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**CHANGE CHALLENGE FORUM**

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**Reason for the Report**

1. To provide the Committee with an update on the first meeting of the Council's 'Change Challenge Forum'. Attached at **Appendix A**, Members will find a briefing report prepared by the Chief Officer for Change & Improvement, Martin Hamilton, following the Forum's first meeting on 25 July 2014.

**Background**

2. In May 2014, the Cabinet agreed to establish a three-year programme of Organisational Change to enable it to respond positively to the challenges which it is facing. As part of this, the Cabinet agreed to establish a 'Change Challenge Group' where 'Members and officers can work with, and be challenged by, a group of advisors who are at the forefront of national and international best practice'.
3. The Group is chaired by the Leader and includes the Cabinet Member for Corporate Services and Performance, as well as the Chief Executive and Corporate Director Resources. The Chair of the Policy Review and Performance Scrutiny Committee sits on the Forum in an observer role.

**Issues**

4. When this Committee considered the draft Organisational Change Cabinet report at its May 2014 meeting, Members requested that the activity of the Group (then called the 'Peer Challenge Group' should be formally reported to the Committee as well as to the Cabinet on a regular basis. The Chair's letter and the Leader's response are attached at **Appendix B**.

## **Scope of the Scrutiny**

5. This item will give Members the opportunity to consider the work of the Change Challenge Forum in order to inform the Committee's own consideration of the Council's performance.

## **Way forward**

6. The Leader, Councillor Phil Bale, and Councillor Graham Hinchey, Cabinet Member for Corporate Services and Performance, have been invited to attend and may wish to make a statement. The Chief Executive, Paul Orders will be in attendance for this item. At the meeting, the Chief Officer for Change & Improvement, Martin Hamilton, will update the Committee on the first meeting of the Challenge Forum and on its emerging work programme.

## **Legal Implications**

7. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

## **Financial Implications**

8. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if

and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATIONS**

9. The Committee is recommended to:

- i. Note the content of this report and the information presented at the meeting; and
- ii. Decide whether it wishes to make any comments or recommendations to the Cabinet;
- iii. Decide whether it wishes to schedule any further scrutiny of the issues raised.

**MARIE ROSENTHAL**

County Clerk and Monitoring Officer

27 August 2014

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## The City of Cardiff Council Challenge Forum

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### Background

The City of Cardiff Council has entered into an Improvement Partnership with the Welsh Government and the Welsh Local Government Association to secure the rapid improvement of selected individual services and of the Council's overall corporate improvement capability. The partnership will work collaboratively to establish a clear analysis of the Council's improvement challenges and, through benchmarking and challenge, advise Cabinet on action required to drive ambitious, and sustainable change.

This paper sets out the operating principles for the arrangements through which the partnership will support improvement.

### Accelerated Improvement Support

Services with insufficiently strong service performance or poor financial performance will be prioritised for accelerated improvement support. The decision to refer a service onto this programme will be by Cabinet, and may be informed by internal performance monitoring, or external review/ or inspection. The programme of support is resource intensive, and as such will be used sparingly with a maximum of three services being supported within the programme at any one time. Improvement in targeted services will be managed through a Service Improvement Group, with the service supported to prepare an Improvement Plan which captures current performance, ambitious targets, and improvement actions through which the targets will be achieved. Improvement support will include;

- **Effective Benchmarking** – involving the creation of formal relationships with selected organisations in order to learn from best practice;
- **Expert Support** - Commissioning of peer support & challenge from recognised industry experts;
- **Priority Support** - Deployment of support from corporate teams including Performance, Procurement, Finance & HR, as appropriate to individual cases.

Improvement Plans will be subject to rigorous monitoring and challenge through the Service Improvement Group, and will remain within the support programme until performance has sufficiently improved. The decision to move a service out of the programme would be taken by Cabinet.

The initial services prioritised for Accelerated Improvement Support will be:

- Education
- Children's Services

### **Service Improvement Groups**

A Service Improvement Group will be established for each of the targeted services, will **meet monthly**, and be chaired by the Chief Executive. Membership will include:

- Director of Service Area
- Corporate Director – Resources
- Chief Officer – Change & Improvement

On a quarterly basis the membership will be expanded to include:

- Peer Advisor with relevant service expertise
- Relevant Cabinet Member

The purpose of the Group will be to ensure that the improvement journey is ambitious, rapid, and outcome focussed. It will:

- Test the underlying reasons behind current performance
- Agree the detail of the Accelerated Improvement Plan
- Provide peer challenge, drawing on best practice nationally & internationally
- Monitor & challenge delivery of the plan, and the outcomes secured through it;

- Identify & challenge any corporate aspects of the improvement journey;
- Identify and challenge any cross cutting or partnership aspects of the improvement journey;
- Make recommendations to Cabinet on any matters relevant to the improvement journey, including advising on when it is appropriate to revert to routine performance management.

## **Challenge Forum**

The Change Challenge Forum will support the Council's overall improvement journey, rather than focusing solely on individual services. It will provide an opportunity for peer advisors, senior officers, and senior members to triangulate the issues emerging from service specific improvement work, our Organisational Development Programme, and best practice nationally/internationally, in order to challenge and shape the Council's overall approach to service planning, delivery and improvement.

The Forum will be developed to enable robust and honest challenge, debate, and creative problem solving, to shape the Council's approach to delivering with and for citizens.

### Membership

The Change Challenge Forum will **meet Quarterly** be chaired by the Leader of the Council, and membership will include:

- Cabinet Member - Corporate Services & Performance
- Chief Executive
- Corporate Director (Resources)
- Peer Advisor(s) – Corporate Improvement
- Peer Advisor(s) Targeted Improvement Areas (eg Education)  
(the roles of Peer Advisors are set out in the next section)

In addition, the Chair of Policy Review & Performance Scrutiny Committee will be invited to attend and contribute to the Forum, but with “Observer” status. Other stakeholders may be invited from time to time as the agenda requires.

The purpose of the forum is to test, challenge, and shape the Council’s overall improvement journey, and specifically

1. To provide strategic support and advice on the development of the City of Cardiff Council’s Organisational Development Programme and to ensure that the programme reflects national and international good practice.
2. To provide robust challenge, and act as a critical friend to the Cabinet on its improvement methodology and the organisational and service improvement programme.
3. To identify and signpost appropriate good practice / barriers to top performance and make recommendations to assist the City of Cardiff Council to make a 'step change' in performance and improvement..
4. To ensure that the Organisational Development Programme acts as a single, integrated and holistic improvement plan and that it is clearly understood and communicated internally and externally
5. To consider how specific services are currently performing and the effectiveness of the improvement plans in place.
6. To consider whether effective governance and decision-making arrangements are in place to respond to key challenges and manage change.
7. To consider whether organisational capacity and resources are focused in the right areas in order to deliver the required improvement.
8. To provide advice to the Cabinet on all aspects of the Council’s change and improvement process.

## Peer Advisors – Role & Brief

Each of the Peer Advisors will fulfil a distinctive role within the Improvement Journey, whilst contributing to the overall objectives reflected above. Peer Advisors will be commissioned to support both corporate improvement and service specific improvement, and will work with the Council on a time limited basis.

## Peer Advisor – Corporate Improvement

The commissioned for this advisor will encompass:

- Evaluate the scope, scale, approach and pace of the change and improvement journey, and provide advice and challenge to the Leader & Chief Executive on the approach;
- Provide insight and experience from best practice nationally & internationally;
- Facilitate Cabinet, Senior Management Team, and city partners to analyse the issues faced by the Council, and generate creative and sustainable long term solutions;
- Assist in shaping governance structures required for success;
- Provide advise on the creation of the culture required for success, at member, officer and partnership levels;
- At the end of year one, provide an assurance report on progress made and priorities to be addressed.

## Peer Advisor – Service Expert

The scale of commission will vary from case to case, but the overall role will:



- Provide the relevant Director, Cabinet Member and the Chief Executive with a systematic assessment of service quality and performance in comparison to best practice nationally/internationally;
- Provide robust “critical friend” challenge to service performance levels and to performance management and existing challenge arrangements;
- Provide advice on improvement methodologies and delivery models which have been successful in other areas, and on Cardiff’s capacity and capability to successfully implement such methodologies;
- Provide an assessment of the barriers to improvement, including offering a critique of management, corporate and partnership effectiveness, and provide advice on how best to address these;
- Provide professional mentoring to the relevant Director or other senior officers.

My Ref: T: Scrutiny/PRAP/Comm Papers/Correspondence

Date: 8 May 2014



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Councillor Phil Bale  
Leader, Cardiff Council  
County Hall  
Cardiff  
CF10 4UW

Dear Councillor Bale,

## **POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE 6 May 2014 Organisational Change Draft Cabinet Report**

On behalf of the Committee, thank you for attending the Policy Review and Performance Scrutiny Committee to enable pre-decision scrutiny of the draft 'Organisational Change' Cabinet report. Please also pass Members' thanks to the Cabinet Member for Corporate Services and Performance, the Chief Executive and the Assistant Director for Sport, Leisure and Culture.

There is an evident recognition, shared by this Committee, that the Council needs to change, partly in response to external pressures, but also in order to address its internal challenges. The draft report sets out a frank opinion that Cardiff Council is currently characterised by a 'top down, silo-based approach to service delivery', an assessment which several Committee members recognised. The Committee therefore welcomed the proposal to implement an Organisational Development programme. However, we will look to see its outcomes and potential cashable savings more clearly set out as the scope of the workstreams and projects is defined, given that a considerable fund of £1.7 million has been set aside for this work.

There are – as highlighted during the meeting – a number of areas that will be tackled by the Programme to which this Committee has drawn attention in the past. Among others, these include employee and public engagement; workforce planning; asset management; performance management; web and customer management. The Committee looks forward to scrutinising those workstreams, service reviews and projects which fall under its remit in more depth, to provide support and challenge as the Programme progresses. We will start on our Committee work programming after Annual Council, so will look to schedule items at appropriate points. I'm confident that you will agree that Scrutiny engagement will be crucial to the Programme's development and implementation.

Members queried whether there was still an appetite for change within the Council particularly below Operational Manager level. We hope that the Employee Engagement project will provide a sustained mechanism to make the most of the valuable experience and knowledge of Council staff, as well as to gauge staff opinion and morale. As highlighted by one Member, staff should be part of a team identifying and taking ownership of issues and helping to develop solutions. We would like to



consider the results of forthcoming engagement activity as relevant as we consider Organisational Development projects in more depth.

The Committee noted the emphasis on a Strategic Commissioning approach contained in the report and recommend that as proposals develop you engage fully with relevant Scrutiny Committees. Members further recommend that a strong 'feedback' mechanism is built into the Commissioning cycle. Communities need to know that we have taken ideas on board and acted as appropriate, once we have analysed their needs. However, the Committee welcomes the overall focus on engaging communities in the design, and potentially the delivery, of services. We recommend that the Cabinet considers bringing together a team within the Council to enable and support communities in developing alternative delivery method proposals. This could draw upon expertise already within the Council, for example Finance, Legal, Procurement, and Grants officers, as well as Learning, Training & Enterprise and Neighbourhood officers. Such a team could assist in identifying and developing suitable models for the delivery of a particular service, give advice on accessing funding and information, and act as a central contact point. We would hope that such a team could be a valuable resource in building links with communities, developing community capacity and ensuring a smooth transition of services where necessary.

The Committee further supports the establishment of a 'Cardiff Debate', having as you will recall, emphasised the need for effective citizen engagement on many occasions when you sat on the Committee. As stated above, Members are clear that effective community engagement must involve a feedback mechanism to demonstrate where engagement has resulted in change. We also hope that the Debate will aim to hear from a wide-range of citizens and communities, and not just the 'usual suspects'.

In terms of the resourcing of the Programme, the Committee would like more clarity, in order to determine the potential impact on the delivery of other services, given that capacity is already stretched in some Directorates. We would also like to have greater understanding of the Earmarked Reserve which has been established and what is meant by 'technical, professional and specialist support'.

In terms of the Peer Challenge Group, the Committee recommends that its Terms of Reference are further refined. If its remit is to provide 'advice', 'challenge', 'critical friendship' and signposting to good practice, then, as Members commented at the meeting, the Committee feels that an external Chair should be appointed to ensure that the Group provides an independent voice. Members also recommend that a formalised reporting mechanism should be established to both formal Cabinet business meetings and this Committee, so that there is wider corporate and public visibility and opportunity for shared learning from the Group's advice. Finally, the Committee felt that the frequency of meetings should be formally set out, rather than left to be scheduled 'as required' to ensure that the Group's momentum is kept up.

There are several recommendations and requests for further information included in this letter, so I would be grateful for your response. Thank you again for attending the Committee meeting and I look forward to working with you in future as these initiatives develop further.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nigel Howells', with a stylized flourish at the end.

**COUNCILLOR NIGEL HOWELLS  
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE**

cc Councillor Graham Hinchey, Cabinet Member for Corporate Services & Performance  
Paul Orders, Chief Executive  
Martin Hamilton, Assistant Director – Sport, Leisure and Culture  
Cabinet Office  
Members of the Policy Review & Performance Scrutiny Committee

1. The first part of the document is a letter from the author to the editor, dated 10/10/1998. The letter discusses the author's interest in the journal and the topic of the proposed article.

2. The second part of the document is a letter from the editor to the author, dated 11/10/1998. The editor responds to the author's letter and discusses the journal's policies and the author's proposed article.

3. The third part of the document is a letter from the author to the editor, dated 12/10/1998. The author responds to the editor's letter and discusses the author's interest in the journal and the topic of the proposed article.

4. The fourth part of the document is a letter from the editor to the author, dated 1/11/1999. The editor responds to the author's letter and discusses the journal's policies and the author's proposed article.

5. The fifth part of the document is a letter from the author to the editor, dated 2/11/1999. The author responds to the editor's letter and discusses the author's interest in the journal and the topic of the proposed article.

6. The sixth part of the document is a letter from the editor to the author, dated 3/11/1999. The editor responds to the author's letter and discusses the journal's policies and the author's proposed article.

7. The seventh part of the document is a letter from the author to the editor, dated 4/11/1999. The author responds to the editor's letter and discusses the author's interest in the journal and the topic of the proposed article.

8. The eighth part of the document is a letter from the editor to the author, dated 5/11/1999. The editor responds to the author's letter and discusses the journal's policies and the author's proposed article.

9. The ninth part of the document is a letter from the author to the editor, dated 6/11/1999. The author responds to the editor's letter and discusses the author's interest in the journal and the topic of the proposed article.

10. The tenth part of the document is a letter from the editor to the author, dated 7/11/1999. The editor responds to the author's letter and discusses the journal's policies and the author's proposed article.

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Dyddiad / Date: 26th June 2014

Councillor Nigel Howells  
Chair, Policy Review and Performance Scrutiny Committee  
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Annwyl / Dear Councillor Howells,

**Re: Policy Review and Scrutiny Committee- 6<sup>th</sup> May 2014  
Organisational Change Draft Cabinet Report**

Thank you for your letter of May 8<sup>th</sup> setting out the Committee's comments and recommendations regarding the 'Organisational Change' draft Cabinet report.

I have previously expressed the importance of a strong scrutiny function for the effective governance of the Council. Having served on the Policy Review and Performance Committee I am aware of the insight and commitment that exists. I am firmly of the opinion that scrutiny has an important role to play in delivering the Organisational Change Programme and other major policy initiatives.

I am pleased to say that the report included a number of issues previously raised by the Committee, such as workforce planning, asset management, performance management and customer engagement. I also agree with the Committee that Scrutiny engagement will be crucial to the Programme's development and implementation. In view of this, Cabinet Members and Officers will be happy to work with Scrutiny to ensure that the work-streams falling under the Organisational Development Programme 2014-17 can be considered by Scrutiny as and when appropriate.

In relation to the issue of an appetite for change within the organisation, I can assure the Committee that the Chief Executive has a strong senior management team in place ready to lead this change programme. The Chief Executive has also undertaken sessions with operational managers at Senior Management Forum as part of the organisational development process. The feedback was very positive with a desire, particularly at operational manager level, to be empowered to take forward a positive programme of change and improvement.

I would also emphasise that the Co-operative values that underpin our approach will play an important part in engaging staff. The report makes clear that success will be dependent on

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the talent and commitment of Council employees. That is why I felt it was very important that the Chief Executive launch a programme of staff engagement. The Staff Roadshows which have taken place demonstrates this commitment to better engagement and staff development, which will be at the centre of how we will plan and implement changes.

In line with your recommendation, work will also be undertaken to ensure that a feedback mechanism is built into the commissioning cycle, and we will engage with the committee again as this work is developed.

The Committee's recommendation that the Council mobilise resources to support communities to develop alternative delivery models has also been included in the Organisational Development Programme, and we will explore an appropriate approach for taking this forward.

With regards to the Cardiff Debate, the engagement programme will ensure that as many people as possible are given the opportunity to feed in to the process. The approach will also draw on the Neighbourhood Partnerships in Cardiff, to enable as many people as possible are given the opportunity to contribute. Close work with existing community and third sector organisations, and their representatives, will be important however this is only one aspect of the Cardiff Debate. Specific community events will allow us to engage directly with citizens and easy-to-overlook groups as part of a comprehensive approach to engaging with communities on the issues that matter to them. It will include on street activity as well as opportunities to engage through a range of social media.

A briefing for all members will also be arranged on the Cardiff Debate to assist them, in their role as community champions, to encourage people to get involved in shaping the services they receive.

I recognise also the need for external representation on the Peer Challenge Group, however as this programme is central to the long term sustainability of service delivery, it must be led by the organisation's leadership who are accountable to the public. We will have external representative on the Group to provide independent voice and challenge, but the Chair must sit within the organisation. In terms of reporting, both Cabinet and scrutiny will receive regular and detailed updates as well as an opportunity to challenge.

To provide greater clarity on resources, including the Earmarked Reserve, the Committee will be presented with more detailed information at an upcoming meeting. With regards to the Committee's recommendation that there needs to be a formal schedule of meetings, it has been agreed that the Group will meet quarterly.

I look forward to working closely with the Committee in future as we implement the programme- your involvement will be important in making this a success.

Yn gywir,  
Yours sincerely,



**CYNGHORYDD / COUNCILLOR PHIL BALE  
ARWEINYDD, CYNGOR DINAS CAERDYDD  
LEADER OF THE CITY OF CARDIFF COUNCIL**