

Transformation Board Terms of Reference

1. The Transformation Board was established by the SMT to provide clear focus and governance for taking forward all elements of the Council's Transformational activities. It supports the SMT in delivering the transformational approach required of local authorities by the Accounts Commission to deal with the forecast significant reductions in budget allocations. The Scottish Government and the Commission have expressed a clear direction of travel for Councils to move away from the historical "salami slicing" method of achieving savings to a more strategic change in character and form. This undoubtedly presents challenges within an annual budgeting cycle and requires an effective collegiate approach across the senior management of the authority. The Board operates on Prince 2 principles to ensure accountability and transparency in the management of public finances and there is a clear audit trail of all activities to meet the expectations of external audit.
2. The Transformation Board operates as a "critical friend" sounding board with constructive challenge to service savings proposals to assist the SMT in dealing with the major budget challenges. Every department, and the Joint Trade Unions are represented on the Board and the budget saving templates for the current year were brought forward by the Board to meet the level of savings gap identified by the Head of Strategic Finance. All members of the board have the opportunity, and are encouraged, to challenge any of the assumptions made in both setting targets and the proposals put forward to achieve them.
3. Given the inevitable impact of budget cuts on stakeholders an open and transparent culture has been adopted as the normal nature of undertaking business by the board. An outward looking and non-defensive style is essential as limited progress can be made if a protective silo driven undercurrent prevails. There has been a very positive and pro-active contribution from all board members, particularly the TU rep, on shifting the pace of change. The Unions have often expressed the view that departments should be faster at embracing change as their members are supportive of the business reasons. Any managers' impressions that some areas of service are untouchable for savings can be effectively challenged through the workings of the board.
4. As with all other corporate boards, each member is expected to participate wearing a corporate hat in discussing agenda items and the outcome of each board meeting and minutes should be routinely reported back to the three departmental DMTs by the Head of Service representative on the board. The SMT are then required to sign off any proposals prior to them being submitted to a Policy Leads meeting. This should ensure a common voice in communicating issues and proposals to the senior elected members. Given the challenges, perceptions and sensitivities the politicians face in dealing with budget cuts it is essential that the Transformation Board operates in a consensual and robust manner to provide the effective corporate filter required to deal with changes in the way the Council does its business with less money available. In recognition of the pressure on time and other resources that DMT's face, a small sub-group is in place to assist the working of the board by providing detailed scrutiny of first draft proposals

to ensure consistency in approach and, on occasion, to challenge the management arrangement assumptions that professional leads have put forward.

5. To assist the political leadership in determining which areas to prioritise for savings in a more transformational way the Board will lead and co-ordinate a comprehensive review of the statutory duties and powers undertaken by the Council to help members make fully informed decisions on what services they choose to provide, or not, in future. The Head of Strategic Finance is a member of the Board and sub-group and has noted there are significant complementary synergies with the work of the Board and her role in taking forward the longer term strategic financial planning framework required of the Council.
6. There has been widespread agreement that the approach to transformational change advocated by the Audit Scotland is the way forward to deliver public services and the Transformation Board is the most appropriate vehicle within this authority to deliver change of this nature. It is recognised that senior managers do not wish to create unnecessary difficulties and employment concerns for their staff, but frank and open exchanges of views which are not based on specific service loyalties are essential if the corporate body is to deal effectively with the major scale of changes ahead.

Transformation Board

- Consider and prepare any new transformation proposals or workstreams This could be in the form of a new project/cross cutting activity theme/savings target and could come from Members, SMT other officers, or any other source



Strategic Management Team (SMT)

- Minutes of Board meetings submitted to SMT for initial high level awareness raising/scrutiny of proposals which come under consideration.
- New Work streams highlighted and terms of reference submitted to SMT - Opportunity to raise issues/clarify proposals/confirm they are in principle acceptable



Transformation Board

- After SMT sign-off to take forward, Transformation Board to coordinate and manage the proposal to final form
- Interim reports by the Transformation Board if proposal represents area of high public or political interest
- Commence stakeholder engagement (will run through all stages to final decision)



Strategic Management Team (SMT)

- Final proposals submitted directly to SMT including any resource implications for decision as to whether or not to put forward to political forum



Members 1

- Political engagement with senior Members at Policy Leads



Members 2

- Formal consideration of proposal at Committee after appropriate stakeholder consultation taken place

