
Capital Ambition: Organisational Recovery and Renewal

Purpose of the Report

1. To provide Members with information to assist pre-decision scrutiny of two reports to Cabinet in relation to Cardiff's Recovery and Renewal.
2. The reports, due to be considered by Cabinet on 20 May 2021:
 - Outline how the Council will seek to adapt to the challenges and opportunities of the new operating environment as the city emerges from the current phase of the pandemic.
 - Seek approval for the establishment of a Capital Ambition: Recovery and Renewal Programme.

Structure of the Papers

3. To facilitate the scrutiny the following appendices are attached to this report:

Appendix 1 – *Capital Ambition: Recovery and Renewal Overview*

Appendix 2 – *Capital Ambition: Organisational Recovery and Renewal*

Scope of the Scrutiny

4. The Terms of Reference for the Committee confer responsibility to scrutinise, monitor and review the overall operation of the Cardiff Programme for Improvement, particularly the Council's systems of financial control, administration, use of human resources and the impact of partnership arrangements.

5. At their meeting on 20 May 2021, the Cabinet will consider how the Council aims to adapt to the challenges and opportunities of the new operating environment as the city emerges from the current phase of the Covid-19 pandemic in reports that set out the steps proposed to deliver a *Recovery and Renewal Programme*.
6. During this scrutiny, Members will have an opportunity to test the recommendations to Cabinet and explore:
 - Key factors shaping proposals
 - Impact of the proposals on existing commitments
 - Resource implications (financial and staff)
 - Risks to the Council
 - Next Steps and timelines.

Background

7. The Council has played a vital role throughout the pandemic, adapting its services to deliver in the emergency. The Covid-19 pandemic has had a significant impact on Cardiff as Wales focal point for employment, retail and the visitor economy. However the data suggests that the public health position is improving and, whilst some social distancing will remain throughout 2021, the City is entering a period of stability that necessitates moving from the 'essential services' operating model to the 'post-Covid19' operating environment.
8. The reports attached at Appendices 1 & 2 set out how the Council plan to move into the new operating environment.

Issues identified in the Cabinet Report

9. **Appendix 1** provides an **overview** of the Council's approach to recovery and renewal. It explains that following the Covid-19 pandemic in the medium to long term there will be significant shifts in the way in which people live, work and travel, there will be new challenges and opportunities for the city economy and for local public services. Recognising this, the Cabinet has commissioned four 'Recovery and Renewal' reports to consider how the pandemic has impacted life in the city and to identify a series of proposals that could underpin long term

renewal. These four reports will be presented to Cabinet alongside the overview report and scrutinised by the relevant committee. They are:

- **Organisational Recovery and Renewal (PRAP)**
- Greener, Fairer, Stronger: City Recovery and Renewal (*Economy & Culture Scrutiny Committee*)
- Delivering a Child Friendly Recovery (*Children & Young People Scrutiny Committee*)
- A One Planet Recovery (*Environmental Scrutiny Committee*)

10. **Appendix 2** - the Organisational Recovery and Renewal report sets out at *point 4* ten principals that the Council believe will inform how local public services will change as a result of the pandemic. In short they are:

- Child, family, citizen at the centre
- Community/locality-focussed (place-based)
- Flexibility
- Partnership - *a whole-system response from the city's public services.*
- Prevention over cure
- Digital by default
- Data and evidence-led
- Service innovation (*be bold/creative*)
- One Planet Council:
- Leading an inclusive economic recovery

11. Using these principles as a foundation the report states that the Council will need to make changes to the way it works in response to the pandemic by establishing a 'Recovery and Renewal Programme', subject to review after a 12 month period.

12. The report sets out priority areas for action and key issues within each area.

Listed below is a summary and the *point* at which Members will find full details in **Appendix 2**.

Adopting a Hybrid Working model – summary of points 6-27

13. The 'work from home' model for non-frontline staff continues to operate effectively with a substantial proportion of non-frontline staff working from home, with services and corporate functions continuing to function well. Arrangements have worked well, with discussions, meetings and productivity being maintained, management by outcome over 'presenteeism' and the benefit of an improved work/life balance.

14. The report claims that sickness absence rates have reduced significantly in those departments who have adopted agile working at scale and the Council has been able to reconsider and streamline its core office accommodation requirements.
15. However, a number of challenges have also been identified. Meetings which require creative thinking can prove more challenging; it can be more difficult to build relationships and for staff to build the networks that enable effective working; continuous Teams meetings should be avoided; home environments must be both safe and appropriate for work; and there is a danger of 'blurring of the lines' between work and home lives.
16. The report indicates that in the short term the current arrangements for home and agile working will be maintained for the remainder of the 2021 calendar year, a re-assessment of work spaces in core office accommodation with maximum occupancy numbers for each office assigned. The Council does not intend to revert back to the pre-pandemic office footprint and 'traditional' staff office working patterns. Instead the Council is looking to introduce a new 'hybrid' model that maintains the benefits of increased home and flexible working arrangements experienced over the past year, whilst mitigating the risks identified.
17. Four broad categories have been identified against which all roles within the Council will be assessed:

A	Fixed location	Employees who need to be at the same location or desk every day, including frontline workers who commence from a set base.
B	Flexible/Agile	Employees who will have an office base, but may work from home or spend time out of the office base, meeting customers. The amount of time out of the office will vary, but could be up to 70% of the time. On average, it is anticipated that agile workers would be in the office for 2 days a week and that these days would be flexible, depending on work requirements.
C	Home based	Employees who commence and end their work at their home, but are mobile throughout the day.
D	Home	Employees who perform 100% of their duties from their home

18. The report states that only fixed location employees would have a permanent desk, all other employees would have access to a desk and collaboration spaces via an online booking system. All home workers and a number of home-based and flexible workers would be required to have regular health and safety assessments.
19. All employee roles will be assigned a category, and once a role is defined, staff will be able to request switches between categories; however, this must be in line with service requirements and agreed by service managers and staff members.
20. Staff will have a mutually consented change to their terms and conditions so that their base of work is identified for contractual purposes. Full trade union consultation will take place on this proposal.
21. To support the new approach there will be a review of the Council's Homeworking Policy and other associated policies.
22. The transition to an agile working model post-pandemic is required at pace, including the allocation of agile working devices and investment in meeting room facilities, 'touch down' points, desk booking and utilisation technology.
23. A network of community 'touch down' points and remote working hubs will be developed based in Council or partner buildings that will contain flexible desk space, meeting rooms and collaboration spaces that can be booked online.
24. Clearly the nature and scale of the Council's accommodation footprint will require a fundamental review of its office and depot accommodation, and detailed business cases for both will be presented back to the Cabinet for consideration.

Accelerating the Council's Digital Programme - *summary of points 28-31*

25. The report states that the Council was well-placed to respond to the shift in digital and online working due to a major programme of investment in the Council's ICT infrastructure. This has also allowed the Council to lead on a number of city-wide and national digital operations like the Cardiff and Vale Test, Trace, Protect (TTP) service and the city's vaccination programme.
26. The shift towards online activities and digital service delivery will continue to accelerate post-pandemic. Many "new adopters" of digital services will require acceleration of the Council's digital agenda, including: supporting the 'hybrid working' model; process digitisation and the paperless office; online access to services to meet the Council's successful delivery of channel shift towards digital

routes; enhanced use of artificial intelligence; and real time data collection, presentation and analysis.

Convening and leading a city-wide response to recovery and renewal - summary of points 32-41

27. The past 12 months has seen a culture of joint working between the city's public services on an unprecedented depth and scale, led by the Cardiff Public Services Board (PSB) chaired by the Leader of the Council. Looking to the future, the continued management of the pandemic and many of the most complex problems facing public services in the post-Covid environment will require the same level of partnership commitment and action. In the immediate term, this will include the continuation of the TTP service, with Cardiff Council hosting the national surge team for Wales; the continued rollout of the mass vaccination programme, including the potential for further booster shots in the autumn, and the critical role of responding to increased international traveller and any outbreaks of 'variants of concern.'
28. Strengthened partnership arrangements and joint working will be required, building on the progress made in integrating health and social care services and responding to the impact of 'long-Covid; embedding and building upon the new approach to homelessness and rough sleeping; responding to the increase in poor child and adult mental health; increases in family breakdown and a rise in the number of children in need of support; and a wide range of community safety, cohesion and safeguarding issues.
29. The report proposes that the Cardiff PSB's Wellbeing Assessment and Plan, and the partnership governance arrangements supporting the Cardiff PSB, are reviewed and refreshed in order to support the continued level of partnership working that will be required over the years ahead.
30. It remains likely that cities will remain the engines of regional economies, Cardiff must therefore play an active leadership role in the development and establishment of a Corporate Joint Committee (CJC) for the Cardiff Capital Region over the year ahead.

Locality Working: Building cross-public services ‘teams around the community’

- *summary of points 42-49*

31. The report states that a locality model for service delivery forms a core component of the Council's wider aspirations to be a '15 minute city,' where all people, but particularly children, vulnerable adults and older people, in all communities can travel safely by foot and by cycle to local public services, district centres with shops and community amenities, work spaces and high quality parks.
32. Therefore the Council proposes working closely with partners to combine assets and services in a community, including schools, health and care services, local policing and the third sector.
33. The model aspires to design communities in a way that accommodates the needs of older people, with housing options that enable people to live in their own homes and communities for as long as possible.
34. To support the Council's Child Friendly City programme there will be local join up of public services in communities, particularly for the city's most vulnerable children. This will involve the adoption of a 'team in the school/team around the family' approach, with support and wellbeing services co-located in schools, including: youth workers, social workers, family support workers, school-based counselling and mental health services. To support the most vulnerable families, access to wider family support services will be closely aligned, including: early help & family support; domestic violence support; mental health services; and financial and housing advice and support.

Leading a greener, fairer recovery – *summary of points 50-57*

35. The report recognises that as the city economy enters a challenging period post-pandemic, the Council's power as a major employer, its spending power and its civic leadership will become of even greater importance. Economically it plans to re-build a fairer, greener post-pandemic city with a development agenda and programme of capital investment that stimulates the local economy.
36. The Council will also use the power of its policies, procurement and influence to accelerate fairer economic recovery, support local businesses and provide job opportunities including Delivering the Living Wage City initiative; Enhancing the

Council's apprenticeship scheme; maximising local job creation and supporting local supply chains through social clauses.

37. In response to the climate emergency the Council will adapt its own organisational policies and practice to lead Cardiff's transition to a low carbon economy. Some examples include increasing the uptake of hybrid working and active travel amongst staff; transitioning the Council's fleet to low carbon and electric vehicles; retrofitting street lighting with more sustainable LED technology; adopting digital technologies and smart metering to better manage energy usage in council buildings;
38. In addition as part of its Recovery and Renewal Programme the Council will work with the Race Equality Task Force over the year ahead to ensure the implementation of its recommendations, in particular to the organisational policies that can support greater opportunities and support for people from the city's ethnic minority communities.

Service Recovery - *summary of points 54-57*

39. For the remainder of 2021 council services will continue to operate with some social distancing measures in place and recovery plans will place services back on a sustainable footing. A corporate exercise to identify the impact of the pandemic and the adaptations required for all services will be undertaken by Directorates over the course of the summer.
40. Similarly, known budget hotspots, particularly in areas which will see increased demand as a result of the pandemic, or those reliant on income streams impacted by the pandemic, will receive targeted intervention to support service transformation.

Robust Financial and Performance Management – *summary of points 58-60*

41. The Budget Strategy for 2021/22 highlighted a need to continue to identify new opportunities for delivering efficiency and a significant driver for this must be transformation across services. As part of a review and refresh of current arrangements, additional support will be provided to ensure that all 2021/22 savings are delivered as planned and all budget 'hotspots' are targeted early and effectively through robust budget monitoring to ensure that mitigating actions as appropriate can be taken in-year.

A strengthened approach to performance management and data analysis – summary of points 61-63

42. The Local Government and Elections Act (Wales) 2021 introduced new and additional performance requirements on all local authorities in Wales. The Council has taken a series of steps to strengthen its performance management arrangements over the past 18 months, including the introduction of performance challenge sessions, half-year strategic assessments drawing together performance information from a wide range of sources, improved data visualisation and enhancing role of this committees Performance Panel. Taken together, these measures ensure that the Council is well positioned to respond to the new requirements of the Local Government and Elections (Wales) Act 2021.
43. The Council proposes responding to the new performance requirements, build on recent improvements in corporate performance reporting and management by introducing a new Performance Management Framework alongside a new Data Strategy for the Council. This will form part of a new approach to enhance the use of data in service management and service improvement, with the Council investing in enhanced data management and analytical capacity.
44. **Staff engagement** - the report proposes a programme of staff engagement over the summer of 2021, including staff conference to thank all Council staff for their work over the course of the pandemic and to begin engagement on the recovery and renewal programme, followed by an all-staff survey and a series of focus groups to help inform the development of the 'hybrid working' model.
45. Members' attention is drawn to the **Financial Implications** at *points 67-69*, **Legal Implications** at *points 70-75*, **HR implications** at *point 76-79* and Property Implications at *points 80-81*

Proposed Recommendations to Cabinet

46. The report recommends that Cabinet:
- Approve the establishment of a Capital Ambition: Recovery and Renewal programme, to be reviewed after 12 months.
 - Delegate authority to the Chief Executive, in consultation with the Leader and Cabinet Member for Finance, Modernisation and Performance, to:

- a. Commence a programme of trade union and staff engagement on the development of a 'hybrid working' model.
 - b. Undertake a review of the Council's relevant employee policy requirements, including the Homeworking Policy and the associated Agile Working policies, to ensure that they support the shift to a 'hybrid working' model with details of the review being reported back to Cabinet
 - c. Establish recovery plans for services that continue to be disrupted, or whose business model has been fundamentally challenged, by the pandemic.
 - d. Oversee a post-pandemic review of all services to ensure that they are able to operate safely, effectively and efficiently in the new operating environment, including identifying a programme of further service digitisation.
 - e. Deploy resources within the budgetary framework to support the delivery of the proposals outlined in this report.
- Delegate authority to the Director of Economic Development, in consultation with the Cabinet Member for Investment and Development and Section 151 Officer to undertake a fundamental review of the Council's core office accommodation and depot accommodation through a detailed business case process and to report back to a future meeting of Cabinet.
 - Delegate authority to the Corporate Director for People and Communities, in consultation with the Leader and Cabinet Member for Social Care, Health and Wellbeing, to:
 - a. Accelerate the development of a multi-agency 'locality working' model, focused on health and care services.
 - b. Explore new partnership arrangements for Public Health with the Cardiff and Vale University Health Board, under the auspices of the Cardiff Public Services Board.
 - c. Undertake a review of the Council's public services partnership arrangements to ensure that they can support the continuation of enhanced levels of multi-agency working.

Way Forward

47. The Leader of the Council, Councillor Huw Thomas; Cabinet Member Modernisation and Performance, Councillor Chris Weaver; the Chief Executive, Paul Orders; Corporate Director for People and Communities, Sarah McGill; Corporate Director Resources, Chris Lee; and Head of Performance and Partnerships, Gareth Newell; will attend to present the report and to take questions from Members.

Legal Implications

48. 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 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 of 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

49. 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.

RECOMMENDATION

The Panel is recommended to:

- i) Consider the information in these two reports, and the information provided during the meeting; and
- ii) Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter in time for its meeting on 20 May 2021.

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12 May 2021