

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

7 JULY 2015

Present: County Councillor Howells(Chairperson)
County Councillors Cowan, Hunt, Murphy and Thomas

19 : APOLOGIES FOR ABSENCE

None

20 : DECLARATIONS OF INTEREST

The Chairperson advised Members that they had a responsibility under Article 16 of the Members 'Code of Conduct' to declare any interests and complete Personal Interest Forms, at the commencement of the agenda item in question.

21 : MINUTES - TO FOLLOW

The Minutes of the meetings held on 14 May 2015 and 2 June 2015 were approved as a correct record.

22 : ORGANISATIONAL DEVELOPMENT PROGRAMME - REPORT TO FOLLOW

The Chairperson welcomed Councillor Graham Hinchey, Cabinet Member for Corporate Services and Performance, Paul Orders, Chief Executive, Christine Salter, Corporate Director, Resources, Sarah McGill, Director of Communities, Housing & Customer Services, Tony Young, Director of Social Services and Martin Hamilton, Chief Officer, Change & Improvement.

The Chairperson advised Members that they had an opportunity to consider in more detail progress and an overview of the new approach planned for delivery of the Organisational Development Programme (ODP). The Committee had requested that this item return to committee following scrutiny in March 2015. It gave the Committee an opportunity to assure themselves of the Council's progress in addressing the findings of the Wales Audit Office (WAO) Corporate Assessment of the Council. The new approach would be considered by Cabinet on 16 July 2015 and would consolidate the future direction of the ODP, under the 'Make the Difference' brand in a move toward a new Target Operating Model for the Council in advance of the WAO Follow – On visit in October 2015.

The Chairperson invited Councillor Hinchey to make a statement.

Councillor Hinchey explained the Council's Organisational Development Programme brought together the key change projects that would help deliver more efficient council services and improved performance outcomes. The programme reflected the crucial requirement for the Council to continue to move rapidly to a new model of service delivery that enabled the effective management of current and future demand with vastly reduced resources. The programme sought to address issues raised by the WAO identified in its assessment and this would be inspected further by a second WAO review scheduled for October 2015.

Performance systems have now been strengthened with improvements to key services now apparent. Key technology projects were moving forward with CRM being rolled out in September 2015.

The Chief Executive assured the Committee that the Organisational Development Programme was addressing the fundamental shortcomings identified by the WAO. The financial challenges remained but were being addressed, with alternative delivery models being considered in light of the severe financial pressures the Council faced.

The Committee was provided with a presentation on 9 Organisational Development Projects.

The Chairperson thanked officers for their presentation and invited Members of the Committee to ask questions.

The Committee queried the implications for staff arising from decreases in organisational structures and support. Customer demands were also highlighted and the Committee asked if a clear understanding of these pressures had been addressed.

Councillor Hinchey drew attention to the Employee Survey, with response levels having more than doubled this year. Implementation of new technology was also seen as an essential tool to support the workforce involving more effective ways of working.

The introduction of key technology projects would support a smaller workforce with less money being spent delivering improved services. The Council's base budget was decreasing and alternative ways of working were now seen as essential. Mobile technology tools in social services were vital for delivery in the current financial climate, along with partnership and joint working practices. The Council would have less money but service delivery would remain the same.

The Committee was advised that discussions with staff on financial challenges were ongoing. Positive staffing briefings had taken place and feedback suggested that staff understood the implications. Technology roll outs were being established at a faster pace than before and the Council was now in a position to drive forward these technology work streams. Back Office provision was also being developed as part of the programme for change.

Members of the Committee were informed of the mobilisation of social services staff working in communities.

The Committee asked for an update on the current financial position at St David's Hall and the New Theatre. Members were advised that both facilities were part way through a procurement process. Once finalised the formal competitive process would commence.

The Committee noted that the City Centre Hub located at Central Library would be opening at the end of the month. Work was ongoing with branch libraries and a

report would be considered at Economy & Culture Scrutiny Committee on the findings.

The Committee asked about the Employee Survey results.

Councillor Hinchey explained the Employee Survey response rate had doubled in this year and results would be available after the summer recess.. The introduction of the Cardiff Managers Programme was supporting management development. Ambassadors were communicating messages to staff at Employee Road shows and feedback was positive, with Cardiff being recognised as a good place to live and work.

The Committee asked for further information on the support being provided by CRM and how the system could support local issues. In response currently the CRM system didn't map local issues but this intelligence was being developed. Large quantities of data were being analysed and it was envisaged that an application would be made available to support accessibility on mobile phones.

The Committee discussed the involvement of other agencies in Multi Agency Safeguarding Hub (MASH) and the risks that came from referrals. It was recognised that multi agency involvement was essential. This was particularly evident to the Police where inappropriate demands were most significant.

Members were updated on the Property Strategy, involving community buildings and land disposals. All community properties were analysed to see what purpose they served and what their future status could be in their respective communities.

RESOLVED: The Committee AGREED that the Chairperson writes on behalf of the Committee to the Cabinet Member to convey their comments and observations (see attached)

23 : INFRASTRUCTURE BUSINESS MODEL & ALTERNATIVE DELIVERY OPTIONS - TASK & FINISH JOINT REPORT OF THE POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE AND THE ENVIRONMENT SCRUTINY COMMITTEE

The Chairperson welcomed the following to the meeting:

Councillor Paul Mitchell (Chair of Task Group)

Task Group Members:

- Councillor Rod McKerlish
- Councillors Garry Hunt and Chairperson Nigel Howells were also Members
- Richard Bowen, Principal Scrutiny Officer, Environment Committee

The Chairperson reminded Members that a joint task group of this and the Environment Scrutiny Committee has, over the past 6-8 months, reviewed the potential operating models that could be used to deliver Council Services, taking evidence from a very wide range of external and internal witnesses.

The Chairperson invited Councillor Mitchell to provide an overarching summary of the scrutiny task group's findings, highlighting the leading recommendations that present the case for change.

Councillor Mitchell explained that since 2012 Cardiff Council had faced a series of cuts to its grants which were set to continue. The cross party task group had been asked to look at alternative delivery models as a way of protecting as many jobs and services as possible – something that the task group hoped employees, trade unions and Members would appreciate and understand.

The task group spent seven months looking in detail at how other council's had implemented a range of models being used to address financial pressures and help maintain services. A range of models were reviewed including:

- Modified In house
- Wholly owned arms length company
- Public/ Public Joint venture
- Public/ Private Joint Venture
- Outsourcing

Several site visits took place, involving trade unions and staff were consulted in the absence of their managers.

Councillor Mitchell explained that it was clear from the visits that all five models were options which could be and had been used to deliver successful alternative delivery models. During the visits and evaluation process it was apparent to the task & finish group that all of the successful options shared six qualities which appeared to be the cornerstone of success in this field. These were:

- Implementation of Systems & Technology
- Multi Skilling & Training
- Income Generation & Commercialisation
- Performance Management
- Managing Cultural Issues
- Financial Control

The Inquiry methodology was outlined. The decision making criteria used by other councils to support the recommendations was robust and a thorough evaluation process had taken place. Performance Management had been analysed along with financial control systems. IT systems were also fundamental to the findings with programmes always in place to support the service. Bespoke IT systems were generally not in use and it was recognised that a fleet management system should be established and in place.

Overall the Members on the Task Group supported the implementation of a Public/ Public Joint Venture for the majority of services within the Infrastructure Business Model.

The Chairperson thanked the Task & Finish Group for their findings and recommendations and invited questions.

The Committee asked for clarification on the following issues:

- Comments in the report directed towards Welsh Government (WG)
- Duty of care for staff and what support was made available
- Response to high levels of sickness absence in Waste Treatment and Disposal

Councillor Mitchell explained that the comment directed towards the WG was an opinion of the Task & Finish Group. It was recognised that staff delivering the service were being stretched and it had been identified that staff in other authorities who were multi skilled did receive bonuses. Upskilling was remunerated and records of hard work and achievements were rewarded. The exceptionally high sickness levels were a concern and in some authorities staff with little to no sickness were also provided with a reward.

The Committee was advised that Co-operative ventures had been considered, however the establishment of a Teckal provided for further opportunities for the service going forward.

Sickness Absence in the Council overall was a concern with higher numbers in these areas. Back to work interviews were in place to identify and address problems being experienced by staff and this was improving.

RESOLVED: The Committee AGREED to endorse the report for submission to the Cabinet.

24 : ALTERNATIVE DELIVERY MODEL EVALUATION METHODOLOGY

The Chairperson welcomed Councillor Graham Hinchey, Cabinet Member for Corporate Services and Performance and Christine Salter, Corporate Director Resources, Steve Robinson, Operational Manager, Commissioning & Procurement, John Paxton, Strategy and Development Manager.

The Chairperson advised the Committee that this item gave Members the chance to understand and comment upon the Council's agreed methodology for evaluating Alternative Delivery Models, in advance of the Council's Infrastructure Services & Alternative Delivery Models being considered by Cabinet in July 2015.

Councillor Hinchey advised the Committee that various Council directorates were currently looking towards alternative delivery models as a result of the need to meet the financial and service pressures facing the organisation. The process would be transparent and would demonstrate the options available to meet the specific needs of the Council.

The Committee was provided with a presentation which outlined the Evaluation Methodology, terminology and process.

The Chairperson thanked Officers for the information provided and invited Members to ask questions.

The Committee was advised that Local Partnerships had been brought in to support development of the model. As part of its development operational managers had attended a Challenge Session and worked together to form the weighting and model. Local Government Association assistance on the process had been provided.

The Service Review included a SWOT analysis leading to the service planning framework for Phase 2 – Outline Business Case. This Business Case was Treasury Standard and the OBC would consider the delivery model options appraisal toolkit being developed.

The Committee asked why the market had not been tested to identify a model. In response, it was recommended initially that the model remain in an in-house public provision. Competitive dialogue was on-going as part of the 2 year process.

RESOLVED: The Committee AGREED that the Chairperson writes to the Cabinet Member on behalf of the Committee to convey their comments and observations (see attached)

25 : CORRESPONDENCE

The Chairperson advised the Committee the report was for information only. The Committee received a copy of the Correspondence Monitoring Sheet, detailing the Committee's correspondence and analysing responses received since the June meeting.

RESOLVED: The Committee noted the content of the report and appendices.

26 : DATE OF NEXT MEETING

8 September 2015