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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>15 November 2022</b>
<b>Report By:</b>	<b>Interim Director, Finance &amp; Corporate Governance</b>	<b>Report No:</b>	<b>FIN/63/22/AP</b>
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<b>Subject:</b>	<b>Annual Update - Delivering Differently Programme</b>		

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## **1.0 PURPOSE AND SUMMARY**

1.1  For Decision  For Information/Noting

1.2 The purpose of this report is to provide the Committee with the annual update on the Council's change programme; Delivering Differently, and to seek decisions regarding the removal of some projects whilst providing updates on others.

1.3 The Council approved the New Ways of Working project in December 2021 in order to investigate possible savings and efficiencies linked to new work patterns and changes in the use of technology driven by the Covid-19 pandemic. The Policy & Resources Committee oversees delivery of the project.

## **2.0 RECOMMENDATIONS**

2.1 It is recommended that the Committee note the status of the current Delivering Differently Programme and agree that the 5 projects marked as complete are now removed from the Programme.

2.2 It is recommended that the Committee note the New Ways of Working project update, the proposal to mothball the James Watt Building from early 2023/24 and that project updates will continue to be presented to Committee.

2.3 It is recommended that the Committee approve to the continued inclusion of relevant HSCP projects within the Delivering Differently Programme.

**Alan Puckrin**  
**Interim Director, Finance & Corporate Governance**

### **3.0 BACKGROUND AND CONTEXT**

- 3.1 The Policy & Resources Committee approved the creation of a Delivery Differently Programme in 2017. The Delivery Differently Programme represented the Council's key change projects which would be subject of individual reports to the relevant Strategic Committees and an annual report to the Policy & Resources Committee. This report represents the annual report for the year ending October 2022.
- 3.2 The Delivery Differently Programme is also the subject of review and discussion of the Trades Unions at the Joint Budget Group given that many of the projects have impacts on employees. All individual projects will be subject to future reports to the relevant Committee unless already reported.
- 3.3 Good progress has been made in the last 2 years in completing projects and as a result the June 2022 Policy & Resources Committee approved the addition of a number of projects to the Programme. A number of the projects are closely linked to savings proposals and either represent the actual saving proposal or an alternative to the proposal currently being considered by Members.
- 3.4 The Committee has granted approval for the Chief Executive to carry out voluntary severance trawls where it was believed that this would inform the recommendations in any project. This is always on the understanding that any decisions regarding the release of employees will be taken by the relevant Committee.

### **4.0 PROPOSALS/UPDATE**

- 4.1 Appendix 1 provides a summary of progress at 15 October, 2022. From this it can be seen that 5 of the 19 projects are completed with reports either presented to the relevant Committee and/or proposals being considered as part of the current Budget process.

#### **4.2 New Ways of Working**

Policy & Resources Committee is the parent committee for the New Ways of Working project and the following paragraphs provide an update on progress as at mid-October:

Phase 1 of the project concentrates on the use of office space within the Greenock Campus linked to the implementation of new ways of working such as hybrid working and a greater use of ICT. A hybrid working strategy has been piloted for a period of one year and a detailed review will be undertaken in May 2023.

A variety of activity has taken place to assess potential efficiencies in the use of office space within the Greenock Campus. Office space surveys have been carried out, analysing pilot hybrid working patterns, assessments of current office floor plans, meeting room and storage facilities, ancillary space and planned future usage. Employee and trade union engagement has been undertaken throughout the period and in a variety of forms.

The Corporate Management Team have considered each of the buildings within the Greenock Campus for potential efficiencies in the use of office space and have formed the view that an opportunity exists to mothball the James Watt building. A large number of the current occupants within the James Watt building can operate from other Council premises due to the nature and responsibilities of their roles. It is also easier to segregate ICT links within James Watt compared to other locations within the Greenock Campus. A full year saving of £50,000, mostly from property costs is projected against the project's £60,000 savings target if the building is mothballed from early 2023/24.

- 4.3 Property Services have been undertaking feasibility studies and technical assessments of proposed relocation options for those occupants currently based at James Watt building, with employees due to be relocated to the Enterprise Centre and Devol Unit in Port Glasgow as well as within the Greenock Campus. Projected estimated costs for upgrading works are £39,000. In addition the Administration block within Ingleston Park is being investigated as a temporary decant facility prior to planned closure in April 2024.
- 4.4 Some Members may recall the previous intention to move out of the Devol Unit and relocate services to Pottery Street. Following a detailed assessment of the costs of this proposal it was decided to leave the BSU within Devol thus allowing part of the building to be repurposed for some of the employees from the James Watt building.
- 4.5 Officers are also mindful of the implications of the Levelling-up Fund with the potential impact for Hector McNeil House plus the potential reduction in employees arising from the 2023/25 savings exercise. There is the potential for both of these issues to have an impact on the future direction of the New Ways of Working Project with every possibility that this could bring the James Watt building back into use.
- 4.6 It should also be noted at this point in time the Delivering Differently Programme includes a number of projects being progressed by the HSCP. Following the recent review the Council/IJB interaction as part of the overall Council Budget process, it is proposed to leave the HSCP projects on the Programme due to the potential impacts upon Council employees.

## 5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial	x		
Legal/Risk	x		
Human Resources	x		
Strategic (LOIP/Corporate Plan)	x		
Equalities & Fairer Scotland Duty		x	
Children & Young People's Rights & Wellbeing			x
Environmental & Sustainability	x		
Data Protection			x

## 5.2 Finance

There is a £60,000 savings target set for New Ways of Working with £30,000 due in 2022/23 and the balance from 2023/24. Whilst there will be a shortfall against the 2022/23 target the proposal to mothball the James Watt Building will deliver the majority of the overall target from 2023/24.

### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
New Ways of Working	Various	From 2021/22	£300k		One off revenue Budget allocated to the project to fund project

	Capital	From 2022/23	£200k		management, ICT and other delivery costs  Capital allowance allocated to fund adaptations to offices etc
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#### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Office Accommodation	Property costs	2023/24	(£50k)		Saving will count towards the £60k New Ways of Working savings target

### 5.3 Legal/Risk

A number of the Delivering Differently projects relate to cost avoidance and as such it is important that these projects deliver against targets/timescales to avoid further budget pressures developing.

### 5.4 Human Resources

Many of the projects impact upon employees with individual projects having a designated TU contact. Progress against the overall programme is discussed with the Trades Unions at the Joint Budget Group.

### 5.5 Strategic

The Council requires to have a dynamic change programme and the Council's overall programme is represented by Delivering Differently. Officers will continue to identify opportunities to add to the programme and update Committee no less frequently than annually.

### 5.6 Equalities and Fairer Scotland Duty

#### (a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

Individual EqIAs are prepared where appropriate

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. Provide any other relevant reasons why an EqIA is not necessary/screening statement.

## 5.7 Environmental/Sustainability

Summarise any environmental / climate change impacts which relate to this report.

The mothballing of the James Watt Building will help reduce the Council's footprint by making more efficient use of existing buildings and reducing the overall building footprint of the Council.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

## 6.0 CONSULTATION

6.1 The contents of Appendix 1 have been discussed at the Joint Budget Group.

## 7.0 BACKGROUND PAPERS

7.1 None.

	Area to be reviewed	Objective	Saving/Cost Avoidance/ Pressure	Lead Officer(s)	Employee Impacts?	Timeline	Update as at 15 October 2022
1	<b>IJB Budget process</b>	To review the process to determine the 2022/23 Council contribution to the IJB & agree the future process	N/A	A Puckrin/ C Given/K Rocks	No	September 2022 P&R	<p>Proposal for determining the Council contribution to the IJB for 2023/24 approved by P&amp;R Committee in September.</p> <p>Proposal included maintaining the line management responsibility with the IJB CFO for Finance employees who support Social Care.</p> <p><b>COMPLETE</b></p>
2	<b>Participatory Budgeting</b>	To embed a participatory budget process within the Council to achieve the 1% minimum budget allocation requirement	N/A	R Binks	No	2021/22 update September, 2022 P&R Committee	<p>PB activity in relation to the budget consultation and RAMP, Meliora, Pictures in Park and affordable childcare plans has now concluded and a return was provided to COSLA ahead of the deadline on 26 August 2022. Progress report provided to P&amp;R 13 Sep 2022. The service remains engaged with COSLA PB officer who remains satisfied with our progress and HOS now on national advisory group. Further opportunities in relation to external funding PB opportunities will be explored in the coming months. With the prospect of decreasing budgets this project remains challenging. The intention is still to work with service committees prior to P and R for allocation of spend but competing priorities and the challenge of the budget situation facing local councils makes this increasingly difficult to take forward.</p>
3	<b>Shared Services with West Dunbartonshire</b>	To review the appetite for /benefit of continuing with current arrangements and/or investigating future arrangements.	Saving/ Cost Avoidance	L Long/S Jamieson	Yes	CMT – Nov 2022 Council – Dec 2022	<p>Following a meeting between the Chief Executives it is felt appropriate that a jointly commissioned independent review be undertaken in order to review what has gone well, what hasn't, and what a future service may look like. Review specification agreed and out for quotation.</p>
4	<b>Roads Technical Services Restructure</b>	As the RAMP reduces then the level of fee income will reduce and there needs to be a review of the level of technical support	Cost Avoidance	S Jamieson	Yes	December, 2023	<p>Meetings have been underway for some time now including consideration of income from external sources which indicate full cost recovery during 2023/24.</p>
5	<b>Trade Waste</b>	To determine whether the Council provision is cost effective or whether an alternative model is needed.	Cost Avoidance	S Jamieson	Yes	CMT Nov, 2022 E&R January, 2023	<p>An options appraisal is underway, market testing has been undertaken.</p>
6	<b>IL Delivery Model</b>	In light of the drop off in income post Covid and the need for significant savings, a review of the estate and services delivered is required	Cost Avoidance/ Saving	R Binks	Yes (IL)	CMT August, 2022 MBWG -October 2022 E&C Comm - November 2022	<p>Meetings have taken place to undertake the Strategic Asset Review and the document has been finalised and will be presented to the Education and Communities Committee in November 2022. The review looks at Indoor Leisure Facilities, Community Facilities and Outdoor Leisure Facilities. The document will provide an overview of costs, statutory performance indicators, social value and usage to produce options for members to consider. The review also takes into account expected future costs including repairs and Net Zero. In addition to this work, IL are facing significant budget pressures and further work will be undertaken alongside IL so that the review, and also IL management options for potential savings can inform the budget process.</p>

	Area to be reviewed	Objective	Saving/Cost Avoidance/ Pressure	Lead Officer(s)	Employee Impacts?	Timeline	Update as at 15 October 2022
7	<b>New Ways of Working</b>	To reduce the office footprint and generate savings in light of the implementation of hybrid working	Saving	R Binks/S McNab	Yes	Update- November P&R  Hybrid Working Pilot Review – May 2023	The one year pilot period of the hybrid working strategy commenced in June 22. Work is underway to identify and progress potential efficiencies in the use of office space linked to the implementation of the hybrid working pilot and greater use of ICT. Progress reports have been presented to CMT, outlining activities undertaken to date; proposals recommended by the Project Board and the next steps. Although employee engagement is underway, it will become wider and more regular as the project progresses. A project update along with recommendations will be provided in the annual report on the Delivering Differently in Inverclyde change programme to the November Policy & Resources Committee.
8	<b>Secondary School Catering</b>	Secondary School catering income has reduced considerably and as such a review is needed to increase uptake and/or reduce the cost base.	Cost Avoidance	R Binks	Yes	MBWG November 2022  E&C January 2023	A review of catering provision in schools has now concluded. Review undertaken to reduce the budget pressure caused by under recovery of income. An experienced catering manager has assisted with the review and is already undertaking good practice visits to schools to identify issues and ensure the service is working as efficiently as possible. New inclusive menus with more options for pupils with specific dietary requirements (for medical or lifestyle requirements) have been introduced. Menus are also being adapted to to reduce waste and encourage uptake and the team is working on more 'modern' menus for secondary schools in response to customer feedback. Currently evaluating the cost of implementing pre-ordering through an app to reduce waste and queuing. Training is being given on portion sizes and more efficient ordering. As part of the action plan for improvement the service is intending to work with ICT project manager to establish costs associated with revised ICT / ordering arrangements and options appraisal. This work will be undertaken during November and December.
9	<b>Revised Property Services Structure</b>	To offset the expected reduction in fee income the CMT approved a new structure in February, 2022. This requires a VER trawl in order for the new structure to be in place by April, 2023	Cost Avoidance	S Jamieson	Yes	Implement - March, 2023	VER Trawl on going. Population of new structure progressing and currently on target for delivery by March, 2023. Further report to CMT during November.
10	<b>Attainment Challenge Funding Reduction</b>	Funding for SAC will reduce by 80% by 2025. This will require a reduction of several dozen posts which will require close working with HR and TUs	Cost Avoidance	R Binks	Yes	Fully Implement August, 2023-2024  Update E&C January 2023	On 23/11/21 the SG announced their plans for the SAC refresh from April 22. This will see funding reduce from approx £3.4M in 21/22 down to approx £563K in 25/26. Report to taken to March 2022 Education & Communities Committee. Worked with SG on year one of the plan which was submitted June 2022 and officers attended SAC Refresh launch on 30 March 2022  Initial SG Meeting to discuss stretch aims and planning for SEF/PEF/CEYP took place on 16 August 2022  SEF Plan, stretch aims and Logic Model created with partners and submitted to SG along with LA Improvement plan and stretch aims by 30 September 2022  Ongoing tracking and monitoring of stretch aims progress will take place

	Area to be reviewed	Objective	Saving/Cost Avoidance/ Pressure	Lead Officer(s)	Employee Impacts?	Timeline	Update as at 15 October 2022
							<p>tri-annually (November/February/May)</p> <p>Awaiting feedback from SG re submission of stretch aims and plan, possibly late October 2022 – once received a report will be taken to January 2023 Education &amp; Communities Committee.</p> <p>Year 2 – 4 Draft Staffing Plan being reviewed in October 2022 with Corporate Director of Education, Head of Education, HR Support and Finance Support. (Costings and HR implications to be identified)</p> <p>The agreed Year 2 – 4 Staffing Plan will be presented to the SAC Governance Group in December 2022 for approval.</p> <p>HR support to be provided to ensure the relevant processes are being followed. December 2022 – March 2023.</p> <p>March 2023 – June 2023 – Staffing exercise supporting redeployment, termination or continuation with the SAC Team funded posts.</p> <p>Process will continue the following years in similar fashion – Year 3 and 4 could potentially remain with the same SAC Staff team.</p>
11	<b>Community Wardens</b>	The scope of service delivered requires to be reviewed per MBWG request as part of the 2022/23 Budget	Saving	S Jamieson	Yes	<p>CMT September 2022</p> <p>MBWG October 2022</p> <p>E&amp;R October, 2022</p>	<p>Options appraisals are under consideration. Report to E&amp;R October.</p> <p><b>Review COMPLETE</b></p>
12	<b>Family Support Services</b>	Identified by MBWG as an area for review as part of the 2022/23 Budget (Homelink/ Family Support/SAC)	Saving	R Binks/ K Rocks	Yes	E&C Comm - Jan 2023	<p>This project has now changed quite significantly since its inception as part of the budget process. The savings proposals being considered removes the total service from schools and early years. Therefore, pending a decision on the saving, the review is complete.</p> <p><b>Review COMPLETE</b></p>
13	<b>Home Care Review</b>	HSCP have been reviewing the Care at Home service which could have significant financial implications	Pressure (for IJB)	K Rocks	Yes	<p>Paper to CMT by early November 2022. Further update in March 2023.</p>	<p>CMT interim paper for November 22 to give interim recommendations from the Care at Home Review. To include review of winter pressure funding impact.</p> <p>Care and Support at Home has been under significant pressure in 2022 which has impacted on the HSCP's ability to manage delayed discharges.</p> <p>The review is considering the role and task of care at home including our re-ablement approach to ensure we are targeting our workforce to areas that provide the best impact on supporting people to stay at home for as long as possible.</p>



	Area to be reviewed	Objective	Saving/Cost Avoidance/ Pressure	Lead Officer(s)	Employee Impacts?	Timeline	Update as at 15 October 2022
14	Homelessness	Longer term approach to the delivery of the Homelessness Service to be developed and agreed	Pressure (for the IJB)	K Rocks	Yes	Work plan to be implemented by September 2023	A Programme Board has been established to progress work. A work plan developed with work stream leads identified. Recruitment underway to additional posts.
15	New Social Work Information System	Procurement & implementation of a replacement for SWIFT	One off cost & potential saving	K Rocks	Yes	Update report due to IJB in September 2022 and full implementation date of early 2024	Contract has been awarded for the new SWIFT system. Officers are satisfied that the new system will meet the HSCP requirement for full implementation early 2024. The new system has cost less than expected and the HSCP have returned £400k to the Council's capital programme. An update report was presented to the IJB in September 22.
16	EDRMS	To meet Information Governance requirements and support hybrid working within a modern Council, a comprehensive and corporate approach to EDRM is needed	Pressure/ Cost Avoidance	I Strachan	No	Business Plan to CMT November, 2022	Development of the business case is ongoing, through the Council's cross-service Information Governance Steering Group, with this work being referenced in the Council's new Records Management Plan which was reported to Policy & Resources Committee on 9 August prior to its submission to the Keeper of the Records of Scotland. Consideration being given to an approach which is led by service areas and supported by ICT, to focus on service specific improvement projects, rather than a single multi-service EDRMS project.
17	Migration to Office 365/ Cloud	Migration to the Cloud/O365 in line with the ICT Strategy. Will include move to the use of MS Teams	Cost Avoidance	A Puckrin	No	Main roll-out end of October 2022  Telephony tender, summer 2023	Full roll out with the exception of services which use EDRMS by end of October. EDRMS users (largely HSCP/Revenues) dependant on timing of receipt of upgrade by supplier.  MS Teams to be the predominant meeting tool from late September although Committees will remain WEX for the time being.  Next phase is to replace telephony. Meetings with vendors on going.
18	Library provision	In light of the overall financial position of the Council and potential new ways of service delivery, a comprehensive review of the library service is needed	Saving	R Binks	Yes	October 2022 - CMT  MBWG – November  E&C Comm - January 2023	This is being considered as a saving as part of the budget process but detailed work has already been undertaken on this.  This is a service review of public and school libraries in Inverclyde in order to achieve joined-up thinking in how library services are provided, removing duplication of effort, and achieving efficiencies/economies of scale where possible, affecting <u>2.5 FTE</u> and saving <b>£114,000</b> .  Details in issued savings sheets.  <b>Review COMPLETE</b>
19	Employability Services	Given the estimated funding gap and the increase in ring fenced funding from the Scottish Government, a review of funding sources and delivery models is required	Saving	S Jamieson	Yes	CMT October 2022  MBWG October 2022  E&R October 2022	A comprehensive review of all funding sources with options was presented to CMT and MBWG, due to go to E&R in October.  <b>Review COMPLETE</b>