
Report to: Clackmannanshire Council

Date of Meeting: 1 December 2022

Subject: Be the Future Update

Report by: Strategic Director (Transformation)

1.0 Purpose

- 1.1. The purpose of this report is to provide Council with an update on progress in the Be the Future Programme.

2.0 Recommendations

It is recommended that Council approves:

- 2.1. Reallocation of up to £200,000 from Digital Infrastructure to Digital Transformation programme within the approved Capital Programme to support work on the M365 implementation as laid out in paragraph 3.20-3.21.

It is recommended that the Council notes:

- 2.2. The increasing convergence between the Target Operating Model (TOM) approved at Council August 2022, the financial and budget strategy and the Be the Future transformation programme.
- 2.3. The work to develop an Investment Strategy designed to provide a strategic approach to how we pursue external investment into opportunities within Clackmannanshire. This strategy will come forward to the February 2023 Council meeting.
- 2.4. The development of a Communications and Engagement approach to support the evolution of the Target Operating Model and the intention to bring this strategy forward to the February 2023 Council meeting.
- 2.5. The increasing emphasis on digital and data as key drivers in the transformation journey for the Council.
- 2.6. The update on the extensive activity currently underway within the transformation programme as outlined in section 4.0

3.0 Be the Future summary update

Convergence of strategic approaches

- 3.1. When the Be the Future programme was approved at Council the aim was that this programme would bring together the work already underway on organisational redevelopment with that of financial transformation and the future target operating model. The progress towards this aim was elongated by the need to respond to the pandemic.
- 3.2. However with the development and subsequent Council approval of the Target Operating Model around 'People, Process and Digital' this convergence has accelerated. As a result, the priorities of the Be the Future programme have increasingly focused on exploring new delivery models and our future ways of working both internally and with our communities and partners.
- 3.3. The current and future financial and budgetary challenges which are described in the Financial Strategy update paper now requires us to reimagine the design of Council services. Across the public sector in general, in the face of these financial pressures, there is growing appetite to develop collaborative services, to consider where the locus for delivering those services rests and to look to digital and data to improve service delivery.
- 3.4. The transformation programme and the work of the Transformation team is now aligned to helping the Council answer these challenges and to bring forward costed and quantifiable options for consideration as part of the budget process and development of the TOM. The Transformation team contribution includes:
 - Development of business cases to support budget and transformation activities
 - Review and analysis of the Capital Programme for affordability and deliverability and development of the Capital Programme Implementation Plan
 - Development of the digital transformation programme and roadmap, including support for implementation of M365
 - Programme management of the Council's City Region Deal activities
 - Leading the development of the corporate Investment Strategy
 - Securing grant funding for Council and community projects in the region of £2m over an 18 month period
 - Co-delivering on the development of Transformation Zones priorities to maximise the socio-economic impact

- Identifying and aligning transformation to cross-cutting themes including Community Wealth Building, Wellbeing economy and Climate Change actions
 - Data analysis and evidence gathering to support decision making and development of the target operating model and service redesigns and to develop new transformation proposals
 - Programme management of the Be the Future programme, including leading on governance, reporting and business processes
- 3.5. A paper will come forward to February 2023 Council meeting that will provide an overall picture of the impacts and outcomes of the Be the Future programme to date, along with proposals for resourcing transformation and the management of the capital programme moving forward.
- 3.6. Additional proposals will come forward in Spring 2023 on the organisational redesign and TOM. This will draw on the Capacity and Skills analysis conducted by Trueman Change in July 2022.

Investment Strategy

- 3.7. Our ambitions to maximise the social and economic impact of the investment from our £255m 20-year capital programme remains. However with the current inflationary impacts, we recognise that in the coming 3-5 years that the investment allocated to deliver on key projects will deliver less. Across the public sector, capital programmes are estimating between 10%-24% inflation on construction costs, supply chain and contracts.
- 3.8. In order for us to realise our ambitions for Clackmannanshire we know that we need to leverage additional investment from other sources to counter-balance inflation impacts and to address the long-term challenges of cost-of-living related to energy costs.
- 3.9. We have had success in leveraging funding from grants. We reported to Council in March 2022 that our grant capture in the preceding 18 months to support Council and community led projects was £2m.
- 3.10. We need to build out from this success to develop a wider Investment Strategy and Plan that will drive investment into larger-scale projects such as the Well-being Hub and other investable assets. This needs to be derived from a wider investment mix that includes patient capital, private investment, major donor campaigns and philanthropy.
- 3.11. At the same time we will continue to pursue grants through the full-range of challenge funds but will apply a more strategic lens to what projects are put forward for investment and ensure that this is tied to the priorities within the Capital programme, the approach within our Asset Strategy and ensure that proposals are sustainable in the longer term.

- 3.12. The Investment Strategy will be developed with officers, members, communities and partners over the coming months and will come forward for Council consideration as part of the Budget 2023/24.

Communications and engagement approach

- 3.13. To support the communication of the vision around the Target Operating Model, we will co-produce an engagement approach with our communities, partners and staff. The approach will also support our work on investment as outlined in this report. We will build out from the lessons learned from the Family Wellbeing Partnership and the success of up-stream models as demonstrated through the early intervention and prevention successes from STRIVE.
- 3.14. The approach will focus on a number of key areas:
- We are a digital Council which is easy to engage with, responsive and authentic
 - We have a clear sense of place and local identity and understand from our communities and partners what a liveable, productive and sustainable Clackmannanshire looks and feels like
 - Our employees and Members are ambassadors for our work and are confident to communicate our outcomes and direction
 - Our communities are empowered to communicate across and with other communities in Clackmannanshire
- 3.15. We will develop this approach over the coming months and bring forward a Communications and Engagement Strategy as part of the Budget 2023/24.

Digital and Data

- 3.16. The modern workplace is increasingly based on the use of digital to support workforce collaboration, drive efficiencies, improve customer experience and support service delivery.
- 3.17. The use of digital has generated large quantities of data, which if analysed and curated as an asset, provides insights to our communities needs and challenges. Data can be used to make decisions about how we design our services to support those challenges and as our data journey matures, increasingly to predict needs.
- 3.18. In the 2022/23 budget, provision was made in the Capital Programme to accelerate our digital and data journey. We have made good progress on developing the programme to support the TOM, the operational efficiencies needed to support our financial position and to develop options for different models of service delivery.
- 3.19. Major steps have been taken on the implementation of Microsoft 365, which will provide the enabling conditions for our digital and data journey. Full proposals for this will come forward as part of the Budget.

- 3.20. However following M365 Discovery Phase work over the summer, a number of foundational actions have been identified as necessary to provide a platform to accelerate Digital Transformation. This includes specialist technical change and programme resources to facilitate upgrading of the Council's ICT infrastructure and support the ICT capital programme. This will enable the necessary security, governance, change management and compliance activities. It will also facilitate the work to progress the retirement or if necessary upgrade of legacy infrastructure and systems at risk of obsolescence.
- 3.21. In order to undertake this work, it is proposed that up to £200,000 is reallocated from Digital Infrastructure to Digital Transformation within the approved Capital Programme to support work on the M365 implementation. This will increase the Digital Transformation budget from £750,000 to £950,000 in 2022/23. The Digital Infrastructure budget is earmarked for extending fibre rollout within the existing estate; however, project complications have resulted in slippage within the current year.
- 3.22. We have implemented a pan-Clackmannanshire network which will enable us to deploy sensors through the Internet-of-Things approach, which will support service redesigns and provide increased options on how our residents interact with those services.
- 3.23. We are working with The Digital Office Scotland and other partners to build our capacity in delivering our digital and data roadmaps. This is an ambitious programme and will increasingly become an underpinning principle of our transformation programme. Costed and quantified proposals will come forward to Council as part of the Budget 203/24.

4.0 Update on current Be the Future activity

- 4.1. A snapshot on some of the main projects in the transformation programme is provided below. Some projects and activity, such as the Wellbeing Hub, are reporting to Council separately and are therefore not included in this update.

Transformation Zones

- 4.2. Council officers have been working closely with Scottish Future's Trust to develop a Project Initiation Document (PID) for Alloa Transformation Zones. The purpose of the Transformation Zone approach is to build place based integration of capacity, services, investment and infrastructure to improve community life and economic resilience.
- 4.3. The PID sets out an integrated Place and People Programme approach supporting decision makers across Alloa; building consensus and aligning activities around key priorities, such as the Well-being Economy ambition of building a fairer economy and the LOIP ambitions of tackling inequalities resulting from poverty and socio-economic disadvantage. The PID sets out three steps ensuring that a shared narrative for Alloa needs to be agreed with community buy in and that an Investment Prospectus can effectively direct investment and governance is established to ensure

that future initiatives are in line with the agreed shared narrative for the town.

- 4.4. This approach in Alloa is helping to guide how projects being developed through the City Region Deal, Levelling-up Fund and Place-based Investment Fund will ensure Alloa is a more successful place, with more confident communities and greater well-being with more opportunities for local wealth building and economic participation.
- 4.5. Supporting the Transformation Zone approach is the Shaping Places for Well-being Programme, for which Alloa is one of 6 project towns in Scotland, and is helping to identify the scale and nature of health inequalities in the town and how collective, upstream preventative approaches can help address these.

City Region Deal

- 4.6. A celebration to mark the completion of the first Stirling and Clackmannanshire City Region Deal building was held at the Japanese Gardens on 11 November 2022. The Gardens received £750,000 of funding to support restoration and development works with the underlying aim of bringing employment, education and skills development opportunities to local communities. The investment has helped restore the historic gardens with the addition of a traditional thatched garden pavilion included in the works. As result the Gardens have seen their visitor numbers rise and a further £200,000 of other external capital funding has so far been invested.
- 4.7. The Outline Business Cases for the Active Travel and Culture, Heritage and Tourism Programmes are progressing and it is envisaged that individual projects for both will move forward for development next year. There are early indications of external funding which could support this work.
- 4.8. Similarly, the Regional Digital Hub project for Clackmannanshire is currently at OBC stage and exploring a collaboration which might lever in significant funding related to the design, build and operation of the digital hub.
- 4.9. The business case for Flexible Skills Programme was approved in early 2022. A new 'City Region Deal Skills Lead' has just been appointed who will drive forward the Flexible Skills Programme and link it to the wider deal with identifiable job outcomes.
- 4.10. Two small projects are currently progressing which are linked to employability services within the local authorities. Flexible Digital Skills being run by Forth Valley College (Alloa Campus) attracted 22 delegates in the first programme and the 2nd cohort is now underway. The Bikeability Project being delivered by Forth Environment Link has recently started with activities planned across Stirling and Clackmannanshire.
- 4.11. Stirling University and Clackmannanshire Council are currently working together with Forth Valley College to develop the scope of the Environment Centre and the Intergenerational Living Hub projects. The

ambition is to position the Region as an innovation destination (health, care, environment and technologies) with Community Wealth at its heart.

- 4.12. As part of this exercise a shared business approach is being developed with the intention of securing further inward investment, linking to the work being done with SFT on the Transformation Zone Approach which will develop a prospectus of potential developments connected to Environment Centre and the Intergenerational Living Hub other Council investments.

Digital

- 4.13. The Digital Transformation programme covers a range of activities that will support operational efficiencies in line with our budgetary pressures, improve our customer experience and journey and deliver the Council's Digital Strategy.
- 4.14. Measures to bridge the budget gap and the proposed implementation of the Target Operating Model (TOM) have widened the programme scope to include data insights and discovery work such as the Customer Enquiries business process. Digital Transformation also connects to the M365 implementation and operates within overall IT governance.
- 4.15. The Digital Transformation programme is developing a series of workstreams that address the priorities identified from the budget work and will involve proposals coming forward focusing on three key areas:
- Customer centred digital services: transforming the digital services we offer to our Citizens/Customers by providing an improved customer experience when interacting with the Council. Internal business processes will also be re-engineered, shifting service delivery to lower cost digital channels whilst maintaining Service quality.
 - Digitally enabled workforce: deploying simple digital solutions that help solve complex business issues, delivering outcomes that save time and enable Services to free up resources.
 - Data centric and data informed organisation: using data and insight effectively to increase understanding and drive efficiencies throughout services.
- 4.16. Discovery phases will also be completed over November and December 2022 to establish priority areas for digital services both for customers and the workforce.

M365

- 4.17. The project is transitioning from discovery to implementation exploring various areas in preparation for the business case to come forward to Council for financial governance. The Digital Office delivered an Extended Senior Leadership session outlining the digital opportunities available to the council including ways to maximise the benefits from Microsoft 365 and strategic partnerships.

- 4.18. A licensing workshop was held in November which will establish the licensing cost model for M365 which will be an integral part of the financial case. Best practice has also been sought from North Lanarkshire, Dundee and Perth and Kinross councils which is informing implementation approach and the business case development.

Family Wellbeing Partnership and STRIVE

- 4.19. Clackmannanshire Council and the Social Innovation Partnership (SIP) have agreed to a transformation partnership to evaluate and embed wellbeing and capability enhancing approaches to service design and delivery that support people to be and do things they have reason to value and to live flourishing lives. A specific members briefing was provided in October 2022 detailing the breadth of the work now being taken forward by the Family Wellbeing Partnership (FWP) and further detailed briefings are planned throughout the course of next year.
- 4.20. FWP is not only focused on what needs to change, but on how change will be implemented and sustained at both system and local level. It is about creating the conditions to shift values, cultures and behaviours of the people who design and deliver services, and the impact this has on communities tackling poverty in Scotland. It is also about empowering families and communities, enabling voice and transferring agency.
- 4.21. Work continues with Columba 1400 embedding Values Based Leadership across the Partnership. The latest work stream focused on employment and employability, and the cohort embraced this cultural and behavioural shift, with engagement now from a range of employers and partners looking at the barriers to employment in Clackmannanshire and coming up with a range of sustainable solutions. This is aiding the research piece being conducted by the Wellbeing Economy Alliance (WEAll) Scotland which is due to report back to the FWP Board in March 2023.
- 4.22. Work is also progressing to establish a community model of early intervention activities in the Alloa Cluster, to identify and help provide necessary support to families before they are affected by a crisis. This supports the next stage of embedding the STRIVE model which is supported by Health, Police, Health and Social Care, Education, Justice and Children's Services, and the third sector.
- 4.23. Developing and supporting community assets, which are closest to and led by the community themselves, is key to shifting operating models and designing and delivering services differently, in line with the Scottish Approach to Service Design. A number of workstreams within the Partnership are focused around this theme, including School Age Childcare, Flexible Childcare, Community around the Child (incorporating The Promise) and the Lens.
- 4.24. The Lens Investment process allows community groups to bid in to an investment fund which supports them improve the well-being of individuals and communities. The first Investment fund was hugely successful, and a second investment fund is now open with details on Clacksweb.

5.0 Sustainability Implications

- 5.1. Environmental and financial sustainability are key priorities of the Be the Future programme and business cases for individual programmes/projects will require to demonstrate clear links to related outcomes.

6.0 Resource Implications

6.1. *Financial Details*

- 6.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes X

- 6.3. Finance has been consulted and have agreed the financial implications as set out in the report. Yes X

6.4. *Staffing*

7.0 Exempt Reports

- 7.1. Is this report exempt? Yes (please detail the reasons for exemption below) No X

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all X
Our families; children and young people will have the best possible start in life
Women and girls will be confident and aspirational, and achieve their full potential X
Our communities will be resilient and empowered so that they can thrive and flourish X

- (2) **Council Policies** (Please detail)

8.0 Equalities Impact

- 8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes No X

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes **X**

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes **X** (please list the documents below) No

Be the Future Update papers to Council – September 2020, December 2020, March 2021, June 2021, August 2021

Author(s)

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