

Corporate Solutions will “deliver forward looking services fit for a modern 21st Century organisation and put the citizen at the centre of service redesign”.

Corporate Solutions encompasses Finance, Human Resources, Digital, Customer & Communication, Legal & Governance and Corporate Resources.

Corporate Solutions supports the whole Council delivering services to internal and external stakeholders; with responsibility for leading the Council’s Medium Term Financial Strategy and ensuring organisational compliance, developing the workforce, and advancing transformation.

Transformation and opportunities

Transformation Blueprint (2023-2028)

As we move out of the pandemic into a new post pandemic world, we are committed to building on the learning and new ways of working that were adopted during this time, and renew our focus on delivering our key priorities at the most local level possible. Rooted in the creation of a wellbeing economy, the vision of our new 5 year strategy focuses on reducing inequalities at the same time as looking after the health of our planet. Specifically we have three main aims:

- Individuals and communities have improved health and learning outcomes
- No child or household live in poverty
- Significant progress is made towards net zero carbon emissions by 2030

The pandemic has accelerated the financial challenges that we are facing. Reprioritisation and redesign is crucial to balancing the financial position, as well as preparing for further challenges and changes that we will face.

The Blueprint sets out our challenges that need to be addressed over the next five years. We will continue to work to address the inequalities that our communities face, respond to the demands of being one of the fastest growing local authorities in mainland Scotland, and delivering our vision of being a great, green place to grow.

Performance Review and Scrutiny
Tuesday 19 September 2023
Item No: 5.3

Transformation Blueprint Objectives

1. Support the Council to address the 5 year funding gap outlined in the Medium Term Financial Strategy (MTFS)
2. Follow the Money to ensure that the services we commission, contracts we manage and digital solutions we use deliver value for money.
3. Develop an organisational workforce that is flexible ensuring the all staff have the necessary skills to work effectively supported by digital technologies that fit for a 21st century workforce
4. Design a workplace for the future delivering services in a holistic and integrated way.
5. Drive forward multi-agency transformation to deliver systems-level change resulting in joined-up service delivery which improve outcomes.

The Council's transformation blueprint provides the framework for opportunities to change the way services are improved and delivered to be more efficient. Corporate Solutions has a particular focus on the delivery and acceleration of the Capital Programme, delivering digital first approaches, embedding automation to improve customer access to services and hybrid working.

Customer Engagement

Aligned to the Transformation Blueprint, priorities for 2023/24, key work streams below:

Short term:

- Continued rollout and implementation of Customer Service Platform
- Reviewing service delivery all across Contact Centre teams
- Increased eBook promotion plan
- Focused active promotion of library space, in particular to facilitate out of hours access for communities

Medium term:

- Rollout of the Hub & Spoke model with libraries providing and facilitating increased local service provision
- Customer Engagement Strategy development including communications and engagement plan

Long term:

- Increase income within Registrars through alternative ceremony offer
- Community and school library redesign; including the mobile library service

Key achievements this quarter:

Overall library visits (virtual and physical combined) have increased by 30% based on the same period last year with a 48% increase in physical visits. Library memberships remain steady with just under a third of the population of Midlothian registered as library members.

A total of 1,321 events took place between April – June 2023 and 892 children’s library initiatives. Libraries welcomed Local History Month in May with a varied selection of activities from displays, class visits and treasure hunts to lectures and talks on topics including the history of fashion and folk music. The Reminiscence & Memories Scotland groups brought guest speakers to their regular scheduled sessions. In total, 33 activities and events were held with nearly 600 people taking part. Libraries also celebrated Bookbug Week again in May and this year’s theme was Bookbug’s Big Shooglee. 271 adults and 318 children enjoyed the shoogling fun sessions over the week.

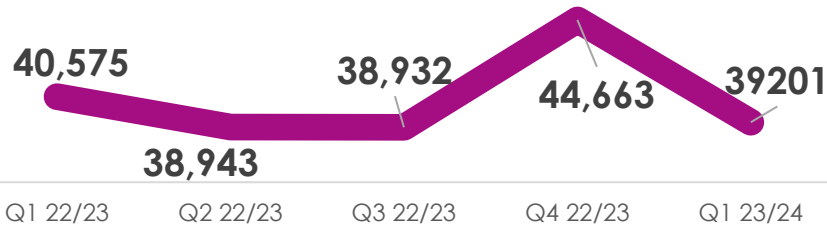
The Mobile Library launched a new route and name – Libby’s new route information can be found on the Council’s [website](#).

Channel shift work continues with the introduction of the ‘Contact Us’ module and grit bin service request application. A number of other service requests are in test phase and due to go live at the end of the summer. Customer contact volumes remains consistent compared to those figures for the same period last year. The contact centre service level agreement has been amended to be more reflective of call handling times with 83% of all calls answered within 120 seconds. Call abandonment rate has improved to 6% this quarter from 9% in Q4.

Customer Engagement – performance measures

Customer contact

Number of Contact Centre calls



83%
of calls in Q1
answered within
120 seconds

Social Media

21k Midlothian
Council Facebook
followers

17.9k @midgov
twitter followers

14.1% Customer
contact received **digitally**
(webform versus telephone)

13,583

Email contact handled this
quarter

3,106

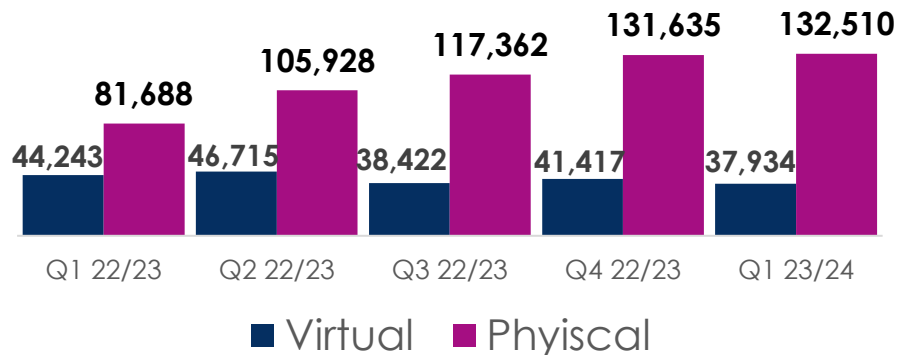
Contact Centre
Webforms received

Number of Library memberships



Library services

Number of Library visits



892 Children's library initiatives taken place in Q1

1,321 Library events held in Q1

596

Library customers supported with digital queries in Q1

Human Resources

To achieve the Council's strategic priorities we recognise that people are our most important asset. Our workforce strategy highlights that we need to attract the best talent, grow our own talent ensuring there are clear progression pathways, ensure our workforce feel engaged, valued and motivated and importantly, empower our staff to enable them to reach their full potential.

Our workforce vision is to work as **One Council** using our knowledge, experiences and sense of shared endeavour to collaborate and think creatively and innovatively so that our people can deliver life-changing impacts for our communities. Our new ways of working mark a clear desire for cultural change and a shift towards a more agile and modern operating model.

Our workforce are key to the delivery of the Transformation Blueprint. In order to ensure a thriving workforce areas of focus for 2023/24 will be:

- Investment in Organisational Development through a focused programme of work
- Completion of workforce plans in all services, with a particular focus in at risk areas
- Rollout of the Wellbeing Strategy
- Delivery of the Recruitment and Retention Strategy

Key achievements this quarter:

Midlothian Council maintained the Healthy Working Lives Gold Award for over 9 years, through involvement by a committee of dedicated employees volunteering their time and expertise to create and support wellbeing initiatives. Work has commenced on the development of our Wellbeing Strategy which will focus on the financial, physical, and psychological wellbeing of our workforce and ensure employees have access to advice, guidance and initiatives which support their health and wellbeing.

The rolling programme of Wellness@Midlothian initiatives continues this quarter to ensure we are supporting the positive health and wellbeing of our staff. Wellbeing events and initiatives including on-site visits, webinars, e-learning and training have been organised for 2023 and a coaching programme is planned in for roll out later in 2023.

During April to June 2023, 19 wellbeing events were held covering financial education training, advice webinars and health with 124 staff attending. Wellbeing initiatives were communicated to all employees this quarter with promotion of free learning opportunities as well as promoting Carer's week with training from Vocal and Alzheimer's Scotland, raising awareness of the carers policy and supports available to. Other promotions included men's health guidance, McMillan cancer support and promotion of volunteer week.

Policy and Strategy: The Recruitment Strategy has been drafted and is being finalised for discussion, prior to communication and implementation. Further People Policy development work is ongoing with the focus on the most frequently used policies, including disciplinary and resolution. The Hybrid working policy is now complete for discussions with trade unions before publication and communication.

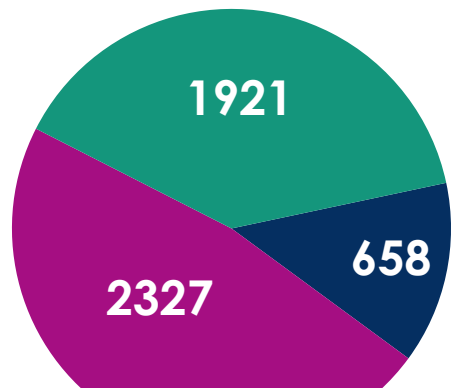
Recruitment for the approved Organisational Development resource is underway. This role will be vital in taking forward key pieces of work, including around leadership and management, to upskill managers across the organisation. Progress is ongoing to develop and implement the work streams under our workforce strategy, progress on Blueprint theme 2 '21st century workforce' is in development, with progress reporting planned for later in the year and the development of a refreshed MPM approval process has also been built into this theme.

This quarter Job Evaluation was successfully brought back in-house with work undertaken and ongoing to streamline the internal processes and increase efficiencies.

Human Resources supported case work remains busy, with employment relations cases successfully being resolved. Support with transformational service reviews continue to take up significant time for HR Business partners and the team.

Human Resources – performance measures

Workforce demographics



No. of staff by age group

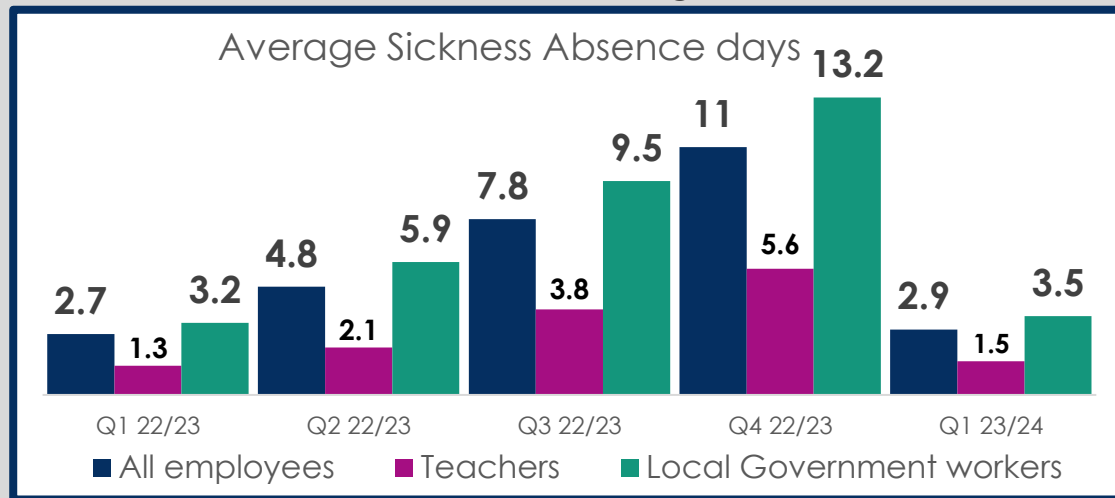
■ 16-30 ■ 31-50 ■ over 50

66%
of employees are Midlothian Residents

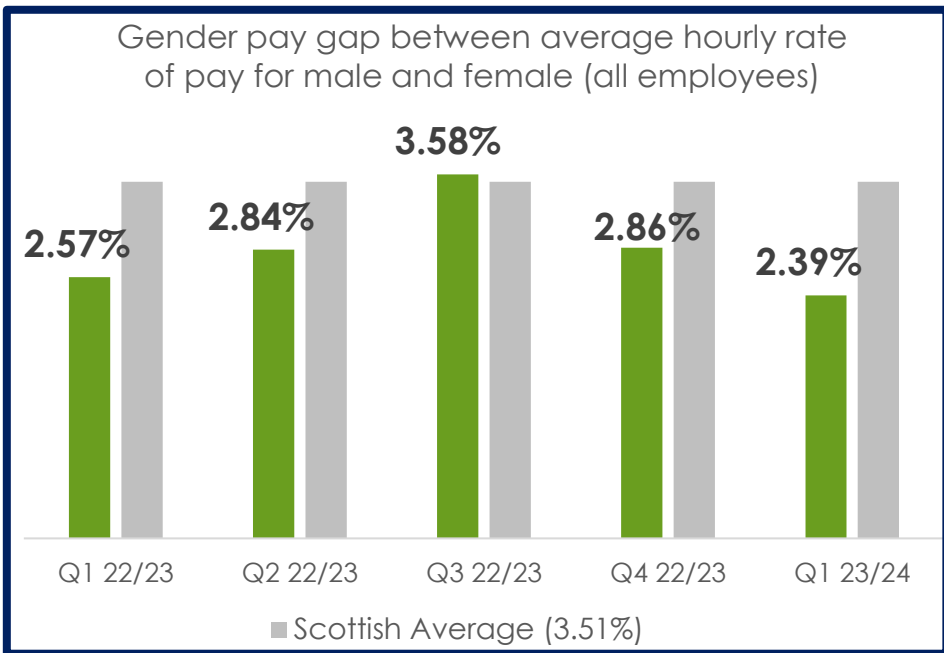
1,173 (24%)
Employees with over 15 years of service

129
Leavers in Q1

Employee Health and Wellbeing



108 female employees in top 5% (120 in Q4 22/23)



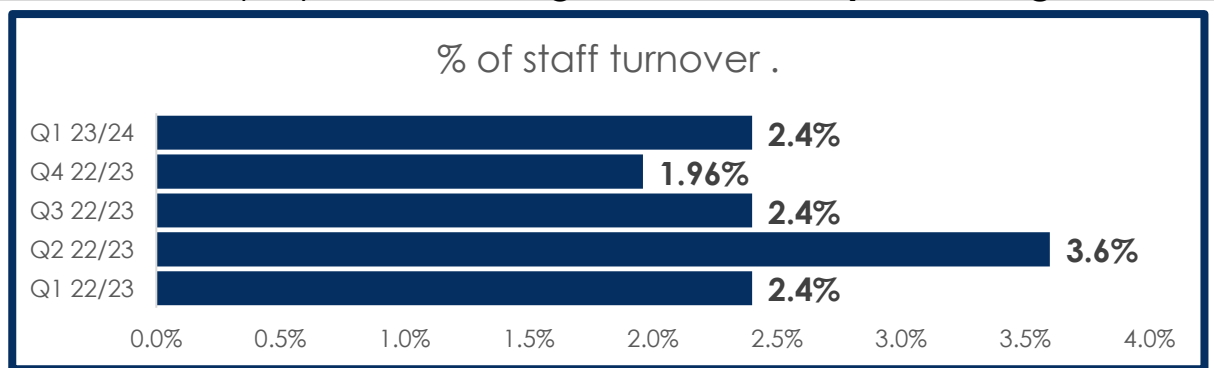
140 Long term absence cases ongoing

141 of occupational Health referrals via OHIO in Q1

20 HR cases in progress

307 Physiotherapy referrals made on Q1

- **19** wellbeing events held this quarter with 124 attendees
- **699** employees accessing **mandatory ELearning courses**
- **1,346** employees accessing **non-mandatory ELearning courses**



Digital

Digital solutions underpin the Transformation Blueprint. Key work streams for 23/24 include:

- Review and refresh of the Digital Strategy
- Development of Data Strategy and pilot the secure analysis of collective, operational level NHS & Council data
- Continued rollout of compliance and cyber security protective measures, including attainment of PSN and Cyber Essentials certification, and actioning any related recommendations
- Implementation of Microsoft O365 capabilities and applications
- Supporting Neighbourhood Services in the delivery of their digital transformation project
- Continue the roll-out of the Customer Services Platform solutions and driving “Channel Shift”
- Equipped for Learning: upgrade classroom Audio Visual estate with interactive smart screens. Pilot Virtual Class delivery.
- Upgrading Call Centre digital infrastructure elements (Netcall Liberty)
- Refreshing / improving quality and coverage of corporate WiFi network
- Ensure all digital aspects of Council operations are well supported and operational

Key achievements this quarter:

The Office365 rollout programme is continuing with the expanded MS Teams features (Collaboration Channels, Planner and file shares) deployed successfully to 3 pilot user groups. In addition, the core applications upgrade took place with Digital Services team trained, solution configuration complete, and Information Governance documentation in progress. User Acceptance Testing for Core Applications completed, and the enterprise-wide roll-out starts on the 10th July.

Hybrid Working Programme – the online desk booking software has been procured, configured and successfully launched to staff in Mid House and Fairfield House, with the next phase being satellite offices nearly at launch stage. The Council Chambers were upgraded with modern, digital technologies and hardware to enable hybrid Council meetings.

Cyber Security resilience: Email phishing simulation exercise completed. Audits successfully passed and certification obtained for:

- Cyber Essentials
- Cyber Essentials PLUS
- Public Service Networks (PSN) – audit complete and certificate achieved this quarter

Core Infrastructure: Performance and security of remote-access to Council network improved through roll-out of new *Global Protect* solution. Education access and utilisation of the internet is now more secure via *LightSpeed* roll-out which blocks inappropriate websites, and alerts staff to any potentially concerning internet searches / usage from pupils, improving the safety for pupils. *ForcePoint Cloud* was successfully rolled out across the corporate network to enhance our internet security, significantly reducing the likelihood and impact of cyber threats.

Technical Design Authority / Digital First Board: a new process has been developed to effectively govern and prioritise new digital projects – helping to ensure resources are being assigned to highest impact projects, and that digital project best practices are leveraged from the start. This process will now be piloted focusing on Neighbourhood Services digital transformation.

Digital Maturity Assessment for Health and Social Care Partnership (HSCP): Assessment was completed in collaboration with HSCP and Children, Young People and Partnerships as part of Scotland-wide HSCP digital maturity exercise. Assessment focus re-enforced our already identified priority focus areas/challenges and provided opportunity to highlight where Midlothian HSCP is leading the way across Scotland (e.g., Chronic Obstructive Pulmonary Disease pathway)

Client Engagement Sessions: Digital Services met with staff and head-teachers across several Midlothian Schools to gain valuable feedback on Digital Services performance and any issues/ opportunities they wished to discuss and highlight. Feedback was overwhelmingly positive, with areas for improvement identified.

Digital – performance measures

Key Digital projects

60%

of Office 365 (phase 1) project complete

30%

of total CSP (IT foundation and service modules) complete

10%

of AI pilot and information governance project complete

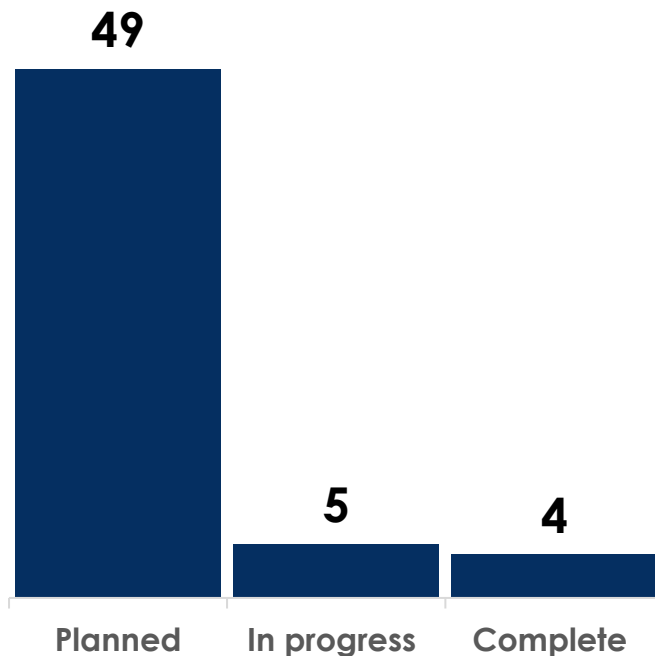
15%

of Neighbourhood services digital project complete

5%

of Data Maturity project complete

Progress of total number of Customer Service Platform modules



Service and Cyber security performance

237,696

Midlothian Council Website visits this quarter

57%

of IT helpdesk incidents complete within 48 hours this quarter

20% of cyber security training complete

100%

of Cyber Essentials and PSN implemented

Corporate Resources

Key priorities for the service in 2023/24

- Redesign of business processes to achieve efficiencies across all of Corporate Resources
- Making more use of current applications to enable self-service e.g. viewing Council Tax and rent accounts online
- Continued upgrade of applications

Key achievements this quarter:

Business application upgrades were completed this quarter for TotalMobile, iTrent & Civica D360. In addition, significant performance enhancements were made to iTrent leave and time recording system, increasing system speed that benefits all corporate users.

Business Services successfully rolled out a Print and Post service across the Housing Services team ensuring that customer correspondence in relation to Housing Services is sent out timeously, whilst reducing internal resource, postage and stationary costs required to do so.

A new contract for Vehicle Telematics was awarded this quarter resulting in reduced costs for the support and maintenance of the application. The new contract also includes free replacement of hardware and potential for the introduction of mobile apps for driver safety and compliance.

Other activities across Business Services included the successful completion of 2022/23 system year end processes and successful implementation of Teachers backdated Pay Award and associated backdated payments.

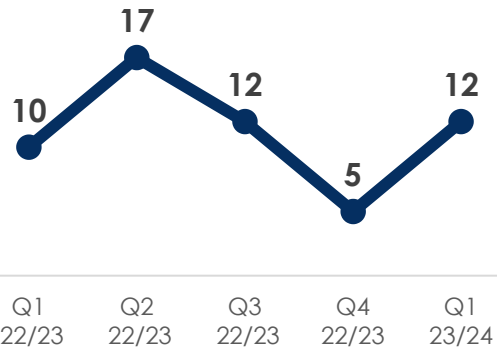
The Revenues and Benefits team continue to support the cost of living crisis. Requests for crisis funding continue to remain consistently high, with over 45% of the Scottish Welfare Fund budget allocated in Q1. 1,783 applications were received for Crisis Grants and 364 for Community Care Grants. This demonstrates the significant challenge faced by our communities. 8,184 customer received help with housing costs through universal credit and 3,139 are receiving help via housing benefits this quarter.

Corporate Resources – performance measures

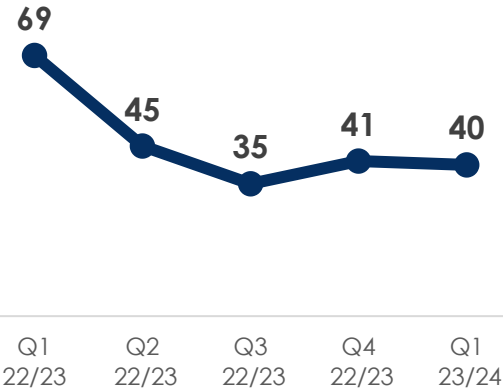
Revenues and Benefits

Average processing times (days)

Change of circumstances

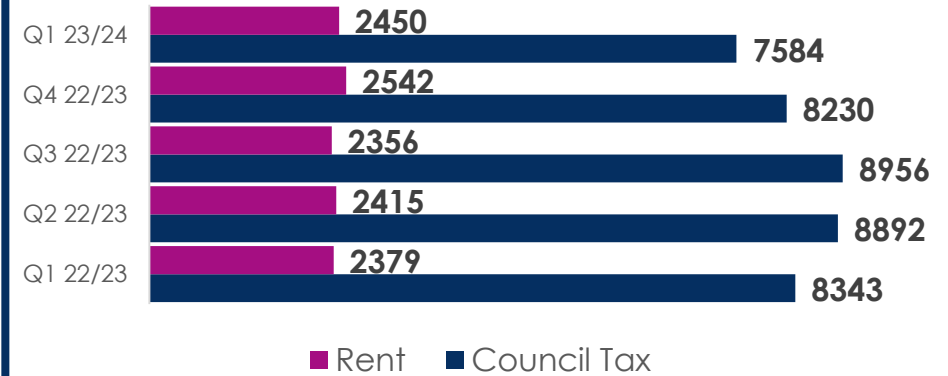


New claims



77.88% of Revenue and Benefits customer paying by **direct debit**

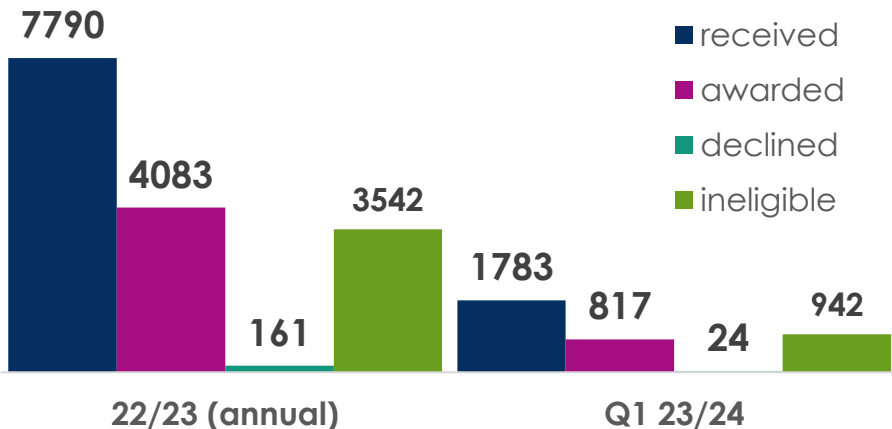
Number of online transactions



Scottish Welfare Fund

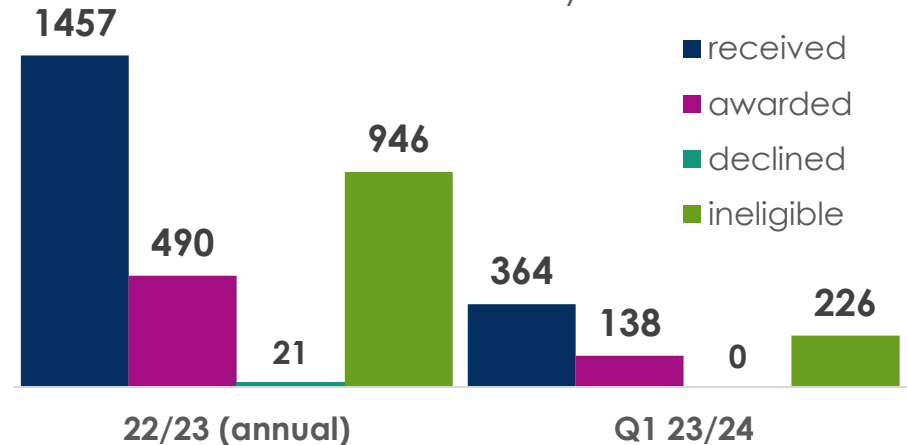
£90,376.00 granted from Scottish Welfare fund for **crisis grants** **£149,197** granted for **community care grants** in Q1

Number of Crisis Grants



45% of Scottish Welfare Fund budget spent in Q1.

Number of Community Care Grants



Grant applications deemed as ineligible are in general those that have exceeded the maximum amount of 3 applications in a year or customers who do not meet the set criteria for the award.

Legal and Governance

Key priorities for the service in 2023/24

- Delivery of the 2024 UK Government elections including voter ID implementation
- Review of the Council's governance framework with revised Standing Orders and Associated Scheme(s)
- Implementation of the new SAR portal
- Development of the new Procurement Strategy, with a focus on social value, the introduction of a Council wide approach to Community Benefits, and an increased focus on local procurement
- Aligned to the Transformation Blueprint, undertake a review of Contract and Grant Management

Key achievements this quarter:

Legal: Section 75 agreements settled with developers to enable housing developments to proceed together with in house legal fees received. Large scale property transfers as well as individual purchases to increase the Council's housing portfolio in particular purchase of 11 buy backs, 53 affordable housing units at Roslin and land for 11 units at Pathhead. Provision of servitudes across Council land to enable development of adjacent housing sites. We received £519,532 in March as consideration for granting two servitudes at Oak Place, Mayfield which were required for a housing development adjacent to Council land.

An additional 35 holiday pay claims were settled via ACAS leaving 438 outstanding. Work continues negotiating and concluding Settlement Agreements to allow staff to leave the Council. Delivery of employment law training was undertaken in Q1 to members of the Appeal Committee and arranging for the first meeting of the Committee to determine an appeal.

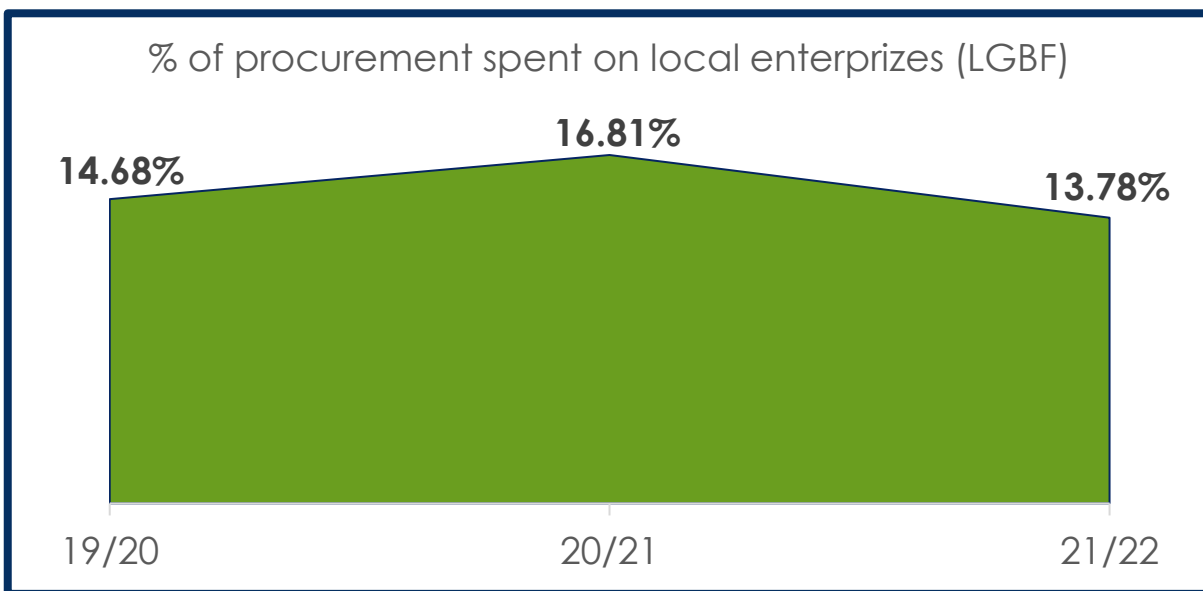
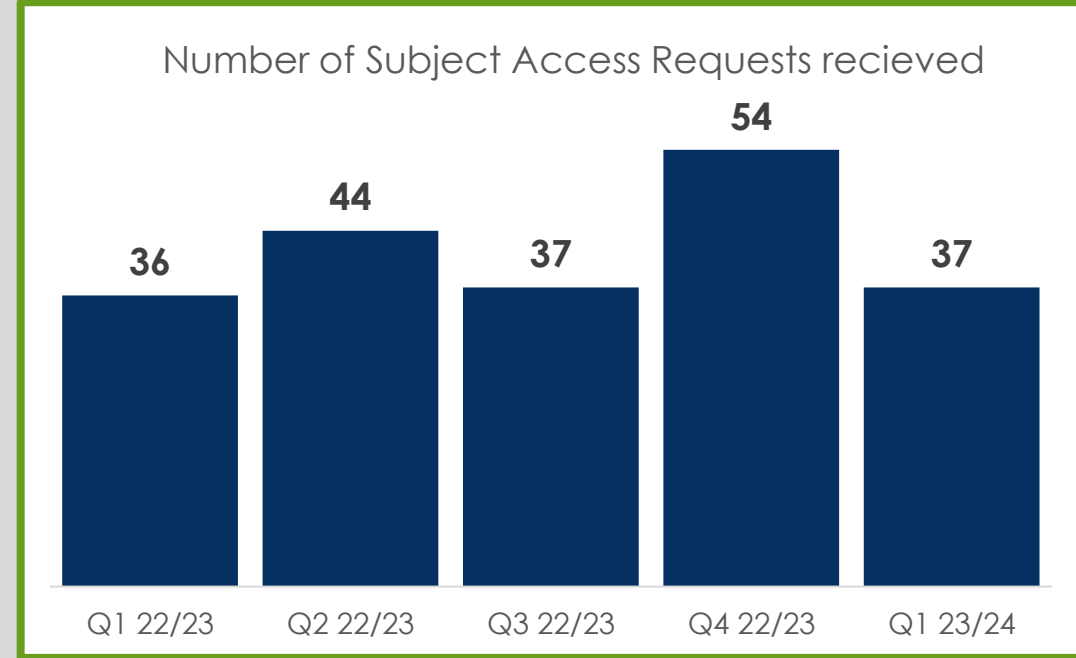
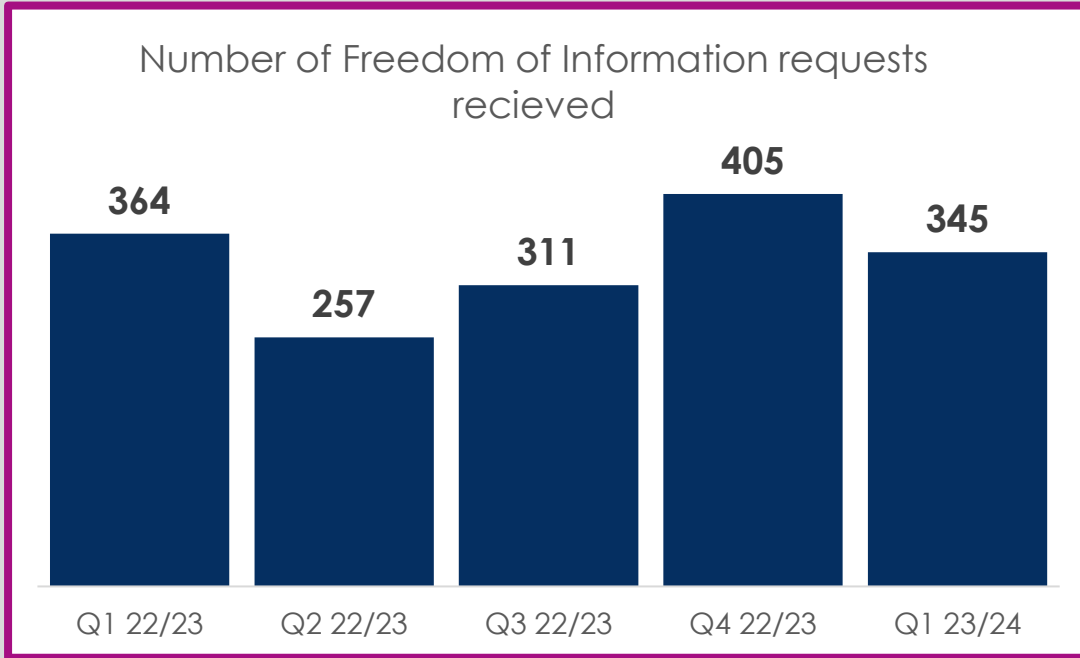
Additional Special Needs Tribunal work is now in-house. Attendance in court to protect Council's interests and to deliver suitable outcomes for children and vulnerable adults and input was provided to the Mental Health Law Review consultation.

Procurement: A range of high value/complex contracts continue to be awarded and key activities include overhaul of Contract Database, insurance tender renewal, replacement window/doors supplier arranged and City Deal participation. A follow up further review of upcoming expiring contracts within Health and Social Care is in early stages to look at opportunities for which services are extended, and any consolidation opportunities for efficiency.

Other activities include a procurement presentation to newly elected members and Spikes Cavell Data upload complete. The Procurement Service continue to work closely with the Economic Development Service to strengthen the relationship with local suppliers and deliver against the Local Procurement Strategy.

Legal and Governance – performance measures

Access to information

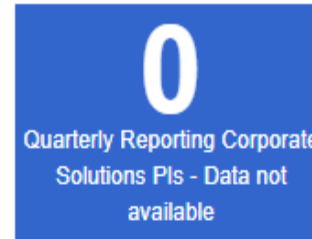


22 regulated procurement exercises undertaken this quarter

4 legal commercial transactions undertaken this quarter

Pentana Performance Dashboard

A full review of quarterly performance data is available via Pentana (Browser login link - <https://midlothian.pentanarpm.uk/login>)



Quarterly Reporting Corporate Solutions PIs - Off Target

Code & Title	Gauge	Value	Target	Last Update	History
CORP.DIGITAL.09 % of Neighbourhood services digital project complete		0%	25%	Q1 2023/24	
CORP.DIGITAL.10 % of Data maturity digital project complete		5%	25%	Q1 2023/24	
CORP.DIGITAL.11 % of IT helpdesk incidents complete within 48 hours		57%	60%	Q1 2023/24	
CORP.LEG.02 % of Freedom of Information requests complete within Statutory time...		70%	100%	Q1 2023/24	
CR.CC.4 % of contact centre calls abandoned		6%	5%	Q1 2023/24	
CSE.LPI.03 Average processing time for new claims (internally calculated)		40 days	25 days	Q1 2023/24	
CSE.LPI.04 Average processing time for change of circumstances (internally calculat...		12 days	8 days	Q1 2023/24	
CORPS.MPI.01 Performance against revenue budget		£24.759m	£24.162m	Q1 2023/24	
CORPS.MPI.05 % of Service PIs that are on target/ have reached their target.		87.18%	90%	Q1 2023/24	
CORP8 Corporate Indicator - Percentage of invoices sampled and paid within 30 day...		92.4%	95.0%	Q1 2023/24	

← 1 of 1 →

Challenges and risks

Financial position

Council approved the 2023/24 budget at its meeting on 21 February 2023. Delivery is reliant on a combination of savings and service reductions and includes the use of retrospective service concession savings and earmarked Covid recovery reserves. Whilst the 2023/24 budget is agreed, the challenge remains to reach ongoing financial sustainability. Cost and income projections for future years will be embedded in the Council's Strategic Blueprint which contains a range of transformation themes to drive towards a position of financial sustainability. Close working continues with the Business Transformation Steering Group to respond to the challenges.

For Q1 2023/24 Financial Services continue to ensure the Council has robust financial management arrangements in place with completion this quarter of the 22/23 final accounts in advance of statutory deadlines. A full suite of financial monitoring reports for 22/23 were presented to Council in June thus completing the finance governance cycle for 22/23. Medium Term Financial forecasts through to 2028/29 were completed this quarter illustrating the extent of the financial challenge the council faces.

Growing Council

Midlothian is projected to have the highest percentage change in population size of all mainland council areas in Scotland. From 2018 to 2028, the population of Midlothian is projected to increase from 91,340 to 103,945. This is an increase of 13.8%, which contrasts with a projected increase of 1.8% for Scotland as a whole, with a 40.9% increase in older people over 75. In addition, Midlothian has 10 zones which fall into the most deprived areas giving a local share of 8.7% living in the most deprived areas in Scotland.

This growth creates the opportunity to meet housing need with 25% of new homes being built in the affordable housing provision, in addition to the expansion in our Council house building. This construction directly supports employment and will see a steady increase in the value of Council Tax income received over time.

To ensure Midlothian is 'building back better', this investment is also creating new jobs, apprenticeship opportunities, opportunities for businesses and communities and families hard-hit by the impact of the pandemic. These new opportunities help lead the way towards a better future for Midlothian.

Midlothian's approved Capital Strategy sets out the infrastructure required to meet those demographic pressures and includes the financial contributions Midlothian will make to the Edinburgh and South East Scotland City Region Deal. Encompassing five main themes the City Region Deal will bring significant investment across the regions with total investment of circa £1.3 billion across:

- Data Driven Innovation: £751 million
- Integrated Regional Employability and Skills: £25 million
- Transport: £156 million
- Culture: £45 million
- Housing: £313 million

Through the Data Driven Innovation strand the Deal will leverage existing world-class research institutes and commercialisation facilities in order that Easter Bush becomes a global location of Agritech excellence. The Easter Bush project includes significant investment in transport infrastructure along the A701/2 transport corridor. In addition, by improving on-site infrastructure at Easter Bush and transport infrastructure, The University of Edinburgh expects commercial partners will be able to co-locate at scale to commercialise Agritech breakthroughs.

The Capital Investment Strategy sits centrally within the Council's future planning activities and in doing so has to reflect the demands of Council services to ensure positive outcomes are achieved in the right place, at the right time for the maximum benefit to Midlothian. The extensive capital programme, totalling £0.8bn, delivers new schools, a record investment in council housing, improved community infrastructure, investment in the local transport network and in innovative developments such as the new low carbon heat network in Shawfair.

Economic pressures

Inflation, as well as rising energy costs, are affecting the construction industry in Scotland. The UK is experiencing unprecedented adverse market conditions, leading to significant rises in tender prices for a wide range of materials. There is evidence that inflation of between 10% and 15% beyond BCIS predictions is affecting projects. The pandemic has also accelerated financial challenges, and the growth from being the fastest growing local authority in Scotland places significant pressure on Midlothian to be able to deliver services to its citizens.

In response to all these pressures, a range of reprioritisation activity is taking place, with a revised Capital Plan being considered by the cross-party Business Transformation Steering Group, and options to review what and how services are delivered as part of the savings measures to reduce the funding gap.

Cost of Living Crisis

Midlothian's citizens are facing significant financial challenges. The impact on households is already being noted across the UK with 93% of adults reporting an increase in their cost of living in March 2023 ([Office for National Statistics; Francis-Devine et al, 2022](#)). The UK is currently facing an unprecedented wave of increasing prices, bills and tax challenges. The 41 year high inflation rate of 10.4% is the main driver of the cost of living crisis which has outstripped wage and benefit increases. The price rises will impact low-income households hardest as a larger proportion of their costs are on energy and food. The Resolution

Foundation estimates that absolute poverty is set to rise in the short-run, from 17.2% in 2021-22 to 18.3% in 2023/24 (or an additional 800,000 people in poverty).

As our citizens feel the impact of the Cost of Living Crisis, they will seek additional support from public services; in particular local authorities. To respond to this emerging crisis, the Council established a Cost of Living Task Force last year, which is chaired by the Council Leader and meets regularly to coordinate mitigating activities.

National Care Service

The estimated funding gap for the next three financial years does not include the associated costs of the Scottish Government's National Care Services (Scotland) Bill. If enacted, the bill would have fundamental implications for the community and for Local Government itself. The wide reaching changes in the bill aim to deliver a National Care Service by the end of the parliamentary term, which will impact on all aspects of the work of the Corporate Solutions team, including financial implications, in both revenue and capital, our asset base, our workforce, governance and legal arrangements and our digital infrastructure and platforms. It will require an immediate focus for the foreseeable future, and this will inevitably have implications for other priority work at a time of continued resource constraint.

Risk

The Council's Strategic Risk Profile is presented retrospectively to Audit Committee quarterly. The most critical risks to the Council are Financial Sustainability, Climate Change and the Change Programme. Corporate Solutions is key to the delivery of mitigating actions to these risks; through strategic planning and the Medium Term Financial Strategy and driving forward the Council's transformation programme to derive change and redesign services.