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To: Councillor Laing, Convener; and Councillors Boulton, Flynn, Lumsden and Yuill.

Town House,
ABERDEEN, 2 March 2018

STRATEGIC TRANSFORMATION COMMITTEE

The Members of the **STRATEGIC TRANSFORMATION COMMITTEE** are requested to meet in **Committee Room 2 - Town House** on **FRIDAY, 9 MARCH 2018 at 2.00pm.**

FRASER BELL
HEAD OF LEGAL AND DEMOCRATIC SERVICES

B U S I N E S S

DETERMINATION OF URGENT BUSINESS

- 1.1 Determination of Urgent Business

DETERMINATION OF EXEMPT BUSINESS

- 2.1 Members are requested to determine that any exempt business be considered with the press and public excluded

DECLARATIONS OF INTEREST

- 3.1 Members are requested to intimate any declarations of interest

REQUESTS FOR DEPUTATION

- 4.1 None received at this stage

COMMITTEE BUSINESS

5.1 Minute of Previous Meeting of 9 February 2018 (Pages 5 - 12)

5.2 Committee Business Statement (Pages 13 - 14)

MONITORING AND CONTROL

6.1 Transformation Portfolio Highlight Report - to follow

6.2 Transformation Portfolio Budget and Commitments - to follow

REPORTS FROM BOARDS

7 IT DELIVERY BOARD AND DIGITAL STRATEGY

8 Being Digital Implementation Roadmap - to follow

9 FINANCE DELIVERY BOARD

9.1 There is no report for this item

10 CUSTOMER DELIVERY BOARD

10.1 There is no report for this item

11 OPERATIONS DELIVERY BOARD

11.1 There is no report for this item

12 WORKFORCE DELIVERY BOARD

12.1 There is no report for this item

13 GOVERNANCE DELIVERY BOARD

13.1 There is no report for this item

RESOURCES DELIVERY BOARD

14.1 There is no report for this item

EXEMPT / CONFIDENTIAL BUSINESS

15.1 There are no items under this heading

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STRATEGIC TRANSFORMATION COMMITTEE

9 February 2018

ABERDEEN, 9 February 2018. Minute of Meeting of the STRATEGIC TRANSFORMATION COMMITTEE. Present:- Councillor Laing, Convener; and Councillors Flynn, Greig (as substitute for Councillor Yuill), Houghton (as substitute for Councillor Boulton) and Lumsden.

The agenda and reports associated with this minute can be located at the following link:-

<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=602&MId=5894&Ver=4>

Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be altered retrospectively.

PROCEDURAL MOTION - REFERRAL OF AGENDA BUSINESS TO COUNCIL

1. At the commencement of the meeting, Councillor Greig, seconded by Councillor Flynn moved as a procedural motion:-
that the Committee refer all items of business on the agenda today to the next meeting of the Council.

On a division, there voted:- for the procedural motion (2) – Councillors Flynn and Greig; against the procedural motion (3) – the Convener and Councillors Houghton and Lumsden.

The Committee resolved:-
to reject the procedural motion.

DETERMINATION OF EXEMPT BUSINESS

2. The Convener proposed that the Committee consider items 13.1 (Third Party Spend), 14.1 (Digital Platform Business Case) and 15.1 (Migration to Transitional Target Operating Structure) with the press and public excluded.

Councillor Flynn, seconded by Councillor Greig moved as a procedural motion:-
that the Committee consider item 15.1 (Migration to Transitional Target Operating Model) in public session.

On a division, there voted:- for the procedural motion (2) – Councillors Flynn and Greig; against the procedural motion (3) – the Convener and Councillors Houghton and Lumsden.

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The Committee resolved:-

- (i) to reject the procedural motion, therefore in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting for item 15.1 so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- article 14 (paragraph 11); and
- (ii) in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting for items 13.1 and 14.1 so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- article 12 (paragraphs 6, 8 and 9) and article 13 (paragraphs 8 and 9).

DECLARATIONS OF INTEREST

3. Members were requested to intimate any declarations of interest in respect of the items on today's agenda, thereafter, the following declaration of interest was intimated:-

Councillor Flynn declared an interest in item 10.1 (Asset Review – Business Case) by virtue of his position as a Council appointed member of Shaping Aberdeen Housing Limited Liability Partnership (LLP) Management Board. He considered that the nature of his interest did not require him to leave the meeting and therefore chose to remain in the meeting for consideration of this item.

MINUTE OF PREVIOUS MEETING OF 14 NOVEMBER 2017

4. The Committee had before it the minute of its previous meeting of 14 November 2017, for approval.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE BUSINESS STATEMENT

5. The Committee had before it a business statement prepared by the Head of Legal and Democratic Services, comprising business referred from other committees.

The Committee resolved:

- (i) to remove item 2 (Joint Venture Proposal with HunchBuzz) from the statement; and
- (ii) to otherwise note the updates contained in the business statement.

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COMMITTEE TRACKER

6. The Committee had before it a tracker of future committee business.

The Committee resolved:

to note the information contained in the committee report tracker.

TRANSFORMATION PORTFOLIO HIGHLIGHT REPORT

7. With reference to article 5 of the minute of the previous meeting, the Committee had before it a report by the Director of Resources which provided a high-level view of progress to date of the Transformation Portfolio.

The report recommended:-

that the Committee note the highlight report.

The Committee resolved:-

to approve the recommendation.

TRANSFORMATION PORTFOLIO BUDGET AND COMMITMENTS

8. With reference to article 4 of the minute of the previous meeting, the Committee had before it a report by the Director of Resources which provided an update on the budget available and committed for the Transformation Portfolio.

The report recommended:-

that the Committee –

- (a) note the contents of this report; and
- (b) agree the allocation of funding from the Transformation Fund for the Commitments for Approval as detailed in Appendix 1, subject to decisions taken by the committee in relation to other reports on this agenda.

The Committee resolved:-

- (i) to approve the recommendations; and
- (ii) to request that officers circulate a breakdown in relation to the £112k staffing costs committed for approval for the Transformation Management Board.

BOOKING AND PAYMENT DIGITAL PILOTS DEMONSTRATION

9. The Committee were shown a demonstration of the new Booking and Payment Digital Pilots on the Council's website which included the customer login and registering

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procedure and the step by step process for reserving and payment of various venues, activities and parking permits.

The Committee resolved:-

to thank the Simon Haston, Head of IT and Transformation and Zoe Evans, Transformation and Innovation Adviser for the demonstration.

ASSET REVIEW - BUSINESS CASE

10. The Committee had before it a report by the Director of Resources which summarised the key issues from the business case prepared with regard to the Council's property asset base and on short and medium term actions.

The report recommended:-

that the Committee –

- (a) to approve the business case attached as an appendix to the report and note that the Director of Resources was to implement the Corporate Landlord Model; and
- (b) to agree the savings of £737k for 2018/19 and that these were reflected in the budget for 2018/19.

The Convener, seconded by Councillor Lumsden moved:-
that the recommendations in the report be approved.

Councillor Flynn, seconded by Councillor Greig moved as an amendment:-
that the Committee:-

- (1) agree the business case attached as an appendix to this report in so far as it achieves the proposed savings of £737k for 2018/19;
- (2) note the remainder of the business case attached as an appendix to this report;
- (3) agree the proposed savings of £737k for 2018/19 and that these be reflected in the budget process; and
- (4) instruct officers to report to the appropriate service committee any disposal or demolition plans relating to those items regarded as forming part of a 'wider challenge' as detailed in the summary table on pages 40-41 of the report.

On a division, there voted:- for the motion (3) – the Convener and Councillors Houghton and Lumsden; for the amendment (2) – Councillors Flynn and Greig.

The Committee resolved:-

to adopt the motion.

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TIER 2 - CHIEF OFFICER RECRUITMENT PROCESS

11. The Committee had before it a report by the Director of Resources which outlined the proposed process for filling the Tier 2 Chief Officer posts established by Council on 11 December 2017, including the requirement to procure a recruitment partner to provide recruitment services as part of the recruitment and selection process.

The report recommended:-

that the Committee –

- (a) note the proposed process for filling the Tier 2 Chief Officer posts established by Council on 11 December 2017;
- (b) note the schedule of dates set out in the report;
- (c) approve the procurement of a recruitment partner to provide recruitment services to support the recruitment and selection process by compliantly calling off from the Eastern Shires Purchasing Organisation Framework 3S Strategic HR Services and awarding to one of the providers on that Framework, Penna plc;
- (d) approve the costs associated with the appointment of the recruitment partner and recruitment advertising campaign for Tier 2 as set out in section 4 of this report; and
- (e) note that the external recruitment process will not begin until the completion of the internal recruitment process.

The Committee resolved:-

to approve the recommendations.

In accordance with the decision recorded under article 2 of this minute, the following items of business were considered with the press and public excluded.

THIRD PARTY SPEND

12. The Committee had before it a report by the Head of Commercial and Procurement Services which provided details on a range of efficiency options that could be delivered from the findings of an in-depth analysis on third party spend and contract registers undertaken across the Council.

The report recommended:-

that the Committee –

- (a) approve the savings detailed from the Third Party Spend Review within Appendix 1 of the report for 2018/19 and agree that these form part of the budget savings for 2018/19; and
- (b) approve the progression of the in-sourcing of contracts detailed within Appendix 2 of the report.

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The Convener, seconded by Councillor Lumsden moved:-
that the Committee approve the recommendations contained within the report.

Councillor Flynn, seconded by Councillor Greig moved as an amendment:-
that the Committee –

- (1) note the content of the report; and
- (2) instruct officers to provide a further report to the meeting of full Council on 5 March 2018 with a greater level of detail regarding the ‘Opportunities’, as well as highlighting any impact upon service users and providing clarity on the likelihood of any 2018/19 savings being made.

On a division, there voted:- for the motion (3) – the Convener and Councillors Houghton and Lumsden; for the amendment (2) – Councillors Flynn and Greig.

The Committee resolved:-
to adopt the motion.

DIGITAL PLATFORM BUSINESS CASE

13. The Committee had before it a report by the Head of IT and Transformation which sought agreement to launch a beta-live version of the two pilots agreed for the online booking and paying for Council services and to initiate a procurement process for the corporate digital booking services system.

The report recommended:-
that the Committee –

- (a) agree that the two pilots for the online booking and paying for Council services have met the critical success criteria as demonstrated in Section 2 of Appendix 1 of the report;
- (b) instruct the Director of Resources to progress both pilots to Customer Beta-Live Phase as detailed in Section 3 of Appendix 1 from 12 February 2018.
- (c) delegate authority to the Director of Resources following consultation with the Convener of Finance, Policy and Resources and Head of Commercial and Procurement to procure and award a contract for a digital booking services system for the continuation of both pilots and the roll-out of additional bookings and payments services as detailed in paragraph 4 of the report;
- (d) approve expenditure of the sum outlined in the report from the Transformation Fund to procure a digital booking services system;
- (e) note that this investment will release channel shift savings of the sum outlined within the report and agrees that these savings form part of the savings for 2018/19 and that these are reflected in the budget for 2018/19 and reflected in the migration to interim structure savings; and

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- (f) note that this investment will release cash collection benefit of the sum outlined within the report and agrees that these savings form part of the savings for 2018/19 and these are reflected in the budget for 2018/19 which will be managed through the budget report cycle.

The Committee resolved:-

to approve the recommendations.

MIGRATION TO TRANSITIONAL TARGET OPERATING STRUCTURE

14. The Committee had before it a report by the Director of Resources which provided information on the opportunities for change that had been identified as part of the move to transitional Target Operating Structure.

The report recommended:-

that the Committee –

- (a) note the instruction given to the Chief Executive to develop the Council's organisational design within the Target Operating Model and submit recommendations for change, as necessary, to the Strategic Transformation Committee;
- (b) approve the proposed FTE post reduction in accordance with section three of this report;
- (c) agree the financial savings to be realised through the reduction of FTE posts from the establishment will be £10,378 million for 2018/19;
- (d) agree that, if approved, the proposal is reflected in the 2018/19 revenue budget;
- (e) instruct the Chief Officer Finance to ring fence £11.5m of reserves, including capital receipts, to fund VSER costs, as indicated in the Council Financial Performance – Quarter 3 2017/18 report to Finance, Policy and Resources Committee on 1st February 2018;
- (f) note that £0.3m will be set aside from the existing corporate training budget to fund retraining and redeployment costs;
- (g) instruct the Chief Executive to continue to offer VSER to employees, subject to the operational requirements of the Council and budgetary constraints; and
- (h) note that there will be full consultation with Trades Unions in respect of the proposed FTE post reduction and that the Employee Change Journey booklet, shown in appendix 1, will be issued to all staff.

The Convener, seconded by Councillor Houghton moved:-

that the Committee –

- (1) approve the recommendations; and
- (2) agree the Target Operating Model builds on the Strategic Business Plan agreed unanimously by Council in October 2017 and note the Administration's continuing commitment to no compulsory redundancies.

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Councillor Flynn, seconded by Councillor Greig moved as an amendment:-
that the Committee –

- (1) note the content of the report; and
- (2) instruct officers to provide a further report to the meeting of full Council on 5 March 2018 detailing the impact on services should the savings included within the report be agreed.

On a division, there voted:- for the motion (3) – the Convener and Councillors Houghton and Lumsden; for the amendment (2) – Councillors Flynn and Greig.

The Committee resolved:-

- (i) to adopt the motion; and
- (ii) to note that details of the report would be issued to Trade Unions following the meeting and that the report including the appendix would be made public and circulated to all staff on Monday 12 February 2018.

- **COUNCILLOR JENNY LAING, Convener.**

STRATEGIC TRANSFORMATION COMMITTEE

COMMITTEE BUSINESS STATEMENT

9 March 2018

Please note that this statement contains a note of every report which has been instructed for submission to this Committee. All other actions which have been instructed by the Committee are not included, as they are deemed to be operational matters after the point of committee decision. Where a report instructed requires no decision to be made this will be reported in the Committee’s information bulletin. Reports which are overdue are shaded.

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
1.	Finance, Policy & Resources Committee – 20/09/16 Article 28	<p><u>Review of Bookings and Lettings Procedures in Schools and Learning Centres</u></p> <p>The FP&R Committee agreed to instruct officers, in partnership with Sport Aberdeen, to carry out a detailed analysis of the current charges for bookings and lettings of schools and learning centres, and to report to Committee in February 2017 (now March 2017) with recommendations on any required changes to the scale of charges, to ensure the financial viability of the bookings and lettings system.</p>	<p>This item was referred to the STC at the FP&R meeting of 20 September 2017.</p> <p>A demonstration of bookings and permits payment pilots held at meeting of the STC on 9 February 2018.</p> <p>PWC are undertaking a review of the existing Firmstep platform in order to assess whether it can act as the bookings and lettings system for Aberdeen City Council. The completion date for this is Friday 9th March.</p> <p>An Options Paper is currently being drafted in order to outline what decisions are available to us in terms of operating the booking and lettings system in the future.</p>	Andrew Jones (ECS) Kay Diack (CHI)	14/11/2018	

<u>No.</u>	<u>Minute Reference</u>	<u>Committee Decision</u>	<u>Update</u>	<u>Lead officer(s)/ Service(s)</u>	<u>Report Due</u>	<u>Report Expected (if known)</u>
			<p>In terms of piloting the system, we await confirmation from the PWC Review as detailed above. Testing and data is now complete and this will be piloted first in the wider Northfield area, start date to be confirmed shortly.</p>			