Programme Plan for sign off by Locality Management Board (LMB) by start October.
- Delivery of a refreshed Locality 'blueprint'/Programme Definition Document to articulate scope and vision of Localities Programme.



Risks & Issues

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
	Partners are currently undergoing organisational/ structural changes which may not be in synergy with the, as yet undefined, locality partnership group model. This would lead to further requirement for reorganisation and change which may result in inefficiencies and further disruption to achieving successful integration.	Corporate Policy & Strategy Manager and Programme Manager to ensure regular engagement with Community Planning partners to ensure plans remain aligned and all partners are working together to achieve the agreed locality outcomes.	Yellow	Green
	Through this organisational change there is a risk that Customer and Business Support services are not adequately planned or aligned to help ensure locality services are delivered effectively. This may result in communities unable to contact services with associated service failures and reputational damage.	Programme Manager to arrange weekly/fortnightly meetings between all parties/stakeholders inc. Customer & BSS to manage coordination and delivery of activities that will reduce likelihood of the risk being realised.	Yellow	Green
	The ICT supporting locality working may not be optimal and could lead to costly time and resource inefficiencies as well as delays in the transformational change process. For example: - CEC ICT functionality may not be optimal if it is not designed to underpin this transformational change. - Partners may not have adequate access to shared information. - Essential software systems such as Housing's Northgate may not be joined up either with locality boundaries or partners systems.	- Series of workshops to be undertake to understand locality ICT requirements. This will be done in conjunction with Locality Management Teams and Asset Management. Priority is to understand day 1 requirements for continuity of service, followed by how ICT can support service delivery enhancements and more better joined up working between partners.	Yellow	Green
	Levels of service delivery and approaches to service provision across the localities may vary leading to poor public perception.	Ensure quality of service delivery is standardised for key services across localities and engagement with citizens to shape/deliver the services important to them.	Yellow	Green



Key Milestones

	July			August			September			October		
Matching and assignment of staff to services	Green	Green	Green	Green	Green	Green						
Service 'Embedding change' plans implemented							Green	Green	Green	Green	Green	Green
Locality structures populated	Green	Green	Green	Green	Green	Green						
PDD & Plan developed							Green	Green	Green	Green	Green	Green
ICT strategy and requirements agreed							Yellow	Yellow	Yellow	Yellow	Yellow	Yellow

Project Dependencies

- Aspects of Business and Customer Support Services consultation and implementation will overlap implementation of services and localities model, including ICT.
- Work with Asset Management ongoing
- Allocation of staff, budget and HR functions to localities.

Initiative

Completed

Planned



Activity

•All reviews complete / in matching and assignment phase, Locality Management teams being assembled through this process

- 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

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
TPR00025	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.	1/08/16: The Organisational Review is complete and managers have been appointed to work with services to manage this risk.	Yellow	Green

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

Risks & Issues

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

•Aspects of Business Support Services consultation and implementation will overlap implementation of services and localities model, including ICT.

•Allocation of staff to localities ongoing



Safer and Stronger Communities

September 2016

Current RAG



Initiative

Completed

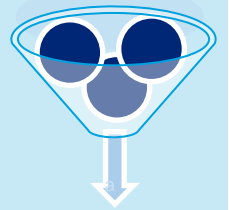
Planned



Activity

Business case submitted to CLT - further options to be explored by Service area and further discussions scheduled with key stakeholders over the next few weeks. Draft structures and job description have been completed for internal Advice Shop staff Consultation pack is being drafted for start of Organisational Review.

- Discussions with key stakeholders organised for week commencing 12 September
- Further update to be provided to CLT on the alternative savings proposals to negate some of the budget shortfall



RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
1	Staff are de-motivated and disengaged throughout the review process.	<ul style="list-style-type: none"> • Communication and stakeholder engagement plan completed. • Full consultation with all staff will take place • Staff briefings and relevant communication will be cascaded throughout review timetable. • Formal midpoint briefing sessions will be organised. 	Yellow	Green
2	The savings required are not delivered through the advice services review	<ul style="list-style-type: none"> • Finance were involved in the development of the business case and will be involved as review progresses. • Ongoing budget monitoring by finance lead • Alternative budget savings proposals identified if savings not achieved. 	Red	Yellow
3	Advice Services review does not begin in time to achieve savings for 17/18	It is anticipated that consultation can begin in October with a go live date on new structures of Jan 17 which leaves sufficient time to achieve the agreed savings	Yellow	Green

ISSUE ID	CHANGES TO CURRENT ISSUES/NEW ISSUES	MITIGATION	RAG

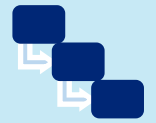
Risks & Issues

	Sept			Oct			Nov		
	1	2	3	1	2	3	1	2	3
Consultation begins				Green	Green	Green	Green		
Matching and Assignment commences								Green	Green

Project Dependencies

The Council's business support will need to be responsive and flexible to continue to support the development of advice services model.

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

September 2016

Current RAG



Initiative Completed Planned

Activity

- **Outdoor Centres** – Formal consultation has been completed
- **Lifelong Learning** – Business case has been approved at CLT and project has now commenced
- **Edinburgh Leisure & Schools facilities** – report went to Corporate Policy and Strategy Committee on 14/06/16 and requested another paper in Oct

- **Outdoor Centres** – Currently in matching & Assign and implementation date is 3rd October 2016
- **Edinburgh Leisure & Schools facilities** – Corporate Policy Strategy paper is going to Committee on 4th Oct 16
- **Lifelong Learning** – Work on the project has commenced with a view to entering staff consultation period on the 10th October. Staff scope list is to be finalised this week and the pooling list to be finalised with HR

Risks & Issues

RISK ID	CHANGES TO CURRENT RISKS/NEW RISKS	MITIGATION	INHERENT RAG	RESIDUAL RAG
TPR00125	The full organisation structure is still to be fully designed and as discussions become more details this might result in challenges in adhering to the agreed staff savings figure already set out	1) Regular workshops to discuss the new structure have been set up 2) Staff costing structure to be strictly adhered to when designing	Yellow	Green

Key Milestones

		Sept			Oct			Nov			Dec		
		1	2	3	1	2	3	1	2	3	1	2	3
Outdoor Centres	Matching & Assignment				█	█	█						
Lifelong Learning	Design phase	█	█	█									
	Review phase (including staff consultation)					█	█						
Public Engagement	VR offers sent out								█				

Project Dependencies

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).

Business Support - service design to align with emerging business support structure in localities and schools.