

*The 'go to' organisation for Local  
Government improvement in Scotland*



# Transformation Programme Support



# Contents

Contents	2
Context	3
Overall Approach	6
The Initial Phase - An approach to transformation	7
Developing the New Paradigm- areas for exploration	8
Potential Partners	9
Working with COSLA	11
Research, Policy, Data and Evidence	13
Post Chief Executive/Chief Officer Workshop	14
Supporting the Programme	15
Initial High-Level Timescales	16

# Context



The IS Strategic Framework 2020-2022 sets out our key purpose, an element of which is to “***provide leadership to Local Government and the wider system on improvement and transformation***”.

To support the delivery of this key purpose, our Business Plan 2021-22 includes a commitment to “***develop proposals around what a future council might look like and develop options for the future delivery of key council services based on professional input, learning from the Covid-19 response, performance information and research. We will facilitate a number of online virtual deep dive workshops, and will also look to engage Heads of Service and professional experts in some of these, to help scope future service delivery options***”.

We met with the Solace Officer Bearers in February 2021 to discuss how we could work with councils to design a future operating model, including:

- Development of proposals for a future operating model, based on lived experience, learning from Covid-19 and research, data and intelligence
- Development of a high-level options appraisal for service delivery models for key council services, based on professional input, learning from Covid-19 and research
- A discussion report for Solace covering the above points, providing an opportunity for Chief Executives to input to the ideas generated and next steps for taking the work forward.





This Programme is also set against a backdrop of continuing financial constraint and fundamental change in Local Government, including dealing with the effects of the pandemic now and into the future. There may also be an element of structural reform, with the Scottish Government committed to the establishment of a National Care Service, albeit the scope of what that comprises has still to be determined.

As we reach the 10-year anniversary of the Commission on the Future Delivery of Public Services, a key aim of this Programme will be to learn from how the Commission's recommendations have been progressed, and what we could do differently to stimulate action on transformation. We will ensure that the Christie principles are embedded through the eventual models / solutions that are arrived at.

To exemplify the above challenges, the Audit Scotland briefing

paper, 'Covid-19: Implications for Public Finances in Scotland', stated that:

"The Covid-19 pandemic has been the biggest fiscal and policy challenge facing the Scottish Government over the past two decades of devolution", and subsequently noted<sup>1</sup> that "the scale of this challenge has continued since then. Uncertainty over the path of the public health crisis and volatility in the economy has required further Scottish and UK Government interventions and has placed further pressure on citizens and the public services they need".

In addition (COSLA) estimated that the total net financial impact of Covid-19 in 2020/21 would be £767 million. This includes forecast financial pressures of £855 million, with loss of income accounting for around £400 million of this total<sup>2</sup>.

Furthermore, the recent Accounts Commission overview report 2021 also identified that through any longer-term recovery planning, a

1. Audit Scotland (February 2021) - Tracking the implications of Covid-19 on Scotland's public finances  
2. Accounts Commission (May 2021) – Local Government Overview in Scotland 2021



Business as  
Unusual.

return to ‘business as usual’ will not be possible. The report states that:

“While restarting services is led largely by national guidance, and the response to a second wave of Covid-19, councils are beginning to think about how to rebuild local economies and support communities in the long term. Councils will play a pivotal role in this, and as they progress through the recovery phases, there must be recognition that a return to ‘business as usual’ will not be possible and that the negative impacts of the pandemic will be felt for years to come. Councils’ recovery plans have signalled this kind of thinking, focusing on areas that were already priorities before the pandemic, such as digital, tackling inequalities and climate change”.

In addition to these resource constraints there also needs to be a recognition around the potential impact of future policy and funding

frameworks, including:

- The Local Governance Review, that seeks to ensure that communities, people and places have greater control and influence over the decisions that affect them most, and
- The UK Community Renewal Fund, that seeks to will empower places to explore how best to tackle local challenges.



# Overall Approach



It is important to emphasise that this Programme is not seeking to simply improve upon the existing pre-defined constructs of service provision, but instead will look to challenge existing thinking and start to define what a council, fit for purpose in the 21st century, would look like. Area for discussion would include: the opportunities offered by the increased use of technology, meeting increasing customer service expectations, the changes required within the workforce, redesign at an organisational and service level, governance and accountability frameworks, and the relationships with staff and communities (as recipients of services and also as potential providers of services).

We will work through the following stages to achieve the deliverables highlighted previously:

- Engagement with a few self-selecting council Chief Executives / Chief Officers to scope a range of future council models and identify service areas to be considered in the next phase
- Engagement with partner organisations around their potential involvement in the Programme
- A research piece to inform the development of a thought piece on future operating models for local authorities, for discussion at the Chief Executive / Chief Officer workshop. This research will provide an overview of current literature / thinking that examines both the potential future role and operating models for a local authority and also options for transforming the delivery of services. A core element of this work will be to present examples of innovation in public service delivery in both the UK and internationally, that provokes debate and attempts to shift mindsets away from what we already know.
- Develop options for future service delivery models, with a focus on innovation and new ways of working including empowering our staff and communities to be part of the overall transformation.

# The Initial Phase - An approach to transformation



We will host an initial closed session workshop(s) with a small number of self-selecting council Chief Executives / Chief Officers. It will allow for a high level consideration of a potential future council operating model, i.e. what a council will “look like” in 3 to 5 years and also beyond that time horizon to ensure that the model is adaptable to take account of future policy trends and customer expectations. This will include developing thinking around our future workforce, our relationships with our partners and communities and the scope and scale of future service provision (including how it is delivered).

However there needs to be a recognition that there is no one size fits all operating model for all 32 councils. These will vary depending on the outcomes that a particular council is seeking to achieve, the particular governance structures within which councils operate, the overarching culture within the council, the scale of community engagement and use of technology.

The creation of any future models will be explored through mapping the current and potential future operating contexts to define the

main service delivery challenges and so consider what is possible and within scope.

Therefore the key aims of this session will be to develop the vision for a future operating model and also define what ‘success’ would look like. Put simply, we are seeking to define the foundations of a 21st century council that can be tailored in each locality.



# Developing the New Paradigm - areas for exploration



The following questions identify a number of areas that we would want to explore throughout the Programme:

- What are the outcomes we are trying to achieve? What are the links to the National Performance Framework and the Christie Commission principles?
- What does a 21st century council operating model (in each area) start to look like and what will the role of councils be as a result? This would include consideration of:
  - ◆ The scope for increased community empowerment and also community / user involvement in the design and delivery of services, and how do we empower communities to be able to do this?
  - ◆ How we ensure that we meet the ever changing nature of customer service expectations for all our services?
  - ◆ How do we exploit the full potential of the technologies available to councils to enable transformation, whilst ensuring
- any approach remains inclusive and reduces inequality?
- ◆ How do we ensure we support and empower an increasingly multi-disciplinary workforce to deliver the services within any new operating model?
- ◆ How do we design any new operating model around outcomes rather than historical structural definitions of 'service'?
- What do we need to inform our decision making process, i.e. evidence / data?
- How do we support innovative thinking around new models of service delivery? Where can we learn from that has embedded innovation within its public sector delivery models?



# Potential Partners



In advance of the initial workshop with Chief Executives / Chief Officers, we will engage with a number of partner organisations who either have expertise in a particular area of work, for example, the Local Government Digital Office, are a key partner at a local and national level, or who work in the innovation space in Scotland, the rest of the UK and internationally. We will initially engage with them around their potential involvement and then seek to firm this up as the Programme develops. We will also seek their views on current and future service trends, future options for council operating models and for transformative service delivery. The key aim of this stage is to challenge how we currently ‘think’ about a council, its services, its relationships with its people and communities, in order to provide radical alternatives that could form the basis for a range of new target operating models, i.e. the art of the possible. With existing relationships already in place with the IS, examples of partners that we would seek to engage with are:

- Scottish Policy and Research Exchange – provide a brokerage service to academics and researchers to improve the flow of

evidence, expertise and scholarly analysis from academia to inform future decisions around new ways of working.

- Nesta – a UK innovation agency, who are focused on designing, testing and scaling new solutions for society’s problems
- States of Change - initiated by Nesta to help governments become better problem solvers, they are now an independent not-for-profit with the same mission, based in Australia and operating around the world.
- Helsingborg 22 - a major initiative by Helsingborg (in Sweden) to develop future welfare solutions aimed at improving quality of life in a smarter, more sustainable city.
- New Local - an independent think tank and network with a mission to transform public services and unlock community power.
- iESE - created by local authorities as a shared resource to transform public services and retain experience within the sector.



- Centre for Public Impact – who work with governments, public servants and other changemakers to reimagine government, and turn ideas into action.
- As part of our Strategic Alliance with the Accounts Commission, we will explore opportunities to develop thinking around the future role of audit, inspection and scrutiny to support the 21st century council.



# Working with COSLA



We will utilise our Partnership Agreement with COSLA to capitalise upon a breadth of unique and complementary strengths, skills, experience, knowledge and assets available within each organisation:

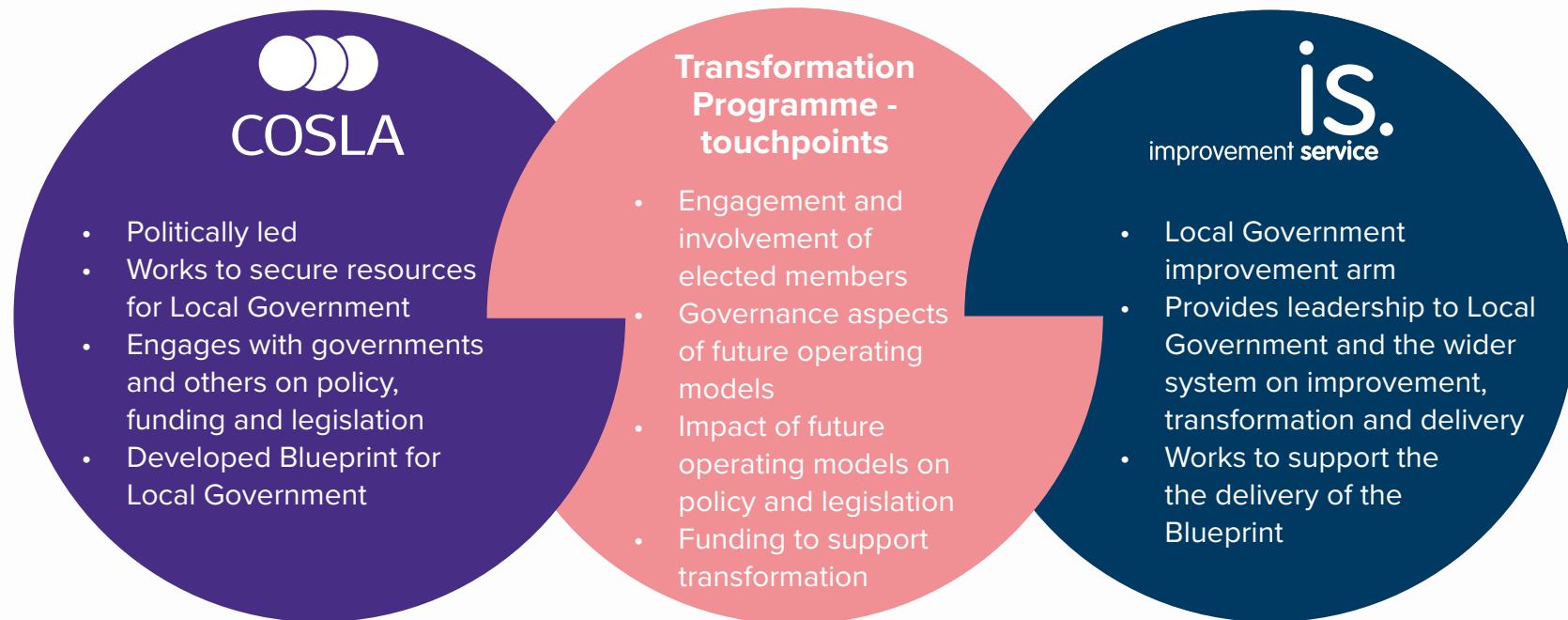
- COSLA will bring strengths in political engagement, policy development and leadership as an equal sphere of government closest to communities;
- The Improvement Service will bring expertise in improvement, transformation and delivery.

As previously identified, our Strategic Framework (and Business Plan) highlights the distinct role of the IS in supporting transformation across councils, through “providing leadership to Local Government and the wider system on improvement and transformation”.

However we recognise that as the Programme develops there will be touchpoints with our colleagues in COSLA, that would require their input and expertise, and include:

- Facilitating engagement with Elected Members through COSLA's governance framework
- Leading on any proposals around governance structures that may arise from any new operating model, and
- Leading on developing changes to policy frameworks that are impacted by new service delivery/council operating models that may emerge.





# Research, Policy, Data and Evidence



At the outset, we will undertake a research and policy review to help inform the development of a thought piece on future operating models for a council, for discussion at the initial Chief Executive / Chief Officer workshop. Its purpose will be to provoke our current thinking and provide examples where councils (and services) have radically redesigned how they operate, or are planning to do so.

This research will provide an overview of current literature / thinking that examines the potential future role and operating models for a council and also options for the delivery of individual services. This will include a focus on:

- literature / thinking available in Scotland, the rest of the UK and internationally.
- identifying case studies on practice elsewhere that will provide a challenge to our current operating and service delivery models, i.e. provide cutting-edge examples that demonstrate where service transformation has worked

- current and likely future trends in key service areas, e.g. customer expectations around service delivery, an examination of council operating models
- the potential future role of communities, third sector and partner organisations in service delivery, where this has provided the scope for councils to change the nature of their relationship with people and communities from complete service provision towards more of an enabler of services, where these may be delivered within and by communities, based around the principle of place.

We will also map relevant policy levers / legislative requirements / Programme for Government commitments facing councils in key service areas to support an understanding around how services can be transformed yet meet current (and potentially forthcoming) policies.

It is anticipated that this work would take around three months.

# Post Chief Executive/Chief Officer Workshop



The next steps in the Programme would seek to utilise the output (and method) from the Chief Executive / Chief Officer workshop(s), and the research piece.

We would use the input from our external partners identified previously, to challenge the existing rationale for how councils are currently organised, how services are currently delivered and provide innovative options for future service delivery, based on the outcomes we want to achieve and where the redesign of services based on the needs of people and communities is embedded from the outset.

The following principles would apply to this stage:

- How can we utilise the collective resources at our disposal to improve outcomes (this may be across organisations, communities and at a local, regional and national level)?
- Define what success looks like for each theme or service that

is included within the Programme, e.g. the scale of possibilities moving from the status quo to potentially communities being empowered to deliver services themselves / councils become an enabler of service delivery.

- How do we design services that ensure councils do not continue to service demand failure but instead provide a proactive and preventative response to delivery.



# Supporting the Programme



We recognise that the Programme requires the necessary leadership to effect the transformation being developed, therefore we would seek to utilise our existing networks to develop that leadership, not only from across Local Government but also within the wider public sector.

We will develop a communications and knowledge management plan for the Programme to support the sharing of learning as we progress.

Update reports will be provided to the IS Board at its meetings in September and December 2021.

Where possible, we will harness the collective resources of the IS and our Associates Framework to support the Programme.

We will also use our existing networks as a basis for learning and

sharing practice as the Programme develops, e.g. the Change Managers' Network and the Organisational Development Network amongst others.

# Initial High-Level Timescales

We envisage following the timescales below to take us through the Chief Executive / Chief Officer workshop. Agreement on the timescales for the next stages will be agreed at that point.

	June	July	August	September	October
IS Board endorse approach					
Initial engagement with partners					
Research phase					
CEO workshop					

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