

# TRANSFORMATION AND CULTURAL CHANGE PROGRAMME



Update Report January 2018

## 1.0 INTRODUCTION

At its meeting of 6th February 2017 the Board was advised of the intention to undertake an organisational review exercise. This review was named the Transformation and Cultural Change Programme (TCCP).

During 2017 an in depth investigation into existing process and procedures that support service delivery, an assessment of service priorities, a review of budgetary provision, an invitation to staff to consider voluntary early release, and a subsequent redesign of the organisational structure have been carried out.

These activities have been fully supported by staff participation and Unison trade union consultation.

Previously highlighted by Audit Scotland was the need to establish a financially sustainable position that acknowledged the fiscal constraint currently encompassing local government while at the same time maintaining service delivery.

The fiscal environment is dynamic with fresh challenges emerging annually. To achieve in a single act a solution that provides significant lasting change and financial sustainability moving forward is a considerable challenge. However the TCCP has provided the mechanism that has allowed the organisation to review its business model in such a way as to maintain and meet the challenges of future service delivery while addressing current fiscal requirements.

This report provides the Board with an update of the progress made so far in the TCCP, in conjunction with recommendations for organisational change that support the detailed aims of the Programme.

## 2.0 TCCP – AIMS AND OBJECTIVES

Under the general umbrella of modernisation the aims and objectives of the Programme have been categorised under 3 separate yet connected principle headings. These are Process Improvement, Cultural Change and Customer Focus.

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## 2.1 Process Improvement

This element sought to review the following;

- Identify primary activities and prioritise accordingly,
- Challenge existing processes,
- Examine and identify areas for change,
- Seek out inefficiencies and waste,
- Make improvements and efficiencies,
- Identify areas where ICT can provide benefit,
- Challenge existing resource allocation to processes or parts of processes,
- Establish the required resource requirements to support revised processes.

Under the auspices of an internal Project Management Team the above objectives were explored in terms of the following key activities, survey, valuation, appeals, revaluation, customer support, registration and canvass.

Significant progress has been made with a number of key changes identified. These have either been enacted or form individual project plans. Many of the processes considered are provided by or supported by ICT systems and the decision to make change shall involve redesign and redevelopment of existing ICT systems in whole or part.

Specific improvements that have already been implemented from the process investigation phase have included the following;

- Automatic import of electronic household canvass data directly into our back office Electoral Management System, saving resource and time on what was previously a manual input task,
- Extending the functionality of our Call Centre operation, which had primarily been an Electoral Registration service, across all aspects of the organisation to provide a professional, standardised first point of contact for members of the public and stakeholders,
- Redefining overly onerous validation and verification procedures to introduce greater emphasis on elimination and prevention of errors,
- The introduction of an electronic notification system between our Call Centre and IER section to ensure customer enquiries are traced, communicated, and handled timeously by our processing team,
- Enabled our IER household canvass to run as an autonomous service that handles both HEF and ITR returns reducing the requirement for daily team management.

Further key process investigations streams have been identified in the following areas, electronic mobile devices to support the property survey process, workload distribution, work item prioritisation, increased use of third party print and post service, and closer

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integration of data within core valuation systems to improve information access and analysis.

## 2.2 Cultural Change

As the Programme represents a holistic approach to reviewing the organisation it is necessary to investigate cultural elements. By doing this, other aspects of change such as process improvement, are more securely supported.

This aspect sought to provide investigations into;

- Effective leadership,
- Creating a positive atmosphere within which an empowered workforce can operate,
- Increasing levels of accountability and transparency,
- Strengthening of staff skills and developing a skilled and talented workforce,
- Creating an increasingly agile and flexible resource focused on a shared vision,
- Maintaining an effective and inclusive performance framework,
- Develop a cultural attitude that seeks beneficial improvement on an ongoing basis,
- Introduce a philosophy of workload planning and associated project management across all activities,
- Maximise effective risk identification and mitigation.

While this area of the programme represents an ongoing process of reflection and change progress has been made to date in the following areas;

- Provision of management training,
- Increased communication to staff groups providing visible leadership,
- Staff workshops aimed at exploring various aspects of roles, responsibilities, and skill sets,
- Further investigation into aspects of workload planning,
- Increasing empowerment to key management posts within the organisation,
- Increased use of Business Analysis techniques.

Through the Programme further progress shall be made in the following areas, structured training programmes, performance review, development of corporate and service planning strategies and creating greater emphasis on corporate governance by focussing on monitoring, control, direction and risk assessment.

## 2.3 Customer Focus

The third element is one of Customer Focus.

The aims under this heading are to;

- Identify and define all relevant customer and stakeholder groups,

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- Ensure that services as defined by statutory requirement are delivered in an efficient and effective fashion,
- Provide relevant information at the appropriate time,
- Engage and promote the services and profile of the organisation,
- Engage in partnership working that enhances the stakeholder experience,
- Provide a one stop shop experience where possible.

Improvement has already been achieved in this area such as;

- Partnership working with constituent councils has enabled the introduction of formal data sharing agreements and data exchange mechanisms,
- Increasing awareness of the legislative requirements of GDPR,
- Increased customer service through the expansion of call centre facilities to reflect all statutory functions,
- Through the SAA increased awareness of Assessor functions and the access to additional information through the SAA Portal,
- Presentational improvements reflecting Assessor services on external communications.

Further work streams have been identified such as, a review of the LVJB website, the development of engagement strategies to electoral registration, supporting the creation of a Scottish Valuation Appeals Committee website, provision of additional information on issue of statutory notifications, and the increased use of email with stakeholders where appropriate.

### **3.0 STRUCTURAL RE-ORGANISATION**

To support the key objectives of the TCCP a structural re-organisation has taken place.

This aspect of the Programme creates essential flexibility and scope without which it would be difficult to take full advantage of the efficiencies and improvements that the other elements of the Programme have revealed. It also provides a platform upon which to build in order to meet future challenges and changes.

To create the correct environment within which organisational changes can be considered, the Board's policy of voluntary early release was activated.

As previously reported, this brought forward thirteen applications from staff that were supported by the Assessor, Treasurer, and where required the Board's Chief Executive and Convenor.

The existing and proposed new organisational structure is displayed at Appendix 1.

The proposed re-organised structure achieves the following;

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- A re-invigorated and focused corporate team with clear areas of responsibility and defined leadership roles,
- A reduction in management levels thereby providing the opportunity for improvements in communication, strategic planning and implementation, accountability, performance and empowerment,
- Clear identification and management of non-functional responsibilities and activities,
- The creation of posts that are task orientated providing additional key support to functional workloads and future requirements,
- Dynamic team structures that encourage empowerment, open channels of communication, and an agile and flexible staff resource,
- Support of key function delivery with recruitment that provides the means to action and support ongoing and future anticipated workloads,
- The redesign and development of posts that allow focus on key areas such as customer engagement, customer services, audit, project management, and regulatory requirements,
- The further development of existing entry level posts that provide essential support to base line activities and which offer opportunities for career development,
- A level of mitigation of risks associated with IER where costs have been consumed into annual budget allocation.

The re-organised structure has been the subject of discussion and consultation between management, staff groups, and Unison. The proposals have received positive acceptance.

#### **4.0 FINANCIAL SUSTAINABILITY**

Audit Scotland have recommended that the Board reach a position of financial sustainability. It must be borne in mind that the overall and ongoing climate for local government funding presents challenges in terms of long term financial planning. The Board receives annual funding, this being discussed, set and agreed between the constituent authorities on an annual, year on year, basis. Until the wider fiscal picture for local government funding changes the ability for the Board to secure a financially sustainable position in the longer term shall remain an aspiration and an ongoing objective.

Notwithstanding, the Transformation Programme has provided;

- Recognition of the current fiscal environment,
- A budget requirement for 2018/19 that provides a saving of 4.4% in real terms,
- Process changes that provide efficiencies and improvements,
- Structural re-organisation that maintains functional service delivery,
- Recognition of future service requirements,
- A platform for further review.

## **5.0 RISKS**

The Assessors Budget Report provides detailed information on the risks, new and ongoing, that face the Board and its activities.

The Transformation Programme has sought to provide a level of mitigation against some of these risks by acknowledging and providing for future functional demands, by creating a lowered budget requirement that acknowledges current fiscal constraint while ensuring service delivery can be maintained, and initiating a programme of continuous review and reflection.

## **6.0 PROGRAMME IMPLEMENTATION**

It is the intention if approval of the re-structuring proposals is granted by the Board, that detailed implementation shall commence immediately with a formal adoption date of 1<sup>st</sup> April 2018. Over the coming weeks the necessary internal structural changes enacted to reflect the detail of the new structure, and the required internal and external recruitment undertaken.

## **7.0 RECOMMENDATION**

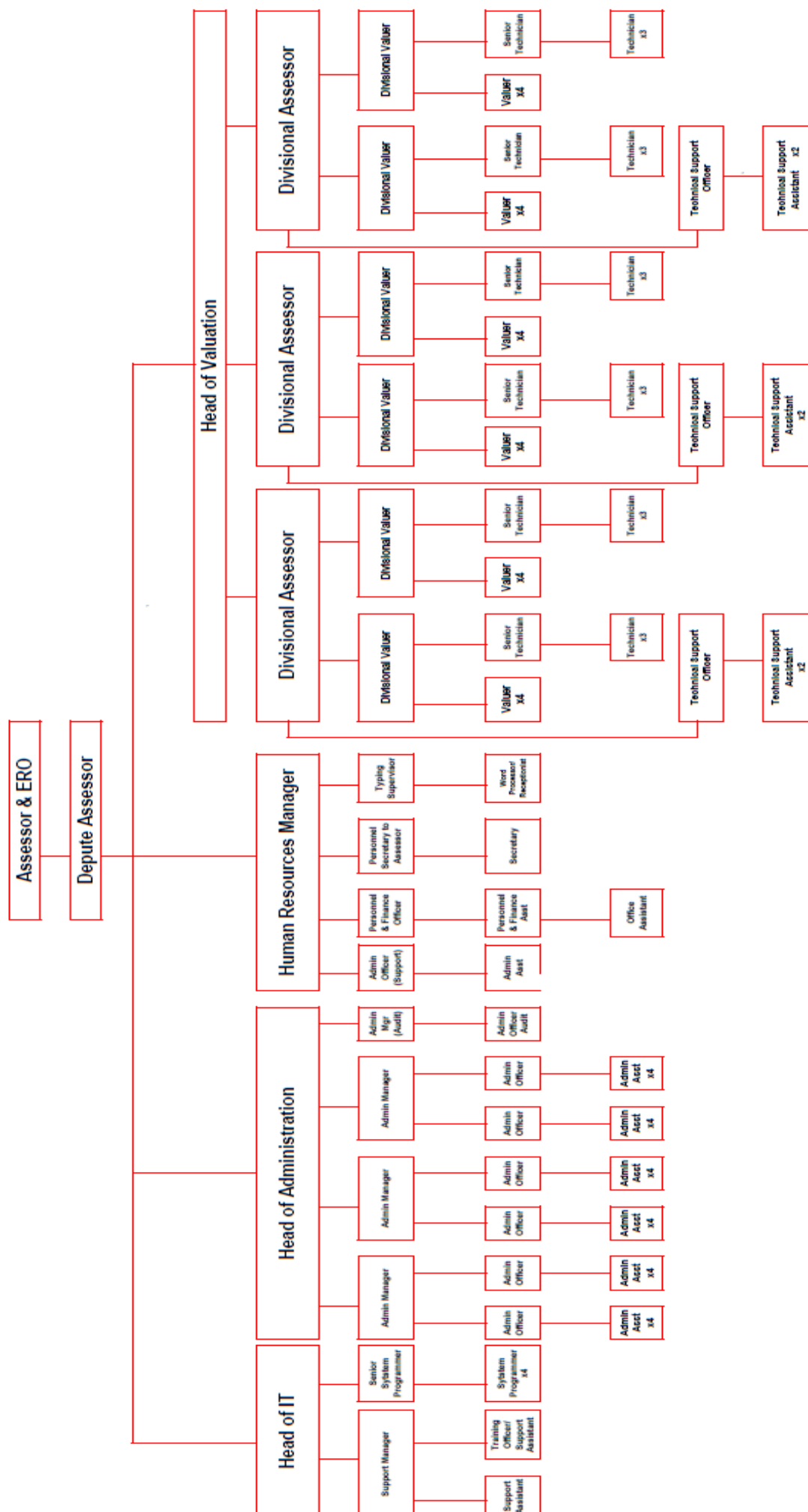
The Board is asked to give its approval and support to the re-structuring recommendations outlined in this report, the progress made so far in the Transformation Programme and the implementation proposal indicated.

**Graeme Strachan**  
**Interim Assessor and ERO**

*Appendix 1: Current Structure 2004 & Proposed Structure 2018*

**LOTHIAN VALUATION JOINT BOARD  
CURRENT STRUCTURE 2004**

## Appendix 1



# LOTHIAN VALUATION JOINT BOARD PROPOSED STRUCTURE 2018

## APPENDIX 1

