ABERDEEN CITY COUNCIL

STRATEGIC BUSINESS PLAN
REFRESH 2017-2018

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1. INTRODUCTION

Aberdeen City Council is a leading partner of Community Planning Aberdeen which has set a vision for Aberdeen City:-

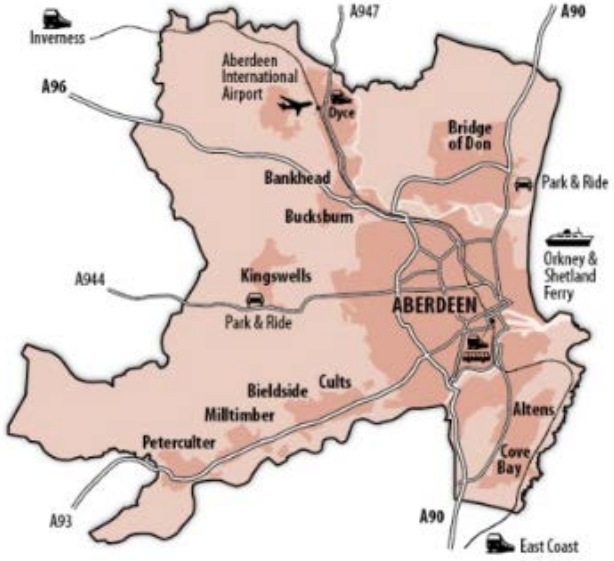
To ensure the people and place prosper and to protect the people and place from harm

This reflects our desire to help all people, families, businesses and communities to do well, succeed and flourish.

The North East Region is a high performing regional economy. Our success has been driven largely by the opportunities in the oil and gas sector, and by a number of other strong performing sectors. However, the level of investment in the public infrastructure has struggled to keep pace with the demands being placed on it by a fast growing economy and industry investment.

Since the end of 2014, the local economy has suffered as a result of the global oil price decline. Business has slowed and, while this downturn is not the first of its kind, it highlights a growing and urgent need to diversify the local economy to ensure economic sustainability.

Some of the most affluent areas of Scotland are within Aberdeen City, but equally some of Scotland's most deprived areas are within the City boundaries. Overall, headline levels of deprivation remain low, however almost 30% of households in Aberdeen are in fuel poverty, 18% of children in Aberdeen are living in poverty and the majority of those children are living in a working household.

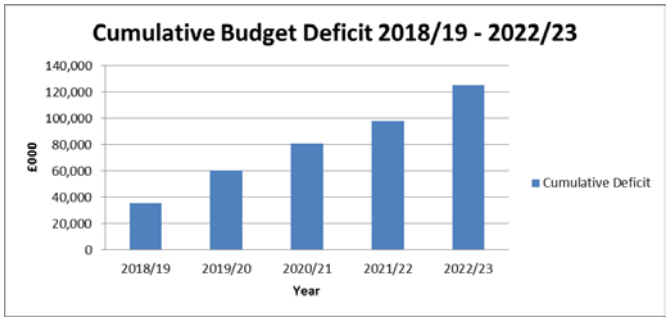


This City vision will be delivered against a backdrop of changing and increasing demand for public services. By 2037 the number of people over 65 in Aberdeen City is projected to rise by 56%. An increase is also projected in the number of school age children.

This is a time of profound change for public services in Scotland. This includes the increasing role which the Council plays as a key partner in planning and delivering more integrated policy and services with our partners through the Aberdeen Community Planning Partnership (CPP). During 2016 the CPP replaced its existing Single Outcome Agreement with a new Local Outcome Improvement Plan (LOIP). It is important that the Council's Strategic Business Plan is fully aligned to the LOIP. The policies of the Scottish and UK Governments will also have a significant impact on our plans for the years ahead, as well as developments across the wider Aberdeen City Region. Some of the key changes which will influence the future role, functions and priorities of the Council are:

- Aberdeen CPP's Local Outcome Improvement Plan, to which this Plan is fully aligned
- An anticipated Scottish Local Government Bill which forms part of the Scottish Government's "Programme for Government"
- Proposals for the establishment of a regional education model
- Involvement and empowerment of local communities in design and delivery of services as a result of the Community Empowerment Act
- A review of national, regional and local arrangements for enterprise and skills

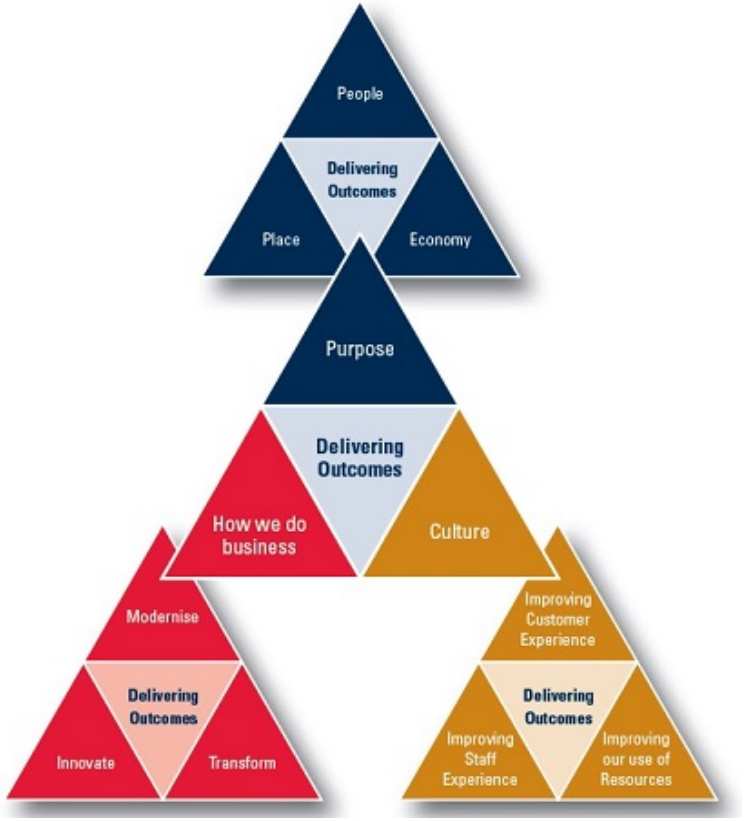
The Council's Policy Statement (08/17) includes the stated intention to campaign for the reform of local government finance, including Business Rates; the replacement of the Council Tax; exploring the viability of new levies and the scope for Council's to have greater control over existing taxes. Within the existing arrangements the Council faces a budget shortfall of £125m over the next five years.



In addition, following Aberdeen City Council's innovative approach for financing capital programmes through the issue of a Bond on the London Stock Exchange, the Council is required by legislation to be highly structured and commercially focused in its financial planning and management, in particular with regard to issues which may have a detrimental effect on the ability of the Council to meet its debts.

Shaping Aberdeen

To realise our ambitions in this challenging environment the Council has begun a programme of change called “Shaping Aberdeen” and it has 3 parts:



Our purpose - What Our Business is

To ensure the alignment of all Council strategies and plans to the LOIP’s vision, as well as ensuring clear delivery plans for the Council’s own set of strategies and priorities.

How do we do business?

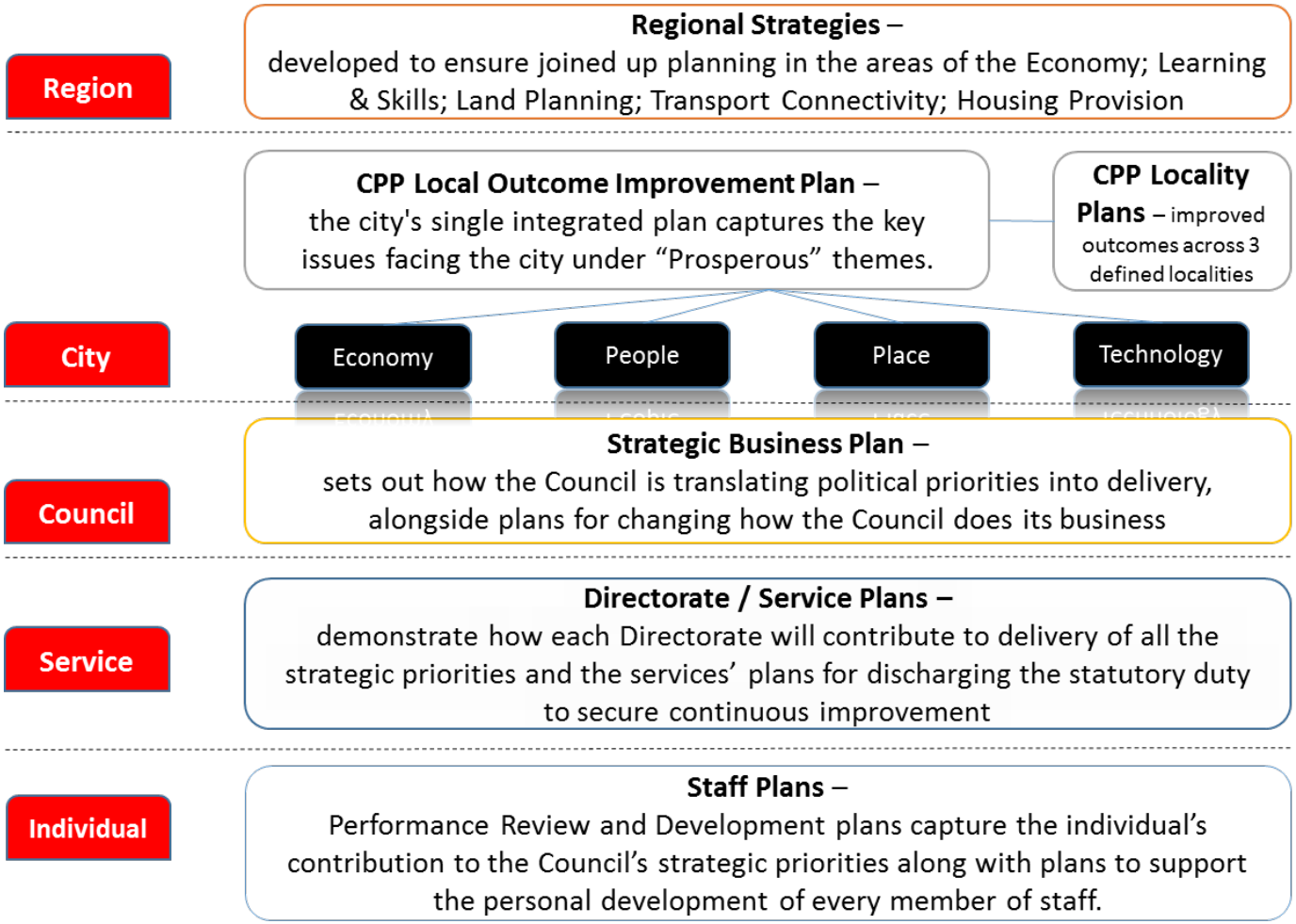
The modernisation and transformation of how we deliver our services through making best use of technology.

How we behave as an organisation?

Capable, confident, engaged and positive *staff* who deliver excellent *customer* service and consciously make best use of our *resources*. An organisation that maintains its focus on its customers, its staff and how it uses the resources available to it.

2. THE "GOLDEN THREAD"

As noted above, the Council needs to operate across different planning levels from the North East region to individual localities, such as Torry, whilst internally planning from the corporate level to individual members of staff.



3. SHAPING ABERDEEN - OUR PURPOSE – WHAT OUR BUSINESS IS

Our Purpose is to support the prosperity of the city's:-

- *Economy*
- *People*
- *Place*

This is enabled by the use of *technology*.

The Council's Strategic Priorities for 2017/18, therefore, comprise identifiable priorities for the Council within:-

i. **The CPP's Local Outcome Improvement Plan (LOIP)**- The LOIP has been developed by Community Planning Aberdeen as a shared, city-wide plan for improvement. It provides a clear blueprint for collaborative actions to tackle the challenges facing the City.

ii. ***"Stronger Together - Prosperity for Aberdeen 2017-2022".*** *The Council's Policy Statement which was agreed in August 2017.*

iii. **CPP Locality Plans** – These set out priorities for areas of socio-economic disadvantage and these will be reflected within Directorate and Service Plans.



This Strategic Business Plan sets out how the Council is translating these strategic priorities into the delivery of positive outcomes for the City and its communities. The remainder of this Strategic Business Plan demonstrates how the Council will translate these priorities into delivery, alongside plans for changing how the Council does its business.

3.1 Prosperous Economy

The North East of Scotland is one of the most prosperous regions in the UK. There have been a number of challenges to accommodating this growth historically and in looking at the region's economic development, Aberdeen needs to be at the heart of a city region that competes with other similar cities not just in Scotland and the UK, but internationally.

Economic activity in the North East is high. Gross Value Added per head is £36,242, the second highest in the UK and 65% higher than the Scottish average. There are significant opportunities to sustain and grow activity in both the short and longer term. The immediate focus is on maximising economic recovery from remaining oil and gas reserves in the UK Continental Shelf while the City we identify ways to further develop the North East as an international oil & gas research and development centre.

Key to this transition will be retention of the talent and transferable skills that currently exist within our businesses and educational institutions. In 2014 Aberdeen was ranked 2nd among the UK's 63 largest cities in terms of the number of patents per 1,000 population, testimony to a variety of internationally significant research centres such as the National Subsea Research Institute, the Rowett, the Marine Lab & James Hutton Institute.

It is also important that expertise continues to be retained and developed within our schools, college and universities to encourage, grow and attract more world-leading innovation in this region. Two leading research universities are located in Aberdeen and provide a highly skilled workforce in applied sciences, technology and engineering.

National and Regional Legislative and Policy Context

A number of legislative and policy initiatives will impact on how these priorities are delivered. These include:-

- Brexit
- Increasing devolved powers for the Scottish Parliament to raise and vary taxation
- National review of the national, regional and local arrangements for enterprise and skills
- Proposals for a devolved employment support programme
- National Review of business rates
- Air Departure Tax (Scotland) Bill
- Decommissioning Action Plan
- Oil & Gas Transition Training Fund
- A revised "Tourism Scotland 2020 Strategy"
- Manufacturing Strategy / Circular Economy Strategy

Council Contribution

The Council has a lead role in working with partners to deliver a "Prosperous Economy" through fully implementing the commitments made in the LOIP. Our corporate priorities for 2017/18 are outlined below.

Improvement Outcome 1 - Investment in infrastructure

Infrastructure is critical for the City to remain an internationally competitive business environment and to secure a long term economic future - transport connectivity, information and communications technologies, business land and property and housing are key. We will seek to fast track development of infrastructure through the City Region Deal with the UK and Scottish Governments and will open negotiations to secure funding for a second Aberdeen City Region Deal. We are committed to investing in an infrastructure that caters for the needs of a high performing international city economy – roads with capacity to cope with the demands of business, extensive air and sea links, digital connectivity to develop competitive business, and a competitive and accessible public transport system. We will support efforts to develop the Energetica corridor and review the Council's industrial estate to ensure it supports the Regional Economic Strategy including realising the non-oil and gas economic potential of the City.

Aberdeen City Council Objectives	How We Will Measure Success
We will prioritise development of those intervention activities in the Aberdeen City Centre Masterplan, including the redesigned Union Terrace Gardens, that deliver the biggest economic impact	• Increase the sqm of enhanced and new public space and reclaimed streets for pedestrians in the City centre • Increase the sqm of upgraded retail and leisure development, new office development and new hotels in the City Centre • Footfall in the City Centre and Aberdeen's Business Improvement District • Increase % of people accessing city centre using travel other than car.
We will refresh the local transport strategy, ensuring it includes the results of a city centre parking review; promotes cycle and pedestrian routes; and considers support for public transport, including the viability of a council owned bus company	• Measures will be identified through the refreshed local transport strategy

Aberdeen City Council Objectives	How We Will Measure Success
We will refresh the City's Local Housing Strategy, keep rents affordable and ensure future housing developments address the needs of a changing population. We will link the Strategy to broad City priorities, including improving health and social care; giving children the best start in life We will build new council houses and work with partners to provide more affordable homes We will consider viability of expanding "Places for People", a joint venture model to deliver 'private rented sector' homes regionally	• Increase the sqm of new residential dwellings in the City centre. • Number of new build houses per year • Number of affordable houses built annually
We will develop a plan to incentivise bringing underused space above shops and long term empty retail units into residential use	• Increase % occupancy in city centre premises
We will secure significant improvements in the city's green/active travel (walking, cycling) network	• % of people cycling as main mode of travel • Increase in satisfaction levels with city's green spaces
We will develop new ways of dealing with waste	• % of household waste that is recycled
We will collaborate in the development of an Inward Investment Plan that looks at how alternative financial models which can be used to invest in/deliver regional priorities of broadband.	• % of premises in receipt of superfast broadband
We will provide 5 year certainty in the supply of available land (Delivery of x,000 units)	• supply of derelict and vacant land

Improvement Outcome 2 - Innovation

Innovation is a vital driver of long-term sustainable economic growth. The City Region Deal sets out investment hubs for Innovation in the Oil & Gas, Agri-Food & Nutrition and Life Sciences sectors. Through linking this investment in innovation to learning within the city, the Council has a key role to play in supporting this. We will support the delivery of the 3 innovation centres envisaged by the Aberdeen City Region Deal and link our schools to the centres. We will also support the activities of, and access to, Business Gateway and "Elevator" to help businesses in Aberdeen. The city also boasts Europe's largest fuel cell bus fleet and Scotland's first facility for hydrogen production and the Council will continue to support a low carbon fleet.

Aberdeen City Council Objectives	How We Will Measure Success
We will link innovation in "tele-health" and "tele-care" to local economic development	• % increase in citizens receiving care in the home
We will work with European and National Funding programmes to improve renewable energy infrastructure and build up our existing strength in hydrogen technology	• Number of hydrogen buses

Aberdeen City Council Objectives	How We Will Measure Success
We will invest in a Fleet Replacement Programme (Inc. Zero Waste Strategy Fleet)	• % of Council fleet low carbon vehicles
We will consolidate, easy to navigate support for businesses in one place and:- • Establish a business development fund to support small business • Use Business Loans Scotland to help lift the finance barrier for small and medium enterprises	• No. of loans • No. of jobs supported

Improvement Outcome 3 - Inclusive Economic Growth

While the high wages and salaries on offer in the oil and gas sector have attracted people into the region, this has caused recruitment challenges in other sectors, while a lack of affordable housing and income inequalities has led to people living away from key employment centres in the city. Through the objectives below the Council's aims to ensure that the benefits of economic prosperity and felt by all of the city's citizens.

Aberdeen City Council Objectives	How We Will Measure Success
We will refresh the City's Local Housing Strategy and link this to broad City priorities, including improving health and social care; giving children the best start in life	• Number of new build houses per year • Number of affordable houses built annually
We will consider viability of expanding "Places for People", a joint venture model to deliver 'private rented sector' homes regionally	
We will work with partners and the community to develop iconic tourism attractions to capitalise on non-business tourism and leisure markets and stimulate diverse culture and creative offerings	• Increase tourists to Aberdeen
We will develop and implement Locality Plans for those communities experiencing socio economic disadvantage, spreading them across the City in conjunction with communities	• % of adults agreeing that they can influence decisions affecting their local area
We will support the implementation of "Developing the Young Workforce", seek to gain the highest level of investors in young people accreditation and ensure there is a focus on supporting pupils excel in STEM subjects	• Accreditation achieved • Increase in % of learners entering a positive and sustained destination after leaving school.
We will deliver actions in the Regional Skills Strategy	• % of Regional Skills Strategy actions implemented
We will develop a specific 'economic footprint' action plan across directorates with a focus on ensuring that community benefit from major developments is maximised and that community benefit clauses deliver against Locality Plans for Torry, the wider Northfield area and Woodside, Tillydrone and Seaton	• Number of residents from target areas accessing opportunities (work experience / apprenticeship / job) through community benefit clauses
We will reduce fuel poverty across our most deprived communities through combined heat and power schemes including the Energy from Waste Plant	• % of households in fuel poverty
We will support community led efforts to develop community owned energy solutions	

Improvement Outcome 4 - Internationalisation

Internationalisation supports growth, innovation and productivity and is a key characteristic of successful regional economies. Internationalisation is already at the heart of the Aberdeen City Region, and is a driving force for the internationalisation strategy for the whole of Scotland. We want to build on our track record as one of the most international regions in the UK and the Council has committed to significant investment designed to make Aberdeen an even more attractive place to visit and invest in. We will review the Regional Economic Strategy to ensure that it maximises Aberdeen's economic potential post Brexit and ensure the city's interests are fully represented in all consultations on the United Kingdom's interests in leaving the European Union.

Aberdeen City Council Objectives	How We Will Measure Success
We will deliver the £330m new Aberdeen Exhibition & Conference Centre and support the establishment of a new operator	• Successful delivery of AECC
We will deliver a £30m refurbishment of Aberdeen Art Gallery in 2017 as well as completing the refurbished Music Hall, Provost Skene's House and Thomas Blake Glover House	• Increase footfall at the Art Gallery
We will deliver "Aberdeen 365", an annual calendar of headline and feature events	• No. of events and no. of tourists
We will work towards submitting a city bid to become UK City of Culture in 2025	• Aberdeen is UK City of Culture
We will support the development of the City harbour expansion plan and work collaboratively to maximise tourism opportunities, including attracting high value cruises	• Successful delivery of the harbour development
We will deliver year one priorities from the Aberdeen Inward Investment Plan [note: scheduled for consideration by Council on 15th March 2017] We will continue to develop a diverse range of international trade links to support the export potential of Aberdeen companies	• Number of Foreign Direct Investments in to Aberdeen • Number of jobs created by Foreign Direct Investments • Number of out- and in-bound trade missions delivered

Prosperous Economy - Committed Capital Projects - (Draft 17/18 Budget)

- ❖ Aberdeen Exhibition & Conference Centre
- ❖ City Centre Regeneration
- ❖ Access from the North / 3rd Don Crossing
- ❖ Aberdeen Western Peripheral Route
- ❖ Strategic Land Acquisition
- ❖ CATI - South College Street
- ❖ CATI - Berryden Corridor (Combined Stages 1, 2 & 3)
- ❖ Cycling Walking Safer Streets
- ❖ Nestrans Capital Grant
- ❖ Planned Renewal & Replacement of Roads Infrastructure*
- ❖ City Deal: Strategic Transport Appraisal
- ❖ City Deal: Aberdeen Harbour Expansion Project
- ❖ Sustrans Active Travel Infrastructure Fund
- ❖ Art Gallery Redevelopment - Main Contract (HLF)

- ❖ A96 Park & Choose / Dyce Drive Link Road

* Council Policy Statement commits to extra funding to resurface damaged roads and pavements throughout the City

3.2 Prosperous People

i. Children are the Future

Our ambition is to support every child, irrespective of their circumstances, to grow, develop and reach their full potential. We want Aberdeen to be a city where there is equality of outcomes and opportunities for all our children. Our priorities reflect the importance we place on supporting equity of access to education, supporting families to provide the best care they can for their children. We will also invest in the health, including mental health, of our children and young people.

Aberdeen City offers rich opportunities for all children and young people to achieve and become successful, responsible, confident and contributing adults. Through implementing future focused engagement and participation strategies across Aberdeen City, we will continue to ensure that children and young people are respected and included citizens in their city.

National and Regional Legislative and Policy Context

A number of legislative and policy initiatives will impact on how these priorities are delivered. These include:-

- Establishment of regional education model
- Carers (Scotland) Act 2016
- Double the provision of free early learning childcare by 2020
- National Standardised Assessments
- Child Poverty Bill
- Provision of universal free school meals
- Additional qualified teacher or childcare graduate for nurseries in the most deprived areas
- Child Protection Improvement Programme
- Developing the Young Workforce Strategy

Council Contribution

The Council has a lead role in working with partners to deliver and fully implement the priority commitments made in the LOIP. Our corporate priorities for 2017/18 are shown below.

Improvement Outcome 1 - Children have the best start in life

The period from conception through to age two is the most critical period in a child's life. During infancy and early childhood, children are flooded with new experiences that impact on their brain development, and there is an opportunity for us to support children to grow and to ensure that healthy and positive habits are formed from a young age.

Aberdeen City Council Objectives	How We Will Measure Success
We will expand early learning and child care, and out of school care, working with the Scottish Government to provide flexible and affordable childcare for working families on the lowest incomes	• Increase number of available early learning and childcare places: City wide (aim to meet 100% of demand by 2020/21)
We will ensure continued quality of childcare provision	• Maintain % of Early Learning and Childcare Inspections at 100% • Increase Proportion of Positive inspection Outcomes • Increased satisfaction of parents with ELCC services
We will expand the provision of school holiday meals to primary school children	
We will deliver workforce development and expansion within early learning and childcare services	• Improve Recruitment [Increase in number of staff entering early learning and childcare sector] Data based on a Training Needs analysis • Increase in number of staff undertaking qualifications to improve quality and meet SSSC requirements
We will expand Me2 programme to support Looked After 2 year olds	• Increase the no. of places available with a view to meeting 100% of demand
We will ensure that the Council shows how the impact on children has been considered in all strategic planning and decision making	• Strategies and plans identify impact on children

Improvement Outcome 2 - Children are safe and responsible

Everyone has a responsibility to keep children and young people safe from harm, and no single agency can do this alone. Children need to be kept safe from harm in order to thrive and reach important developmental milestones, and to ultimately become responsible and contributing citizens. Keeping children safe means more than ensuring their physical safety; looking after their emotional and mental well-being is equally important.

Aberdeen City Council Objectives	How We Will Measure Success
We will implement Reclaiming Social Work	• Reduce the number of young people in out of Authority Places • Ensure CP re-registration rates will be in line with the national average (rate per 1000 pop aged 0-16)
We will implement of Getting it Right For Every Child in line with the requirements of the Children and Young People (Scotland) Act 2014	• Increase in % of children's plans assessed as good • Monthly Reviews of Children's Plans
We will improve in early intervention supports for offenders / victims and parents and promote diversion activities for young people with enhanced focus on our 3 locality areas	• Reduce exclusion rates (per 1000 pupils) • Increase no. young people and adults engaged in diversionary activity programmes
We will implement the recommendations of the Good Governance Institutes review of Public Protection as they relate to Aberdeen City including strengthening democratic oversight of local child and adult protection arrangements	• % of recommendations due which are fully implemented
We will implement the requirements of the Carers (Scotland) Act as it relates to children and families	• Compliance with requirements

Improvement Outcome 3 - Children are respected, included and achieving

Every child has a right to be treated with respect and dignity at all times, regardless of their age, gender, ethnicity or background. They all reserve the right to express their views on matters that directly affect them and to have those views listened to and considered. A child or young person who feels respected and included is one who is more likely to succeed in life. It is also important for children to feel that they are part of a supportive community that helps them to achieve their potential.

Aberdeen City Council Objectives	How We Will Measure Success
We will deliver improvement and close the gap in education while working with partners across the city	• Reduce Attainment Gap between highest and lowest achieving 20% (Tariff Scores) • Reduce exclusion gap between the highest and lowest achieving 20% • Reduce the attendance gap between the highest and lowest achieving 20% • Increased LAC Attainment (% of LAC achieving Literacy and Numbers at SQF Level 4 or above)
We will promote LGBT+ inclusive education	• % of teachers improving awareness of equality and diversity through CPD
We will fund new classroom assistants to support both teachers and pupils and lobby the Scottish government for support with teacher recruitment including teacher training	• Increased number of students completing teacher training at University of Aberdeen
Promote Youth Democracy and Political Literacy, in accordance with ICS Participation Strategy	• Increase no. of established forums whereby young people can participate in youth democracy
All young people with Additional Support Needs are educated in their local community in line with 'Aberdeen City Inclusion Review' recommendations	• Percentage of pupils identified as having an additional support need educated in their local community. • Reduction in Number of young people with ASN being transported • Decrease no. of LAC educated out with the local authority (snapshot June 16, subject to variances in total LAC population size

Aberdeen City Council Objectives	How We Will Measure Success
Partnership working to evaluate and deliver targeted support to schools and their local communities	• Improve Proportion of Positive School Inspection Outcomes (Quality Indicators/ Primary and Secondary School Combined)
We will explore how the approaches of the Sistema project can be shared and spread across the City	• Increased attainment and achievement by pupils from Torry Community.

Prosperous People - Committed Capital Projects- (Draft 17/18 Budget)

- ❖ Orchard Brae School, Centre of Excellence (formerly ASN)
- ❖ Lochside Academy,– ICT and Infrastructure
- ❖ New Milltimber Primary
- ❖ Kingsfield Childrens Home
- ❖ Stoneywood Primary
- ❖ Tillydrone Primary School
- ❖ Torry Primary School and Hub

* Council Policy Statement commits to Orchard Brae Centre of Excellence and Lochside Academy in Cove

ii. People are Resilient, Included and Supported When in Need

All people in Aberdeen are entitled to live within our community in a manner in which they feel safe and protected from harm, supported when necessary and fully included in the life of the city. All citizens are equally entitled to enjoy these aspirations, and it is recognised that people may, at times become vulnerable. People sometimes need others to support their achievement of a full, active, safe citizenship.

Ensuring that Aberdeen is a place where everyone feels safe, supported and included is important to the wellbeing of people and communities, as well as the overall reputation of the city. The quality and design of a place can significantly influence the ability of individuals and communities to live in healthy, sustainable ways. Issues such as wellbeing and quality of life, physical and mental health, social and cultural life, carbon emissions and energy use are all influenced by the quality of the environment.

Each of Aberdeen's community planning partners will focus on delivering tangible improvement in these areas and the LOIP identifies primary and secondary drivers as well as improvement measures and targets.

National and Regional Legislative and Policy Context

A number of legislative and policy initiatives will impact on how these priorities are delivered. These include:-

- Potential regional approach for carers and cared for people
- Strategy for families with disabled children
- Framework and standards in social work education
- Social Security Bill and establishment of a new "Social Security Agency"
- Community Justice Strategy
- Refresh the national strategy for housing for Scotland's older people
- 10 year Mental Health Strategy
- Carers Act
- Dementia Strategy
- Diet and Obesity Strategy

Council Contribution

The Council has a lead role in working with partners to protect people harm and support them to be resilient and independent through fully implementing the commitments made in the LOIP. Our corporate priorities for 2017/18 are shown below.

Improvement Outcome 1 - People and communities are protected from harm

We all have a responsibility to keep vulnerable adults safe from harm. Everyone has the right to live in safety, and the Council, with its partners, have a duty to safeguard people's health, wellbeing and human rights. There are many causes of vulnerability and adults can, at any time, become vulnerable. Adults can become vulnerable when they lack the ability to take care of themselves, or unable to protect themselves against harm. We will work with partners to understand and proactively respond to available intelligence to identify those with increased likelihood of requiring support, by using business intelligence. Following the de-registration of a local care home, we will explore the role of Bon Accord Care as a stabiliser within this supply chain for care homes.

Aberdeen City Council Objectives	How We Will Measure Success
We will advance equality and reduce harm, harassment and abuse towards those individuals at risk/ potential risk	• Increase the number of people and families who may be at risk that are identified for support
We will provide intensive family intervention support to families with complex and multiple needs through the provision of a Priority Families Service, supporting reducing inequalities	• Number of families assessed as having 3 or more improved outcomes 6 months following conclusion of the support.
We will raise awareness of factors that can improve personal and community resilience, health and wellbeing, including appointing a mental health champion	
We will work in partnership to strengthen resilience and capacity of people who are at risk of homelessness to maintain stable living arrangements	• Reduce repeat homelessness (within 12 months) • Increase % of households previously homeless that have sustained their tenancy for more than 1 year

Improvement Outcome 2 - People are supported to live as independently as possible

Sometimes people need more support than others to maintain or improve their quality of life. There are a range of services which play an important role in helping people with additional care and support needs to live as independently as possible and connect to their communities.

Aberdeen City Council Objectives	How We Will Measure Success
We will enable people to direct their own care and support as far as is reasonably practicable	• Number of people directing their own care and support as % of completed single shared assessments confirming eligibility • Establish the use of the Link App and measure increase in the utilisation of the app
We will develop self-management options/resources e.g. education, information, peer support, person centred staff and services, technology and carer support	• Increase in % of individuals able to look after their health very well or quite well.

Prosperous People - Committed Capital Projects (Draft 17/18 Budget)

- SIP New Build Housing Programme
- Tillydrone Community Hub
- Station House Media Unit Extension
- Investment in Tenanted Non-Residential Property Portfolio
- Refurbish Throughcare Facility - 311 Clifton Road
- Social Care Facilities – Burnside
- Private Sector Housing Grant (PSHG)

3.3 Prosperous Place

The quality and design of a place can significantly influence the ability of individuals and communities to live in healthy, sustainable ways. Embracing the opportunities presented by community empowerment legislation will enable communities to have a greater influence on their built environment and greenspace, and on the services delivered in their neighbourhood.

The environment is integral to the quality of life enjoyed in Aberdeen City and is vital in encouraging the wellbeing of citizens. Aberdeen has an established green heritage and is held in high regard across the UK as an “in-bloom” destination. Good quality, attractive green spaces and air quality promote exercise and improve people’s health and overall quality of life.

Each of Aberdeen’s community planning partners will focus on delivering tangible improvement in these areas and the LOIP identifies primary and secondary drivers as well as improvement measures and targets.

National and Regional Legislative and Policy Context

A number of legislative and policy initiatives will impact on how these priorities are delivered. These include:-

- Ongoing national commitment to affordable housing
- Circular Economy and Zero Waste Bill
- Review of Planning System
- Climate Change Bill and Climate Change Plan and Energy Strategy
- Development of a new National Transport Strategy and review of Strategic Transport Projects Review
- Low Carbon travel and Transport Programme
- Community Empowerment Act
- Council flood risk strategies

Council Contribution

The Council has a lead role in working with partners to improve Aberdeen as a "Prosperous Place" through fully implementing the commitments made in the LOIP. Our corporate priorities for 2017/18 are shown below.

Improvement Outcome 1 - Safe and resilient communities

A fundamental sense of safety and wellbeing has the greatest impact on people's lives and builds community empowerment and resilience. Preventing crime and antisocial behaviour continues to be a priority for the Council working in partnership, but climate change and extreme weather events also pose a significant risk of harm to our communities and businesses. We will develop an energy strategy for the City and, if possible, the region which will consider the viability of local energy company. In light of the tragic events at Grenfell Tower, we will act on any recommendations which arise from the public inquiry.

Aberdeen City Council Objectives	How We Will Measure Success
We will implement the recommendations of the self-assessment framework for civil contingency responders	• % of actions due which have been fully implemented
We will explore a property level flood protection scheme for domestic properties	
We will implement local partnership boards as a key element of effective locality planning We will look to promote diversion activities for youths and adults in our city with enhanced focused on our 3 locality areas	• % of local partnerships in place
Proactively investigate youth annoyance and antisocial behaviour	• Reduce the number of antisocial behaviour incidents reported to: Council – Anti-social behaviour • Increase the no. of young people engaged in diversionary activity programmes who take on a coaching or volunteering role within their communities.
We will work with partners to develop a safe culture around alcohol consumption and its effect on the City and residents	• Increase no. of participants in Best Bar None and Unight to promote responsible drinking
We will participate in efforts to raise public awareness around the issue and impact of Domestic Abuse	• Increase no. Awareness raising events tackling Domestic Abuse at which Aberdeen City Council participates.

Aberdeen City Council Objectives	How We Will Measure Success
We will participate in enhanced partnership working, including promoting diversion activities for youths and adults, to prevent and reduce crime and the subsequent fear/perception of crime across Aberdeen City	• Increase % of people feeling very or fairly safe when walking alone in their Neighbourhood

Improvement Outcome 2 - People Friendly City

As our population continues to grow and diversify, it is imperative that our city is built so it benefits people, the environment and the economy. This means building a city where all have the opportunity to enjoy the natural environment that can improve health, reduce stress and increase life expectancy.

Aberdeen City Council Objectives	How We Will Measure Success
We will support the design of our built environment with older people in mind, working to achieve dementia friendly city standards	• Achieve Older people friend status using the Design of Streets with Older People in Mind Toolkit
Build a child friendly city to ensure that the best interests of the child is a primary consideration	• Achieve UNICEF Child Friendly City status (pilot project, criteria to be confirmed) • Increase % schools recognised by UNICEF as Rights Respecting School
We will ensure that all Aberdeen City Council's "family" group support the participation in health and fitness activities for all	• Ensure all public swimming pools and fitness gyms are accessible for people with a disability
We will lead the creation of a new place based community on a 3000 unit housing development, to include a Learning Hub to deliver education, social and health, sports and leisure facilities for all ages	• Improvement measures emergent – place shaping and planning by public partners is developing in a very different way from the past
We will extend our friends of parks groups and environmental walkabouts to encourage communities to get involved in improving their local environment through	• Increase in no. of people involved in friends of parks groups • Increase in no. of people involved in environmental walkabouts • Increase in number of asset transfer requests • Maintain level of Britain in Bloom or Beautiful Scotland awards achieved

Aberdeen City Council Objectives	How We Will Measure Success
	• Increase number of 'It's your neighbourhood' awards achieved' • Increase in volunteers involved in Britain in bloom and other environmental opportunities
We will support an "Alive after 5" economy by ensuring supportive car parking availability and charges	

Prosperous People - Committed Capital Projects - (Draft 17/18 Budget)

- Energy from Waste (EfW) Procurement and Land Acq
- Anaerobic Digestion Plant
- Investment in Waste Collection
- Co-mingled MRF & Depot
- Energy from Waste (EfW) Construction & Torry Heat Network
- Street Lighting LED Lanterns (PACE 5 Year programme)
- Fleet Replacement Programme (inc Zero Waste Strategy Fleet)
- Flood Prevention Measures: Flood Guards Grant Scheme
- Flood Prevention Measures: Bridge of Dee Court
- Flood Prevention Measures: Millside & Paddock Peterculter
- Flood Prevention Measures: Inchgarth Road
- Street Lighting

3.4 Enabling Technology

Digital technologies are transforming how we deliver public services, allowing communities to engage in different ways and providing more opportunities for businesses. A key to this is world class connectivity. Aberdeen is behind the best connected regions for most indicators. Through this plan we will address this shortfall. We will also exploit the use for data, stimulate innovation and ensure that our people have digital skills.

Each of Aberdeen's community planning partners will focus on delivering tangible improvement in these areas and the LOIP identifies primary and secondary drivers as well as improvement measures and targets.

National and Regional Legislative and Policy Context

Legislative and policy initiatives which impact on how these priorities are delivered include:-

- Commitment to 100% super-fast broadband
- New Digital Strategy

Council Contribution

The Council has a lead role in working with partners to make Aberdeen a city where citizens, businesses and communities are supported by world class digital infrastructure through implementing the commitments made in the LOIP. Our corporate priorities for 2017/18 are shown below.

Improvement Outcome 1 - *Digital Connectivity*

High speed, ubiquitous connectivity is at the heart of building a smart city and supporting communities. Ensuring that communities and businesses can access ultrafast fibre and world class wireless is critical to prosperity and protection in the city.

Aberdeen City Council Objectives	How We Will Measure Success
We will continue to assess the digital needs of the region and, with our partners, implement the "Being Digital" strategy to ensure the City has the required infrastructure to support citizens, businesses and visitors connect easily from their homes or other locations	• % of households have superfast broadband. • % Businesses have access to ultrafast broadband. • Attract public and private sector investment in digital infrastructure • % of free Wifi across the city • % coverage of boosted 4G coverage and 5G capability across the city.

Improvement Outcome 2 - *Data*

Public sector partners need to improve data quality, apply standards for its collection, recording and storage, and implement the means to share data securely. We can then apply data science techniques so that we can understand complex inter-connectedness of service provision, predict demand and impact, and rationalise how we collaborate for outcomes, and develop policy, at a city regional level.

Aberdeen City Council Objectives	How We Will Measure Success
We will build common data standards across public sectors organisation	• Secure internationally recognised standards accreditation
We will lead the provision of a secure shared data platform for use by all partners and businesses	• Deliver a regional data platform
We will improve our capture, sharing and use of data	

Improvement Outcome 3 - *Digital Innovation*

Aberdeen will develop as a city which is known for excellence in digital innovation. This will build on existing skills and capacities, and will involve all actors in the city. This programme will have an ambitious span: from designing the urban environment to developing solutions to address the challenges of tele-medicine for an aging population.

Aberdeen City Council Objectives	How We Will Measure Success
We will link innovation in “tele-health” and “tele-care” to local economic development	• % increase in citizens receiving care in the home.
We will participate in the development of a state of the art dashboard to provide community with information on assets, alerts, groups and networks	• Dashboard fully operational
Aberdeen City Council’s “family group” will develop applications that can be used to help those most in need	• Number of ACC community applications released each year

Improvement Outcome 4 - *Digital Skills and Education*

It is essential to the city’s future that our citizens, workforce and decision makers have the skills and confidence to exploit digital technologies, make intelligent decisions, and interact using modern tools and platforms.

Aberdeen City Council Objectives	How We Will Measure Success
We will provide appropriate training to ensure that Aberdeen City Council employees have the right skills to work in a modern business environment	• % of ACC employees with a standards level of digital skills

Aberdeen City Council Objectives	How We Will Measure Success
We will develop opportunities with the Council for placement for students in ICT, Data science and related disciplines and encourage skills transfer	• % of school leavers and students who have high levels digital skills

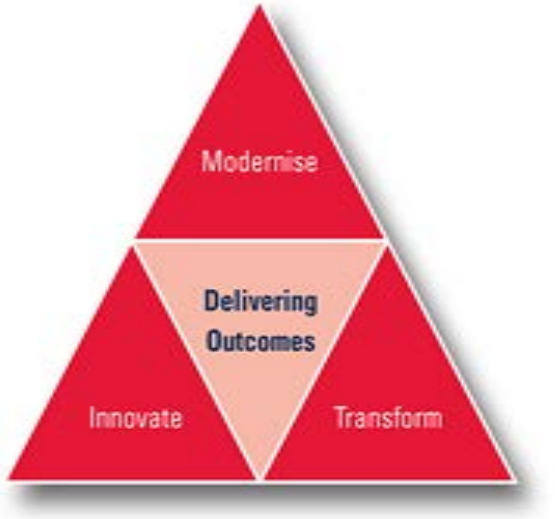
Enabling Technology - Committed Capital Projects - (Draft 17/18 Budget)

- ❖ Accelerate Aberdeen (City Broadband)
- ❖ City Deal: Digital Infrastructure
- ❖ Technology Investment Requirements & Digital Strategy

4. SHAPING ABERDEEN - HOW WE DO BUSINESS

With challenging budgets for the public sector, much more emphasis is being placed on achieving more with fewer resources and in delivering outcomes not just outputs. The council now also operates under an additional regulatory framework, having been listed on the London Stock Exchange. These factors, coupled with a legislative and institutional landscape that is set to change dramatically over the next few years, demand that the organisation changes and adapts in order to deliver its strategic agenda and to meet the growing needs of its residents and communities. By **innovating** and **transforming** how it does business, the Council can make a real difference to the lives of citizens through increasingly **modern** services, even within this changing and more challenging environment.

We will continuously apply three principles which, together, show "How we do Business". These are represented in the triangle opposite.



Our change journey has already begun, with many of our individual services adapting to meet either legislative or regulatory change, or increasing demand. It's also true that some of the changes underway are to ensure that the organisation is better governed and managed. It's fair to say that much of the change already underway within the organisation is really focused on making our existing functions, activities and processes either better, smaller, bigger or faster. Whilst important to be engaged in these activities, it could be argued that this is improvement of "business as usual" as distinct from real transformational change.

So in our change "road map" we need to make distinction between 3 tiers of change.

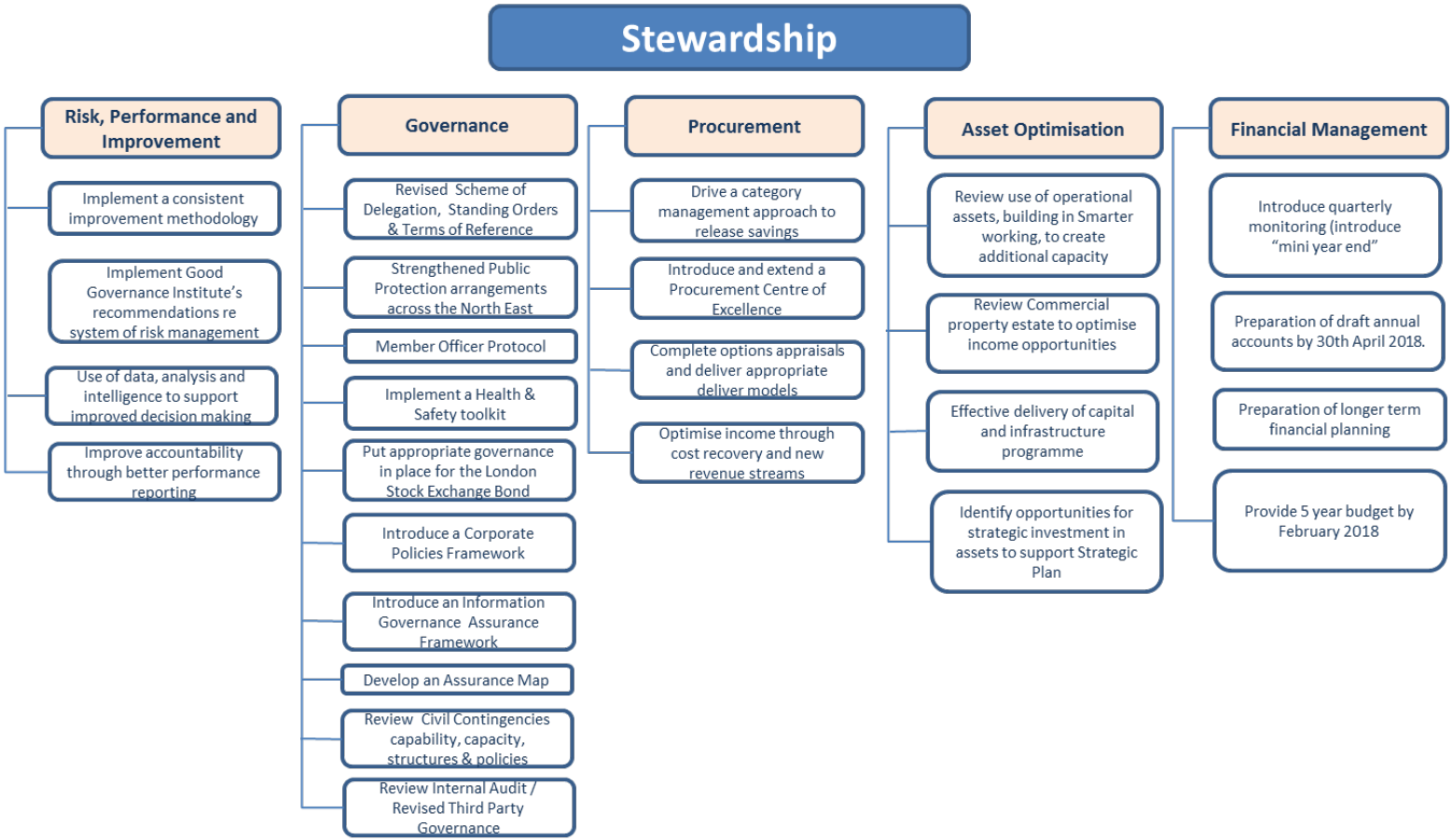
Tier1 - Changes which contribute to better stewardship across the organisation - "Business as Usual"

Tier 2 - Changes which secure improvement - "Business as Usual"

Tier 3 - The "art of the possible" - Real Transformation

Tier 1 – Improving the Stewardship of Aberdeen City Council

During 2016/17 and continuing into 2017/18 we have, and will continue to, invest significant effort in improving the overarching internal governance framework operating across the Council and this has extended to a deep dive into the system of risk management and the performance management system. In addition, there has been a significant overhaul of the governance over the Council's buying of goods and services as well as examining the governance arrangements in place over the Council's assets.



1. Risk, Performance and Improvement

During 2016/17 the Council commissioned The Good Governance Institute to conduct an independent evaluation of our system of Risk Management and put in place an improvement plan; adopted a new Performance Management Framework; and developed a consistent methodology for improvement. The focus in 2017/18 will be on further strengthening our arrangements from these foundations.

Where we were…	Where we are…	Where we're going…
• Silo approach to planning, internally and externally • Non-SMART plans • Focus on activity rather than on improvement • Inconsistent performance reporting internally • Poor public performance reporting • Insufficient dynamic risk management	• New Performance Management Framework approved • Corporate implementation of the Framework begun • "Golden Thread" strengthened through integrated planning • Improvement built in to plans • Consistent Improvement Methodology designed • Training on improvement delivered • External Review of system of risk and an improvement plan in place • Performance Review and development for staff further rolled out and aligned with strategic priorities • Commissioned development of an organisation wide assurance map	• Improvement systematically delivered to deliver strategic priorities • Robust risk management system, with a well-defined risk appetite • Proportionate assurance from arms-length bodies • Robust scrutiny of performance at all planning and delivery levels (internal and external) • Staff performance appraisals undertaken in line with corporate expectations

2. Governance

The council adopts seven principles of good governance which guide our internal frameworks for governance and form the basis of how we undertake our annual governance review. These are principles agreed between the International Federation of Accountants (IFAC) and the Chartered Institute of Public Finance & Accounting, and will form the basis of our Local Code of Governance, to be renewed in March 2017. These provide a framework for comprehensive governance review and renewal, supported with a Governance Review Improvement Plan. The Framework explains that acting in the public interest requires compliance and good practice in each key area:

Where we were…	**Where we are…**	**Where we're going…**
• Outdated and lengthy constitutional documents • Low awareness of governance, risk of governance failure across the Council • Low clarity on Committee reporting procedures • Lack of understanding of member-officer roles and responsibilities • Extensive support to outside bodies and trusts and a lack of clear guidance to elected members on their appointments • Heavy scrutiny of arms-length organisations, "one size fits all" approach • Lack of co-ordination member development/induction • Compliance driven Internal Audit function	• CIPFA supported assessment of governance and financial management • Good Governance Institute endorsed risk management Improvement Plan • Streamlining Trusts and reviewing appointments to Outside Bodies • Assessing options for arms-length assurance model • Implementing streamlined Committee reporting procedures and Plain English Standing Orders, reviewing Scheme of Governance (Officer Delegations and Committee Terms of Reference) • Member-Officer Relations Protocol nearing completion • Considering the implications of a Bond on our governance	• CIPFA Mark of Excellence in Governance • Council endorsed Governance Review Improvement Plan • Risk appetite statement and robust risk management system • Proportionate assurance from arms-length bodies • Clarity on member-officer roles and responsibilities • Robust governance around Bond • Streamlined trusts and outside bodies and policy on appointments representing best value for the Council • Good governance embedded across all services and supported through Governance Training Programme • Annual review of Committee effectiveness

Elected members and officers are working together, and in partnership with CIPFA, to implement a Governance Review Improvement Plan. This will be a comprehensive and wide-ranging programme of work to ensure that robust governance arrangements are in place. These will be kept under continual review, thus providing assurance internally and to external sources that the organisation's systems, processes and procedures support strong governance and are well embedded in our culture and values. Over the next 12-18 months we will be working towards being awarded CIPFA's Mark of Excellence, demonstrating excellence against all seven IFAC/CIPFA governance principles.

3. Procurement

The Council has in excess of 1300 live contracts and actively works with a supply chain of almost 6K providers. Our spend with these suppliers is circa £280M pa. We are now in a formal collaborative partnership with Aberdeenshire and Highland Councils for strategic commissioning activities with a collective spend of almost £1BN pa.

This significant contract leverage allows us to influence markets more strategically whereby we can actively test and benchmark how our Services compare to other partners and the other sectors. This will enable a more commercial mindset when specifying our needs and will challenge the norm as to who is placed to deliver contracts to the end consumers.

Where we were…	**Where we are…**	**Where we're going…**
• Devolved and siloed approach to procurement • Fragmented advice and support focused on traditional exercise • Incomplete contract register • Gaps in governance compliance	• Category management approach to service Formal collaboration in a shared service with Aberdeenshire and Highland Councils • One stop shop for commercial expertise incorporating commercial hub, commercial solicitor, Programme Management Office • Full purchase to pay cycle • An integrated shared service for social care commissioning with Aberdeenshire council and the Integrated Joint Board	• Recognised as a centre of excellence for commercial and procurement services across the Public sector in north Scotland

4. Asset Optimisation

The way we use our property assets in the future will not only enable change in the way we work, but will deliver a significant financial contribution and potentially leverage in further investment and economic development. Our capital and infrastructure programme over the next five years represents an investment of close to £1bn and we have already developed a robust governance framework around that programme to ensure effective delivery to time and budget. We will look at alternative delivery models, potentially working with public and private sector partners to secure the most effective means of delivering our assets strategy. Similarly, we will seek to consolidate, share and develop our assets across the whole of the public sector, delivering efficiencies, better service provision and an opportunity to align property assets more effectively to the wider place agenda.

Where we were…	**Where we are…**	**Where we're going…**
• Lack of overall asset management strategy • Fragmented approach to asset management • Capital programmes developed and delivered in isolation • Inconsistent programme management • Incomplete asset register with limited suitability data • Suboptimal approach to income generation from commercial estate • Limited cross public sector co-ordination of assets • Lack of housing development opportnit7ies	• Asset Management strategy in development • Full review of Capital and infrastructure programme undertaken with action plan in place • Robust programme management and governance of capital and infrastructure programme in place • Asset register complete, including detailed condition and suitability data • Review of opportunities for increased income from commercial property estate undertaken • Delivery of joint venture to deliver housing in the City on Council land	• Review options for alternative delivery models across our asset base • Deliver c£1bn capital programme to time and budget • Increased sharing of public sector assets • Review opportunities for investment in strategic assets to support Community Plan • Optimise income opportunities from commercial property estate • Delivery of housing opportunities throughout the City

5. Financial Management

In its credit opinion report of 24th October 2016, Moody's Investors Service reported that Aberdeen City Council's "internal governance and scrutiny is strong, supported by recent assessments from the Accounts Commission." This assessment gives us confidence in our financial management, but we continue to plan and deliver continuous improvement.

Where we were…	Where we are…	Where we're going…
• Preparing for longer term financial planning	• High level 35 year projections currently produced	• Monitoring of budgeting to have fully integrated long term financial planning
• Segregated budget monitoring of accounts teams	• Small scale integration of systems	• Fully integrated accounting team
• Annual budget setting	• Holistic annual financial position	• 5 year balanced budget including setting of taxes, fees and charges
• Monthly reporting to committee	• Preparation for revised reporting	• Quarterly reporting, including a mini year end process
• Draft annul accounts presented to Audit, Risk & Scrutiny Committee by 30th June	• Preparations made for accelerated process	• Draft annual accounts presented to Audit, Risk & Scrutiny Committee by 30th April
• Audited annual accounts presented to Audit, Risk & Scrutiny Committee by 30th September	• Preparations made for accelerated process	• Audited annual accounts presented to Audit, Risk & Scrutiny Committee by 30th September

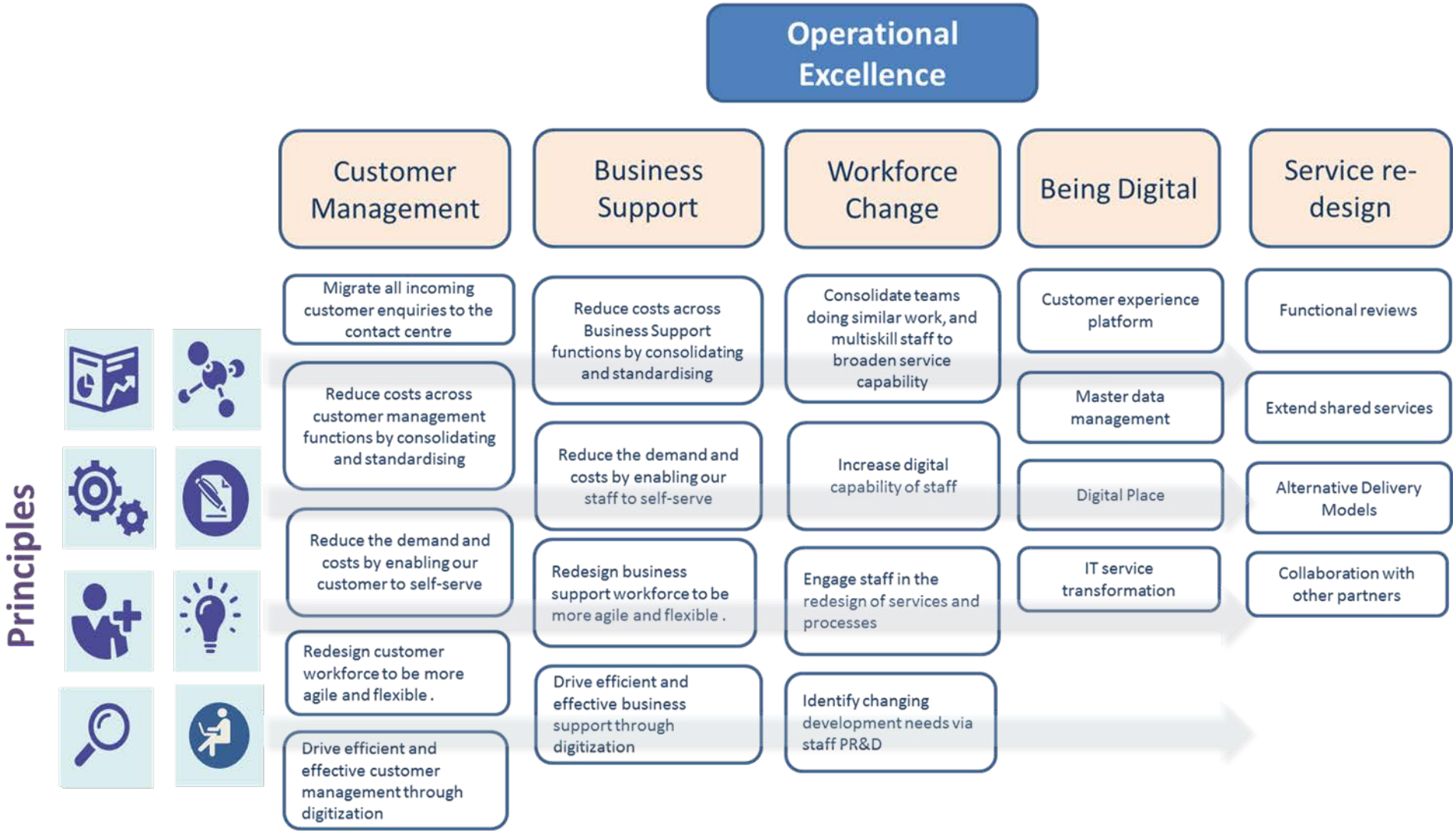
Tier 2 – Performance Improvement

Tier 2 of our change improvement journey is performance improvement through change to our operating model. The Target Operating Model (TOM) will build on the strengths of initiatives already in-flight through our ongoing modernisation, and define how we do business in the future. The principles of the target operating model are:-



The aggregation and simplification of common processes and functions, and increased self-service for staff and customers enabled through our digitisation programme, and a workforce plan to upskill and empower our workforce.

The work programmes planned for 2017/18 are shown below:



1) Customer Management

Consolidating our customer management activities across the whole organisation will improve the customer and staff experience as well as delivering significant efficiencies. This relates to management of both external and internal customers. Simultaneously, we will seek to reduce the need for customers to contact us in the first place, by using feedback and customer information to improve services, but also by enabling customers to self-serve through our digitisation programme.

Where we were…	Where we are…	Where we're going…
• Poor customer handling performance across customer service function • No customer service ethos or culture across the organisation, and only partially within customer service teams • Incoming customer contact very fragmented with multiple direct dial numbers and services picking up routine customer enquiries • Contact centre only receiving c30% of incoming calls to Council • Website with limited and sometimes outdated information, and poor transactional capability • Multiple internal customer helpdesks, doing similar work across a number of services • Contact centre teams relatively specialised around specific services	• Call handling performance improvements achieved and resourcing issues addressed • Customer charter launched across whole organisation to set standards for customer service • Launched "Voice of the customer" programme to ensure customer feedback and intelligence is fed into developing service delivery and improvement plans • Business cases being developed for increased service migration into the contact centre • Website platform developed and content being populated • Key transactions in process of being mapped	• Performance focussed upon customer experience and query resolution • All incoming customer contact routed via Contact Centre • Internal helpdesks consolidated to create internal customer management function • Reduced demand on internal helpdesks through increasing self service for staff • Multiskilled teams enabling more flexible resourcing across the customer management function • Reduced demand for direct customer contact through ability to transact and self-serve online • Explore provision of customer service for other public sector organisations • Re-design back office services to account for reduced workload, enabling them to focus on specialist service functions rather than customer management

2) Business Support

The recent activity analysis undertaken in conjunction with PwC identified a disproportionate amount of time and resource being spent on administrative and business support functions across the whole organisation. This work is very similar in nature, but provided in different ways, and without any consistency across the piece. Similarly, staff engaged in these activities have been frustrated by lack of consistent systems, processes and lack of development opportunities.

We will seek to consolidate, simplify and standardise much of this work, potentially bringing resources together, to drive improvements and consistency in service delivery, a better use of existing resources, whilst also improving the staff experience through potentially more varied workload and development opportunities.

Where we were…	**Where we are…**	**Where we're going…**
• Business support very fragmented and has evolved to meet individual service area needs • Despite Increasing digitisation the need for administrative/business support has not diminished • A culture that expects tailored and dedicated administrative support • Little consistency of processes, systems and capability across the piece • Limited development opportunities for staff in business support functions • Significantly higher resources allocated to business support than comparator authorities	• Increasing digitisation enabling staff and managers to self serve should reduce demand for business support • Business cases in development for standardisation and consolidation of business support functions and processes across the council • Training and development of staff and managers being developed to facilitate different ways of working	• Reduced demand for dedicated administrative resource through increased management self service • Reduced demand through increased staff self service • Consolidation of remaining business support function to better allocate the resources available and improve staff development and progression opportunities • Standardisation of remaining business support processes to ensure efficiency and better use of resources • Re-design back office services to account for reduced workload, enabling them to focus on specialist service functions • Proportion of time/resource spent on Business and administrative functions below the average for comparator authorities

3) Workforce Change

Some of the changes outlined above, along with increasing commercialisation and digitisation of our business, will inevitably reduce the volume of work in some areas, and demand a different skill set in others. An increasingly agile and flexible workforce, enabled through better technology, and engaged in the development of the business will be a key feature going forward.

Where we were…	**Where we are…**	**Where we're going…**
• Staff aligned to specific functions and often narrow remit with little development opportunity • Staff engagement has been poor with little involvement in the development of their service • Staff often frustrated by cumbersome processes and systems • PR&Ds not routinely conducted across the whole organisation, hindering staff development and engagement • Digital skills of staff inconsistent often constraining further service development	• Staff engagement has increased from 21% in 2014 to 48% in 2016 on Employee Opinion Survey • Staff experience programme has identified development programmes for staff at all levels • PR&Ds more consistently conducted across the organisation, although still room for improvement • Staff enabled through more flexible working practices – Smarter working- and better IT • Improved Internal communications have provided greater access to information for staff and greater engagement and understanding of the council's business and strategy as a result	• Multi-skilled and flexible workforce, enabled through IT, and able to adapt to a continually changing environment • PR&Ds routinely conducted for all staff, enabling better development planning • Staff engagement 100% in 2018

4) Being Digital

The digital world continues to transform the way we live our lives: the way we shop, socialise, travel and work. It has changed the way we look for information about public services, and altered our expectations about how we can engage, access and influence services. This has led to an exponential change in audience expectations. Technology is now transforming businesses and disrupting traditional ways of working.

We need a new approach to technology. The core strategy is to provide a digital platform that is focussed on our customers and staff and is driven by data. It will be based on an open architecture approach, enabled by good information and data management and anchored by a modern infrastructure.

The creation of the digital platform will require leadership and governance. We need to develop principles and adopt standards that bring consistency to the development of the digital platform, while at the same time allowing room for pragmatism.

Where we were…	**Where we are…**	**Where we're going…**
• 4% of Council services fully digital • 42% of staff satisfied with technology • £0 savings	• 10% of Council services fully digital • 62% of staff satisfied with technology • £1m savings	• 80% of Council services fully digital • 75% of staff satisfied with technology • £5m savings

5) Service Re-design

Increasing financial pressures and changing customer demand have also prompted the need for more fundamental reviews of how we deliver some services and functions. Similarly, successful case studies from elsewhere suggest that there may be alternative delivery models that may be appropriate and suitable for some of the council's services. We will look at a number of cross cutting functional areas, initially reviewing our current performance and cost model against comparable benchmarks. We will then conduct an options appraisal to identify whether there are better solutions available based upon customer service quality, cost and service resilience. In order to gain benefits of scale, some of these options may well involve some form of collaboration with either public or private sector partners.

Where we were…	**Where we are…**	**Where we're going…**
• Mainly traditional, direct delivered service models • Some Arms Length External Organisations delivering frontline services • Very few shared services with other councils or public sector partners • Little appetite for engagement or collaboration with the private sector	• Shared Commercial and Procurement Service with Aberdeenshire now extended to include the Highland Council • ALEOs established and operating effectively across Sport and Culture, and Adult Social Care • Integrated Health and Social Care	• Explore alternative delivery models for key functional areas, including Fleet services and transport, facilities management and stores • Identify opportunities to build on existing shared service arrangements • Identify key potential partners with experience of different delivery models elsewhere, from whom we can learn and potentially develop a collaborative relationship in the future

Tier 3 - Radical Transformation – The Art of the Possible

Tier 3 demands that we think the unthinkable to deliver radical transformation, in particular, in the Council's relationship with citizens; in our use of data and technology; and, fundamentally, in the attitudes, values, beliefs and behaviours of the organisation and its workforce. But the unthinkable must support the type of council we imagined ourselves becoming.

Imagine Aberdeen City Council as a Council …..

- *that is focused on preventing harm to the place, economy and people rather than treating the harm.*
- *that nurtures, supports and enables its citizens and customers rather than a council that breeds dependency on it.*
- *that uses technology to deliver services instead of simply using it to digitize our customer and staff transactions with the council.*
- *that wants a relationship with its customers based on understanding and anticipating needs and supporting customers to meet those needs not necessarily through the council, rather than a transactional relationship.*
- *that is outward looking and plays a lead role in regional and city place planning.*
- *that encourages communities to take control and devolves decision making rather than a council that keeps control.*

To become the council captured in the “Imagining Statements” will require radical thinking. New ideas will emerge and evolve all the time. As an illustration some of the examples being explored now include:-

- **Internet of Everything** - people and things are connected digitally through sensors and smart devices;
- **Automation** - people, processes and things are automated and are intelligent. Transactional services will no longer exist as they are dealt with automatically.
- **Data** - Data drives our decisions now and into the future through analytics. The council will be smaller, smarter and a data custodian. There will be no concept of the office; Virtual classrooms and virtual offices; Data is the key asset not buildings.
- **Platforms** - Communities, and businesses, have real time data and platforms where communities can collaborate, source and decide themselves.
- **Economy** - New economic models such the shared and circular economies that fundamentally change how we consume products and services.

All these together will transform how our citizens and communities interact with each other and with the Council and will drive a self-sufficient culture and empower communities to make their own decisions. As we sit here in 2017 these might seem unimaginable, but remember just 25 years ago the internet, e-mail and mobile phones were unimaginable.



Creating the Culture for Change and Innovation

As this Plan makes clear, the Council is confident in its plans for improving stewardship (Tier 1 change) and delivering performance improvement (Tier 2 change). But we are, naturally, less confident in the future, which will always be uncertain. However, we must be ready, willing and able to engage with the "Art of the Possible".

So if we agree the "Art of the Possible" is something we should strive for, we need to know how we'll get there and to be able to get there.

We must become ever more **innovative**, looking for better and new ways to serve our customers. This will demand different ways of thinking. We must learn from best practice and be willing to take risks.

The "Art of the Possible" will only become a reality if we create the right environment and culture where innovation is continuously driven through people.

The most recent Employee Opinion Survey highlighted some positive signs, which gives us confidence that staff are becoming more engaged and the prevailing culture more supportive of change, but there are also areas where a significant shift is needed to release the dynamic innovation required to see and grasp the "Art of the Possible". These areas included the level to which staff feel trust to "get on and do a good job" – which is fundamental to having empowered, engaged and innovative workforce.

More details of the plans to change how we behave are given in the following section.

5. SHAPING ABERDEEN - HOW WE BEHAVE AS AN ORGANISATION

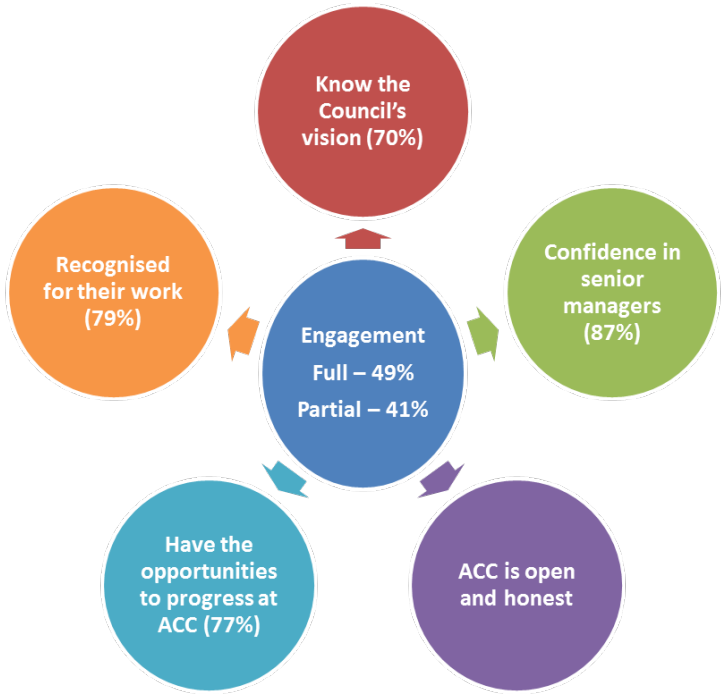
Our culture is about how we behave in pursuit of our purpose. It's about our attitudes, values, beliefs and behaviours. The culture triangle (below) shows focus on customer and staff supported by good use of resources – known as the triple aim. At all times we need to ensure that these 3 aims are in balance:



It is widely understood that organisational culture is a far more significant determinant of success than structures and processes. A supportive culture will be a crucial enabler of the radical transformation of the Council. Key to the positive culture which influences attitudes, values, beliefs and behaviours will be effective employee engagement. It is undeniable the positive impact an engaged workforce can have on organisational success.

How any workforce feels about their place of work will materially affect the performance of that organisation and engagement with staff will be built into the Council's programmes of change and transformation. The Council's recent Employee Opinion Survey showed an increasing percentage of staff feel engaged or partially engaged, but more is required and further actions are described below.

The Survey also revealed the inter relationship between engagement and a number of other factors, with engagement being driven up or down depending on the experiences that staff have in the workplace. For example, as high as 87% of staff who have confidence in Senior Managers are defined as engaged, as are 81% of staff who feel that ACC is open and honest. We will focus on improving these factors to improve the levels of engagement.



Our Organisational Culture Journey

Customer Experience

Our ambition is to deliver a future where customers of Aberdeen City Council can access information and services quickly and easily, where and when they want, however they choose, and in a manner that suits their needs. We will work to make all service provision consistent, co-ordinated, proactive and accountable where a 'first time fix' has become the norm. Our staff will be increasingly highly trained and able to identify if customers need extra help or advice and will always help to resolve complex enquiries and take personal responsibility for them. We intend that our Customer Service is recognised as a high performing delivery unit within the industry and is recognised as the symbol for 'quality, performance and engagement'.

Objectives	2017/18 Activity
• To achieve an embedded customer service culture which will drive how we deliver both public facing and internal services	- Deliver on the 'Being the Best' vision and develop a corporate customer management centre - Positively influence the knowledge, skills and behaviour of all staff to improve customer experience - Launch the Customer Service Charter and Standards to the public of ACC
• To engage with customers to allow us to develop joined up from their 'voice' and use insight to make business decisions	- Strengthen the Customer feedback team by developing a true 'Voice of the Customer' focus which allows for insight and richer analysis - Develop improvement plans across all services which demonstrate how these have been informed by customer feedback including avoidable contact
• To improve the way we interact with our customers by making it easier and quicker for them to get the services they need and want and to meet increasing expectations to access council services digitally	- Implement our ' Customer Experience Platform' and enhance our digital capabilities

Staff Experience

We recognise the importance of an engaged workforce and the impact of engagement on productivity, commitment and innovation and so we base our internal culture on the 4 pillars of engagement. 1) Strong leadership – a clear direction where everyone understands the Shaping Aberdeen vision, knows how they contribute to it and has the capability to deliver their contribution; 2) managers who understand the importance of engagement and who know how to engage their teams; 3) means by which employees have a voice – where they're informed, consulted with and given the opportunity to have their say; and 4) integrity – where we can demonstrate that what we say we value is what people experience on a daily basis.

As a measure of engagement we carry out a biennial Employee Opinion Survey. The 2016 Survey indicates an upward trajectory in engagement with a response rate rising from 21% (2014) to 48% (2016) and an engagement score rising from 42% (2014) to 49% (2016). Of the 41 comparable questions between the 2014 and 2106 surveys, the % of positive responses had increased in 32 questions, remained the same for 7 and deteriorated in only 2 areas. In addition, in terms of benchmarking with external comparator organisations, the council scores significantly higher on 12 measures including levels of morale within teams, opportunities to progress, access to training and development opportunities and senior managers' responsiveness.

These are all positive moves in the right direction, at the same time we recognise that there is still significant work to be done to maintain and increase levels of engagement, particularly in light of the financial challenges the council is facing.

2017/18 Objectives	2017/18 Activity
• Strengthen **leadership** by improving clarity of vision, expectation and accountability	– Continue the roll out of the Shaping Aberdeen vision – focusing specifically on hard to reach groups and on introducing a quarterly newsletter to update employees on key activities in the areas of purpose, culture and how we do business – Introduce a management/ leadership capability framework – Embed accountability for culture through the inclusion of core objectives and managers' engagement scores as part of their PR&D – Introduce a mechanism for identifying core policies applicable to roles and for providing assurance that employees understand the key messages within those policies
• Improve levels of trust and empowerment by increasing managers' skills and confidence in managing in an **engaging** way	– Further develop the behavioural framework for managers and employees to help shape the culture of the council – Ensure our ongoing development programmes support the behavioural and capability frameworks – Continue to review and develop the council's PR&D system specifically in terms of the soft skills required to motivate performance and facilitate development

• Demonstrate we are listening to the **voice** of employees	– Review the outcomes of the 2016 Employee Opinion Survey and involve staff in appropriate action to address any issues; implement actions arising and report these to staff on a regular basis using 'you said, we did' format – Continue to develop the Ideas Hub and other means for employees to input their ideas and suggestions – Explore the extension of volunteering opportunities to involve and develop staff – Develop opportunities for staff to progress within the council through good workforce planning
• Increase levels of trust by demonstrating **integrity** in what we say we value and what we do in practice	– Complete the review of how we attract, recruit and promote staff to ensure this is in line with cultural fit as well as technical skills – Further develop how we induct new employees to reinforce our behaviours, values and expectations, with a specific focus on customer service – Continue to develop the Aspire programme to identify future leaders who share our values and aspirations and who demonstrate the qualities we seek – Review our policies to ensure they are fit for purpose and support our culture – Implement the Member-Officer protocol to ensure constructive relationships between political and operational groups

Best Use of Resources

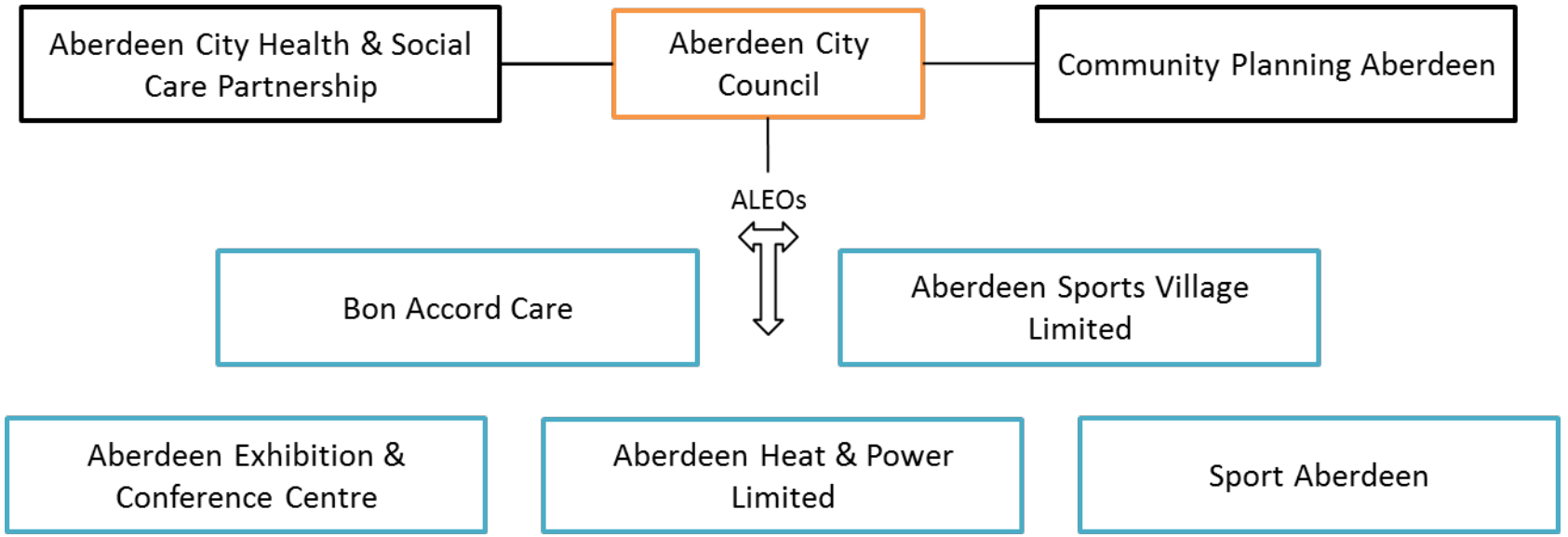
With challenging budgets for the public sector, we need to achieve more with fewer resources and focus on delivering outcomes not just outputs. Despite budget constraints councils are still expected to meet the growing needs of their residents and their communities. Through modernising and innovating the council can make best use of the resources available and make a real difference to the lives of customers and communities. Our aim is to create a strong culture which consistently focuses on positive outcomes for our customers, both now and in the future. Our culture will promote working together with our colleagues, our partners and service users, to bring a joined-up approach to local services that deliver more for less, including cross public, private and voluntary sector working. We will demonstrate sound governance whilst becoming increasingly innovative and imaginative, including through attracting funding and resources from different source to the benefit of the City.

Objectives	2017/18 Activity
We will improve ownership and accountability for our business	• We will introduce a comprehensive financial competency framework • We will run more Use of Resources Training increasing financial literacy and business ability • We will fully implement London Stock Exchange requirements for financial governance • We will increase awareness of value for money and social responsibility
We will make the running of our business more efficient	• We will further improve our capacity and skills in the delivery of major projects • We will ensure a required reduction in overall staffing levels is managed effectively and sensitively, providing support through workforce planning to reskill staff where possible • We will implement the findings of the financial management review • We will achieve faster financial closedown and make further process improvements • We will strengthen the work of a 'Business Task Force' using business partners from across Corporate Governance
We will make good business decisions	• We will review our decision making on capital investments based on full benefits realisation • We will strengthen accountability, ownership and data use in the budget process • We will revisit the approach to outcome budgeting to support improved prioritisation • We will continue to improve the use of data in decision making
We will connect our business	• We will continue to explore shared services with other organisations • We will continue to make connections with other organisations through national bodies • We will grow networking opportunities for individuals and teams of staff • We will develop cross organisational programmes of work
We will strengthen the future of our business	• We will respond to the impact of change on our business • We will strengthen succession planning for key roles • We will develop the approach to Medium and Long-Term planning

	• We will strengthen the approach to environmental sustainability
We will grow our business	• We will grow our opportunities to generate investment income • We will strengthen our commercial strategy • We will develop our knowledge of the markets in which we operate
We will increase the impact of our business in the community	• We will work towards the devolution of 1% of the Council's budget to community controlled participatory budgeting • We will strengthen relationships with Arms-Length External Organisations and third parties • We will scope more projects to use our resources to better effect to drive community empowerment.

6. Delivery Through our Commissioning Intentions

Aberdeen City Council operates in a complex environment, where both planning and delivery are undertaken through a variety of different statutory and elective models. These include the Council's key role as a partner of Community Planning Aberdeen; its relationship with Aberdeen City Health & Social Care Partnership, which is responsible for the integration of the City's adult health and social care services; and the delivery of certain services through wholly owned, or part-owned Arm's Length External Organisations (ALEOs). This current "structure" is reflected below.



As outlined throughout this report, in particular in section 4 above "Shaping Aberdeen: How We Do Business", the Council is committed to a programme of transformation, through which the delivery models for public services will be examined in the light of a renewed approach to commercialisation; our ambition to increase the role and stake which communities have within the planning and delivery of services; and the opportunities afforded by a modern approach to workforce and digitalization.

A creative approach to commissioning will support this transformation. The Council currently has in excess of 1,300 live contracts, (with a supply chain over 6,000 providers), which support and improve the delivery of all of our services. Our supplier spend is c.£280M pa. and we are now in a collaborative partnership with Aberdeenshire and Highland Councils to maximise a combined buying leverage of almost £1B pa. Almost half of that spend is commissioned with the same c1,000 suppliers for the same good and services. We are therefore in a strong position to influence marketplaces through innovate commissioning models.

Commissioning also provides visibility of our strategic needs and is invaluable as a source of business intelligence to act as a trigger point to constructively challenge:

- Our services and how they are currently delivered
- Service performance, cost and perception
- Future demand and horizon scanning
- Opportunities for change

As shown above, we have a number of working ALEOs, but a creative approach to commissioning extends the possibilities much more broadly to include other options and enhance the current provision. Such options for delivery could include:

1. In-house services – running these better and more efficiently, learning from where this has been demonstrated in the Council already and with a 'Lean' approach currently being tested;
2. In-sourcing of services currently contracted out;
3. Shared services – both provided by us and provided for us;
4. Outsourced services – including an interest in different approaches to commissioning (by outcomes, by payment by results, by measuring social value) to encourage preventative services and demand reduction;
5. Services delivered in partnership and integrated services;
6. Arms-Length External Organisations and Trading Operations to enable more commercial practice and sustainability of service;
7. Community-run services;
8. Opportunities for new place-based approaches with partners arising from the new local Community Partnerships;
9. Stopping services (with the framework from the Accounts Commission recommended for use alongside impact assessment); and
10. Commercial opportunities.

7. Resources Needed (Revenue and Capital) (The below is indicative at this stage and subject to Council setting a 2017/18 budget)

In 2016/17, Aberdeen City Council became the first local authority in Scotland to be awarded a credit rating. In its credit opinion report of 24th October 2016, Moody's Investors Service reported that Aberdeen City Council's "internal governance and scrutiny is strong, supported by recent assessments from the Accounts Commission."

The financial model prepared as part of the bond issue included a long term, 35-year financial assessment. This assessment shows the impact of potential movements in funding and expenditure. The significance of this analysis is to ensure that the Council has appropriate strategic plans in place to continue to deliver services to its customers.

This position of strength will allow the Council to meet the growing needs of the city's residents and communities, with confidence, even against the background of cost pressures and reductions in funding.

The Council's budget 2017/18 budget includes a 5 year programme of capital investment to supports the prosperity of the city's economy, people and the place.

i. General Fund Revenue Budget Indicative 5 Year Budget

	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Gross Expenditure		683,653	699,324	714,513	728,595	741,741
Gross Income		(226,754)	(227,321)	(227,887)	(228,454)	(229,020)
External Funding		(421,459)	(411,899)	(405,721)	(402,622)	(402,400)
Net (Surplus)/Deficit		35,440	60,104	80,905	97,519	110,321
Transformation Investment		7,000	8,000			15,000
Use of Reserves		(7,000)	(8,000)			
Potential (Surplus) Deficit		35,440	60,104	80,905	97,519	125,321

ii. Non Housing Capital Programme Indicative 5 Year Budget

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Projected Spend	191,083	226,876	217,484	151,188	91,765	42,537
Funding (Project Funding Streams, Capital Receipts, Capital Grant and Other Financing.)	191,083	(226,876)	(217,484)	(151,188)	(91,765)	(42,537)

iii. Housing Revenue Account Indicative 5 Year Budget

	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000
Projected Spend		88,227	90,749	93,348	96,023	98,780
Funding		(88,727)	(91,249)	(93,848)	(96,523)	(99,280)
Projected Surplus		(500)	(500)	(500)	(500)	(500)

Workforce

Our ability to deliver on our strategic aspirations and ambitions for the city will, to a large extent, be determined by the fitness for purpose of our workforce. In this regard we believe that our future workforce will require to be smaller, more highly trained, more engaged and more flexible. Succession planning within the organisation will become more structured in order to provide a continuous supply of highly able and motivated individuals who have been developed in line with our key strategic and operational objectives e.g. ensuring that levels of digital competency and commercial awareness are sufficient for our purposes.