

**CITY & COUNTY OF CARDIFF  
DINAS A SIR CAERDYDD**

**POLICY REVIEW AND PERFORMANCE SCRUTINY  
COMMITTEE** **31 MARCH 2015**

---

**ORGANISATIONAL DEVELOPMENT PROGRAMME UPDATE**

---

**Reason for this Report**

1. This report provides members with a summary of the impact of the Organisational Development Programme (ODP) to date to facilitate scrutiny of progress, and present details of the programme.

**Background**

2. In May 2014, prior to the publication of the Wales Audit Office Corporate Assessment, Cabinet established the Organisational Development Programme (ODP) as the delivery mechanism for a new organisational model, based on cooperative principles that will reposition the Council and enable it to respond positively and effectively to the challenges of rapid fiscal consolidation, growing service demand, and inadequate performance in key areas.
3. In September 2014, the Wales Audit Office published its Corporate Assessment of the Council, which drew the following conclusions:
  - Political and managerial instability over a number of years has meant that the Council has been unable to develop the culture and framework necessary for continuous improvement
  - The Council has identified what it wants to achieve for its citizens but has lacked an effective means of delivery
  - Some processes intended to ensure good governance have not been implemented, and decision-making processes are inefficient and lack transparency
  - Whilst there have been some recent changes, performance management has failed to consistently secure improvement in the past
  - Although the Council ensures a balanced budget, prospects for achieving proposed savings in 2014-15 are uncertain and the anticipated level of future funding means the current methods of service delivery are unsustainable
  - Corporate human resource arrangements are founded on positive practice but are not being implemented consistently
  - The Council is improving its use of information technology and its information arrangements
  - The Council is not managing its land and property assets well

- The Council engages well in collaboration with others and is able to demonstrate improved outcomes for citizens.
4. Following the Wales Audit Office Corporate Assessment, a further Cabinet Report was approved on 18 September 2014 setting out how the Council would ensure that the Council addressed the Auditor General's primary proposal for improvement, which was that "the Council ensures the implementation of its Organisational Development Plan resolves the range of issues identified in this assessment".
  5. Wales Audit office will conduct a further Corporate Assessment during 2015, when progress made by the Council in relation to their 2014 report will be reviewed.
  6. At its meeting on 6<sup>th</sup> January, Policy Review & Performance Scrutiny Committee considered a report updating on progress with the Organisational Development Programme. In considering the item, Committee requested a further, more detailed, update on progress alongside details of the new programme shape. In addition, Committee requested to hear directly from the peer advisors working with the Council on the Challenge Forum. Barry Quirk, Chief Executive of the London Borough of Lewisham, will be in attendance at the meeting to discuss his reflections on the challenges facing the Council and the progress being made.

## **Issues**

7. Since May 2014 the Council has been engaged in a significant programme of change and improvement under the framework of the ODP. Through the programme work has been progressed to address the key issues identified in the May 2014 Cabinet report, and also in the September WAO report. In considering the impact of the Organisational Development Programme, it is insufficient to consider just whether actions have been implemented as planned - it is important to assess the combined impact that the whole range of actions within the programme has had. To this end, this report presents an update against each of the programme themes in terms of key changes achieved.
8. Appendix 2 of this report sets out an assessment of progress, structured around key work streams:
  - Engagement & Improvement
  - Customer & Community Focus
  - Assets & Infrastructure
  - Improving Governance
  - Strategic Commissioning
9. In designing the programme a conscious decision was made not to attach specific savings targets to individual actions or objectives within the programme. In a previous transformation programme this approach resulted in unproductive tension between the process of releasing savings from core business and releasing savings through transformation, with service quality

being hampered as a result. Rather, the programme has been designed to support and facilitate the release of savings identified by service Directors rather than supplement them.

10. As a result, the assessment of progress does not include savings released in many cases. Rather the outcomes are presented in terms of the changed state secured in terms of performance, customer experience, or governance.
11. The Committee will hear from Paul Orders, Chief Executive, Martin Hamilton, Chief Officer, Change & Improvement, and Barry Quirk, peer advisor on the Challenge Forum. Members will have the opportunity to test the evidence that underpins the draft narrative, and input into its further development. In addition, members will hear from Sarah McGill, Director of Communities, Housing & Customer Services regarding the Target Operating Model that the Council is migrating to, and the programme structure now being taken forward following the re-alignment.

### **OD Programme – Key impacts**

12. Key achievements delivered through the OD Programme include tangible progress being made in key services targeted through the accelerated improvement methodology developed within the refreshed performance management arrangements. These include:
  - a. Education - the latest school performance figures show much stronger improvement than in recent years, closing the performance gap that exists between Cardiff and the rest of Wales. Performance in a number of key metrics has improved faster than other Welsh authorities, but the Council remains committed to securing yet faster improvement. Work with under-performing schools has intensified, and decisive action by the LEA can be evidenced. In March Esytyn reviewed the Council's performance management arrangements with a specific focus on Education and, if available, their assessment will be reported to Committee.
  - b. In Children's Services, decisive action has been taken to reduce caseloads and improve recruitment and retention of social workers. This has allowed progress against key performance indicators. In addition, an independent review of casework has identified good social work practice at the Intake & Assessment team. The August 2014 CSSIW review of safeguarding and care planning of looked after children found many positive aspects of the service and the October 2014 CSSIW performance evaluation for 2013-14 noted improvement in key areas of the service, with appropriate plans in place to address under performance.
  - c. For Health & Social Care and Children's Services, the CSSIW performance evaluation for 2013-14 noted improvement in key areas of the service, with clear strategies in place and with appropriate plans in place to address under performance.

- d. An HMI review of the Youth Offending Service, found Cardiff to be alone amongst the 30 sites visited nationally in applying a best practice independent 'Extended Learning Review' (ELR) following the suicide of a YP in February 13; other areas did not do so when they should have. The review noted that the process had demonstrated strong partnership between children's services and YOS.
13. In addition, progress has been made in respect of key HR metrics, including compliance with both sickness absence policy and PPDR requirements, meaning that we have staff better focused on the Council's objectives.
14. Release of office accommodation continues apace, with 17 office buildings now closed, and a further 6 scheduled for closure this year, resulting in lower operating costs and improved working environment for employees.
15. The Council was the first public sector body in Wales to undergo a Procurement Fitness Check in late 2013, with our performance ranked as "Developing towards Advanced". The Council continues to make significant progress towards further improving our already strong procurement performance, our improvement actions are set out in an Improvement Plan which has been submitted to the Welsh Government. The Council was ranked as advanced in three areas including procurement leadership and performance management.
16. In terms of developing alternative delivery models, members will be aware of ongoing work to develop models for Leisure, Culture, and Infrastructure services. In addition to these, Sports Development has now been successfully transferred to Cardiff Met.
17. During the last financial year, the Council has continued to implement the community Hub Programme. In June 2014, the Ely/Caerau Hub opened bringing together a variety of public services (Library, Housing, Into Work and partner services) into one purpose built facility. Since its opening, the hub has received 110,000 visitors with 6,000 customers receiving advice regarding Benefit matters. Library services are also popular at the Hub with 900 new library users, over 32,000 book issues and over 44,000 internet bookings so far in 2014/15.
18. The Hub programme is still ongoing and plans are in place to open hubs in Grangetown, Splott, Llandaff North, Fairwater and for an extension to be provided at the existing hub at St Mellons. This is also in addition to the development of a Community Partnership Hub in Rumney and the City Centre Super Hub.

## Finance & Service Planning

19. In the Corporate Assessment, the Wales Audit Office cautioned that at the time of their assessment planning for savings delivery was not sufficiently advanced for all savings to have detailed plans behind them. As a consequence they concluded that there was “a high risk that savings targets for 2014-15 will not be achieved...” In setting the 2014-15 budget, the Council had recognised that a number of proposed savings did not have detailed delivery plans in place, and as such carried a risk of non-delivery. To mitigate this risk, a contingency of £4m was included within the budget to off set any partial, or full, non-delivery of particular items. Delivery of savings have been closely monitored throughout the year, and whilst at Month 9 the Council is projecting a balanced budget overall, within this position is some £7.2m of non-delivered savings. The majority of this is due to delays rather than un-achievability, and as such does not represent an ongoing budget pressure.
20. Actions continue to be taken by those directorates currently reporting a projected overspend in order to try to resolve the issues that led to the current position or alternatively to identify offsetting savings in other areas of the service during the remainder of the year. As part of this process the Cabinet Member for Corporate Services & Performance and the Corporate Director Resources hold challenge meetings with cabinet members and directors in those areas where significant overspends are reported and to review progress on the actions being taken.
21. Additionally, the Chief Executive implemented a number of management actions to reduce the level of spend across the Council with the intention of improving the overall position at the year end. Although at an overall level a balanced position is currently reported significant concerns remain in relation to the directorate spend. This has prompted further measures to be implemented by the Chief Executive in relation to the final quarter of the year including the requirement for directors to take personal responsibility for reviewing:
  - all recruitment requests to ensure they are vital to service delivery
  - agency placements
  - discretionary overtime
  - acceleration of VS releases
  - other ancillary employee expenditure
22. Levels of authorisation for purchases via the procurement system have also been increased and this will remain in place until 31<sup>st</sup> March 2015. Enhanced Management information reports are being produced weekly for monitoring by both directorates and overall at the Chief Executive's Senior Management team meetings. In addition any non-essential spend on ICT equipment has also been suspended for the remainder of this financial year.
23. In preparing the 2015-16 budget, lessons have been learned from the 2014-15 experience and the level of challenge and due diligence checks increased

significantly to improve the level of assurance that could be provided regarding deliverability.

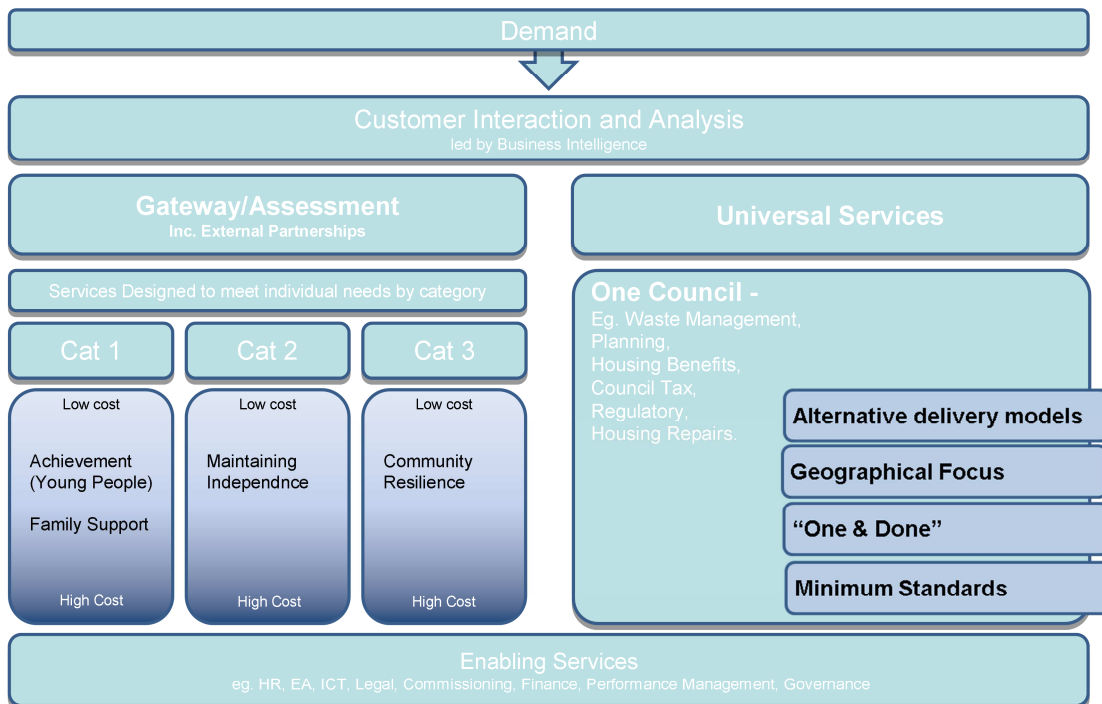
24. As set out in the 2015/16 Budget Report, enhanced work on financial resilience is being undertaken and will be reported to members on a regular basis in the new year.

### **Realignment of the Organisational Development Programme**

25. Members were advised at their January meeting that the OD Programme was being re-aligned to focus on a smaller number of priorities. The new programme is presented diagrammatically in Appendix 1. The two programmes are designed to migrate the Council from its current state to a new target Operating Model, which is set out pictorially below and describes an organisation where:

- Customer contacts with the Council are managed in such a way that regardless of how the customer contacts the Council, information can be gathered and used to enable an appropriate response both now and in the future.
- Services are defined as either “Universal” or “Gateway”. Universal services are those available to every citizen, such as waste collection, highway maintenance, education, etc, and the model assumes that such services will be delivered in the most lean and cost effective way possible, with alternative delivery models being evaluated and utilised where appropriate. Gateway services, by contrast, are only available to individual on the basis of an assessment of need. Wherever possible, unified needs assessments would be used such that a citizen could “tell us once” to unlock access to services, rather than have separate assessments, and services would be designed around citizen needs rather than around organisational silos. The differentiation between universal and gateway services allows increasingly scarce resource to be targeted on those with the most complex needs, by reducing the cost of routine, transactional, services.
- Both gateway and universal services are underpinned by lean and proportionate support services, and by effective development of city wide opportunities (eg through economic development).

# Target Operating Model



26. Within the new arrangements required to migrate to the Target Operating Model, there are two inter-related programmes:

- a. **Enablers and Commissioning** – led by Christine Salter, Director of Resources, this programme includes 5 work streams designed to collectively establish the operating infrastructure and culture required for successful delivery. The four work streams are:
  - i. **Assets & Property** - Progressing the work of the previous work stream, with a sharp focus on strategic management of both operational and non operational property, and the School Organisation Plan;
  - ii. **Corporate Commercialisation** – through which the council will identify and exploit commercial opportunities including trading existing services;
  - iii. **Engagement & Improvement** – continuing the development of performance management practice and culture, workforce planning, employee engagement and internal communications;
  - iv. **Governance & Member Engagement** – Addressing improved decision making, member development, scrutiny and public engagement and communication;
  - v. **Strategic Commissioning** – which will focus on building the Council’s commissioning capacity, developing asset management IT capacity, and completing the Culture and Leisure Alternative Delivery Model process.

**b. Shaping Services** – led by Sarah McGill, Director of Communities, Housing & Customer Services, this programme has 4 work streams through which enabling technologies will be developed and used to support the reshaping of key services in order to better manage demand, align services currently delivered across a number of service “silos”, and deliver services at reduced overall cost. Due to the nature of the services prioritised for inclusion in the programme, the management arrangements for these work streams have been aligned to the work streams established under the Cardiff Partnership Board in order to remove duplication and harness partnership effort. The four work streams are:

- i. **Customer Focus & Enabling Technology** – Tasked with establishing and exploiting standard technology solutions across the Council to maximise the capture and use of customer data, this stream includes development of online services, document management, debt & income management, customer services strategy and delivery of the community hubs programme.
- ii. **Infrastructure & neighbourhood Delivery** – tasked with delivery of the Neighbourhood Services project, Infrastructure ADM, and rationalisation of neighbourhood services back office.
- iii. **Services for Vulnerable Adults** - tasked with demand management and service reshaping in relation to Assessment & Care Management, Hospital Discharge, service gateway, self service, accommodation and deployment of mobile & scheduling technology across health & social care.
- iv. **Services to Vulnerable Children** – tasked with developing projects to deliver improved outcomes through closer working across services in relation to supporting vulnerable families, Adolescent Resource Centre, Multi-Agency Safeguarding Hub, services for disabled children and young people, accommodation & support for children, and business process improvements.

## **Programme Management Arrangements**

27. Programme Boards have been established for the two programmes, reporting into the Organisational Development Board, chaired by the Chief Executive. Within each Programme, each work stream likewise has a management board tasked with securing the timely delivery of milestones set out in the individual project plans.

## **Next Steps**

28. Officers intend to submit a further iteration of the OD Programme to Cabinet in June 2015, expanding the work streams outlined above to provide a detailed set of milestones, and associated project benefits, stretching over the next 2-3 years. It is proposed to work up this detail in consultation with elected members in order to ensure cross party political buy in to the programme and



awareness of the challenges faced and the solutions being actioned. In order to progress this, the following events will be arranged;

- Cabinet & Director workshop
- All Member Workshop
- Challenge Forum – Consideration of detailed plan
- PRAP - consideration of detailed plan
- Cabinet - consideration of detailed plan

### **Legal Implications**

29. There are no direct legal implications arising from this report.

### **Financial Implications**

30. There are no direct financial implications arising from this report.

### **RECOMMENDATION**

31. The Committee notes the content of this report and provide comment on the analysis presented, and on the future direction of the Organisational Development Programme.

**Martin Hamilton**  
**Chief Officer – Change & Improvement**

# Appendix 1

## Portfolio Structure Chart (Draft), 25 March 2015

EC - Assets & Property		EC - Corporate Commercialisation		EC - Engagement & Improvement		EC - Governance and Member Engagement		EC - Strategic Commissioning		RS - Customer Focus & Enabling Technology		RS - Infrastructure & Neighbourhood Delivery		RS - Services for Vulnerable Adults		RS - Services for Vulnerable Children	
Programme RAG		Programme RAG		Programme RAG		Programme RAG		Programme RAG		Programme RAG		Programme RAG		Programme RAG		Programme RAG	
PFD	Christine Salter	PFD	Christine Salter	PFD	Christine Salter	PFD	Christine Salter	PFD	Christine Salter	PFD	Sarah McGill	PFD	Sarah McGill	PFD	Sarah McGill	PFD	Sarah McGill
SRO	Neil Hanratty	SRO	Isabelle Bignall	SRO	Martin Hamilton	SRO	Marie Rosenthal	SRO		SRO	Isabelle Bignall	SRO	Andrew Gregory	SRO	Sián Walker	SRO	Tony Young
PGM		PGM		PGM		PGM		PGM		PGM	Graham Craven	PGM	Graham Craven	PGM	Graham Craven	PGM	Graham Craven
Total Projects		Total Projects		Total Projects		Total Projects		Total Projects		Total Projects		Total Projects		Total Projects		Total Projects	
5		3		3		4		3		5		5		6		6	
Strategic Property Management - Operational Estate PEX: Charles Coats PM: Charles Coats EAP01		Trading Company Model & Commercial Services Delivery Vehicle PEX: Shaun Jamieson PM: ECD01		Performance Management PEX: Martin Hamilton PM: EPD01		Improved Decision Making & Ethical Culture PEX: Kumi Ariyadasa PM: EGV001		Culture and Leisure ADM PEX: Chris Hesse PM: Malcolm Stammers ESC03		Online Services (CRM & Web) PEX: Isabelle Bignall Ross Maude PM: RCC01		Infrastructure ADM PEX: Jane Forshaw PM: David Lowe RS0401		Assessment & Care Management - Reablement PEX: Susan Schelewa PM: Ruth Evans Andrew Phillips RS0301		Vulnerable Families Phase 1 PEX: Rachel Jones PM: RS02001	
Schools Organisation Plan PEX: Janine Nightingale PM: Rachel Smith EAP02		Corporate Commercialisation Strategy PEX: Chris Hesse PM: ECD02		Workforce Planning & Employee Engagement PEX: Lynne David PM: EPD03		Member Development & Engagement PEX: Gill Nurton PM: EGV002		Commissioning & Capability PEX: Steve Robinson PM: ESC05		Document Management (EDRMS) PEX: Ross Maude PM: Lisa Meredith RCC02		Neighbourhood Services Operations PEX: Tara King PM: Chris Stephens Claire Cutforth RS0402		ACM Hospital Discharge PEX: Susan Schelewa PM: RS0302		Adolescent Resource Centre PEX: Angela Bourge PM: RS02002	
Strategic Property Management - Non Operational Estate PEX: Charles Coats PM: Steve Watkins EAP03		Phase 1 Commercial Services PEX: Isabelle Bignall PM: ECD03		Internal Communications PEX: Timothy Gordon PM: Jeremy Rhys EPD04		Improving Scrutiny PEX: Paul Keeping PM: EGV003		SAP Asset Management (Accounting) PEX: Anil Hirani PM: ESC06		Debt & Income Management PEX: Gary Watkins PM: RCC03		Neighbourhood Services Back Office PEX: Tara King PM: RS0403		ACM Gateway PEX: Jane Thomas PM: Carlyne Palmer RS0303		Multi-Agency Safeguarding Hub (MASH) PEX: Jane Hoey PM: RS02003	
SAP Asset Management PEX: Matthew Seymour PM: Sam Foster EAP04						Public Engagement & Communication PEX: Timothy Gordon PM: EGV005				Customer Services Strategy PEX: Isabelle Bignall PM: RCC04		Neighbourhood Services - City Wide Roll-Out PEX: Tara King PM: RS0404		ACM Self Service PEX: PM: Gavin Howells Dawn Harries RS0304		Remodelling Services for Disabled Children and Young Adults PEX: Sarah Woelk PM: RS02004	
Office Rationalisation PEX: Charles Coats PM: Owen Holzinger EAP05										Hub Delivery PEX: Jane Thomas PM: Rashmi Wilson RCC05		Neighbourhood - Commercial Services PEX: Tara King PM: RS0405		Accommodation & Support Strategy (Adults) PEX: Jane Thomas PM: RS0305		Accommodation & Support Review - Children PEX: Jane Thomas PM: RS02005	
												MW&S Health & Social Care PEX: Susan Schelewa PM: Ruth Evans RS0306		Children's - Business Process Improvement PEX: Graham Craven PM: Jo-Anne Phillips RS02006			

## **APPENDIX 2**

### **Work Stream 1 - Engagement & Improvement**

1. This work stream of the OD Programme directly addressed the WAO criticisms regarding the effectiveness of performance management arrangements in the Council, and sought to address corporate planning, performance management, workforce planning, and employee engagement.
2. The OD programme adopted by Cabinet in May 2014 identified indicators of success which included:
  - Values and mission statements of the Council are owned, understood and role modelled;
  - Improved performance across a range of services, with a move out of the bottom quartile for Wales;
  - Reduced sickness absence
  - Improved PPDR compliance & quality

### **Values & Mission Statement**

3. The Council has adopted a clear vision, to make Cardiff “Europe’s most liveable Capital city”, and has structured its corporate and service planning around this vision. Employees have been engaged in defining a new set of values for the Council, which are reflected in key documents and are the focus of a communication strategy. They are also central to the Employee Charter which defines the expectations of and on employees, managers, and senior managers.
4. A key test of the extent to which the vision and values are owned, understood, and modelled will be the outcome of the 2015 Employee Survey, but feedback from employees who have attended the employee road-shows does indicate a positive reaction to these developments.

### **Performance Management**

5. The Council has embarked on a significant culture change programme with regards to performance management, with a focus on having candid discussions about performance challenges, with clear accountability for meeting targets. This has included introduction of much greater officer and member challenge of performance data, with two significant additions to the Council’s performance management toolkit – Cabinet Star Chambers, where Cabinet Members and Directors are challenged on performance on a quarterly basis, and remedial actions are agreed; & Improvement Boards, chaired by the Chief Executive, which provide intensive review of performance and improvement at Directorate management team level.
6. The Corporate Plan for 2015-17 has been produced with a strong focus on 4 priorities, with non-priority services having deliberately low prominence in the plan. The plan has involved greater scrutiny and challenge than has previously been the practice, including specific challenge around target setting, and an

articulation of clear ambition regarding PAM & NSI performance due to the relatively poor historic performance in these indicators, and seeking to build on the 2013-14 outturn which showed improvement in 73% of our NSI's and PAMS .

7. Directorate Delivery Plans for 2015-17 are being drafted to capture not only the delivery of corporate priorities, but also the key service priorities, and as such are crucial documents in terms of directorate performance management.
8. A benchmarking strategy has been agreed, and work is ongoing to establish good benchmarking practice
9. A Challenge Forum has been established through which senior members, officers, and peer advisors can assess and challenge both the direction and rate of change and improvement in the Council. Through this Forum, the Council commissioned a review of performance management arrangements, resulting in a further strengthening of the challenge provided in member and officer fora, as well as supporting scrutiny to improve the effectiveness of their role in performance management.
10. Service Improvement Boards, chaired by the Chief Executive and involving service management teams and external peer advisors, have been established to secure rapid improvement in key services– Education, Children's Services and Health & Social Care.
11. During 2014-15 the Council has secured a step change in PPDR compliance, with 90% of staff having objectives set and reviewed. This provides assurance that more staff will have been clear about their objectives and how they relate to the work of the Council than in previous years. Our priority now is to focus on the quality of the review discussions in order to better facilitate performance improvement.
12. All of the above represent process changes introduced to drive a change in culture, and secure a step change in the level of challenge and accountability around performance. However the key measure of impact is on the impact on outcomes secured, and the 2014-15 outturn performance data which will be available in April/May will provide an objective measure of achievement. However, prior to that data becoming available, the following improvements can be identified:
  - In Education, the latest school performance figures show much stronger improvement than in recent years, closing the performance gap that exists between Cardiff and the rest of Wales. Performance in a number of key metrics has improved faster than other Welsh authorities, but the Council remains committed to securing yet faster improvement. Work with under-performing schools has intensified, and decisive action by the LEA can be evidenced. In March Esytyn reviewed the Council's performance management arrangements with a specific focus on Education and, if available, their assessment will be reported to Committee.

- In Children's Services, decisive action has been taken to reduce caseloads and improve recruitment and retention of social workers. This has allowed progress against key performance indicators. In addition, an independent review of casework has identified good social work practice at the Intake & Assessment team. The August 2014 CSSIW review of safeguarding and care planning of looked after children found many positive aspects of the service and the October 2014 CSSIW performance evaluation for 2013-14 noted improvement in key areas of the service, with appropriate plans in place to address under performance.
- For Health & Social Care and Children's Services, the CSSIW performance evaluation for 2013-14 noted improvement in key areas of the service, with clear strategies in place and with appropriate plans in place to address under performance.
- An HMI review of the YOS Service, found Cardiff to be alone amongst the 30 sites visited nationally in applying a best practice independent 'Extended Learning Review' (ELR) following the suicide of a YP in February 13; other areas did not do so when they should have. The review noted that the process had demonstrated strong partnership between children's services and YOS.
- Sickness - sickness absence is at its lowest level for some years. Compliance with the policy is strong, with around 90% of return to work interviews being completed within the required timescales. The impact on absence levels has plateaued, and as a result Cabinet has commissioned a review of the Attendance and Wellbeing Policy and to bring forward options for additional policy levers that can be used to address this issue. Comparison with Core City approaches is being made and suggestions received from APSE will also be incorporated
- The Council was the first public sector body in Wales to undergo a Procurement Fitness Check in late 2013, with our performance ranked as "Developing towards Advanced". The Council continues to make significant progress towards further improving our already strong procurement performance, our improvement actions are set out in an Improvement Plan which has been submitted to the Welsh Government. The Council was ranked as advanced in three areas including procurement leadership and performance management.

## **Employee Engagement**

13. The Council has taken steps to fundamentally change its approach to employee engagement, recognising that an informed and motivated workforce is essential to sustained performance improvement. The main elements to this work are outlined below.
14. The Chief Executive has established a rolling programme of employee road-shows to meet directly with groups of employees and explore key issues which affect them. Directors have also been required to establish their own

programmes of engagement. Through these initiatives, the Council will increase employee awareness of the Council's challenges, priorities, and direction of travel. From the initial road-shows a network of "ambassadors" has been established, with employees at various levels within the organisation committing to work with managers to develop further our employee engagement work.

15. A Workforce Strategy has been developed which is aligned to the Corporate plan and the Organisational Development Programme and is underpinned by the Council's vision together with its values of "Open, Fair and Together". The strategy sets out clearly the key priorities providing an explanation for each, along with an indication of the current position, what we need to focus on, how we are going to achieve this and the outcomes being sought.

16. The key priorities of the strategy include:

- Workforce Planning- a process for identifying and addressing the gaps between the workforce of today and the human resources needs of tomorrow.
- Partnership working with the Trade Unions – recognition of the importance of maintaining positive relationships with trade unions and employees.
- Employee Voice – creating a positive and enabling culture to ensure that the "employee voice" ( views, suggestions) is listened to and acted upon.
- Learning & Development- improving the skills of our workforce in order to meet the needs and expectations of our customers and the changing requirements of the Council.
- Employee Charter- a statement setting out what the mutual expectations are between the Council, managers and employees.
- Performance Review- strengthening the link between the contribution of employees ( including behaviours) and the delivery of Council priorities.
- Health & Wellbeing – developing an approach which ensures the health and wellbeing of employees is maintained.

10. The Strategy also reflects elements of the Partnership for Change : Reform Agenda report which Cabinet agreed on 26 January 2015. Whilst relating to budget proposals for 2015/16, the Partnership for Change report also puts in place a negotiation framework to assist with the reform of Council services. Key elements of that document are also reflected in the Workforce Strategy, namely new ways of working, partnership working with the trade unions and employees, flexible working arrangements, the move towards total reward approach and health & wellbeing.

17. A Cardiff Manager programme has been established, targeting the Council's grade 8-10 "middle managers". This is a tier of employee who are essential to the Council's improvement agenda as they have a key role in interpreting organisational priorities to make them relevant to the day to day work of front line staff. There are approximately 350 employees at this level, and to date around 300 are progressing through the programme which covers a range of change and

performance management perspectives. The programme itself has 4 themes covering: Solving Problems & Making Decisions; Understanding Innovation & Change; Financial Skills in the Public Sector; and, Behavioural Change. Part of the programme includes the completion of assignments which are aimed at service improvement.

## **Next Steps**

18. Whilst progress can be tracked against the success measures set out in the OD Programme, work on this work-stream is by no means complete, with further effort required to ensure that the change in culture around performance management and accountability is further developed and sustained. This work will continue through the **Enablers & Commissioning Programme** of the ongoing organisational development work. In particular, attention is now focussed on:

- The focus of PPDR development across the Council need to shift from compliance to quality, ensuring that appropriate conversations happen consistently across directorates in setting objectives, reviewing progress and either celebrating success or addressing under performance
- Benchmarking is not yet well established across the Council and work on this needs to be accelerated, led by individual directors in line with the agreed corporate approach.
- Once out-turn performance data becomes available, this will be rigorously reviewed within each directorate, and a clear improvement plan put in place to address any areas of under performance or performance improving at too slow a rate.
- Build on Challenge Forum and improvement boards to include stronger role for opposition members and scrutiny chairs, in order to strengthen both challenge and awareness of the Council's performance profile.
- Build on existing challenge arrangements to strengthen the culture of performance management;
- Following the Quarter 4 performance report, complete the review of the Attendance & Wellbeing Policy and rapidly roll out any amendments required;
- Through implementation of the Workforce Strategy ensure we have the right people with the right skills doing the right jobs to maximise organisational effectiveness.
- Through implementation of the Employee Charter, further develop the Council's employee engagement and communication work.
- Measure progress on Employee Engagement through May/June Employee Survey establishing base line to monitor

## **Work Stream 2 - Customer & Community Focus**

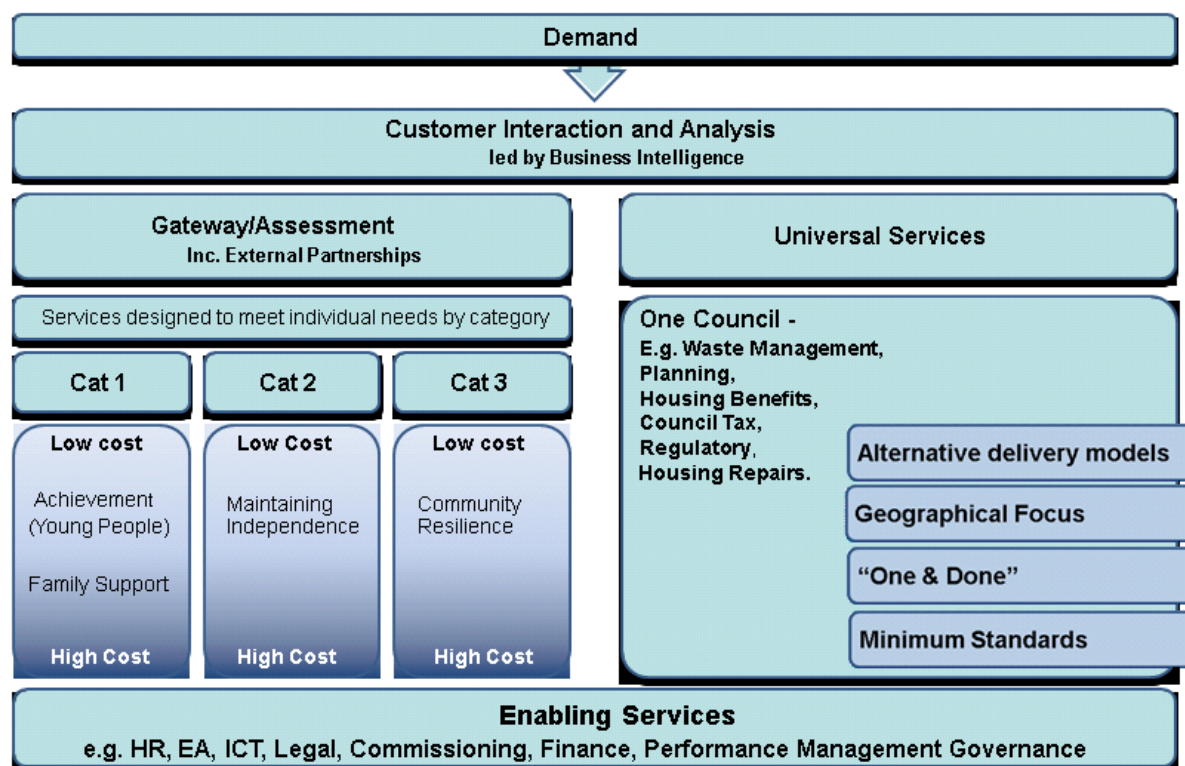
19. The Customer & Community Focus work stream was established to facilitate the redesign of services such that an individual could easily secure the right service, or the right intervention, at the right time, from the most appropriate provider. It sought to facilitate this by establishing the ability to harness excellent citizen and community intelligence, reduce complexity, duplication and failure demand.
20. At its core, this work-stream set out to establish both IT solutions and behaviour changes in service delivery to ensure that excellent data about customers is captured and used, and that similar functions are delivered through unified systems.
21. The programme identified success indicators which included improved customer satisfaction, unified first point of contact across a full range of channels, the number of customers who can “tell us once”, reduced back office and administrative costs, and reduced failure demand.

### **Target Operating Model**

22. At the heart of this work stream, and informing much of the other OD work streams, has been the creation of a clear Target Operating Model for the organisation which describes the organisation's future form. The Target Operating Model, which is set out pictorially below describes an organisation where:
  - Customer contacts with the Council are managed in such a way that regardless of how the customer contacts the Council, information can be gathered and used to enable an appropriate response both now and in the future.
  - Services are defined as either “Universal” or “Gateway”. Universal services are those available to every citizen, such as waste collection, highway maintenance, education, etc, and the model assumes that such services will be delivered in the most lean and cost effective way possible, with alternative delivery models being evaluated and utilised where appropriate. Gateway services, by contrast, are only available to individual on the basis of an assessment of need. Wherever possible, unified needs assessments would be used such that a citizen could “tell us once” to unlock access to services, rather than have separate assessments, and services would be designed around citizen needs rather than around organisational silos.
  - Both gateway and universal services are underpinned by lean and proportionate support services, and by effective development of city wide opportunities (eg through economic development).



# Target Operating Model



23. Delivery across the model requires investment in a range of enabling technologies such as Customer Relationship Management, Mobile & Scheduling, and Document Management software. Additionally, the model involves enabling people to access more services on line, and this is not only rapidly becoming the channel of choice for the public, but is also represents a substantially lower cost to the Council than e-mail, phone or face to face contact.

## Progress to date

24. The Council's website was re-launched in May 2014 and in March 2015 was awarded 4 stars in a SOCITM Better Connected Survey. The Cardiff Council site is the only 4 star rated site in Wales. By way of context, 2 years ago the website was awarded 1 star status.

25. Online payment of Council Tax bills has been facilitated, with over 500 people going online to set up direct debit payments within the first 9 days since the issuing of bills.

26. A business case for investment in Customer Relationship Management (CRM) software has been developed and approved, and CRM will be live in C2C from September 2015. This will enable a significant improvement in customer experience, with greatly improved capture and utilisation of data, and tracking of customer requests from initial contact to completion. A phased roll out across the organisation is then in place.

27. Following the roll out of Mobile & Scheduling technology in Community Maintenance Services, the same technology is now being implemented for Adult Services home care workers. The project is on target to go live by August 2015, releasing a saving of £500k in 2017-18.
28. A Community Hub Strategy has been adopted and the Council has continued to implement the community Hub Programme. In June 2014, the Ely/Caerau Hub opened bringing together a variety of public services (Library, Housing, Into Work and partner services) into one purpose built facility. Since its opening, the hub has received 110,000 visitors with 6,000 customers receiving advice regarding Benefit matters. Library services are also popular at the Hub with 900 new library users, over 32,000 book issues and over 44,000 internet bookings so far in 2014/15.
29. The Hub programme is still ongoing and plans are in place to open hubs in Grangetown, Splott, Llandaff North, Fairwater and for an extension to be provided at the existing hub at St Mellons. This is also in addition to the development of a Community Partnership Hub in Rumney and the City Centre Super Hub.
30. The Community Asset Transfer approach has been accelerated to support community delivery of services. Resources have been allocated to support communities including creating a [Stepping Up Toolkit](#) as a guide for community groups interested in developing and managing services and asset.
31. The Toolkit was launched in October 2014 and has been accompanied by 2 workshops for elected members in November, 6 introductory workshops for the community in January and February 2015 and a series of independent 1-2-1 support sessions for the community with community development professionals. These workshops and support sessions have explained some of the key issues which community groups need to consider when developing a proposal to manage a service or asset and where further support and assistance can be found. The feedback from both the budget consultation and the [workshops](#) have also been used to inform the new Community Redesign of Services resource to provide additional support and capacity to community groups in 2015/16.

## Next Steps

32. Going forward, the Community and Customer Focus work stream is incorporated into the **Shaping Services Programme**. The work involved in putting in place the key technologies and associated change will be managed through a work stream called Customer Focus & Enabling Technology, whilst the work on reshaping gateway and universal services will be managed through work streams on Infrastructure & Neighbourhood Delivery, Services to Vulnerable Adults and Services to Vulnerable Children. Committee will receive a presentation covering the programme at its meeting on 31<sup>st</sup> March.
33. The objectives around community focus centre on developing a range of unified channels for customer contact based on customer requirements, and using the customer and community intelligence to inform future service development. All

activity undertaken as part of the CF&ET Programme will be aligned with the Five Key Principles for 'One Council' Change.

- The Citizen is at the heart of everything we do
- Consistent quality whatever service or channel a citizen chooses
- Decisions are made to provide maximum benefit for the whole Council
- Common business activities should be done in a common way
- Information is an asset that has measurable value to the Council

34. Key deliverables will be:

- Online Services (CRM & Web) - Deliver the implementation of the first phase of CRM including self-service capability and organisational roll out, together with functional development of the Website to deliver a unified Customer and Channel experience for Customers, including self service.
- Document Management (EDRMS) - Drive the roll out of SharePoint EDRMS model aligned to Corporate Priority Areas to support document and record management and manage all additional supporting capabilities delivered via Share Point platform.
- Debt & Income Management - Development of standardised income management and payment processes including the implementation of all supporting technology.
- Customer Services Strategy - The production of a Corporate Customer Services Strategy for all customer facing activity across the organisation including all required governance and deliver models.
- Hub Delivery - Manage all aspects of the delivery of the Community Hubs Programme through the exiting Hub Programme Board.

### Work Stream 3 – Assets & Infrastructure

35. The Assets & Infrastructure work stream recognised the importance of the Council's operational estate in supporting the Council's transition into a modern, fit-for purpose organisation, and set out a programme of estate rationalisation and modernisation. The work stream also recognised the opportunities that exist within the non-operational estate in ensuring maximum yield both in terms of revenue and capital.
36. Success criteria identified at the outset included reduced operating costs, reduced maintenance backlog, increased yield, and improved customer satisfaction.
37. The May 2014 iteration of the OD Programme included key infrastructure developments including Central Square and Dumballs Road, but these were subsequently removed from the programme to focus purely on the improving the management of the Council's estate..
38. In November 2014 Cabinet approved a new Corporate Property Strategy: Fewer But Better Buildings. The Strategy seeks to improve the way in which the Council manages its estate and in doing so will directly address the weaknesses identified by both the WAO Peer Review and subsequently by the Wales Audit Office. The reconstituted Asset Management Board, chaired by the Chief Executive, now provides strategic and corporate overview of a programme of property related improvements and actions. Operational co-ordination is managed through an Asset Management Working Group, involving senior officers drawn from all property occupying Directorates, who seek out opportunities for collaborative use of property, and evaluate mechanisms for making more efficient use of buildings.
39. The schools estate remains, by far, the largest component of the Council's property holdings, and the Schools Organisation Plan has been refreshed to ensure more effective delivery of fit for purpose schools through which the Council will continue its programme of improving educational outcomes. One of the long term aims of the Property Strategy is to establish a network of community hubs based around new secondary school campuses across the city.
40. Work is well advanced to reduce the footprint of the operational estate with a programme on track to continue the work of radically reducing the number of Council offices by making more effective and efficient use of retained stock and by adopting modern ways of working, e.g. hot-desking and homeworking where appropriate, and more intensive occupation of retained buildings such as County Hall. Since 2012, 17 buildings have been closed. Over the course of the next financial year a further 6 office buildings will close, with the majority of staff being relocated to County Hall. The six buildings being closed in the current year are:
  - **Alexander House, Excelsior Rd**
  - **St. Davids House**
  - **Charles Street**

- *Mynachdy*
- *Howardian*
- *Global Link*

### **Next Steps:**

41. Ongoing work on Asset Management is included in the **Enablers and Commissioning** programme, with key deliverables including:

- Prepare a Corporate Asset Management Plan for Cabinet consideration in Q1, and continue the roll out of a more dynamic approach to asset management with property occupying directorates. The plan will be the principal vehicle for delivering the property strategy. Whilst having a three year medium term span, its key focus will be upon clearly setting out what improvements will be undertaken during the year, how these improvements will be delivered, and, most importantly, it will put in place measures to assess the impact these improvements will have on front line service delivery and implementation of the plan itself.
- The Asset Management Board, which now meets monthly, is extending its membership to all other property occupying public sector organisations across the city. On a bi-monthly basis senior managers from these bodies will attend Board meetings to continue the work of exploring opportunities for co-location of services and collaborative use of buildings, and investigating the potential for promoting joint land assembly initiatives for redevelopment of surplus land.
- A key focus will be the continuation of an ambitious programme of property disposals. This will not only reduce the property footprint, the maintenance backlog and the running cost of the estate, but will also generate significant capital receipts which will be used to modernise the remaining estate, provide new facilities, reduce debt, and help to support the revenue budget.
- Service Area Property Plans will be produced on an annual basis. to help inform the compilation of the buildings capital programme, and will provide a sharper, more focused approach to forward planning of future service needs in a more coordinated manner.
- The concept of property partners within Strategic Estates has been adopted whereby each valuer has been assigned a property occupying directorate and a Neighbourhood Management Area with the objective of ensuring an improved working relationships are forged and mutual awareness of emerging opportunities for more effective use of property are positively exploited.

- A two year programme of Fitness for Purpose Assessments of all operational properties is being launched in April. This will be a joint exercise led by Strategic Estates, but working closely with property occupying Directorates. These will build on existing condition surveys and will enable a more holistic evaluation to be made of the value of individual buildings to the council and from which a transparent prioritised programme of continuing review can be developed.
- An implementation plan for the future management of the non-operational investment estate is currently being prepared for Cabinet consideration in June 2015. This will develop an alternative delivery model to ensure the recommendations arising from a recent independent review of the estate to be taken forward.
- Capacity is being put into place to enable acceleration of community asset transfers to ensure the sustainability and deliverability of community proposals for the future use of potentially surplus Council buildings or delivery of Council services which the Council no longer intends to provide.

## **Work Stream 4 – Improved Governance**

42. The Improved Governance work stream was initially created to ensure that the Council's governance arrangements were fit for purpose, and enabled good decision making and sound systems of accountability. The Corporate Assessment identified key weaknesses in governance arrangements, including committee meeting minutes not being published in a timely manner, delays in Cabinet responding to scrutiny reports, overly long agenda, and individuals not being adequately held to account following service failures. In the light of the WAO Corporate Assessment, the Governance work stream was extended to address these wider issues as well as work on citizen engagement through the Cardiff Debate, and risk management.
43. The success criteria agreed for this work stream included improved annual perceptions of the public, improved public engagement in the running of the Council and improved performance across a range of services.

### **Progress to date**

#### **Democratic Arrangements**

- In July 2014 Council approved the Scheme of Delegations, following a review which focussed on roles and responsibilities of the Executive, Scrutiny, and officer functions
- In terms of developing clarity and understanding of key challenges and pressures within the Council, and clarity of accountability for addressing these, arrangements have been put in place to foster cross party working and collective leadership, with meetings of group leaders being established, and Leader /Scrutiny Chair meetings taking place, as well as the continuation of well established whips meetings. All of these afford opportunities for cross party discussion on priorities and challenges.
- Each Scrutiny Committee has a clear and published work programme which is regularly updated and communicated. A training programme has been put in place to further strengthen the scrutiny function, and the Centre for Public Scrutiny has conducted a wide ranging review of Scrutiny in Cardiff in order to inform the next stage of its development. The CfPS report will be published in May 2015.
- Arrangements have been put in place through the Cabinet Support Office to ensure the timely consideration of Scrutiny reports and Chair's Letters by Cabinet, and delays in the system have been removed; Likewise, arrangements have been put in place to ensure prompt publication of minutes and decision registers. The Council has invested in Modern.Gov to provide greatly improved committee management, and ensure timely, visible agenda, reports, and minutes are available. Modern.Gov will be fully operational from April 2015.
- The Council has good visibility of compliance across a wide range of key processes ranging from processes around HR, to procurement, and financial

management. SMT receive regular compliance reports and are challenged to improve where compliance is inadequate. Immediate impacts can be seen in PPDR compliance, compliance with sickness absence procedure, and procurement rule compliance; The visibility and challenge of compliance at SMT is underpinned by training to improve compliance (eg Cardiff Manager Programme).

## Cardiff Debate

- Cardiff Debate was launched in the summer of 2014 as a 3 year conversation with our citizens, communities and partners regarding the future of public services in Cardiff. As part of the engagement programme, a range of ideas are being explored as to how savings and income can be maximised. The public are also being asked about which services matter most to people and their views on which services need to be protected and how this can be best achieved.
- The first phase of the Cardiff Debate took place between June and September 2014 and included **37 events** in every ward and Neighbourhood Partnership area across the city – including leisure centres, shopping centres, community buildings and local community events. The ‘on-street’ engagement sessions and ‘drop-in workshops’ have been supported by staff from the City of Cardiff Council as well as colleagues from Cardiff and Vale University Health Board, South Wales Police and the third sector. Interest in the events has been high with over **3000 postcards** completed by people and over **6,600 votes** cast for people’s top three services. Health Services (12.9%), Education and Skills (9.8%) and Keeping Children Safer (9.5%) were identified as the areas of overall highest concern, although a range of specific issues were also identifiable at a community level.
- The public, stakeholders and elected members were also invited to take part in Vox Pops and a [short film](#) was created which has been made available via social media, the Cardiff Debate [website](#) and also shown at Cardiff Debate events.
- A full report of the Cardiff Debate methodology and results of the Phase 1 engagement can be seen [here](#)
- The City of Cardiff Council has utilised the Cardiff Debate to carry out the most extensive consultation on the draft budget ever undertaken in the city. As part of the 7 week consultation (21<sup>st</sup> November 2014-12<sup>th</sup> January 2015) on city-wide proposals, a consultation document was prepared to show proposals by neighbourhoods to enable the collective community impact to be demonstrated.
- 11 Community consultation events were held in each Neighbourhood Partnership area and with young people, 50+ Forums and the Cardiff Access Forum. To encourage a greater awareness of the budget consultation across Cardiff, the Council also used its networks, media contacts and distribution lists to potentially reach approximately 510,736 stakeholders. In addition a short [video](#) on the ‘£124m’ budget challenge was produced to raise awareness amongst the public of the need to deliver services in a different way in future.



- In response to the consultation, over 500 people attended events, 4,192 people responded to the questionnaire, 766 pieces of correspondence were received, over 20,000 people signed petitions, 1 community poll was held and 91,418 visited the Council's budget webpage.
- A full report of the [results of the budget consultation](#) was prepared for Scrutiny and Cabinet and led to a number of changes being made to the final budget agreed by Council on 26<sup>th</sup> February 2015.

### **Risk Management**

- The key improvement regarding risk management has been progressing corporate work on Business Continuity Planning, with clear plans in place across the Council for the recovery of key services following a major failure event.

### **Holding to Account**

- The Council's disciplinary process and profile have been reviewed, and a report will be brought forward during the first quarter of 2015-16 so that the findings and recommendations can be considered, however as an immediate improvement arrangements have been made to facilitate corporate reporting of disciplinary and grievance cases, affording senior managers and members with visibility on the number of cases coming forward (by directorate), time taken to investigate, and the outcomes determined. Reporting will commence at Quarter 2 of 2015-16.

### **Next Steps**

Further work on governance will be progressed within the **Enablers & Commissioning Programme**, with projects being taken forward on:

- Improved Decision Making and Ethical Governance
- Member Development & Engagement
- Improving Scrutiny
- Public Engagement & Communication

These will address, inter alia, the following:

- Take further action to improve agenda management, report quality, and professional officer advice to scrutiny committees
- Following publication of the 2015-17 Corporate Plan, Scrutiny & Audit Committees need to be supported to prepare work programmes with a clear focus on the Council's priorities;
- Take further action to improve agenda management, report quality, and professional officer advice to scrutiny committees, ensuring parity of quality control in the preparation of reports for scrutiny & cabinet;

- Establish a clear plan for the future development of scrutiny, which is owned by members, building on CfPS review.
- Build on the Cardiff Debate and secure improvement in the public facing communication by the Council.

## Work Stream 5 – Strategic Commissioning

44. The Strategic Commissioning work stream was established to ensure that the Council had a more consistent and evidence based approach to the design and delivery of services to address the needs of communities and citizens. The approach involves objective assessment of need and reviewing how best to deliver priority outcomes. The work stream envisaged the creation of a “mixed economy” of provision, involving in house delivery, community led delivery, and delivery which is commissioned in the open market.
45. Following the publication of the Corporate Assessment, this work stream was expanded to include work to more directly address financial stability, developing new income streams, the exploitation of more commercial approaches, and further development of robust budget management.
46. Success criteria included timely completion of option appraisals and implementation of new ways of working at reduced cost to the Council.

### Progress to Date

- The Council has established both a service review methodology and an evaluation matrix to support the task of evaluating different service delivery models. A prioritised programme of service reviews is being developed and will feature in the OD Milestone Plan submitted to Cabinet in June.
- The Council is currently progressing the development of a variety **Alternative Delivery Models** for a range of services:
  - Leisure
  - Culture
  - Infrastructure Services
  - Youth Services
  - Play Services
  - Heritage Assets
- Resources Service Reviews - reviews have been carried out in the Resources Directorate for the Finance Service, HR and ICT and are nearing completion in Legal Services. These reviews have used common processes to establish the strengths of the service and areas where improvements can be made in a documented process allowing them to be externally scrutinised and the existing delivery method verified as capable of delivering savings. The associated action plans will now be used as the mechanism to deliver significant savings over a three year period.
- As set out in the 2015/16 Budget Report, enhanced work on financial resilience is being undertaken and will be reported to members on a regular basis in the new year

## **Next Steps**

47. The work commenced in this work stream will now be progressed through both the **Enabling & Commissioning Programme** and the **Shaping Services Programme**.
48. Work is well advanced with developing alternative delivery models and opportunities for community asset transfer, but these work streams need to progress to completion, with services either transferring out of the Council to release savings, or being retained as a positive choice underpinned by robust business cases. Priorities for completion within the Enabling & Commissioning Programme include the Leisure & Culture ADMs.
49. A service review methodology has been agreed to ensure that each service is subject to consistent review, with a view to ensuring that the most effective form of service delivery is in place. Whilst reviews have been completed for Infrastructure Services and for Finance/HR/ICT, other service reviews now need to be programmed such that there is a manageable programme of reviews covering the whole council in a reasonable time frame. This is being managed within the Enabling and Commissioning Programme, as is work to develop commercial opportunities to secure additional revenue streams for the Council
50. Within the Shaping Services Programme, work will be progressed which relates to Infrastructure ADM, and the associated remodelling of the service around the Neighbourhood Management Areas. This is consistent with the Programmes focus on designing services around outcomes to maximise the impact of scarce resources by removing as far as practical departmental boundaries in the planning and delivery of efficient services, and reducing demand. The other two major priorities within the Shaping Services Programme are the redesign of Services for Vulnerable Adults and Services to Vulnerable Children.
51. In each instance a mix of lean reviews, use of customer and community information, demand management, and deployment of technology will be used to ensure effective service delivery at reduced cost to the Council.
52. Additionally, close monitoring and challenge of directorate budgets by the Cabinet Member for Corporate Services and Performance, and the S151 officer will remain in place throughout 2015-16, with regular reports to members on financial performance being generated. Specific objectives will continue to be set for Directors around financial management, articulating their accountability for delivering to budget;