

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning and Infrastructure
DATE	13 th September 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Planning and Sustainable Development Service Review and Service Plan 2011/12
REPORT NUMBER:	EPI/11/224

1. PURPOSE OF REPORT

The purpose of this report is to present a summary of the Planning and Sustainable Development (P&SD) Service Review and key findings along with the key outcomes / actions which are presented as the P&SD Service Plan 2011/12. A complete copy of the Service Review and subsequent Plan is available to view in the Member's Library.

2. RECOMMENDATION(S)

It is recommended that Members:

- 2.1 Approve the key findings from the P&SD Service Review 2011;
- 2.2 Approve the P&SD Service Plan which delivers the key actions and associated workstreams resulting from the Review;
- 2.2 Note that the key driver for the Service Review / Plan is to ensure that the P&SD Service contributes towards the required savings / income generation identified in Aberdeen City Council's 5-year business plan; and,
- 2.3 Note that the Service Plan is a dynamic document that will be updated and maintained as the review findings are enacted and Corporate objectives and budgets are reviewed.

3. FINANCIAL IMPLICATIONS

A key driver for the Service Review is to ensure that the Priority Based Budgeting (PBB) targets assigned to the P&SD Service are met.

P&SD is required to deliver £219,000 savings / income generation by the end of 2011/12 - this target having already been met due to the following efficiencies being implemented:

- The Public Transport Unit have implemented efficiencies to account for £209,000 worth of savings by:
 - removing subsidised bus services
 - removing the budget for publicity and admin
 - reducing the cost of bus shelter expenditure
 - more efficient fleet recharging
- The Environmental Policy Team has also met its required target of £10,000 income generation through European Union and other funded projects.

A further target that P&SD is required to contribute to is the EP&I Service Review year 1 savings of £559,000. Implementation of the new P&SD structure, detailed later in the report, realises £168,835 savings towards this objective.

4. OTHER IMPLICATIONS

All staff within P&SD are required to comply with Council policies and procedures relating to all areas detailed within the Service Review, including risk assessment.

Risks will be assessed for each key action identified within the review with findings captured within the Council's Corporate, Directorate, and Service risk registers as appropriate on a rolling annual basis.

5. BACKGROUND / MAIN ISSUES

5.1 Introduction

P&SD and the services it provides to citizens and businesses throughout the City have been in a period of transition over the last 2 years. Interim management arrangements and new teams have been in place since 2010, meaning the timing is appropriate for a review that is intended to plan for the future. The last Service Review and associated Service Plan was approved by Members in 2007.

This Review assessed the strengths and weaknesses of current services provided within P&SD and the steps necessary to alter these to be prepared for future operating environments. The Review is set in the context of the current financial and organisational challenges facing the Council.

The Service Review has ensured integration with national and corporate plans along with EP&I Directorate plans based on the service planning model, see Figure 1 (below):

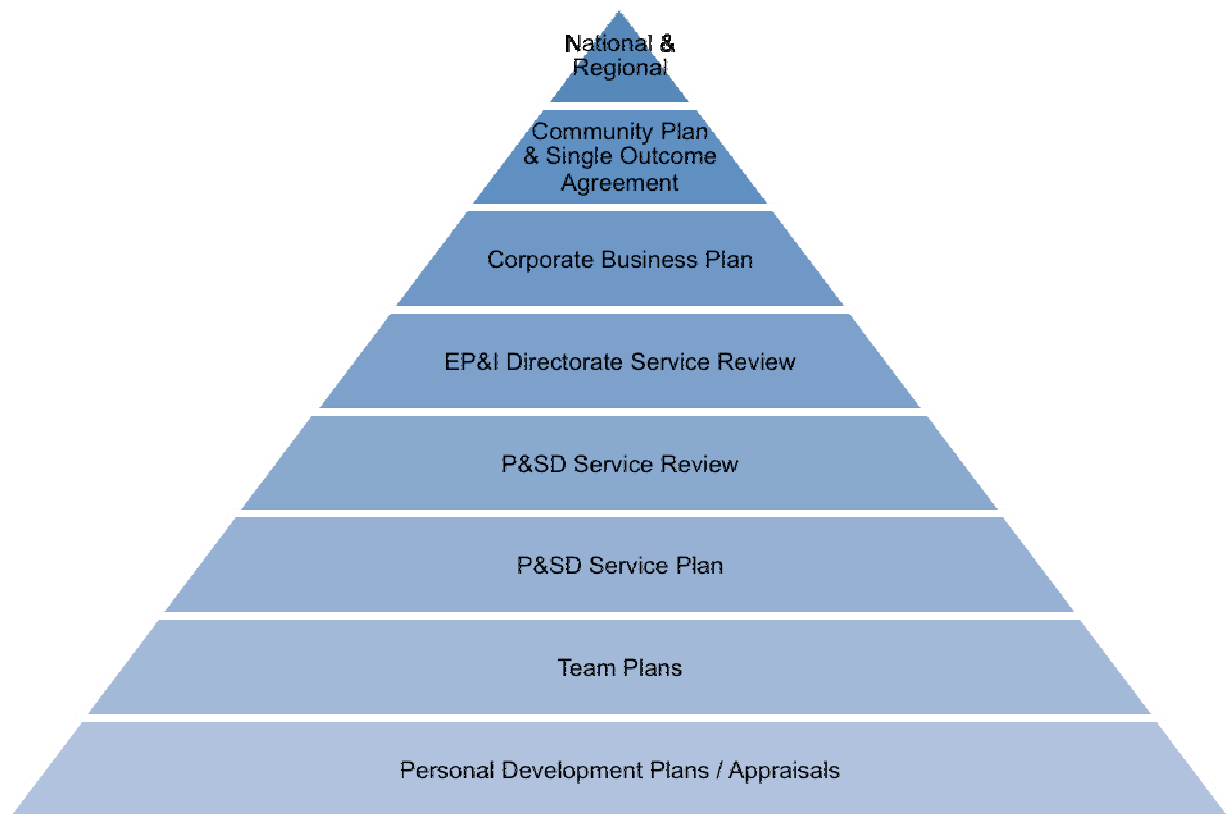


Figure 1 – Service Planning Model

Following the completion of the P&SD Service Review, the EP&I Directorate has initiated a Directorate-wide self assessment and review based on ‘How good is our service’ (HGIOS) model. Once completed the key outcomes / actions that arise from this will be incorporated into the P&SD Service Plan.

Reflecting a series of data collation, brainstorming and analysis, the P&SD Service Review is now complete and has moved into the service planning / implementation phase. Service improvement areas have been identified as key actions within the Service Plan along with high-level Service priorities. The next stage in the forward planning process is to finalise Team Plans, which map out the detailed delivery mechanisms for the Service Plan.

A primary deliverable of the Review has been the creation of **Position** (“where are we now?”), **Vision** (“where do we want to be in the future”) and **Mission** statements, (“how will we get there?”) for the Service. Developed through the staff workshops these have played an important role in staff engagement, ensuring that a two-way dialogue has been held and captured. The service now has a shared vision of the challenges it faces and the means to move forward successfully.

5.2 Strategic Assessment

The Service Review is based upon the following assumptions:

5.2.1 Financial Constraints

The challenge for the Council is to continue to provide excellent customer focused services with diminishing resources. This is directly illustrated by the Council's proposed 5-year business plan (2011/12 to 2015/16) which was noted by Full Council on the 15th December 2010. The business plan identified that the net cost of delivering the Council's services is £367m and is forecast to rise to £436m by 2015/16 due to a combination of existing net costs, additional costs pressures and forecast 5 year 'do nothing' options.

To address the funding challenge the Council has produced a 5-year costed Business Plan to ensure that funds are allocated to deliver agreed service outcomes. Within the plan the P&SD Service is required to generate £219,000 worth of savings / income by 2011/12 and contribute to the further savings within the Enterprise Planning & Infrastructure (EP&I) Directorate, of which it is part. The Service Review will ensure that P&SD put in place the necessary mechanisms to ensure that the financial targets are met.

5.2.2 Best Value

The Council has a statutory duty to deliver Best Value, as detailed in The Local Government (Scotland) Act 2003. This requires that ACC continually strive to deliver better, more responsive, modern public services. This report makes reference to Best Value by assessing how the current service is provided and investigates whether this could be done more cohesively and efficiently in the future.

5.3 Service Planning and Review Objectives

The objectives of the Service Review are as follows:

1. Ensure that the P&SD Service contributes towards the required savings / income generation targets identified in the Council's 5-year business and priority based budgeting plan
2. Develop means for PS&D to become more financially self sufficient
3. Ensure continued consistency between National, Corporate and P&SD Service priorities
4. Analyse the P&SD Service and its operations
5. Utilise staff brainstorming workshops to identify key areas of organisational change, identify efficiencies and income generation opportunities
6. Define a Position, Mission, Vision statement for the P&SD Service

7. Define the service priorities for P&SD and a structure that will deliver them
8. Where possible allow for the requirements of Best Value
9. Produce a dynamic Service Plan, able to adapt with the change process

5.4 Service Planning and Review Process and Report Structure

As illustrated in Figure 2, Service Review Process Map, the Review has been prepared through Quarter 1, 2 and 3 of 2011 and has been collated into four main parts;

- Section 1 – Executive Summary and Key Findings
- Section 2 – Service Plan
- Section 3 – Report, reflecting the main stages of the review
 - Desktop analysis
 - Workshop 1 – Brainstorming
 - Workshop 2 – Developing an Implementation Plan
 - Workshop 3 – Ranking Service Priorities
 - Workshop 4 – Building a new Service Structure
 - Recommendations & Conclusions
- Section 4 - Appendices

This structure ensures that the most salient findings and actions are presented first and foremost and can be maintained as dynamic documents - updated independently of the main report. This also facilitates easy action tracking and monitoring of progress.

The Service Review has transitioned through a number of key phases, commencing with a desktop analysis, moving onto staff workshops and brainstorming, followed by additional analysis and recommendations. Later stages have included management approval processes and the creation of a Service Plan to implement the key actions and priorities.

5.5 Desktop Analysis and Findings

In order to plan for a more responsive and flexible P&SD Service, able to deliver the assigned financial savings and/or income generation it was essential to conduct an analysis of how the Service originally operated. The following information was gathered to analyse the strengths and weaknesses of the Service:

- Existing P&SD Service portfolio & structure
- The Improving Service Efficiency Checklist
- Review of the savings / efficiency targets required by P&SD within ACC's 5-year Business Plan and PBB plan
- Review of the 2011/12 P&SD Budget

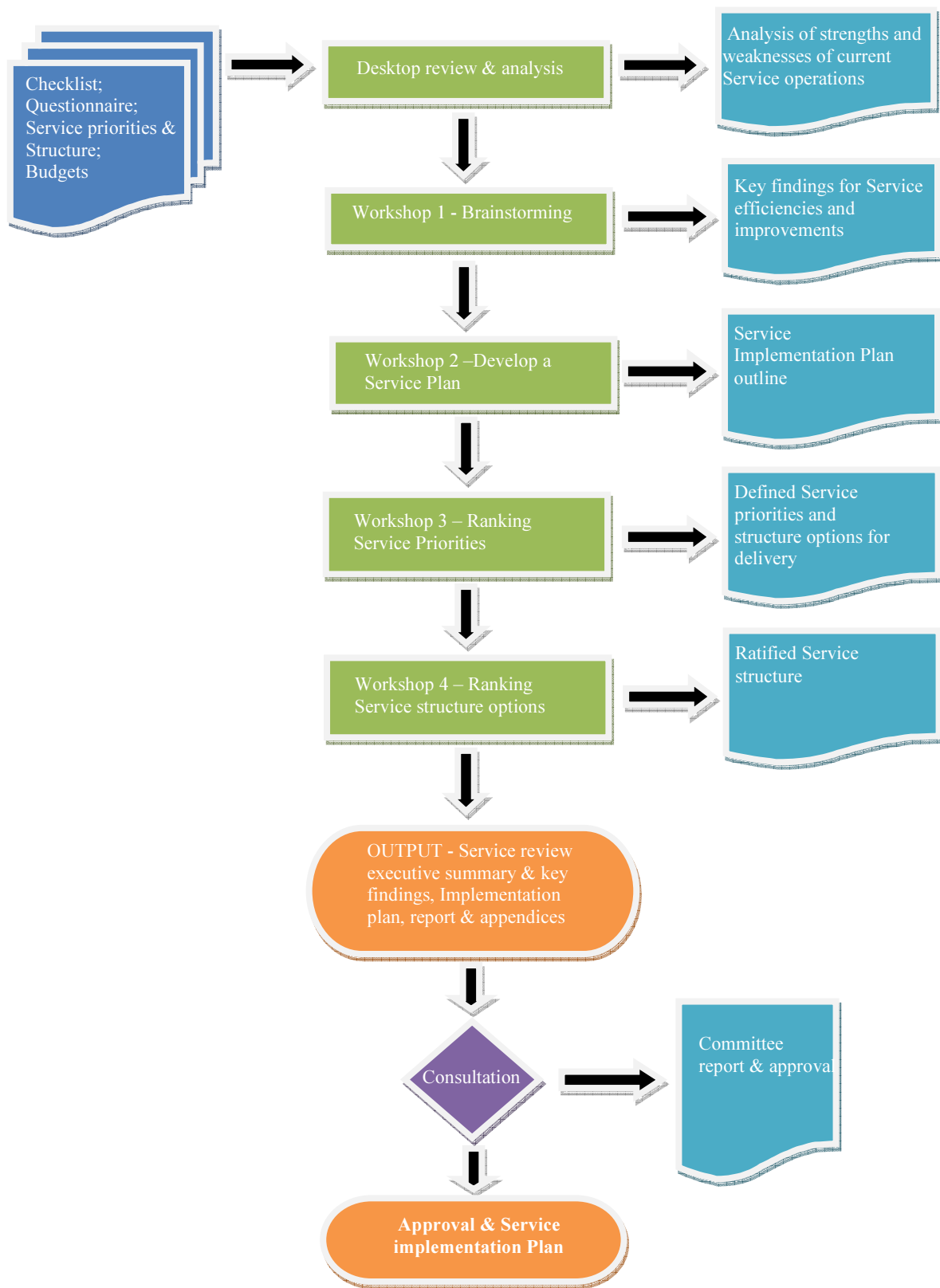


Figure 2 – Service review process map

5.6 P&SD Service Portfolio

P&SD deliver a wide range of inter-related functions, within a remit that covers land use, environment and transportation. These Services must be delivered within the context of wider social and economic objectives and city-wide regeneration:

- Development planning
- Outdoor access
- Environmental policy
- Climate change
- Carbon management
- Transportation strategy
- Transportation programmes
- Roads design
- Public transport
- Master-planning and design
- Conservation
- Development management
- Building standards
- Major projects
- Aberdeen Western Peripheral Route (AWPR)

5.7 P&SD Current Service Structure

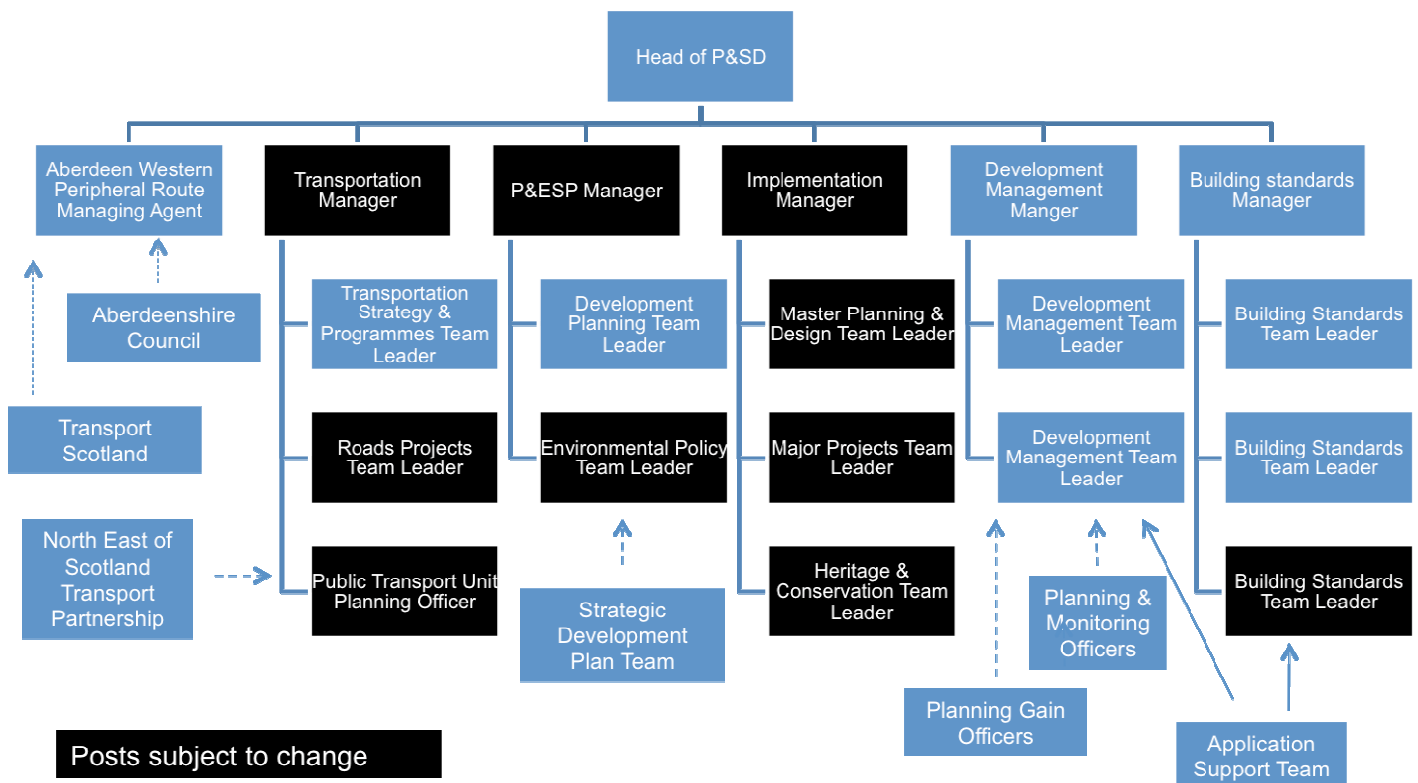
P&SD has a total of 167.4 Full Time Equivalent (FTE) posts.

The Service, at inception of the review, was divided into 6 teams, each managed by an officer reporting directly to the Head of Service, as constituted below;

- AWPR Team
- Transportation Team
- Planning & Environmental Sustainability Policy (P&ESP) Team
- Implementation Team
- Development Management Team
- Building Standards Team

An organisation chart, depicting the relevant structure within each of the aforementioned teams is illustrated in Figure 3, current structure for P&SD. It should be noted that the posts highlighted in black have been subject to some form of change / reorganisation detailed later in the report.

Figure 3 Current structure for P&SD



Key for the above structure:

- The Application Support Team which is part of P&SD splits its time evenly supporting Development Management and Building Standards
- The dotted arrows in the aforementioned structure charts illustrate Services or external bodies that P&SD have a close partnership working arrangement. They are as follows:
 - Aberdeenshire Council
 - Transport Scotland
 - North East of Scotland Transport Partnership (NESTRANS)
 - Strategic Development Plan Team = Aberdeen City and Shire Strategic Development Planning Authority (SDPA)
 - Planning Gain Officers = 3 x Officers based in Aberdeenshire Council with one officer specifically funded by Aberdeen City Council
 - Planning and Monitoring Officer = Based in Asset Management, EP&I - part of this role is devoted to fulfilling the duties of a Planning Gain Monitoring Officer

5.8 *The Improving Service Efficiency Checklist*

The Improving Service Efficiency Checklist was circulated to each Team Leader within P&SD to complete during 2010. The Checklist was developed jointly by Audit Scotland, the Northern Ireland Audit Office and the Wales Audit Office with the aim of creating a good practice checklist for public sector bodies within the Devolved Administrations of the United Kingdom. The checklist identifies what actions are needed to improve the efficiency and productivity within P&SD. The intention of this checklist is to promote improvement and facilitate detailed review, reflection and self-assessment.

The results provided a detailed self-assessment, indicating the strengths and weaknesses of the P&SD Service - mapping out efficiency and productivity improvements. Please refer to the full Service review for a detailed analysis of the service efficiency checklist.

5.9 *Review of the 2011/12 P&SD Budget*

The gross budget for the P&SD Service for 2011/12 is £9.075M, which is approximately 2.0% of ACC's total budget. P&SD is budgeted to generate £4.830M of income in the same period, which is 53% of expenditure, resulting in net expenditure of £4.244M.

This Review finds that although there is potential for increased income generation, as identified in the workshops and now being investigated further through various actions, in reality the Service is unlikely to become revenue neutral.

5.10 *Key findings from the desktop analysis*

- Ensure budgets are aligned and an appropriate financial monitoring system is in place for Team Leaders
- Develop system to measure activity
- Define Service priorities
- Define subsequent Service Review timescales
- Formalise workforce planning
- Develop performance monitoring
- Foster joint working
- Develop a culture of continuous improvement
- Encourage long term planning
- Enable the development and support of more effective, fit for purpose, IT systems
- Set financial targets for savings and for additional income generation

5.11 Brainstorming Workshops

Building on the findings of the desktop analysis, key improvement areas and weaknesses were then amalgamated and presented to staff through brainstorming workshops. These were intended to bring staff together to acknowledge the successes of the service, whilst at the same time discussing those areas in need of improvement. The workshops encouraged staff to be innovative and creative together, shaping a sustainable and efficient service for the future.

The key brainstorming themes were as follows:

- Mapping service interactions
- Create a vision for the P&SD Service
 - Mapping Service Priorities
- Income generation
- Performance monitoring
- Monitoring / reporting efficiencies
- Innovation / efficiencies / new ways of working

The workshops were hosted on Council premises and facilitated by the Review author. Entire teams were encouraged to attend and work as a unit through the workshop. For a detailed analysis of the results from the workshops please refer to the full service review report.

5.12 Key findings from the brainstorming workshops

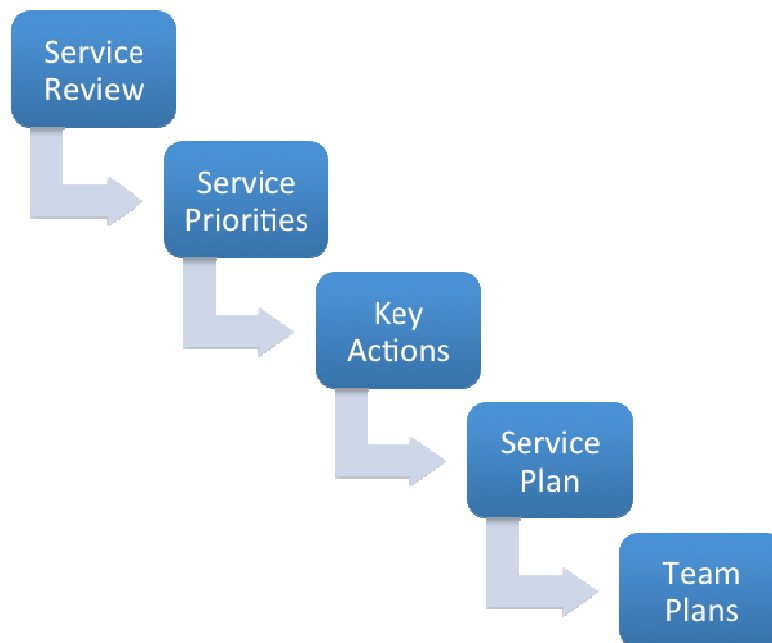
- Establish a multi disciplined team to enable the development and support of more effective, fit for purpose, IT systems
- Key contacts in internal and external bodies with more than one P&SD Team interaction
- Increase collaboration and joint working
- Explore concepts for income generation
- Ensure the right performance indicators are being utilised and reporting frequencies are standardised
- Establish an IT based system to monitor activity
- Establish a multi disciplined team to examine the planning system processes
- Define and ratify Service Priorities
- Service review linked to Team plan and then personal development plan
- Ensure budgets are aligned and an appropriate financial monitoring system is in place for Team Leaders
- Appropriate level of admin support
- Formalise workforce planning
- Foster joint working across Services and external bodies
- Support Continuing Professional Development
- Establish regular team sharing events

- Ensure effective change management processes
- Develop a culture of continuous improvement
- Encourage long term planning
- Examine efficiencies within the office environment

5.13 P&SD Service Plan 2011 - 12

The Service Review has provided an overview of the operations of P&SD, along with defining key actions to implement efficiencies and improve internal processes. The next phase in the forward planning process, see figure 4, is the development of a Service Plan and thereafter, Team Plans.

Figure 4 –Service Plan Development Process



The key outputs from the Service Review that have been completed as part of the Service Plan are as follows:

- Defining a Position, Vision and Mission statement for the Service
- Defining Service Priorities
- Developing a new structure for delivery
- Creating a plan of key actions to improve service delivery and internal processes

5.14.1 Position, Vision and Mission statement

One of the key outputs from the Review workshops was to jointly author Position, Vision and Mission statements for the Service, as part of the engagement process with staff. These statements are intended

to map out where the service is at present, agreeing where it needs to be in the future and what is needed in order to get it there.

The Position Statement

The Position Statement for P&SD gives an honest appraisal of where we are now.

- *A flexible and dynamic team, challenged by resource issues, financial reporting constraints and budget alignment targets, but with known priorities, goals and processes and a track record of delivery. Ultimately working to improve the quality of life in Aberdeen*

The Vision Statement

The Vision Statement for P&SD sets out our strategic goals for the future of the service.

- *A customer focused department, working in consultation with citizens, decision makers and other agencies in order to continuously improve the existing and future environment of Aberdeen*
- *Providing a model for others as a catalyst for positive change through excellent service*

The Mission Statement

The Mission Statement for P&SD sets out the direction of how we will meet the goals set out in the vision.

- *Working in dynamic, flexible and multi-disciplined teams we will adapt our processes, people and organisation to create a customer focused service that is accessible and accountable.*
- *In order to reach the desired vision we will be adaptable and responsive to change by anticipating trends, retaining skill sets and training for the future*

5.14 Service Priorities

Service priorities for P&SD have been mapped out and ratified, highlighting those that are deemed core and those that are not essential but still add value. The aim of the exercise was not to define each team's priorities but to analyse the Service as a whole and define priorities by function. This has enabled the priorities to be defined for the Service giving a portfolio of activities by which to develop an organisational structure and a high level list of priorities (See table 1) The Service priorities will ensure delivery of the Council's 5-year business plan and associated Corporate objectives.

The high level priorities for the Service are detailed in table 1. Each priority has a team responsible for the process and the detail is contained in individual Team Plans, which at the time of writing this report are currently being formulated.

Table 1 – P&SD high-level Service priorities

Operational Priority	Title
PSD1	To work in partnership at a local, regional and national level to enable development to come forward through a range of mechanisms and for a range of mechanisms and fora
PSD2	Adoption of the Aberdeen Local Development Plan
PSD3	Maintain and enhance quality of life for all, protect our heritage and provide an attractive and useful built environment
PSD4	An effective, integrated transport network connecting surface, air and sea transport
PSD5	Effective and efficient delivery of statutory responsibilities
PSD6	Identify and Implement Measures to Support ACSEF's strategic priorities
PSD7	Continuous service improvement, efficiency and effectiveness

Service priorities will deliver the targets that are relevant to EP&I, as set out in the EP&I Directorate Service Plan 2011/12:

- **Priority 1:** To encourage future economic and business development in the City;
- **Priority 2:** To deliver an up to date Development Plan for the City;
- **Priority 3:** To protect and enhance our high quality natural and built environment;
- **Priority 4:** To support the delivery of a fully integrated transport network; and,
- **Priority 6:** Deliver our statutory responsibilities effectively and efficiently.
- **Priority 8:** Service Improvement

The Service also has a key role in delivering the vision for the City and Shire as expressed through regional plans and strategies, including:

- the **Aberdeen City and Shire Structure Plan** vision to develop a robust and resilient economy and lead the way towards development being sustainable and our society being more inclusive.

- the vision of the **Regional Transport Strategy** which is for a transport system for the north east which enables a more economically competitive, sustainable and socially inclusive society.

The challenge facing the Service is to prioritise and maintain effective and timely delivery while meeting the corporate requirements for cost savings and income generation.

5.15 *Developing a Structure for Delivery*

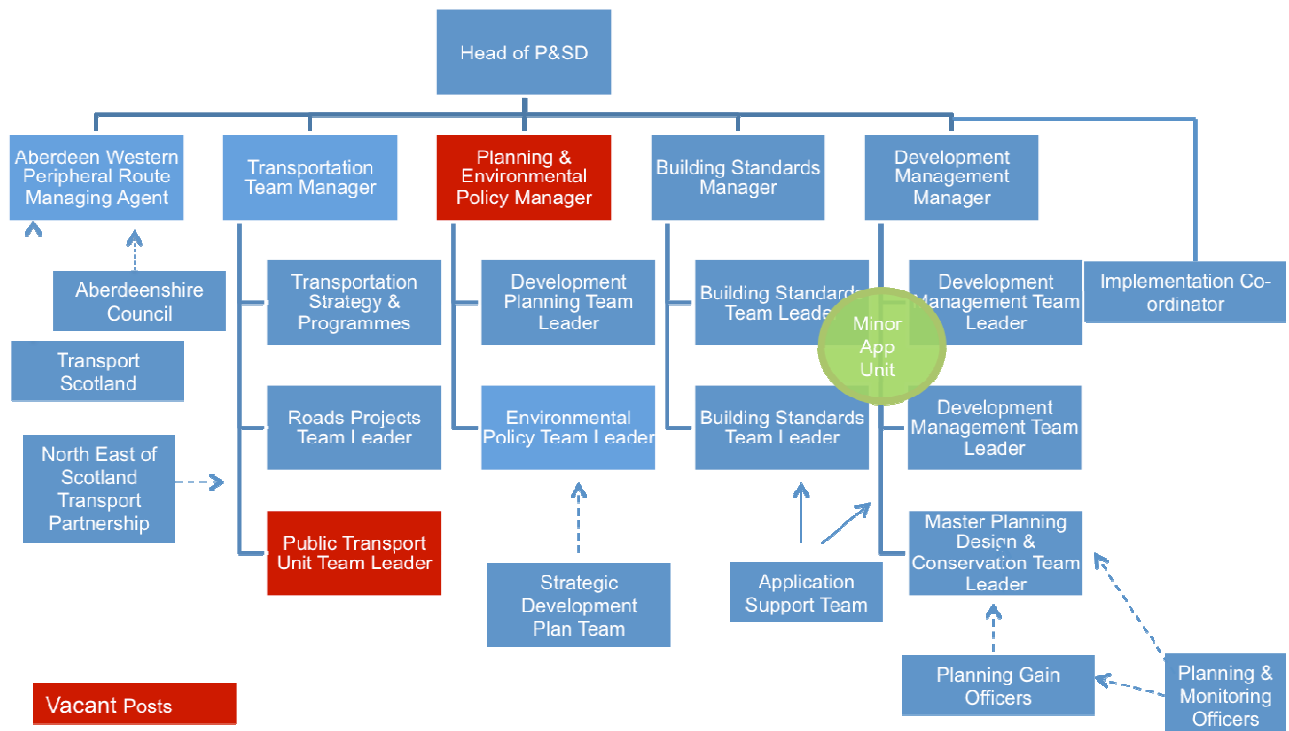
A revised organisational structure is being implemented, primarily designed to reduce cost (headcount), whilst maintaining service levels. It is hoped that these twin goals can be achieved by improving efficiency and making logical, forward-looking, changes to the structure within the service – see figure 5 which details the new structure.

However, it is important that the organisation focuses on the challenge of staff development and retention as the structure becomes flatter and the opportunities for promotion become harder to obtain. Staff motivation must also be considered further.

The reorganisation workshops created a list of assumptions for the restructuring model which are as follows:

- The new structure is based on a multi-disciplined team working approach
- The new structure is built around the concept of change – it has been built to be adaptable and forward facing
- Noted concern going forward in regards to employee development and retention
- Aberdeen Western Peripheral Route (AWPR) has remained unchanged within the new structure, in accordance with the Memorandum of Understanding (MOU) made among the Scottish Ministers, Aberdeen City Council and Aberdeenshire Council, Aberdeen City Council acts as the Appointed Agent in terms of an Agency Agreement.
- Noted that the Public Transport Unit (PTU) is currently undergoing a shared service review with Aberdeenshire Council. Investigations are on-going as to whether a more effective and efficient would be delivered if the two Councils were to share resources and deliver a combined service.

Figure 5 – P&SD New Structure



Key for the above structure:

- Application Support Team which is part of P&SD splits its time evenly supporting Development Management and Building Standards
- Minor App Unit = Minor Applications Unit – the aim is to develop a multi disciplined team between Development Management and Building Standards to deal with minor applications
- The dotted arrows in the aforementioned structure charts illustrate Services or external bodies that P&SD have a close partnership working arrangement. They are as follows:
 - Aberdeenshire Council
 - Transport Scotland
 - North East of Scotland Transport Partnership (NESTRANS)
 - Strategic Development Plan Team = Aberdeen City and Shire Strategic Development Planning Authority (SDPA)
 - Planning Gain Officers = 3 x Officers based in Aberdeenshire Council with one officer specifically funded by Aberdeen City Council
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Full details of the internal P&SD Service re-organisation are contained both within a Delegated Powers service report and within the P&SD Service Review document available in the Member’s Library.

5.16 Service Plan Key Actions

In support of the overall Review key actions have been captured and incorporated into the P&SD Service Action Plan which is the subject of a separate report to Members as part of a wider Directorate Service Action Plan.

Each action is designed to improve the way services are delivered, and ensure efficiency and effectiveness in all aspects of P&SD's service delivery with a clear measurement factor and accountability to designated P&SD management personnel.

5.17 Conclusions

Building upon the findings collated through the earlier phases, the P&SD review has moved successfully into implementation of the Service Plan phase.

The reorganisation is expected to be complete by August 2011, delivering £168,835 of financial savings and providing a significant contribution to the EP&I Directorate budget target.

All other 5 Year Business Plan targets aligned to P&SD for year 1 have been accounted for within the review and planning for future targets require the key actions / findings from the review to be implemented. On this basis the review can be considered to be on course to achieving its primary objectives of realising overall Year 5 targets.

The Service Plan is intended to be a dynamic document, with the Review providing a historical record whilst reflecting changes in the service as actions are completed. It provides a process for action tracking, monitoring success and identifying blockages.

It also provides a mechanism for measuring the effectiveness of change by providing a baseline from which to measure service change. Behind this a number of processes are on-going in an effort to uphold good change management process. For example, the Service has regular staff workshops to update all personnel on the progress made with the review and the likely impact, both positive and negative.

In summary the following points reflect the current conclusions at the time of publication:

- Like all public sector bodies, the Council faces a period of substantial change, both financial and organisational. P&SD is subject to this in the same manner as any other service. The benefits of conducting a Review is ensuring that all options are investigated and mapped out and allow the Service to be proactive when implementing change.

- A number of constraints and change factors were already in effect, prior to the commencement of this Review, these were: budgetary cuts for forward periods and reduced headcount through a freeze in recruitment.
- This Review resulted in a series of staff workshops, used to communicate to and hear back from staff and consultation with Trade Union colleagues. This process ensures that personnel are aware of and party to decision making going forward.
- The Service now has shared statements reflecting current status, (Position Statement), a perspective of where it wishes to be in the future, (Vision Statement) and a description of how it will achieve this vision, in the form of a Mission Statement
- P&SD has mapped out and defined Service Priorities
- Service deliverables have been assessed and prioritised. Key actions that have the greatest potential impact have been brought to the fore wherever possible.
- A new organisational structure, based on the identified Service priorities has been proposed, approved and implementation has commenced.
- Detailed financial analysis has been completed to ensure that PBB targets aligned to P&SD will be met for year 1.
- This document continues to be maintained as a record of the change process going forward.

6. IMPACT

Aberdeen's City Vision, is to be "a city which is vibrant, dynamic, forward looking - an even better place to live and work, where people can expect high-quality services that meet their needs"

The Vibrant, Dynamic & Forward Looking policy statement, Single Outcome Agreement and Community Plan (SOA) and Aberdeen City Council's 5-year business plan all contribute to the aforementioned vision.

7. Equality and Human Rights Impact Assessment

No Equality & Human rights impact assessment has been carried out as part of the Service Review at this stage.


8. BACKGROUND PAPERS

P&SD Service Review 2011/12 – available in the Member's Library.

9. REPORT AUTHOR DETAILS

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