Council Transformation Strategy

Report by Kenneth Lawrie, Chief Executive

1 Purpose of Report

The purpose of this report is to present for approval by the Council the revised Midlothian Council Transformation Strategy.

2 Background

2.1 The 2014 – 17 strategy document refreshes the previous Business Transformation Strategy presented to Council on 14 May 2013.

2.2 The Council Transformation Programme was developed both to deliver savings, and to improve performance across a range of services. By adopting an ambitious Business Transformation approach, we have delivered changes resulting in improvements to the way we work, the services we deliver and the quality of life experienced by local people. These changes are evidenced in the delivery of improvements in services to protect children and vulnerable adults, homelessness and secondary school management. In particular, the outcomes we have delivered in reshaping of care for older people have placed Midlothian as a leading Council in responding to the challenges of an ageing population.

2.3 The programme has delivered transformational change as indicated above and achieved targeted savings across a range of areas, including the following reviews:

- Management Review
- Secondary Management
- Janitorial & Facilities Management
- Sport & Leisure
- Cowan Court

In response to the ongoing financial projections a revised transformation programme was incorporated within the Financial Strategy presented to Council in February 2014 identifying alternative saving options which sets out how the Council will deliver the transformation of current services and expenditure to focus the available resources on priority outcomes (see Table 1).

Table 1: Council Transformation Programme

	2015/16 £m	2016/17 £m
Integrated Service Support	0.750	1.500
Energy Reduction	0.000	0.217
Customer Service **	0.175	0.350
Income Maximisation/Collection	0.150	0.150
School Clusters	0.150	0.300
Services to Communities	0.650	1.650
Externalisation/In-sourcing **	0.500	1.000
Children's Services	0.350	0.700
Totals	**2.725**	**5.867**

(Source: Financial Strategy Report to Council February 2014)

2.4 Financial discipline will be critical during the period to 2014-17 and beyond and therefore the link between the Financial Strategy presented to Council on 4 February 2014, with a further update on today's agenda, and the revised Council Transformation Strategy shown in appendix A is key to delivering the transformation of services in a financially sustainable way and savings required going forward.

2.5 As the Financial Strategy and Business Transformation Programme have been charged with delivering both improved services, and significant savings, transparent and robust data about the performance and risks associated with services, and the achievement of savings, will be critical to inform elected member decision-making. As a result a single delivery plan incorporating both transformational and financial discipline activities has been developed to ensure regular and robust monitoring via the existing business transformation governance route of the Business Transformation Board and Business Transformation Steering Group. Reference to the single delivery plan is therefore incorporated within the Council Transformation Strategy document in appendix A.

2.6 Council is familiar with the key challenges which form the backdrop to ensuring that the strategy remains current and in line with the current context within which the council operates;
- The Public Sector Reform agenda, specifically the findings of the Christie Commission, and the Council's response in terms of the Future Model of Service Delivery commits the Council to adopting preventative approaches, community capacity building and co-production, and a new focus on access to services,
- The central role of Community Planning and partnership working, and the development of the Single Midlothian Plan, with its key priorities,
- Integrated Health and Social Care,
- The move to Integrated Service Support,
- The very significant financial challenge facing the Council over the coming years,
- The need to increase the pace and effectiveness of transformation,
- The need to improve service performance and outcomes for our communities,
- Demographic changes and an ageing population

2.7 Meeting the above challenges requires efficient and effective services which align with a 'One Council' approach. The Council will need to deliver substantial transformation, performance improvement and financial savings, making significant progress across a number of key issues in a short space of time. It is certain that further transformational change will be required in future years as budgets contract.

2.8 The strategy has therefore been revised to ensure appropriate cognisance is taken of the current context and to reflect its purpose as an internal document reflecting Midlothian's approach and contribution to the Single Midlothian Plan and Council wide initiatives but also as a single point of reference for key activities supporting both the financial and transformation strategies and which align with the wider planning and performance management framework. Whilst ongoing updates to the main body of strategy is likely to be limited, the document is structured to allow ongoing updates to appendices to ensure that information remains current but also to encourage its use as a 'live' document and therefore subject to regular review and scrutiny.

3 Report Implications

A sustainable future for Midlothian Council is predicated on succeful delivery of both the Financial and Transformation Strategy and their underpinning delivery plans and in embedding a culture of continuous improvement.

3.1 Resource

The Transformation Strategy is underpinned by a Transformation Fund and delivery plan, with resources invested into short term initiatives that will transform the organisation and develop sustainable services.

3.2 Risk

Delivering services in a traditional and reactive way is not sustainable and failure to implement transformation change is a risk to the Council. The Transformation Strategy sets out the direction and framework for Council to work in partnership to achieve the agreed vision and deliver shared outcomes. The long term goal is to transform the Council as an organisation in a sustainable way. Working towards this goal will influence and shape how we work together and inform how our structures evolve.

3.3   Single Midlothian Plan and Business Transformation

Themes addressed in this report:

☐	Community safety
☐	Adult health, care and housing
☐	Getting it right for every Midlothian child
☐	Improving opportunities in Midlothian
☐	Sustainable growth
X	Business transformation and Best Value
☐	None of the above

3.4   Impact on Performance and Outcomes

The alignment of this strategy with the Single Midlothian Plan enables the council to quality assure its contribution towards positive outcomes for the people of Midlothian. The supporting delivery plan and robust governance and scrutiny approach being undertaken will ensure an ongoing focus on performance and delivering outcomes.

3.5   Adopting a Preventative Approach

As noted in the challenges above in section 2.2, the future model principles, including prevention inform the strategy and subsequent activity.

3.6   Involving Communities and Other Stakeholders

As noted in the challenges above in section 2.2, the future model principles, including co-production and community capacity building inform the strategy and subsequent activity.

3.7   Ensuring Equalities

The strategy does not result in any change to existing policies or procedures which would be subject to an Equality Impact Assessment. As the transformation programme strands progress appropriate action regarding Equality Impact Assessments will be carried out.

3.8   Supporting Sustainable Development

The Transformation Strategy contributes to a sustainable approach to service development and delivery.

3.9   IT Issues

The transformation of services will both promote and require the modernisation and transformation of IT provision in line with the work of the Digital Strategy Group.

4   Recommendations

It is recommended that Midlothian Council:

(a)   approves the Council Transformation Strategy 2014 -17; and

(b)   notes that progress against outcomes will be monitored and scrutinised through Business Transformation Steering Group.

2 June 2014

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Background Papers: **Midlothian Council Transformation Strategy**

Declaration Box

Instructions: This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.

Title of Report:

Meeting Presented to:

Author of Report:

I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-

- ☒ **All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.**
- ☒ **All risk implications have been addressed.**
- ☒ **All other report implications have been addressed.**
- ☒ **My Director has endorsed the report for submission to the Council Secretariat.**

For Cabinet reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Cabinet agenda among the items in which the Religious Representatives are entitled to participate.

Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.

Midlothian Council
Transformation Strategy

2014 – 2017

Revised 30.05.14

Contents

Appendices

VERSION CONTROL		
Version	Date	Changes
1	14/05/13	Midlothian Council Transformation Strategy 2013-17 Approved by Council
1.1	06/03/14	Revised to incorporate refreshed BT programme delivery plan and wider changes impacting Council such as the integration of Health and Social Care.
1.2	30/05/14	Revised to incorporate critical link with Financial Strategy and development of single delivery plan.

1. Introduction

This Strategy document refreshes the previous Business Transformation Strategy and Implementation Plan 2011 – 2017 and 2013 - 2017. The decision of Midlothian Council to deliver its priorities in line with their Community Planning Partnership and the Single Midlothian Plan (Appendix 1 provides an overview of the Single Midlothian Plan outcomes and priorities for 2014/15), removed the requirement for a separate Corporate Strategy document. However, to adhere to scrutiny requirements and identify the Council's contribution to the Single Midlothian Plan, the Council's Transformation Strategy will be used to capture and evidence delivery against and alignment with the Single Midlothian Plan and additional overarching plans and priorities.

The Council Transformation Strategy, whilst supporting the Single Midlothian Plan and incorporated within the wider Financial Strategy, provides clarity of strategic direction and supports an effective performance improvement culture by ensuring clear links between the Council's agreed outcomes and priorities and those targeted by services during the service planning process as part of the Council's wider planning and performance management framework. Delivery of the transformation programme, developed to support the strategy, is central to the financial sustainability of the Council.

Midlothian Council, along with all local authorities, has experienced significant challenges in recent years. By adopting an ambitious Business Transformation approach, we have become more efficient and at the same time we have delivered changes resulting in improvements to the way we work, the services we deliver and the quality of life experienced by local people. These changes are evidenced in the delivery of new affordable homes, new schools, improved recycling rates, improving positive destinations for school leavers and the attraction of significant funding for employability services. In addition we have successfully delivered significant changes and improvements in services to protect children and vulnerable adults. In particular, the outcomes we have delivered in reshaping of care for older people have placed Midlothian as a leading Council in responding to the challenges of an ageing population.

The future of Midlothian Council is predicated on delivering a Council Transformation Strategy and embedding a culture of continuous improvement. During 2011-12 the Council considered potential future models of service delivery, including the following factors:

- **Reactive spend**: Approximately 40% of public sector spend is dealing with negative outcomes, i.e. short-term spend to address social problems. *"The greatest challenge facing public services is to combat the negative outcomes for individuals and communities arising from deep-rooted inequalities"* (Commission on the Future Delivery of Public Services, Christie, 2011). A focus on preventative spend offers the potential for significant improvements to longer term outcomes for our communities.

- **Community engagement**: There are excellent examples across the authority where citizens are fully engaged in identifying needs, designing and delivering services. The need to embed these approaches across the authority is seen as a key priority.

- **Partnerships and sharing services**: With a proven track record of delivering outcomes with partner organisations the Council Transformation Strategy also incorporates the prospect of further partnership working.

The Council continues to face unprecedented challenge as a result of constrained funding combined with demographic cost pressures and a number of additional national and local challenges such as welfare reform and significant differences in social and economic equality across Midlothian and the continuing journey for the integration of health and social care.

2. Transformation Vision and Outcomes

During 2013 the following vision was agreed with our Community Planning Partners (CPP):

Midlothian – A Great Place to Grow

In developing the revised transformation strategy appropriate consideration was given to the vision and developing outcome measures which support it such as:

- Midlothian – A Great Place to Grow Your Business – an example of targeted outcome measures would be an increase in economic investment and creation of jobs.

- Midlothian – A Great Place to Grow Up
  An example of targeted outcomes could be early years development milestones, educational attainment and positive destinations for school leavers

The delivery of the Transformation Strategy is underpinned by a Transformation Fund and Programme, with resources invested into short term initiatives targeted at transforming the organisation and developing sustainable services. The Strategy builds on existing activities such as the Management Review and Service Review programme. Within challenging financial circumstances, the Council has successfully delivered balanced budgets and continued financial sustainability is at the core of the programme.

The Transformation Strategy continues to focus on achieving substantial and sustainable change to deliver outcomes which have a positive impact on our Council as an organisation and for our communities. Central to the strategy is the recognition of the financial pressures faced within the public sector and the need to respond to the Christie Report and the Government's integration agenda which are recognised by the critical link that the strategy has a to the Council's wider Financial Strategy.

The Community Planning process and Single Outcome Agreement as incorporated into the Single Midlothian Plan informs all transformation activities by ensuring that all actions identified are informed by the following core principles and take appropriate account of the Single Midlothian Plan priority themes shown below:

Core Principles:

1. Communities are partners in service design and delivery – Co-production
2. Services are targeted and focussed – Prevention/Accessibility
3. Best Value outcomes are delivered through partnership working – Community Capacity Building

Single Midlothian Plan – Thematic Strands

1. Adult Health, Care - *Responding to growing demand for adult social care and health services*
2. Community Safety - *Ensuring Midlothian is a safe place to live, work and grow up in*
3. Getting it Right for Every Midlothian Child - *Improving outcomes for children, young people and their families.*
4. Improving Opportunities for People in Midlothian - *Creating opportunities for all and reduce inequalities.*
5. Sustainable Growth and Housing - *Growing the local economy, responding to housing needs and demands, and conserving and improving the environment.*

Adopting the above core principles for service delivery represents a significant challenge to the Council and transformation will be required on a number of fronts including:

New Projects – all newly identified projects/areas of work must be underpinned by the core principles and take account of the appropriate SMP thematic outcomes and priorities.

Existing Projects – existing projects/areas of work must be reviewed to ensure that they are underpinned by the core principles and take account of the appropriate SMP thematic outcomes and priorities.

Performance Management – practical changes are required to our approach to service planning and performance delivery in order to 'mainstream' the core principles and SMP thematic outcomes and priorities into everyday activities.

Structures – Council and partnership structures will be subject to ongoing review to ensure that they continue to be aligned to the delivery of the SMP thematic outcomes and priorities and that they support continuous improvement via service processes and change.

Culture and Leadership – The core principles noted above will influence and underpin all decision making with a clear, shared vision agreed with all stakeholders in order to deliver against the Single Midlothian Plan.

The previously noted outcomes of the Council Transformation Strategy were to:

- Provide a modern, consistent, reliable and efficient service to customers, including maximising self service and interactive service delivery though all available channels.
- Develop a supported, engaged and high performing workforce.
- Provide a modern, flexible, efficient and cost effective workplace for employees that facilitate effective and efficient working practices, improves service delivery and acts as a catalyst for culture change.
- Minimise the total cost of ownership of goods and services that meet the appropriate quality standards.
- Review and transform Midlothian Council services to ensure they are effective, efficient and economically viable and achieve the best outcomes for the people of Midlothian.
- Deliver and commission shared and collaborative services and products to facilitate cash savings, improvement, efficiency and innovation.

The approach for the transformation programme has been to create a number of different work streams which have been revised and amended over time. The current programme is as stated in the model in figure 1.
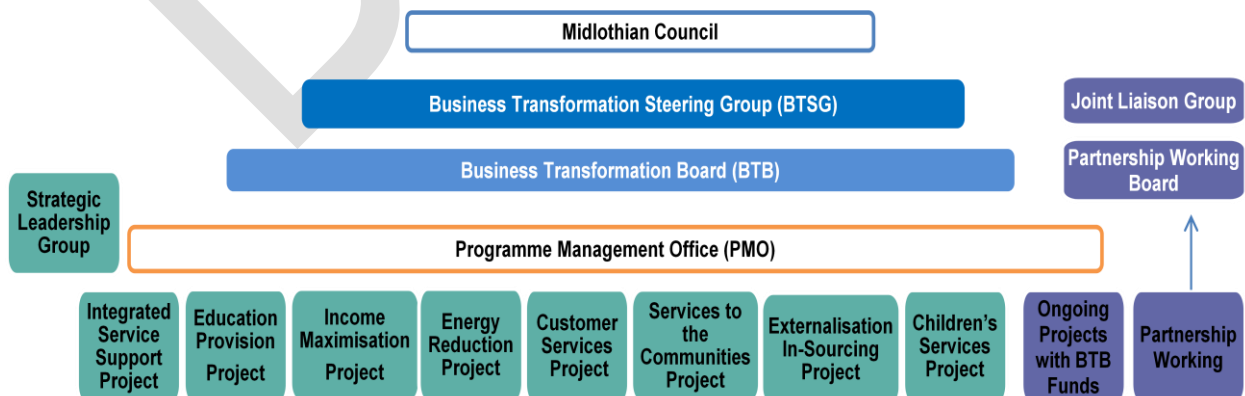

Figure 1: Council Transformation Model

As a result of the agreement from Council the Future Model principles noted as the core principles above will underpin all future service development and delivery work, to ensure clarity of each principle further definition statements are as follows:

Principle 1 – Communities are partners in service design and delivery

- Service users and communities are able to engage fully with co-production as it builds up skills, knowledge and expertise to ensure maximum involvement.
- Service changes are more likely to be successful because:
  - they are fully informed and influenced by service users, their families and communities
  - those affected are directly involved in designing and delivering the change and therefore 'own it'
- Where co-production is used to co-design an area of work which is controversial it can lessen resistance and make the end product or process more acceptable
- Co-design of services can lead to processes which are more efficient and better meet the needs of service user
- Co-delivery of services means that the amount of service delivered is greatly increased, although support in terms of staff time and expenses are still required

Principle 2 – Services are targeted and focused

- Negative social outcomes are reduced in the long term, or their impact is lessened.
- Reduced long term demand on reactive services for both Council and its partner organisations.
- More services are refocused towards preventing social problems and promoting equality.
- Resources are redistributed based on need (e.g. areas of deprivation) and where service accessibility is poor.
- Appropriate community based facilities are transformed to provide council and partner services, transactions, information and community development work, relevant to local needs.
- The synergy of co-production/community capacity building and preventative approaches focused in an area of need provides the foundation for a step change in quality of life for local people.

Principle 3 – Best Value outcomes are delivered through partnership working

- Elected members, council officers and partners deliver a shared set of priorities in Midlothian.
- Services and resources are focused on delivering the Single Midlothian Plan.
- The best use of each partner's resources is made to deliver the Single Midlothian Plan.
- The existence of current processes and structures and the drive for efficiencies and savings do not impede the development of creative solutions to fulfil the Single Midlothian Plan.
- Service and financial planning support long-term step-change rather than incremental improvements.
- Staff and partners are confident to secure efficiencies and savings from capacity building and co-production approaches.
- There is a high level of awareness and confidence in the future models themes across council and partner leaders and staff.
- All methods of service provision are considered, to ensure Best Value.
- Council services are financially sustainable, even with regard to external factors such as economic downturn, new legislation (e.g. welfare reform), and demographic changes.
- Council services form follow function in light of future model principles.

- The national Review of Community Planning and the integration of Health and Adult Social Care are exploited as opportunities to support transformation.
- There is outcome-focused joint working (in terms of services, processes and structures) between all council services, the community planning partnership and partner local authorities.

An overarching requirement of the planning and performance management framework within the Council is referred to as the 'golden thread' which ensures that there is a clear line of sight from the Single Outcome Agreement requirements captured in the Single Midlothian Plan through to Service, Team and Individual plans. The following diagram shows the link that should exist from the national outcomes and local priorities, which in turn inform the Single Midlothian Plan to be delivered collaboratively with our Community Planning Partners. The Single Midlothian Plan and Future Model principles in turn, inform the internal planning and performance process and approach for Midlothian Council.
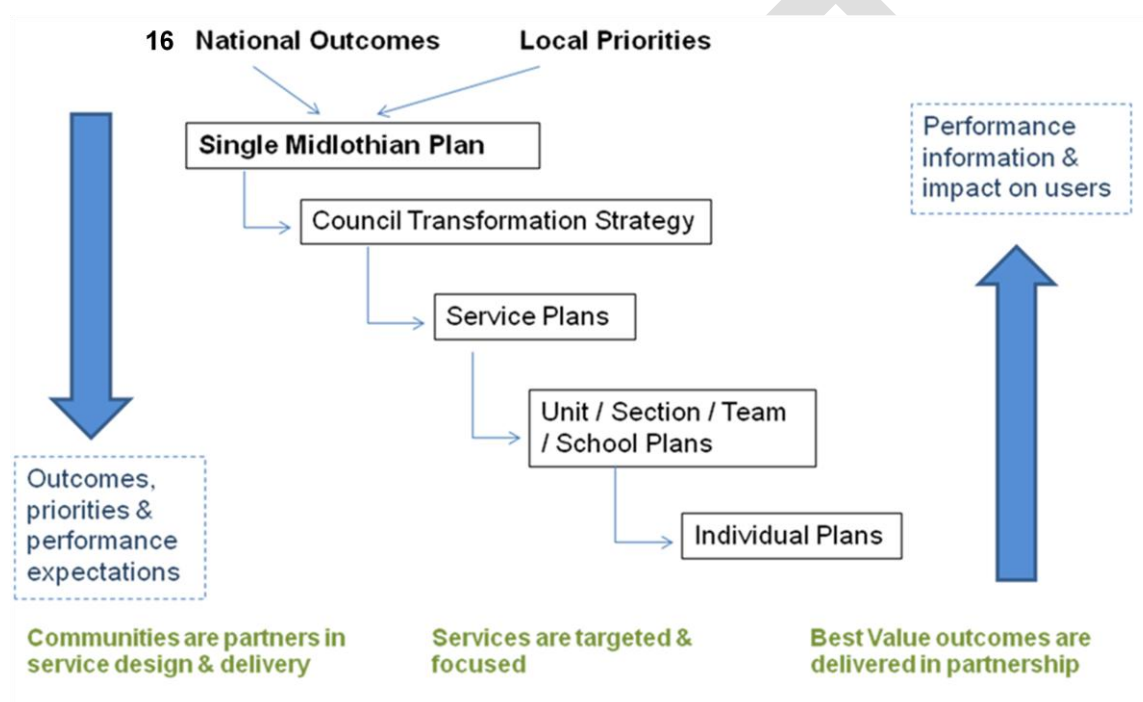

Figure 2 – Golden Thread Diagram

3. Service Transformation and Enabling Transformation

The Council Transformation Strategy sets out the direction and framework for the internal Council activities which will support the delivery of the Single Midlothian Plan and the Financial Strategy and as a result work towards delivery of the agreed vision and shared outcomes and priorities.

Successful delivery of the Transformation Programme will allow Midlothian Council to achieve substantial and rapid change to deliver outcomes that will have a positive impact on the Council and its Communities. Changing the culture and pace of change is imperative to ensure delivery of an ambitious and sustainable programme that will transform and improve services as well as balance finances. The programme of work is well underway and aims to:

- Improve Customer Services
- Make best use of our assets
- Improve our performance

- Improve service provision
- Ensure best use of our resources
- Develop a supported, engaged and high performing workforce

Our ambitions will be realised via delivery of both the Council Transformation Programme (figure 1) and Service Plan deliverables linked to the outcomes and priorities of the Single Midlothian Plan. The deliverables of each activity should deliver on one or more of the following:

- **Transform Council Models and Structures** – respond to council policies and use lessons learned from systems thinking to build sustainable models and structures
- **Service Transformation/Improvement** - focus on efficiencies and effectiveness and so improve services for Midlothian's residents.
- **Drive Transformation -** support and enable the transformation activities to deliver benefits and enable a platform for sustainable, long term, transformational change.

A key requirement for the successful delivery of the Single Midlothian Plan outcomes and priorities is that all internally lead activities are aligned and therefore work together to deliver a programme of continuous improvement and not to operate in silos.

As the Financial Strategy and Business Transformation Programme have been charged with delivering both improved services, and significant savings, transparent and robust data about the performance and risks associated with services, and the achievement of savings, will be critical to inform elected member decision-making. As a result a single delivery plan incorporating both transformational and financial discipline activities has been developed to ensure regular and robust monitoring via the existing business transformation governance route of the Business Transformation Board and Business Transformation Steering Group. A current list of all projects and activities, with a note of both sponsors and leads and interdependencies for the single delivery plan is shown in Appendix 2.

4. Future Direction of Business Transformation

The Transformation programme is the means to improve service provision across the Council whilst ensuring financial sustainability and addressing the projected shortfalls in budget gap. It is clear that the Transformation programme will continue to be further developed to ensure that planned activity and savings delivered bridge the projected budget shortfalls whilst ensuring that the council delivers against the Single Midlothian Plan priorities.

It is important to note that by 2016/17 in broad terms, the Council will still be spending in the region of 93% (of current spend) therefore the focus of transformation activity is to deliver the savings necessary (the 7%) whilst delivering outcomes, priorities and a quality service in a more efficient and effective way.

Although the Council has adopted a Systems Thinking approach to service reviews that will deliver sustainable change and improvements, the service reviews will not deliver savings to meet the projected budget gap on their own, it is therefore key that all transformation and service planning and improvement activities are linked and so collectively deliver the required improvements and savings.

Accordingly a more strategic review of council services was undertaken and the Strategic Leadership Group developed the transformation programme as shown in figure 1 with Appendix 2 providing further detail on the projects and activities included within a revised single delivery plan.

5. Alignment with other Strategies/Plans

As mentioned previously the Council Transformation Strategy was developed to replace the previously separately held Corporate Strategy and to align with the Single Midlothian Plan developed with the Community Planning Partnership. As set out in the Local Government Act 2003, "It is the duty of a local authority to make arrangements to secure best value" and therefore the following key characteristics and overarching themes of Best Value should be embedded as part of all activities undertaken by the Council:

Best Value Key Characteristics
- Vision & Strategic Direction
- Community Engagement
- Performance Management & Improvement
- Use of Resources
- Governance & Accountability
- Partnership Working & Community Leadership

Best Value Overarching Themes
- Sustainability
- Equalities

The Strategy and Programme incorporates actions supporting the Best Value improvement plan identified as a result of the Audit of Best Value and Community Planning as follows:

1. The Council needs to continue to improve its services for the people of Midlothian. While performance levels are getting better, some services perform below average levels.
2. The Council needs to pick up the pace of improvement in secondary education and in some areas of education psychological services and community learning and development.
3. The Council needs to improve its scrutiny of the education function and develop a shared vision to drive further improvement in attainment and achievement.
4. The Council needs to maintain delivery of its Business Transformation Strategy and Future Model for Service Delivery review, to planned timescales and targets and ensure the projects deliver the anticipated benefits and savings.
5. The Council needs to be more systematic in the collection, reporting and use of customer satisfaction information. It can also make more use of value for money assessments and benchmarking information to see how it compares with others and indentify where it can do better.

In response to these comments, the council has developed and agreed a Best Value improvement plan and details are available at Appendix 3.

Performance Management and the Balanced Scorecard

The Council must continue to demonstrate how it is performing in relation to delivery against agreed outcomes and priorities. Performance indicators have been a feature of Local Government for a number of years. During this period several different approaches to measuring performance have come and gone with the balanced scorecard enduring. The aim of the balanced scorecard is to ensure that long-term sustainability is not jeopardised in pursuit of short-term success, hence the term 'balance' in the title.

The balance has traditionally been provided by using measures to show how services are performing in relation to the following areas:

- Customer

- People
- Processes
- Finance

However, the introduction of the Single Outcome Agreement (SOA) and self-evaluation demands a different way of thinking about performance management. Consequently a fresh approach to the balanced scorecard has been developed.

Working towards outcomes requires a different way of conceiving, and using, performance measures. Outcome indicators are intended to show the ultimate benefit of the Council's and Partners work for (for example) an individual or the community. Outcome indicators are not intended to provide a measure of the day-to-day activities and outputs of the Council. Somehow a plausible relationship needs to be identified between what we produce or provide and how that eventually benefits the community. Sometimes this relationship is straightforward, although often it is not. The Single Midlothian Plan Priorities include long and medium term outcomes, as shown in Appendix 1.

While keeping the format as simple and accessible as possible, the Balanced Scorecard is designed to reflect shifts in performance management culture. The Balanced Scorecard will therefore assist in measuring performance in such a way that will demonstrate how Council and Partners priorities as well as statutory requirements are being met. The perspectives are:

- Customer/Stakeholder (i.e. Our Impact)
- Service Improvement
- Learning and Growth
- Financial Health

An overview of the Council's Balanced Scorecard is included in Appendix 4.

6. Structures and Working Arrangements

Governance and working arrangements for the programme are subject to ongoing review and the Transformation Programme Management Office was established to ensure robust governance and internal controls in the delivery of the programme. The Strategy reflects these structures and working arrangements.

Further review of the working arrangements will be informed by the ongoing Scottish Government review of Community Planning Partnerships and proposals on the integration of Health and Social Care services for adults.

To ensure that the Transformation programme is provided with leadership, direction, governance and accountability a governance framework and Terms of Reference was established for the respective Boards and Steering Group. The role, responsibilities and composition of each of the respective levels of the governance structure are set out below.

- **Midlothian Council** fulfils the role of providing political governance for the Business Transformation programme.

- The **Business Transformation Steering Group** fulfils the role of challenging and scrutinising the development and delivery of the transformation programme to ensure its outcomes support the aspirations of the Council within the national context.

- The **Business Transformation Board** fulfils the role of providing corporate direction, governance and accountability. The board is an effective decision making body affecting programme progress and delivery throughout the programme.

7. Risk Management

A Transformation Programme risk register (as shown in Appendix 5) is managed by the Business Transformation Programme Office and Business Transformation Board, and is managed in accordance with the Transformation Programme Risk Management Strategy.

Programme risks are maintained and reported in accordance with the Strategy. The Business Transformation Board has ultimate accountability of the programme risk register.

Project risks are managed by the Business Transformation Project Managers/Leads and are also monitored and reported in accordance with the Strategy.

An Equalities Impact Assessment has been carried out previously to inform earlier versions of the Strategy, with actions suggested to each work stream lead as appropriate.

Appendix 1 –Single Midlothian Plan Outcomes and Priorities Overview (March 2014)

Overarching priorities:	**Models of service delivery:**	**Targeted areas of deprivation:**
• Positive destinations • Early years • Economic growth	• Co-production • Prevention • Locally accessible services/channel shift	• Mayfield & Easthouses • Gorebridge • Woodburn

ADULT HEALTH & CARE

Long Term Outcome	Medium Term Outcome	2014-15 Priorities
Independence for People with Disabilities	Independence for People with Disabilities	Dealing with health inequality – more local health services
Enhanced socially inclusive and personalised services	Enhanced socially inclusive and personalised services	Support for older people – more localised services; extending socialisation
Enhanced quality and capacity of services to support people in their own homes	Enhanced quality and capacity of services to support people in their own homes	Staying at home – increased flexibility of local services/supports
Enhanced Support Systems for Carers	Enhanced Support Systems for Carers	Support for carers – increased respite/breaks; young carers – to improve positive destinations

IMPROVING OPPORTUNITIES IN MIDLOTHIAN

Long Term Outcome	Medium Term Outcome	2014-15 Priorities
Midlothian residents are successful learners and young people go on to positive destinations when they leave learning	Midlothian residents are successful learners and young people go on to positive destinations when they leave learning	Increased positive destinations for adults and young people (for all) Widen, promote and develop access to digital services Engagement with local employers
Reduced Poverty Levels in Midlothian relative to Scottish average	Reduce Poverty Levels in Midlothian relative to Scottish average	Support financially vulnerable households in the current economic climate including welfare reform.
Reduced Inequality in Health Outcomes	Reduce Inequality in Health Outcomes	Build community workforce and partners capacity to tackle health inequalities

GETTING IT RIGHT FOR EVERY MIDLOTHIAN CHILD

Long Term Outcome	Medium Term Outcome	2014-15 Priorities
Every child in Midlothian has the best start in life and is ready to succeed	We have developed strong, resilient children, families and communities	Focus on prevention and early intervention to ensure children and young people are safe, healthy, achieving, nurtured, active, respected, responsible and included within a local family or care setting
We have improved the life chances for Midlothian's children, young people and families at risk	All vulnerable children and young people have safe lives We have reduced the numbers of young people who are experiencing harm as a result of risk taking and challenging behaviour.	Improve outcomes for children and young people by continuing to implement 'Getting it Right for Every Child' and putting in place changes required by the laws which go with it. Support children and young people to manage risk taking behaviour
Our people are successful learners, confident individuals, effective contributors and responsible citizens	We have raised the attainment and achievement of Midlothian's children and young people	Raise the educational attainment and achievement of children and young people, including improving the numbers going on to positive destinations after leaving school Improve outcomes for vulnerable or at risk children and young people

Appendix 1 –Single Midlothian Plan Outcomes and Priorities Overview (March 2014)

COMMUNITY SAFETY		
Long Term Outcome	**Medium Term Outcome**	**2014-15 Priorities**
Midlothian is a safe place to live, work, visit and grow up in.	Fewer people are victims of crime, abuse or harm People feel safe in their neighbour-hoods and homes Our communities take a positive role in shaping their future	• Alcohol and Drug Misuse (with a specific focus on alcohol) • Reducing Violent Crime • Domestic Abuse (Violence Against Women) • Death and Injury on Midlothian's Roads • Re-offending • Sexual Crime • Adult Support and Protection • Protecting Midlothian's Children

SUSTAINABLE GROWTH		
Long Term Outcome	**Medium Term Outcome**	**2014-15 Priorities**
	Aspects of Midlothian's Amenity are enhanced	Enhance/safeguard town centres and historic environment.
	Improve image and perception of Midlothian both from residents and those living outwith Midlothian	Enhance/safeguard town centres and historic environment.
No LTO	Biodiversity in Midlothian is improved	Promote biodiversity
Accessibility by sustainable modes of travel is improved	No MTO	Promote and develop active and sustainable travel and transport
Greenhouse gas emissions for which Midlothian is responsible are reduced	No MTO	Tackle issues relating to climate change
No LTO	The environmental impact of waste is reduced	Improve sustainable waste management
No LTO	Midlothian's resilience to climate change impacts is improved	Tackle issues relating to climate change
Midlothian's economy and businesses are thriving in an integrated manner Midlothian is known for its opportunities for new and expanding businesses	Attract new jobs and business to Midlothian	Support the local economy through the Midlothian Economic Recovery Plan (MERP)
Recognition of Midlothian as an important economic contributor to the City Region and wider Scottish economy	Support growth of key economic sectors in Midlothian	Maximise next generation community broadband
Visitors and residents benefit from Midlothian's quality environment and attractions.	Improve image and perception of Midlothian from both residents and those living outwith Midlothian	Promote Midlothian – to visitors & business
All households in Midlothian will be able to access housing that is affordable and of good quality in sustainable communities.	Households have improved housing options across all tenures. Homeless and those threatened with homelessness are able to access advice and support services. Households with particular needs are able to access appropriate accommodation and services. Housing in all tenures is more energy efficient with fewer households living in fuel poverty.	Meeting housing needs to provide sustainable communities.

Appendix 2 –Single Delivery Plan Projects and Activities

Business Transformation Programme Workstream	Sponsor	Lead	Interdependencies
ISS (Phase 1) Management Review	Kenneth Lawrie	Gary Fairley	Management Review, TDM, P2P
Energy Reduction	John Blair	Garry Sheret Colin Quinn	Links with Council's Carbon Management Plan; Asset Management Strategy
Customer Service	Mary Smith	Kevin Anderson	Corporate responsibility / reliant on collaborative working across the organisation; EWiM (phase 2); Services to Communities
Income Maximisation/ Collection	John Blair	Ogo Onwuchekwa	Customer Services Fees and Charges and P2P
Education Provision	Mary Smith	Peter McNaughton	School Estate, catchment
Services to Communities	Eibhlin McHugh	Ian Johnson	Customer Services and EwiM
Externalisation/In-sourcing	John Blair	Hillary Kelly	Procurement , Services to Communities, ISS
Children's Services	Mary Smith	Joan Tranent	Education Provision; Services to Communities; Externalisation/In-sourcing; Customer Services Strand

Financial Strategy Activities	Sponsor	Lead	Interdependencies
Workforce			
People Strategy	Gary Fairley	Marina Naylor	Workforce Planning/Terms and conditions
Workforce Strategy	Gary Fairley	Nancy Brown/Myra Forsyth (initially)	VSER/Terms and conditions
VSER	John Blair	TBC	Management Review 2 / workforce strategy
Terms & Conditions Review	John Blair	TBC	Overtime and Agency and Maximising attendance
Management Review 2	Executive Team	Heads of Services	VSER
Asset Management			
Buildings Estate - Dalkeith Campus	Garry Sheret	Darren Imrie	Total Document Management, customer services
Vehicles/Fleet	Ricky Moffat	Trevor Docherty	
ICT	Gary Fairley	TBC	EwiM, Customers, P2P, Total Document Management
Service Design			
B&B Reprovision	Kevin Anderson		

Appendix 2 –Single Delivery Plan Projects and Activities

14/15 Transformational Programme -Savings deliverable	Sponsor	Lead	Interdependencies
Secondary management	Peter McNaughton	Sandra Banks	
Janitorial and Facilities Management	Garry Sheret	Norman Catto	
Sport and Leisure	Garry Sheret	Tony Malone	
Cowan Court	Alison White	Dawn Barrett	
Partnership Working	Ian Johnson	Edel Ryan	
EWiM	Garry Sheret	Darren Imrie	TDM,
Procurement	Gary Fairley	Ian Johnstone	
ISS	Kenneth Lawrie	Gary Fairley	Management Review, TDM, P2P
Maximising Attendance	John Blair	Gary Fairley	Workforce Planning/Terms and conditions

14/15 Other measures	Sponsor	Lead	Interdependencies
Children's Services (MARG)	Mary Smith	Children's Services	
New Leadership Structure	Executive Team	Heads of Service	
Operational Savings	Executive Team	Heads of Service	
Service Savings	Executive Team	Heads of Service	
Fees and Charges)	John Blair	TBC	
Overtime/Agency Review	Executive Team	TBC	links to T&C/Workforce strategy

Midlothian Council Best Value Improvement Plan

The Midlothian Audit of Best Value and Community Planning concluded in June 2012 and found:

- The Council's overall performance satisfactory.
- The Council had good prospects for future improvement.

The Audit was a reminder that performance in many services was improving, but some services continued to perform below average. The Audit also served as a significant endorsement of the Council's Business Transformation Strategy as the primary vehicle to support service improvement and ultimately improve quality of life in Midlothian. The Strategy was seen as enabling the organisation to achieve substantial and rapid change to deliver outcomes that would have a positive impact on the Council as an organisation and on local communities. Changing the culture and pace of change was noted as imperative to ensure the Council delivers this Strategy.

A number of challenges to delivery of the Strategy were identified. In particular, the need for a significant pace of change as the Council seeks to transform customer services, its office portfolio, people management and service improvement whilst simultaneously developing a longer-term change programme via the Review of Future Models of Service Delivery. The Council's budget continues to be under significant pressure and senior officers and members are working together to ensure a sustainable financial plan is delivered which supports transformational changes required.

The Best Value improvement plan plays a fundamental part in delivering change moving forward and responds to the specific Areas for Improvement identified via the Audit of Best Value and Community Planning. A detailed plan including

Best Value Improvement Plan Area for Improvement 1

The Council needs to continue to improve its services for the people of Midlothian. While performance levels are getting better, some services perform below average levels.

13/14:
Midlothian Council continues to deliver its priorities through the Community Planning Partnership and the Single Midlothian Plan. The Council Transformation Strategy and individual Service Plans will describe how the Council will deliver its contribution to the Single Midlothian Plan.

Community Planning Partners have previously agreed the following three priorities:
- Economic growth and Business Support
- Positive Destinations
- Early Years

The Future Model for Service Delivery project undertaken by the Council identified the following 3 core principles to underpin future activities/services:
- Communities are partners in service design and delivery
- Services are targetted and focussed
- Best Value outcomes are delivered through partnership working

Statutory Performance Indicators (SPIs) results for 2011/12 show that Midlothian has increased the number of SPIs in the top two quartiles. Although some indicators remain in the bottom quartile, robust action/improvement plans are in place and are subject to robust Executive and member scrutiny.

Best Value Improvement Plan Area for Improvement 2

The council needs to pick up the pace of improvement in secondary education and in some areas of education psychological services and community learning and development. (Paragraph 27)

13/14:
Following the release of the 2011/12 School Leaver Destinations statistics a meeting was held with representatives of Skills Development Scotland, Further and Higher Education establishments, employers organisations and elected members to identify ways that performance can be improved. A seminar of various agencies was held in March to develop an action plan to improve the performance of school leavers in 2013 and beyond. For those young people that are due to leave in 2013 schools identified those at risk of not having a positive destination and looked at putting the necessary supports in place.

Results in SQA national qualifications at S4, 5&6 displayed areas of improvement in August 2013. However, it is recognised that there is potential for even better results in general. Important development work continues which includes ongoing liaison and partnership working with Education Scotland on the continued implementation of key aspects of Curriculum for Excellence.

The council needs to improve its scrutiny of the education function and develop a shared vision to drive further improvement in attainment and achievement. (Paragraph 27)

13/14:
Following the seminar on educational attainment in January 2013,work is ongoing with Head Teachers through the group managers with particular emphasis on early years through the Early Years Collaborative. The Director holds regular meetings with relevant elected members where all levels of performance are discussed.

Best Value Improvement Plan Area for Improvement 3

The council needs to maintain delivery of its Business Transformation Strategy (BTS) and Future Model of Service Delivery (FMSD) review, to planned timescales and targets to ensure the projects deliver the anticipated benefits and savings.

13/14:
The council's transformation approach is an ambitious programme of work transforming and improving services as well as balancing finances. A robust Executive and Member reporting and governance system is in pace.

The Business Transformation Strategy and approach has been subject to further reviews to ensure that it continues to align with the Councils priorities and challenges. A revised financial strategy setting out the challenge ahead and incorporating a revision to the Council Transformation Programme targets and work strands will be presented to Council on 4 February 2014.

The revised programme will continue to be subject to appropriate governance and will be managed using a robust project management approach.

Best Value Improvement Plan Area for Improvement 4
The council needs to be more systematic in the collection, reporting and use of customer satisfaction information. It can also make more use of value for money assessments and benchmarking information to see how it compares with others and identify where it can do better. **13/14:** A review of Performance Management and self-evaluation systems is well progressed and a new system, inclusive of SOLACE Benchmarking, will be in place for the 14/15 planning and performance cycle. The appointment of a Customer Service Improvement Officer will ensure a drive and further development of a culture in the Council where customer complaints, feedback and satisfaction are used to improve service delivery across the Council by ensuring customer standards and expectations are met and are in line with statutory, legislative and national guidance.

Best Value 2 Improvement Plan Objectives
01. Ensure Performance Management arrangements identify under performance and drive improvements. Through a strong culture of PM ensure that services are held to account through constructive challenge and robust scrutiny.
02. Work together to procure the right goods at the right time in the right quantity to the right place from the right supplier at the right price to serve the residents and communities of Midlothian
03. Develop relevant and accredited community based lifelong learning opportunities and progression pathways are developed to further training/education or employment
04. Increase the pace of improvement in Housing Management and Homelessness
05. Improve life chances of vulnerable children and the provision of support to those who care for them
06. Implement Curriculum for Excellence to further improve the quality of learning and teaching
07. Improve the scrutiny of the education function by elected members
08. Drive further improvement in Attainment and Achievement
09. Develop an ambitious Corporate Strategy, including evaluating alternative forms of delivery. The strategy should articulate what is the 'core business' of the authority and how it should be delivered
10. Improve services and deliver savings through an ambitious Transformation Programme that fundamentally reviews and changes the design and management of work
11. Provide suitable infrastructure and introduction of innovative working practices to ensure the delivery of efficient, customer focused services that meet the full range of community needs.
12. Improve service delivery through a greater understanding of complaints received and use of customer satisfaction information
13. Ensure that managers are encouraged to search for better practice in other organisations that can be integrated into their own service delivery

Midlothian Councils Balanced Scorecard:

The Balanced Scorecard approach provides the Council with a strategic performance management tool which allows each service area to consider and contribute to core Council priorities in terms of planning and performance management.

The following shows the Balanced Scorecard perspectives that are applicable across the Councils services, as perspectives may be more applicable in some services than in others separate Balanced Scorecards may exist for each of the 8 services but collectively cover the following:

Customer/Stakeholder	Financial Health
• Improving outcomes for children, young people and their families • Ensuring Midlothian is a safe place to live, work and grow up in • Creating opportunities for all and reducing inequalities • Growing the local economy and supporting businesses • Responding to growing demand for Housing and Adult Social Care services	• Maintaining financial sustainability and maximising funding sources • Making optimal use of available resources • Reducing costs and eliminating waste
Service Improvement	**Learning and Growth**
• Improve Community engagement • Strengthen partnerships • Improve and align processes, services and infrastructure • Manage and reduce risk	• Develop employee knowledge, skills and abilities • Improve engagement and collaboration • Develop a high performing workforce

Each of the perspectives shown above are supported by a number of measures and indicators which ensures that the Balanced Scorecard informs ongoing performance reporting and public performance reporting throughout the 2014/15 cycle and also help identify areas for further improvement throughout the year.

(The final 2014/15 Council Scorecard is still under development)

Appendix 5 – Business Transformation Risk Framework

PROGRAMME RISK SUMMARY	IMPACT	LIKIELHOOD	RATING
MC03-01 - Strategic Direction	Moderate	Medium	6
MC03-02 - Governance & Accountability	Moderate	Medium	6
MC03-03 - Internal Control	Moderate	Low	6
MC03-04 - Programme Resources: Staffing	Major	Medium	18
MC03-05 - Programme Resources: Budget	Major	Low	12
MC03-08 - Engagement & Communication	Major	Medium	18
MC03-09 - Benefits Realisation & Projected Budget Shortfall	Major	Medium	18
MC03-10 - Workforce Strategy	Major	Medium	18
MC03-11 - Trade Unions	Moderate	Low	6

CLOSED RISKS
MC03-06 - Programme Resources – Equipment
MC03-12 - Political Direction and Buy-in
MC03-07 - Programme Resources - Consultants

Programme Risks

CODE - TITLE	DESCRIPTION	INTERNAL CONTROLS
MC03-01 Strategic Direction	Programme fails to have a clear strategic direction and transformation projects progress without approved Project Definitions in place. *Failure to address this risk could impede programme and impact on delivery of target savings.*	▪ Business Transformation Strategy (revised & approved Summer 2011) ▪ Programme Plan ▪ Internal Governance ▪ PDD/Strategy Document/Project Plans ▪ 2014/17 Transformation Delivery Plan
MC03-02 Governance and Accountability	Risk that Business Transformation Programme fails to have robust governance and accountability. *Failure to address these risks could impede target savings.*	▪ Business Transformation Executive Officer and Transformation Manager ▪ Programme Plan ▪ Approved Governance Model ▪ Project Definition Documents ▪ Budget monitoring arrangements ▪ Approved Terms of Reference ▪ CMT agreement that future activity be governed by the approach adopted by ISS
MC03-03 Internal Controls	Risk that programme internal controls are not in place. *Failure to address programme internal control could impede programme and impact delivery of target savings.*	▪ Business Transformation Executive Officer and Transformation Manager ▪ Programme Management Office ▪ Business Transformation Risk Management Strategy ▪ Approved Terms of Reference ▪ Highlight Report ▪ Programme Health Check ▪ 2014/17 Transformation Delivery Plan ▪ Nominated Financial Leads aligned to delivery plan

Appendix 5 – Business Transformation Risk Framework

CODE - TITLE	DESCRIPTION	INTERNAL CONTROLS
MC03-04 Programme Resources - Staff	- Risk that insufficient skilled resource is made available from the business to support transformation projects. - Risk that conflicting priorities direct key staff from programmed activity. - Risk that Transformation staff resource is insufficient to meet the needs of the programme. - Risk that key staff leave, during the programmed activity, or take unexpected long term absence. *Failure to address these staffing risks could impede programme and impact on delivery of target savings.*	▪ Clearly defined roles and responsibilities of core team managed by Business Transformation Manager ▪ Skill transfer and knowledge arrangements ▪ People skills developed to ensure staff are equipped to deliver transformational change ▪ Business Transformation Manager assesses staff resource and address concerns, escalating to BTB if appropriate ▪ Transfer of systems thinking approach
MC03-05 Programme Resources - Budget	- Risk that Business Transformation Budget funding is insufficient to deliver identified programme of activity. - Risk that Business Transformation funded resource is not effectively utilised and does not deliver planned benefits. - Robust budgetary control not in place. *Failure to address these risks could impede programme and impact on delivery of target savings*	▪ Financial Business Partner ▪ Funding bids examined by Section 95 Officer ▪ Funding bids require BTB approval ▪ Capital budget approved by BTSG ▪ Approved Revenue Budget ▪ Adherence to Financial Directives ▪ Financial Discipline ▪ Transformation Fund Utilisation reporting to BTB ▪ Dialogue between Business Transformation Manager and Financial Business Partner ▪ Transformation Programme Plan dashboard ▪ Financial Strategy
MC03-08 Engagement and Communication	Risk that benefits of the Business Transformation Programme and Systems Thinking approach are not adequately understood by staff and stakeholders. *This risk could impede programme and have a negative impact on Councils reputation and staff morale.*	▪ Business Transformation Executive Officer and Transformation Manager ▪ Programme Communication Plan ▪ Corporate Management Team ▪ Divisional Management Teams ▪ Elected Members ▪ Leadership Forum ▪ Discussion with Trade Unions ▪ Business Transformation Team, Organisational Development, & Communication and Marketing Team working group

Appendix 5 – Business Transformation Risk Framework

CODE - TITLE	DESCRIPTION	INTERNAL CONTROLS
MC03-09 Benefits Realisation and Projected Savings for 2014/17	Risk that programme does not deliver the efficiency savings target and service delivery improvements. *Failure to align future transformation activity to help bridge the projected budget shortfall and provide future indicative budgets.*	▪ Measureable benefits detailed in project definition documentation and scope ▪ Progress against targets reported to Project and Programme Board in normal reporting cycle ▪ Post implementation/benefits realisation review conducted for every BT Project and reported to BTB. ▪ Programme in place to deliver savings and regular monitoring in place with Section 95 Officer ▪ Regular BTB review of BT Fund utilisation ▪ Project Highlight reports ▪ Programme Health Check ▪ Transformation Programme dashboard ▪ Nominated Financial Leads aligned to delivery plan
MC03-10 Workforce Strategy	Risk that lack of understanding around the current workforce profile and understanding of transformation and delivery for a future workforce e.g. right people with the right skills, will impede the programme, impact on target savings, and cause negative relations. *Failure to address these risks could impede programme and impact on delivery of target savings.*	▪ Midlothian Council HR Policies ▪ HR Business Partners ▪ Trade Unions ▪ Organisational Change Policy (May 13) ▪ Workforce Profiling data
MC03-11 Trade Union Relations	Risk that organisation efficiencies could lead to negative Trade Union relations if Council policy is not adhered to, and communication and engagement with Trade Unions on Business Transformation is not initiated early enough or maintained. *This risk could impede programme and have a negative impact on Councils reputation and staff morale.*	▪ Trade Union Protocol ▪ Midlothian Council HR Policies ▪ Programme Communication Plan ▪ Business Transformation Executive Officer and Transformation Manager ▪ Trade Unions brief on the Systems Thinking approach and methodology ▪ Formal consultation and meetings in place regarding ISS.