

## ITEM No ...4.....

**REPORT TO:** POLICY & RESOURCES COMMITTEE – 12 DECEMBER 2016

**REPORT ON:** CHANGING FOR THE FUTURE PROGRAMME – PHASE 4 PROGRESS REPORT

**REPORT BY:** CHIEF EXECUTIVE

**REPORT NO:** 411-2016

### **1.0 PURPOSE OF REPORT**

1.1 To provide an update on the progress of Phase 4 of the Changing For The Future (CFTF) Programme.

### **2.0 RECOMMENDATIONS**

Committee is asked to note:

- 2.1 Savings totalling £22.793M (93% of the total detailed in para 3.1) have been fully achieved so far.
- 2.2 The individual projects within the programme continue to be progressed and are monitored by the Council's management team on a regular basis.
- 2.3 Appendix 1 provides an overview of each project in relation to its progress and achievement of its associated savings.

### **3.0 FINANCIAL IMPLICATIONS**

3.1 The total saving required to be made during 2016/17 to achieve a balanced budget is £24.476M.

### **4.0 MAIN TEXT**

- 4.1 On 26 October 2015, the Policy & Resources Committee approved report 379-2015 which set out the environment, particularly in relation to our financial context, that the Council would be operating in over the period 2016 - 2018. This report sought approval for a range of projects that would form Phase 4 of the CFTF Programme and would be the key vehicle to enable the Council to deliver a balanced budget in financial year 2016/2017.
- 4.2 During our transformation journey, the Council continues to face tough decisions on how to plan and deliver services to meet the needs of local communities, as well as delivering on our priorities and minimising the impacts of reduced spending on outcomes. A key priority has been to do what we can to protect frontline services in these difficult times and to enable us to do this the Council has needed to look at the levels of service currently provided, consider different ways of working, as well as new ways to deliver our services and more collaboration with partners and surrounding local authorities.
- 4.3 Phase 4 of the transformational change programme, continues to develop and align the delivery of efficiencies with Council priorities and outcomes for its citizens. It has encompassed within all services delivered through the Chief Executive's, Children & Families, Neighbourhood, City Development and Corporate Services directorates, as well as how the Council delivers services with partners across the City.

- 4.4 The programmes and projects within this phase were all aligned to one of three themes:
- **Assets & Infrastructure** - How the Council makes the best use of our assets and how it efficiently maintains and operates them
  - **Modern Council** - How the Council innovates and re-designs services to provide them in the most effective way, makes best use of its spending power & maximises the use of new technologies
  - **People** - How the Council aligns its services to best meet the needs of our citizens and develops a flexible and sustainable workforce to deliver its services
- 4.5 As part of the governance of the programme, it was agreed that policy reports, reports with staffing and/or financial implications emanating from the programme and the Revenue Budget process required to be taken to the appropriate Committee for their consideration and determination. Over the course of 2016/17, detailed reports in relation to individual projects have been submitted to the appropriate Committees as decisions were required. This process has allowed all elected members the opportunity to have oversight of key changes the programme recommended in how services are structured and re-designed as well as understanding the impacts of any changes to our citizens.
- 4.6 The delivery of Phase 4 of the CFTF Programme has been a priority for all services and excellent progress has been made to date with many individual projects now complete and the majority of savings having been achieved. Appendix 1 provides a high level overview of individual projects progress to date.

## 5.0 POLICY IMPLICATIONS

- 5.1 This report has been screened for any implications in respect of sustainability, strategic environment assessment, anti-poverty, equality impact assessment and risk management. There are no issues in this regard to report on.

## 6.0 CONSULTATION

- 6.1 The Council's Management Team have been consulted on the contents of this report.

## 7.0 BACKGROUND PAPERS

- 7.1 None.

**DAVID R MARTIN**  
**CHIEF EXECUTIVE**

**2 December 2016**

APPENDIX 1

Theme	No	PROJECT NAME	Project Sponsor / Lead Officer	2016/17 Saving Projected £000	2016/17 Saving Achieved £000	2017/18 Saving Projected £000	2017/18 Saving Achieved £000	Latest Update
ASSETS & INFRASTRUCTURE	1	<i>Property Rationalisation &amp; Mobile Working</i>	M Galloway					
	1.1	School Estate: Menzieshill closure	N Martin	756	500	1243	500	Menzieshill High School is now closed and the process for demolition of the building has commenced. A pre start meeting has been held with the successful demolition contractor, prior to commencing works on site towards end of Nov 2016. The contract duration is for 6 months with works being completed Jun/Jul 2017.
	1.2	School Estate: Rockwell review	N Martin			TBC		Progress has been made with regards to the location of management and associated HQ staff. An overall plan is being developed further taking account of the other linked moves in relation with the overall property rationalisation detailed in 1.3 below.
	1.3	Council Property Rationalisation	C Craig	200	100	678		Neighbourhood Services have been relocated to City Square this allows the plans for the relocation of IT services from Downfield House to Dundee House to commence. The release of other buildings is dependant on approval being given for the refurbishment of Rockwell. Detailed design and costings are currently being prepared.
	1.4	Depot Rationalisation	R Pedersen			TBC		Following approval on 31 October 2016 of P&R Report 338-2016, The Future Delivery of Construction Related Services, initial stakeholder briefing meetings have commenced with a target completion date of Dec 2016. These briefings will inform and determine the extent of shared and non-shared service delivery and operational requirements. The study will also consider and review all DCC and possible 3rd party site options and will include both Clepington Road and Marchbanks. No fixed programme has yet been established.
	2	<i>Fleet &amp; Transportation</i>	M Galloway					
	2.1	Fleet Maintenance	G McRae			TBC		Links with 2.2 below
	2.2	City Transportation	N Gellatly			TBC		An initial high level review undertaken and reported to CMT. EDGE Public Sector Transformation consultants who undertook the review will work with us to deliver improvement options that could yield savings of circa £1.5M over 3 years. Project team established and work commences Nov 2016.
	3	<i>Street Scene &amp; Open Spaces</i>	E Zwirlein / R Houston	1395	1395	1395	1395	Savings achieved, but service and process changes still being fully deployed.
	4	<i>Roads &amp; Street Lighting</i>	M Galloway					
	4.1	Review of Roads & Street Lighting	D McKay	1300	1300	1300	1300	<b>Complete</b>
	4.2	Salt Barn	D McKay	174		174		Options reviewed and consideration given to appropriate solutions. This is linked to the depot rationalisation project (1.4) and cannot be progressed separately i.e. although storage options have been considered the site location has to be agreed.

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MODERN COUNCIL	5	<i>3rd Party Funding, Commissioning &amp; Procurement</i>	M Stewart					
	5.1	Dundee Partnership Projects	P Allan	153	153	153	153	Complete
	5.2	Children & Families 3rd Party Payments & Strategic Commissioning	M Wood	120	120	120	120	Complete
	5.3	Cultural & Other Bodies	M Smith	313	313	313	313	Complete
	5.4	Wider Procurement Review	M Stewart & S Flight	300		300		Contract analysis still being undertaken to identify appropriate General Fund revenue savings to allocate to this project
	6	<i>Back Office &amp; Support Functions</i>	M Stewart					
	6.1	Payroll	J Robertson	23	23	23	23	Complete
	6.2	Cash Collection & Reconciliation incl Cashless Schools	T Russell	32	32	32	32	Complete
	6.3	Accounting Services	G Manzie	45	45	95	95	Complete
	6.4	Learning & Workforce Development	F Greig	126	126	126	126	Complete
	6.5	Clerical / Admin support	K Beatt	350	233	750	233	Various service reviews currently underway, both at services and the City level including implementing a Locality Model.
	6.6	Courier & Mail Handling	G Colgan	100	100	200	100	Complete for 2016/17
	6.7	Contact Centre	G Colgan	50	50	50	50	Complete
	6.8	Democratic & Legal Services	R Mennie	80	80	130	130	Complete
	6.9	Internal Audit / Corporate Fraud	P Redpath	35	35	35	35	Complete
	7	<i>Professional Technical Services</i>	D Martin	0	0	0	0	Merged with 14 - see update below
	8	<i>Channel Shift/Digital Council</i>	G Colgan / S Kyle	152		358		Currently collaborating with Angus and P&K Councils to procure a Customer Services Portal and meeting with key providers. Report 412-2016 provides further details.
	9	<i>Collaborative Working</i>	D Martin / A Calder			TBC		Report No.135 – 2016 approved at Committee on 25 April 16 outlined the 10 areas to be explored within the collaborative programme with our neighbouring local authorities. Reports updating progress on two workstreams Children & Families (410-2016) and Digital (412-2016).
	10	<i>Budget Review &amp; Assumptions</i>	M Stewart					
	10.1	2016/17 Base Budget reductions	S Flight	11427	11427	11427	11427	Complete
10.2	Review of Council Tax Base	S Flight	310	310	310	310	Complete	

Theme	No	PROJECT NAME	Project Sponsor / Lead Officer	2016/17 Saving Projected £000	2016/17 Saving Achieved £000	2017/18 Saving Projected £000	2017/18 Saving Achieved £000	Latest Update
PEOPLE	11	<i>Reduce Chief Officers</i>	D Martin	400	400	400	400	Complete
	12	<i>Children &amp; Families</i>	M Wood					
	12.1	Re-structure of C&F Services	M Wood	968	459	1124	459	Report No.166 – 2016 approved at Committee on 25 April 16 provided full details. Full level of savings should be achieved although the figure shown is all that is confirmed at the moment. Implementation continues.
	13	<i>Neighbourhoods</i>	E Zwirlein					
	13.1	Red Admiral Court	D Simpson	200	200	200	200	Complete
	13.2	Review of Garden Maintenance Service	R Houston	287	212	338	212	The service are exploring a number of opportunities to raise additional income for 2016/17 and reduce the current projected shortfall. Should these additional works not fully meet the shortfall, any remainder will be offset against other efficiencies with the Garden Maintenance Service or from elsewhere in the overall Streetscene and Land Management budget.
	13.3	Domestic Waste Strategy	A Malcolm	120	120	54	54	Complete
	13.4	Service Re-design	P Thomson	717	717	717	567	Implementation is progressing well and saving has been fully achieved for 2016/17. We are continuing to review structure and identify further posts that can be deleted either through natural wastage or VER/VR to meet the target in full for 2017/18.
	14	<i>Construction</i>	D Martin / B Findlay			TBC		Report No 338 – 2016 approved at Committee on 31 October 2016 provided full details of this project and progress. The next phase of work has commenced.
	15	<i>IJB - Health &amp; Social Care</i>	D Lynch					
	15.1	Remodelling Home Care	D McCulloch	250	250	500	250	Consultation with the relevant Trade Unions continues. Pilots of new rota work patterns on target to commence on the 21 November 2016. Initial costings for VER/VRs received and decisions will be made in line with progression of the pilots. No specific savings achieved to date however saving will be covered by actions taken elsewhere within delegated budget.
	15.2	Strategic Commissioning	D McCulloch	1089	1089	1089	1089	Service models being developed to deliver the service improvement that will improve efficiency. Significant progress has been made in one area and is therefore on track for target efficiency savings.
	15.3	Management & Support Savings	D Berry	65	65	98	65	Complete for 2016/17
	15.4	Cost Pressures to be met by additional SG funding	D McCulloch	2115	2115	2115	2115	Complete
	16	<i>Workforce Strategy</i>	M Stewart					
	16.1	Reduction in overtime & absence	J Robertson	500	500	500	500	Complete
	16.2	Terms & Conditions - negotiations	J Robertson			TBC		Terms and conditions focussing on major review areas in Construction, Street Scene and Homecare and progress being made in each area.
Additional	17	<i>Additional Savings</i>						
	17.1	City Dev - Energy Costs	F Wilson	134	134	134	134	Complete
	17.2	City Dev - Emp Childcare Subsidy	G Hamilton	100	100	100	100	Complete
	17.3	Corp Srvs - Mobile & Data Contract	G Colgan	90	90	115	90	Complete for 2016/17
			24,476	22,793	26,696	22,577		

