

CITY & COUNTY OF SWANSEA

CABINET

At: Committee Room 3A, Guildhall, Swansea

On: Thursday, 15 October 2015

Time: 4.00 pm

AGENDA

1. **Apologies for Absence.**
2. **Disclosures of Personal and Prejudicial Interests.** 1 - 2
3. **Minutes.** 3 - 9
To approve and sign as a correct record the Minutes of the meeting of Cabinet held on 17 September 2015.
4. **Leader of the Council's Report(s).**
5. **Public Question Time.**
6. **Councillors' Question Time.**
Scrutiny Report(s):
7. **Cabinet Member Response to the Report of the Corporate Culture Scrutiny Inquiry Panel.** 10 - 41
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Date of Next Meeting - 5 p.m. on 19 November 2015.



**Patrick Arran
Head of Legal, Democratic Services & Procurement
Wednesday, 7 October 2015**

Contact: Democratic Services 636923

CABINET (10)

Labour Councillors:

Mark C Child	Andrea S Lewis
William Evans	Clive Lloyd
Robert Francis-Davies	Jennifer A Raynor
Jane E C Harris	Christine Richards (Deputy Leader)
David H Hopkins	Rob C Stewart (Leader)

Officers:

Jack Straw	Chief Executive
Phil Roberts	Director of Place
Dean Taylor	Director of Corporate Services
Chris Sivers	Director of People
Lindsay Harvey	Chief Education Officer
David Howes	Acting Chief Social Services Officer
Mike Hawes	Head of Financial Services
Lee Wenham	Head of Marketing, Communications & Scrutiny
Steve Rees	Head of Human Resources
Patrick Arran	Head of Legal, Democratic Services & Procurement – Electronic and hard copy
Tracey Meredith	Deputy Head of Legal, Democratic Services & Procurement - Electronic and hard copy
Huw Evans	Head of Democratic Services
Democratic Services	1 Copy
Patrick Fletcher	Communications
Scrutiny Team	1 Copy
Archives	1 Copy
CAC, Licensing & Planning Chairs	7 Copies
Various Councillors	10 Copies
All Other Councillors	Via e mail

Total Copies Needed:

55 Full & 5 Public

Disclosures of Interest

To receive Disclosures of Interest from Councillors and Officers

Councillors

Councillors Interests are made in accordance with the provisions of the Code of Conduct adopted by the City and County of Swansea. You must disclose orally to the meeting the existence and nature of that interest.

NOTE: You are requested to identify the Agenda Item / Minute No. / Planning Application No. and Subject Matter to which that interest relates and to enter all declared interests on the sheet provided for that purpose at the meeting.

1. If you have a **Personal Interest** as set out in **Paragraph 10** of the Code, you **MAY STAY, SPEAK AND VOTE** unless it is also a Prejudicial Interest.
2. If you have a Personal Interest which is also a **Prejudicial Interest** as set out in **Paragraph 12** of the Code, then subject to point 3 below, you **MUST WITHDRAW** from the meeting (unless you have obtained a dispensation from the Authority's Standards Committee)
3. Where you have a Prejudicial Interest you may attend the meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, **provided** that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise. In such a case, you **must withdraw from the meeting immediately after the period for making representations, answering questions, or giving evidence relating to the business has ended**, and in any event before further consideration of the business begins, whether or not the public are allowed to remain in attendance for such consideration (**Paragraph 14** of the Code).
4. Where you have agreement from the Monitoring Officer that the information relating to your Personal Interest is **sensitive information**, as set out in **Paragraph 16** of the Code of Conduct, your obligation to disclose such information is replaced with an obligation to disclose the existence of a personal interest and to confirm that the Monitoring Officer has agreed that the nature of such personal interest is sensitive information.
5. If you are relying on a **grant of a dispensation** by the Standards Committee, you must, before the matter is under consideration:
 - i) Disclose orally both the interest concerned and the existence of the dispensation; and
 - ii) Before or immediately after the close of the meeting give written notification to the Authority containing:

- a) Details of the prejudicial interest;
- b) Details of the business to which the prejudicial interest relates;
- c) Details of, and the date on which, the dispensation was granted; and
- d) Your signature

Officers

Financial Interests

1. If an Officer has a financial interest in any matter which arises for decision at any meeting to which the Officer is reporting or at which the Officer is in attendance involving any member of the Council and /or any third party the Officer shall declare an interest in that matter and take no part in the consideration or determination of the matter and shall withdraw from the meeting while that matter is considered. Any such declaration made in a meeting of a constitutional body shall be recorded in the minutes of that meeting. No Officer shall make a report to a meeting for a decision to be made on any matter in which s/he has a financial interest.
2. A "financial interest" is defined as any interest affecting the financial position of the Officer, either to his/her benefit or to his/her detriment. It also includes an interest on the same basis for any member of the Officers family or a close friend and any company firm or business from which an Officer or a member of his/her family receives any remuneration. There is no financial interest for an Officer where a decision on a report affects all of the Officers of the Council or all of the officers in a Department or Service.

CITY AND COUNTY OF SWANSEA

MINUTES OF THE MEETING OF CABINET

HELD AT COMMITTEE ROOM 1, CIVIC CENTRE, SWANSEA ON
THURSDAY, 17 SEPTEMBER 2015 AT 4.00 PM

PRESENT: Councillor C Richards (Deputy Leader of the Council) presided

Councillor(s)	Councillor(s)	Councillor(s)
M C Child	J E C Harris	C E Lloyd
W Evans	D H Hopkins	J A Raynor
R Francis-Davies	A S Lewis	

63. **APOLOGIES FOR ABSENCE.**

An apology for absence was received from Councillor R C Stewart.

64. **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

In accordance with the provisions of the Code of Conduct adopted by the City and County of Swansea, the following interests were declared:

Officers

- 1) Patrick Arran declared a Personal Interest in Minute 78 “21st Century Schools Programme - Capital Programme Authorisation for the New Build for YGG Lôn Las” and withdrew from the meeting prior to its discussion.

65. **MINUTES.**

RESOLVED that the Minutes of the meeting(s) listed below be approved as a correct record:

- 1) Cabinet held on 20 August 2015.

66. **LEADER OF THE COUNCIL'S REPORT(S).**

The Deputy Leader of the Council welcomed Councillor A S Lewis (Next Generation Services Cabinet Member) to her first Cabinet meeting as a Cabinet Member.

She also thanked Councillor M Thomas for his work as a former Cabinet Member.

She also welcomed Councillor R C Clay to his first Cabinet meeting since his appointment as a Deputy Cabinet Member.

67. **PUBLIC QUESTION TIME.**

A number of questions were asked by member(s) of the public. The relevant Cabinet Member responded. Those questions **not requiring** a written response are listed below:

- 1) Peter East asked the Deputy Leader of the Council a question relating to Minute 79 "Update on Disposal Strategy".

The Deputy Leader of the Council ruled the question out of order as the report did not appear on the public part of the agenda. She advised however, that should Mr East submit his question in writing to the Leader of the Council, a response would be provided.

- 2) Peter East asked the Deputy Leader of the Council a question in relation to Minute 71 "Audit of Financial Statements Report - City and County of Swansea Pension Fund".

The Section 151 Officer replied stating that the Welsh Treasurers were currently working on a common investment vehicle.

There were no questions **requiring** a written response.

68. **COUNCILLORS' QUESTION TIME.**

A number of questions were asked by member(s) of the public. The relevant Cabinet Member responded. Those questions **not requiring** a written response are listed below:

- 1) Councillor T J Hennegan asked the Deputy Leader of the Council a question in relation to Minute 72 "More Homes - Location for Pilot Scheme". The question asked the Deputy Leader of the Council whether she supported the excellent report.

The Deputy Leader of the Council indicated that she fully supported the report.

69. **SCRUTINY REPORT(S): NONE.**

There were no Scrutiny reports.

70. **AUDIT OF FINANCIAL STATEMENTS REPORT - CITY AND COUNTY OF SWANSEA.**

Kevin Williams of the PricewaterhouseCoopers (PwC) presented the Audit of Financial Statements Report - City and County of Swansea for the audit year 2014-2015.

The report detailed the audit findings and indicated adjustments to the accounts as necessary.

CABINET DECISION

The Audit of Financial Statements Report 2014-2015 be noted.

71. **AUDIT OF FINANCIAL STATEMENTS REPORT - CITY AND COUNTY OF SWANSEA PENSION FUND.**

Kevin Williams of PricewaterhouseCoopers (PwC) presented the Audit of Financial Statements Report - City and County of Swansea Pension Fund for the audit year 2014-2015.

The report detailed the audit findings and indicated adjustments to the accounts as necessary.

CABINET DECISION

The Audit of Financial Statements Report - City and County of Swansea Pension Fund 2014-2015 be noted.

72. **MORE HOMES - LOCATION FOR PILOT SCHEME.**

The Cabinet Member for Next Generation Services submitted a report which sought to identify locations for pilot schemes of new Council Housing.

CABINET DECISION

- 1) Housing Revenue Account (HRA) owned land off Milford Way, Penderry and at Parc yr Helig, Llansamlet, be identified as preferred locations for pilot schemes of new Council housing subject to any unknown constraints to development;
- 2) Resources be committed to providing detailed ground investigations and a scheme design to support a formal planning applications in due course.

Policy Framework

Local Housing Strategy.

Reason for Decision

For the pilot scheme to be taken forward.

Consultation

Access to Services, Finance, Legal.

73. **QUARTER 1 2015/16 PERFORMANCE MONITORING REPORT.**

The Cabinet Member for Finance and Strategy submitted a report which sought to report Corporate and Service Performance for Quarter 1 of 2015-2016.

CABINET DECISION

- 1) Performance be reviewed to help inform executive decisions on resource allocation and, where relevant, corrective actions to manage and improve performance and efficiency in delivering national and local priorities.

Policy Framework

Delivering for Swansea Corporate Plan 2015-2017.

Reason for Decision

To receive and review the performance results for Quarter 1 of 2015-2016.

Consultation

Access to Services, Finance, Legal.

74. **REVENUE & CAPITAL BUDGET MONITORING 1ST QUARTER 2015/16.**

The Cabinet Member for Finance and Strategy submitted a report which sought to report on financial monitoring of the 2015-2016 revenue and capital budgets, including the delivery of budget savings.

CABINET DECISION

- 1) The comments and variations in the report, and the actions in hand to address these be noted.

Policy Framework

Budget 2015-2016;
Sustainable Swansea - Fit for the Future.

Reason for Decision

To note any significant variations from the agreed budget 2015-2016 and savings plan and the actions planned to achieve a balanced budget.

Consultation

Cabinet Members, Corporate Management Team, Corporate Equalities Unit, Legal.

75. **EQUALITY AND WELSH LANGUAGE REVIEW REPORT 2014-15 - DRAFT STRATEGIC EQUALITY PLAN 2016 - 2020.**

The Cabinet Member for Transformation and Performance submitted a report which sought to present the Annual Equality and Welsh Language Review reports for 2014-2015 as required by the Public Sector Equality Duty for Wales and Welsh

Language Commissioner. The draft Strategic Equality Plan 2016-2020 was also presented.

CABINET DECISION

- 1) Both the report content (for publication) and draft SEP (for formal public consultation) be approved.

Policy Framework

Strategic Equality Plan 2012-2016;
Welsh Language Scheme 2011-2014.

Reason for Decision

To present the review reports for approval prior to submission to the Equality and Human Rights Commission and Welsh Language Commissioner (as the regulators) and publication on the Council's website (as required by law).
To present the draft SEP for approval prior to formal public consultation.

Consultation

Access to Services, Finance, Legal.

76. **ANNUAL GOVERNANCE STATEMENT 2014/15.**

The Section 151 Officer submitted a report which sought approval of the Annual Review of Governance Arrangements for 2014-2015.

CABINET DECISION

- 1) The Annual Governance Statement 2014-2015 be approved.

Policy Framework

None.

Reason for Decision

To comply with the Accounts and Audit (Wales) Regulations 2014.

Consultation

Access to Services, Executive Board, Finance, Legal.

77. **EXCLUSION OF THE PUBLIC**

Cabinet were requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendations to the report(s) on the grounds that they involve the likely disclosure of exempt information as set out in the exclusion paragraph of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 relevant to the items of business set out in the report(s).

Cabinet considered the Public Interest Test in deciding whether to exclude the public from the meeting for the item of business where the Public Interest Test was relevant as set out in the report.

RESOLVED that the public be excluded for the following item(s) of business.

CLOSED SESSION

78. **21ST CENTURY SCHOOLS PROGRAMME - CAPITAL PROGRAMME
AUTHORISATION FOR THE NEW BUILD FOR YGG LÔN LAS.**

The Cabinet Member for Education submitted a report in relation to the Capital Programme Authorisation for the new build for Ysgol Gynradd Gymraeg (YGG) Lôn Las.

CABINET DECISION

- 1) The recommendations as set out in the report together with the amendments made at Cabinet be approved.

Policy Framework

One Swansea Plan;
The Revenue and Capital Budget as reported to and approved by Council on 10 February 2015;
QEd 2020 programme;
Corporate Priority to review the overall provision of schools;
Corporate Priority to improve opportunities for children and young people;
Corporate Priority improving school performance;
Corporate Priority effective corporate and strategic management of assets.

Reason for Decision

As set out in the report.

Consultation

Access to Services, Corporate Building and Corporate Services, Education, Finance, Legal.

79. **UPDATE ON DISPOSAL STRATEGY.**

The Cabinet Member for Finance and Strategy submitted a report which sought to provide an update on the Disposal Strategy.

CABINET DECISION

- 1) The recommendations as set out in the report approved.

Policy Framework

Corporate Asset Management Plan;
Council Constitution.

Reason for Decision

As set out in the report.

Consultation

Access to Services, Finance, Legal.

The meeting ended at 5.17 pm

CHAIR

Published on: 18 September 2015

Agenda Item 7.

Report of the Cabinet Member for Transformation and Performance

Cabinet – 15 October 2015

RESPONSE TO THE REPORT OF THE CORPORATE CULTURE SCRUTINY INQUIRY PANEL

Purpose:	To outline a response to the scrutiny recommendations and to present an action plan for agreement.
Policy Framework:	None
Reason for Decision:	To comply with the requirements of the Council Constitution.
Consultation:	Legal Services, Financial Services, Access to Services
Recommendation(s):	It is recommended that the responses as outlined in the report be agreed.
Report Author:	Steve Rees
Finance Officer:	Mike Hawes
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

- 1.1 The Corporate Culture Scrutiny Inquiry report was submitted to Cabinet on the 20 August 2015 after the Corporate Culture Scrutiny Inquiry Panel completed a detailed inquiry into Corporate Culture. The scrutiny report is attached as **Appendix A**.
- 1.2 Having considered the contents of the scrutiny report, and specific recommendations made, advice to Cabinet on whether it should agree, or not agree with each recommendation, is detailed in this report.
- 1.3 Cabinet is also asked to consider, for each of the responses, any relevant policy commitments and any other relevant activity.

2.0 Response to Scrutiny Recommendations

Recommendation 1
Ensure sustainability of a can do culture by embedding it in all aspects of organisational development.

Relevant Policy Commitments: Adopt a 'Can Do Culture'
<p>Action already being undertaken:</p> <p>The Council is committed to promoting and supporting a culture of innovation. This naturally calls for a 'can do' proactive attitude and as such we are building this commitment into everything we do.</p> <p>For example, innovation is built into the Sustainable Swansea framework supporting all work streams. Innovation will help us to think and work differently to achieve a <i>Sustainable Swansea</i>. To further ensure its sustainability in the long term innovation is now built into annual staff appraisals and new staff inductions.</p>
<p>New actions following from the recommendation:</p> <p>Review outcome of performance appraisals and evidence of innovation across Service Areas.</p>
<p>Cabinet Member Comments: As above</p>
<p>Recommendation is AGREED</p>

Recommendation 2
<p>Embrace a wide range of innovation methods to bring about organisational changes including using for example systems thinking approaches and user stories to help inform work.</p>
Relevant Policy Commitments: Adopt a 'Can Do Culture'
<p>Action already being undertaken:</p> <p>Continuous Improvement is a whole council approach to improving the services that we deliver to the people of Swansea. As such it has two complementary aims: to support Council wide change for day to day service improvement and to target, through systems thinking, specific priority areas identified for significant change.</p> <p>Three systems thinking reviews are underway looking at the HR recruitment process, missed waste collections and call centre processes. Two further reviews are due to commence from October onwards.</p> <p>The Innovation Team regularly facilitate problem solving sessions and Service Area workshops using various organisational development techniques to encourage creative thinking and new ways of working. The team have constructed a toolkit of such techniques which will form part of the new interactive innovation webpages. The team also run a series of developmental events to upskill staff to use the tools and techniques themselves. External speakers are invited to give different perspectives from other organisations.</p>

New actions following from the recommendation:
We will assess additional tools and techniques as part of the external evaluation of the Innovation Programme.
Cabinet Member Comments: As above
Recommendation is AGREED

Recommendation 3
Develop skills for using these methods internally within the Council in the longer term to avoid the cost of 'buying in' expertise.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken:
<p>The aim of the Sustainable Swansea Continuous Improvement work stream is to develop employee skills in Systems Thinking methodology via a 'learning through doing' approach within five council functions.</p> <p>Vanguard Consultancy were contracted to deliver this learning and knowledge. It has always been the intention to use the learning from Vanguard to develop an internal resource of skilled Systems Thinking Facilitators to ensure sustainability of the programme after the Vanguard contract expires.</p> <p>Work will be starting to disseminate learning and produce supporting toolbox materials to enable more CCS staff to up-skill in Systems Thinking Methodology.</p> <p>We are also working with Neath and Port Talbot Council on sharing learning and expertise in this area.</p>
New actions following from the recommendation: None.
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 4
<p>Develop and deploy a holistic and co-ordinated approach for improving the organisational culture using a targeted approach by:</p> <ul style="list-style-type: none"> a) ensuring staff are engaged in the Swansea Story b) developing a prioritised shortlist of those services to be targeted c) introducing a development programme for Managers specifically around supporting and empowering staff including managing effective change d) introducing a peer coaching initiative for Managers e) considering staff training needs for any future changes

Relevant Policy Commitments: Adopt a 'Can Do Culture'

Action already being undertaken:

- a. Roadshows are currently taking place to introduce staff to, and engage them in, the Swansea Story. This will be followed up with team sessions
- b. The WLGA Peer Review report identified a number of recommendations in respect of culture change for the Innovation Programme to take forward. The action plan for the team has been revised around these outcomes and we have decided to take a focused approach and work more closely with Service Areas in order to implement them.

This approach is being piloted within Poverty and Prevention as it is a service area recognised for its innovative practices and has a mix of front line and back office staff.

Work has also been carried out with service areas following the results of the 2014 staff survey, including developing departmental management and leadership programmes. The upcoming results of the 2015 survey present an opportunity to support poorer performing service areas.

- c. The Corporate Learning and Development service run a 7 day 'Developing Leadership and Management Skills' programme which is suitable for new managers, staff aspiring to become managers or any manager who wishes to enhance their leadership and management skills. One day of this programme is dedicated to covering change management. The team also run a specific 1.5 change workshop entitled 'Understanding, coping with and building resilience towards change' and 'Overcoming the resistors to Change' which is suitable for all staff to attend. This workshop is currently being run to support staff through the current commissioning reviews.

- d. A draft Council wide Coaching policy has been developed. The policy needs further review and implementation is reliant on the appropriate resources being deployed.

- e. A Council wide training needs analysis is planned for 2016.

New actions following from the recommendation:

- A. Use the next staff survey results to highlight services, where improvement is needed, where the innovation programme can offer support.
- B. Build Change Management events into ongoing programme of events
- C. Review draft Coaching Policy and consider appropriate resources for implementation
- D. Council wide training needs analysis planned for 2016

Cabinet Member Comments: As above.

Recommendation is **AGREED**

Recommendation 5
Establish a streamlined measuring and monitoring process for driving improvement which is incorporated in the balanced scorecard.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: The Corporate Scorecard includes the following priority developments for the Workforce quadrant: <ul style="list-style-type: none"> • Undertake Workforce Planning for right people, right skills, right time • Employees appropriately engaged, empowered and motivated • Enable, encourage and reward innovation • Ensure everyone has an appraisal and development Measures and targets have been set for these areas which are monitored quarterly by the Executive Board.
New actions following from the recommendation: None
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 6
Produce a single action plan that incorporates the recommendations from the peer review, staff survey, Corporate Assessment and the outcomes from this inquiry with clear development milestones.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: The Peer Review and Corporate Assessment action plans have already been combined.
New actions following from the recommendation: A new consolidated Corporate Improvement Action Plan will be produced which incorporates all actions, including from this review and the staff survey.
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 7
Compare the outcomes of the annual staff survey with customer survey and publicise the results.
Relevant Policy Commitments: Adopt a 'Can Do Culture'

Action already being undertaken: Both the staff survey results and customer survey results are analysed and key issues addressed. However, there will be little or no comparative data because staff and customers are surveyed on totally different issues.
New actions following from the recommendation: Both survey results will be published and promoted internally and externally.
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 8
Take steps to ensure new staff receive corporate induction within 1 month of starting work with the Council.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: Communications have been sent to all Heads of Service, and reiterated in Top Brief, to remind all managers regarding their responsibility to ensure new staff complete the corporate and departmental induction.
New actions following from the recommendation: Monitor new starters and ensure that induction is carried out and that appropriate action is taken where there is failure to do so.
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 9
Review the corporate induction programme to ensure it includes required behaviours for a can do culture and information on the innovation programme.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: A review of induction content is underway to ensure inclusion of these behaviours.
New actions following from the recommendation: Corporate induction to be updated to include 'can do' behaviours and visibility of the Innovation Programme.
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 10
Provide a clear instruction to managers prior to the next survey to maximise completion of staff survey within their teams.

Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: The staff survey has been promoted via the Chief Executive's blog, StaffNet, email and a letter from the Chief Executive to all staff without workplace emails.
New actions following from the recommendation: Directors have cascaded instructions through their management tiers to promote the staff survey, especially in areas without access to email.
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 11
Set a target for completion of the staff survey of at least 50%.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: Last year's staff survey was the first to be carried out for approximately 10 years. The response rate was just above 20 per cent. Although no target was set for this year's survey, we made every effort to increase the response rate. This included: <ul style="list-style-type: none"> • Promoting the staff survey via the Chief Executive's blog, posters, StaffNet and email. • A letter from the Chief Executive to all staff without workplace emails. • The survey is available on the Council's public website to encourage employees (including school-based staff) without work-based computers to complete it. • Ballot boxes and survey in a number of venues including libraries, district housing offices and depots (last year some staff didn't want to return completed forms to their manager). • Staff are not asked to provide their payroll number (this was highlighted as an issue last year). <p>Also, managers were directed to encourage employees to complete the survey. In addition, three open days were held in Heol y Gors (which had a low response rate last year) and three sessions have been held with cleaning staff in our main buildings where response rates were very low last year.</p>
New actions following from the recommendation: Discussions were held with the trade unions to identify ways of increasing response rates. Actions include providing surveys and ballot boxes in a number of care homes where response rates were low last year. This year's staff survey closed on 2 nd October 2015 but consideration will be given to setting a target for the 2016 survey.

Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 12
Provide guidance to managers to ensure a consistent approach to staff Induction.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: Communications have been sent to all Heads of Service, and reiterated in Top Brief, to remind all managers regarding their responsibility to ensure new staff complete the induction and departmental induction.
New actions following from the recommendation: Monitor new starters and ensure that induction is carried out and that appropriate action is taken where there is failure to do so.
Cabinet Member Comments: Adopt a 'Can Do Culture'
Recommendation is AGREED

Recommendation 13
Ensure that Senior Managers and Councillors model the behaviour they would like to see from staff by building innovation into manager's personal development plans and councillor annual training programmes.
Relevant Policy Commitments: Adopt a 'Can Do Culture'
Action already being undertaken: Innovation has been built into all managers' appraisals and work is being undertaken by the innovation community to consider behaviours expected by all staff, including managers, which will be built into the employee performance management process in the future. The Head of Democratic Services, Chair of Democratic Services, has been working closely with the Standards Committee regarding annual training programmes.
New actions following from the recommendation:
Cabinet Member Comments: As above.
Recommendation is AGREED

Recommendation 14
Ensuring managers incorporate innovation into staff appraisals, 1-2-1s and team meetings.
Relevant Policy Commitments: Adopt a 'Can Do Culture'

<p>Action already being undertaken:</p> <p>Innovation is included in the mandatory Competency Framework which went live in April 2014. The appraisal form was revised in April 2015 to incorporate specific questions around innovation. Both managers and employees are now required to explain their contribution to innovation over the appraisal period. An online appraisal system is being designed and a suggestion will be made that innovation is set as a pre-set competency requirement for every appraisal.</p> <p>The team are exploring building innovation into 1-2-1s and team meetings as part of the focused work underway with Poverty and Prevention to see how it works. Whilst it is important that these conversations are taking place, it is important that they are meaningful and not seen as forced or bureaucratic.</p>
<p>New actions following from the recommendation: None</p>
<p>Cabinet Member Comments: As above.</p>
<p>Recommendation is AGREED</p>

<p>Recommendation 15</p>
<p>Increase the variety of ways the Innovation Programme reaches staff and publicises activities considering tools like an 'innovation blog' and recording sessions accessible to staff on the Intranet.</p>
<p>Relevant Policy Commitments: Adopt a 'Can Do Culture'</p>
<p>Action already being undertaken:</p> <p>A variety of communication methods are being used to promote the Innovation programme including Jack's blog, Top Brief and regular stories on staffnet. The team also produce a quarterly newsletter which is sent out via email and hard copies placed in tea rooms etc. The team are developing new web pages via learning pool. The functionality of learning pool will allow for more dynamic and interactive activity.</p>
<p>New actions following from the recommendation:</p> <p>Develop the innovation newsletter to become more like a blog. Develop innovation events to take place more like a webinar</p>
<p>Cabinet Member Comments: As above.</p>
<p>Recommendation is AGREED</p>

<p>Recommendation 16</p>
<p>Encourage Senior Managers to undertake 'back to the floor' type activities with the outcomes forming part of the innovation blog.</p>
<p>Relevant Policy Commitments: Adopt a 'Can Do Culture'</p>

<p>Action already being undertaken:</p> <p>Senior Managers are required, as part of the appraisal process, to evidence how they have been visible in the service areas.</p>
<p>New actions following from the recommendation:</p> <p>Build case studies of this activity in future innovation newsletters / blogs</p>
<p>Cabinet Member Comments: As above.</p>
<p>Recommendation is AGREED</p>

<p>Recommendation 17</p>
<p>Enable Councillors to be included in innovation activities including open invitations to Purple Room events and activities including publicising these activities on councillor micro site.</p>
<p>Relevant Policy Commitments: Adopt a 'Can Do Culture'</p>
<p>Action already being undertaken:</p> <p>Councillors have been involved in various Purple Room activities over the last 12 months e.g. Cabinet members have participated in the fly tipping problem solving sessions. The Innovation newsletter is also being sent directly to Councillors via email to update them on various innovative activities taking place across the council. Relevant Cabinet members will continue to be invited to such problem solving sessions and the team will ensure that purple room learning events are offered to Councillors to attend.</p>
<p>New actions following from the recommendation:</p> <p>Councillors to be invited to purple room learning events. Consider links between the Innovation Programme and the Councillors Development Programme</p>
<p>Cabinet Member Comments: As above.</p>
<p>Recommendation is AGREED</p>

<p>Recommendation 18</p>
<p>Develop a procedure for Councillors to be able to spend time in an observational/shadowing capacity within different Council departments.</p>
<p>Relevant Policy Commitments: Adopt a 'Can Do Culture'</p>
<p>Action already being undertaken:</p> <p>Councillors are already able to spend time in an observational / shadowing capacity within different Council Service Areas should they wish, although there is no formal procedure in place.</p>
<p> </p>

<p>New actions following from the recommendation: Should a Councillor wish to spend time in an observational/shadowing capacity within different Council Service Areas they should speak to the relevant Head of Service to arrange.</p> <p>Discuss with the Head of Democratic Services links between the Innovation Programme and the Councillors Development Programme</p>
<p>Cabinet Member Comments: As above.</p>
<p>Recommendation is AGREED</p>

<p>Recommendation 19</p>
<p>Meet with Trade Unions to discuss how they might be involved.</p>
<p>Relevant Policy Commitments: Adopt a 'Can Do Culture'</p>
<p>Action already being undertaken:</p> <p>Members from the Innovation Programme regularly attend the monthly Trade Union meeting to brief them on various aspects of the programme. The Chief Executive has also recently met with the trade unions to involve them in the current task and finish groups. Trade Unions are committed to supporting the programme and will get involved where able to do so.</p>
<p>New actions following from the recommendation: None</p>
<p>Cabinet Member Comments: As above.</p>
<p>Recommendation is AGREED</p>

3.0 Equality and Engagement Implications

- 3.1 An EIA Screening has been completed with the outcome that a full EIA report is not required. The reasons for this include the majority of the recommendations involving building upon initiatives that are already in place to bringing about organisational change and embedding a 'can do culture'. Equalities issues will be factored into running engagement activities, such as workshops, induction and training etc, to ensure that all staff are able to access them and participate. Examples include using different locations and times of the day / week to run events.

4.0 Legal Implications

- 4.1 There are no legal implications associated with this report.

5.0 Financial Implications

- 5.1 None.

Background Papers:

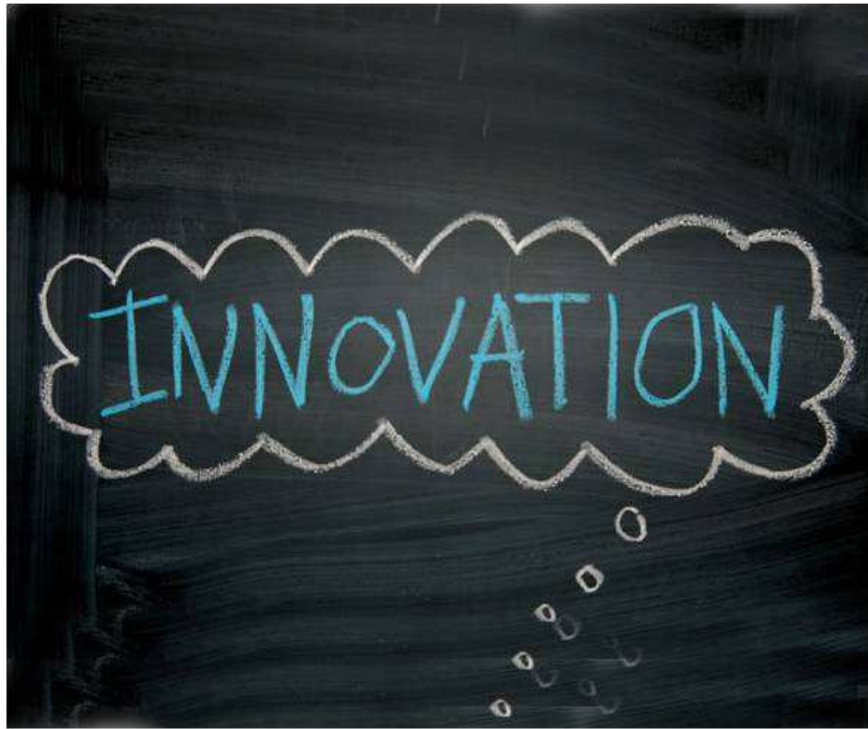
None

Appendices

Appendix A – The Corporate Culture Scrutiny Inquiry Panel Report, June 2015, Reported to Cabinet on 20th August 2015.

Can do, yes please

How can Swansea Council ensure that service delivery is always supported by a can do culture?



The Corporate Culture Scrutiny Inquiry Panel
City and County of Swansea - Dinas a Sir Abertawe



June 2015

Why This Matters by Councillor Andrew Jones (Convener)



This topic was chosen for scrutiny because, as a Council our corporate culture underpins everything we do, from how we engage with our citizens and provide services to how we treat our staff and how we grow and develop as an organisation.

There is no one overarching culture within the Council, rather a number of shared cultures that operate within the Council to bind us together as one organisation. However, the challenges faced by cuts to Council budgets and the threat of public sector reorganisation pose a serious threat to that notion of a shared culture.

Therefore as Councillors, management and staff we have a shared responsibility to respond to these challenges by developing a “can do culture” that ensures the citizens of Swansea continue to receive the best Council service possible.

The evidence represented in this report clearly shows that there is a genuine will and enthusiasm from all involved to develop a “can do culture” throughout the Council. However this can only be achieved through the development of a clear shared vision that encourages innovation, values staff and puts in place mechanisms that empower and motivate all involved to deliver high quality services.

I am pleased to see that the both the Cabinet Member for Transformation and Performance and the Director of Corporate Services have already embraced some of the ideas outlined in the report and we hope that all our recommendations will be welcomed by the Cabinet.

Finally, I would like to thank my fellow panel members for their diligence and hard work in carrying out this inquiry. I would also like to thank the many officers and witnesses who willingly gave their time to present evidence to the panel as it was this evidence that helped shape our report, its key findings and recommendations.

Summary of Conclusions and Recommendations

How can Swansea Council ensure that service delivery is always supported by a can do culture?

Conclusions

1. Drive organisational change forward in a systematic way
2. Develop a strong and clear Swansea Story
3. Develop the skills and improve the attitudes of Managers across the organisation
4. Change staff attitudes, develop staff skills, overcome barriers to improvement develop innovation and actively encourage staff to question how we deliver our services
5. Recognise that visibility in all aspects of the programme will be key to driving change
6. Develop our income generation potential and engage staff in this
7. Be more customer centred
8. Do more targeted work by focusing in on areas for development through a more holistic and co-ordinated approach
9. Develop the role of councillors in improving the councils corporate culture
10. Monitor progress regularly include looking at good practice

The Panel recommends that Cabinet:

Long term challenges

1. Ensure sustainability of a can do culture by embedding it in all aspects of organisational development.
2. Embrace a wide range of innovation methods to bring about organisational changes including using for example systems thinking approaches and user stories to help inform work.
3. Develop skills for using these methods internally within the Council in the longer term to avoid the cost of 'buying in' expertise.

Medium term improvements

4. Develop and deploy a holistic and co-ordinated approach for improving the organisational culture using a targeted approach by:
 - a) ensuring staff are engaged in the Swansea Story
 - b) developing a prioritised shortlist of those services to be targeted
 - c) introducing a development programme for Managers specifically around supporting and empowering staff including managing effective change
 - d) introducing a peer coaching initiative for Managers

- e) considering staff training needs for any future changes
- 5. Establish a streamlined measuring and monitoring process for driving improvement which is incorporated in the balanced scorecard.
- 6. Produce a single action plan that incorporates the recommendations from the peer review, staff survey, Corporate Assessment and the outcomes from this inquiry with clear development milestones.
- 7. Compare the outcomes of the annual staff survey with customer survey and publicise the results.
- 8. Take steps to ensure new staff receive corporate induction within 1 month of starting work with the Council.
- 9. Review the corporate induction programme to ensure it includes required behaviours for a can do culture and information on the innovation programme.

Quick wins

- 10. Provide a clear instruction to managers prior to the next survey to maximise completion of staff survey within their teams.
- 11. Set a target for completion of the staff survey of at least 50%.
- 12. Provide guidance to managers to ensure a consistent approach to staff Induction.
- 13. Ensure that Senior Managers and Councillors model the behaviour they would like to see from staff by building innovation into manager's personal development plans and councillor annual training programmes.
- 14. Ensuring managers incorporate innovation into staff appraisals, 1-2-1s and team meetings.
- 15. Increase the variety of ways the Innovation Programme reaches staff and publicises activities considering tools like an 'innovation blog' and recording sessions accessible to staff on the Intranet.
- 16. Encourage Senior Managers to undertake 'back to the floor' type activities with the outcomes forming part of the innovation blog.
- 17. Enable Councillors to be included in innovation activities including open invitations to Purple Room events and activities including publicising these activities on councillor micro site.
- 18. Develop a procedure for Councillors to be able to spend time in an observational/shadowing capacity within different Council departments.
- 19. Meet with Trade Unions to discuss how they might be involved.

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1. WHY WE PRODUCED THIS REPORT

Overview

- 1.1 In selecting this topic and producing this report we wish to underline both the significance of Corporate Culture and the challenge that comes with ensuring the Council is always supported by a positive can do culture. We recognise that this work takes time to achieve in such a large and complex organisation and that it is ongoing forming a major part of the Sustainable Swansea: Fit for the Future programme. Our report aims to contribute to developing and improving the corporate culture across the organisation.

Selecting the topic

- 1.2.1 The Inquiry into Corporate Culture was proposed at the Annual Scrutiny Work Planning Conference in May 2014 and was subsequently included in the scrutiny work programme by the Scrutiny Programme Committee.
- 1.2.2 This topic was chosen because Councillors recognised that having the right Corporate Culture was essential if the Council is to effectively tackle the challenges it faces. It was recognised that the staff culture needed to focus upon empowerment, personal responsibility, innovation and collaboration.

Sustainable Swansea: Fit for the Future Programme

- 1.3.1 Sustainable Swansea, fit for the future is the council's long term plan for change in order to address the financial, demographic and social challenges facing Swansea. The savings of £70 million that will need to be achieved over the next three years illustrates the scale of this challenge and why change will need to be radical and far reaching.
- 1.3.2 The Council recognises that getting the right Corporate Culture is essential. Sustainable Swansea has four workstreams, all of which are relate directly to our organisational culture. These are:
- Efficiency
 - New models of service delivery
 - Prevention
 - Stopping services
- 1.3.3 This innovation programme, which has been developing is underpinned by, Sustainable Swansea: Fit for the Future Programme and the Council's Policy Commitments, those particularly relevant to this piece of work include:
- Policy Commitment
 - Innovation strand
 - Income generation strands
- 1.3.3 Further information about Sustainable Swansea can be found at: www.swansea.gov.uk/sustainableswansea.

Intended contribution

- 1.4.1 As a Panel we believe that we can make a valuable contribution from a Councillor perspective to improving the Corporate Culture of this organisation.

We recognise that the challenges are varied across the council and that one size does not fit all.

1.4.2 We hope that this report gives a health check on where we are currently and acts as a springboard to further improvement.

1.4.3 Specifically this report aims to contribute to this vital debate by giving cross party councillor views on the work in progress and making suggestions for further improvement. It is in this spirit that our conclusions and recommendations are offered.

2. EVIDENCE

Evidence Collected

2.1.1 Evidence was collected between December 2014 and April 2015. In total seven evidence gathering activities were undertaken by the Panel as follows:

- a. Q&A with Director of Corporate Services and Head of Human Resources and Organisational Development
- b. Visit to the Purple Innovation Room¹ and presentation and Q&A with the Innovation Co-ordinator
- c. Roundtable meeting with staff who are Innovation Leads
- d. Annual corporate Staff Survey results
- e. Q&A session with Cabinet Member for Transformation and Performance
- f. Survey of Councillors
- g. Information on good practice
- h. Q&A with Councils Commercial Manager

2.1.2 For full details of how the evidence was gathered including details of all of the findings from each session please see the findings report for this inquiry. This report can be downloaded at www.swansea.gov.uk/scrutinypublications

3. CONCLUSIONS

(The Panel's conclusions are based around answering the inquiry key question) *How can the City and County of Swansea ensure that service delivery is always supported by a can do culture.* The Panel concluded that the Council should:

3.1 Drive organisational change forward in a systematic way

3.1.1 The Panel recognise that the Innovation Programme has made a good start but the organisation must be more systematic in the way it drives change

¹ Purple Room – an area to enable individuals and teams to meet away from their desks in a more flexible space specifically to think about new and improved ways of working. This room is available for activities related directly to innovation.

forward using a more co-ordinated and targeted approach. The Panel agreed with the Cabinet Member for Transformation and Performance that a 'cultural jolt' is needed and particularly that we must address the blame, rule and process bound culture of the organisation. This should allow staff to take more personal responsibility, be more collaborative and ultimately more innovative. Behaviours are changing but there is still a lot of work to be done. The Panel believe this will require a combination of approaches tailored to different parts of the authority. The Panel will in this report detail what they mean by this statement.

- 3.1.2 The Panel recognise that the council does not work in isolation and that it is subject to the same influences and social changes as other public sector organisations like advancing ICT, pace of life, work life balance and public expectations. We acknowledge that it is a complex organisation, made up of a wide variety of different services, recognising that *one size will not fit all*. We will need to tailor the innovation and organisational change work around what is required by each service area while keeping to the same vision and message of the organisation.
- 3.1.3 The Panel looked at desk based research around different models for organisational change along with key indicators of change and concluded that many of the outcomes found mirror those highlighted as issues here in Swansea.

Challenges to culture change in the public sector, pointers to implementation

In implementing culture change the evidence suggests:

- It is important to clarify, develop and sustain a shared vision across all services and at all operational levels within each individual service.
- Managers and practitioners should take time to reflect on their role and consider how they can effect positive change, and what change will mean for people supported by services.
- Leadership should be developed and demonstrated at all service levels.
- Staff training needs to be considered for current and future changes.
- Streamlined systems for recording and assessing impact of culture change need to be implemented.

Institute for Research and Innovation in Social Services in Scotland (IRISS)

- 3.1.4 We recognise that the recent Peer Review² will also be an important driver for change and that many of the Panel's findings mirrored those within that report. The Panel were encouraged to see that many of the recommendations and the main theme of the report was about developing our culture and approach. The Panel were keen to see the action plan arising from the Peer Review being taken forward in conjunction with the outcomes highlighted in the corporate staff survey, the Wales Audit Office Corporate Assessment³ outcome and those highlighted by this scrutiny inquiry.

² Peer Review – The Council underwent a Wales Local Government Association critical friend Peer Review in 2014

³ Corporate Assessment: A Corporate Assessment is a periodic in-depth 'health check' which all councils in Wales are given and will look at the work of all areas of the organisation

3.2 Develop a strong and clear Swansea Story

3.2.1 The Panel agreed with the Peer Review that Swansea needed a stronger vision and clear message about what we are trying to achieve. We were encouraged to hear that the Review found overall that *Swansea is a good council, doing good things and is aware of what it needs to do to change*. The Panel believe it is important that the authority is able to be self critical and able to assess what it needs to do in order to make changes.

Areas of strength and weakness identified in the Peer Review include:

- A strong sense of pride in the City and County of Swansea was highlighted
- Swansea was a good council doing good things and is aware of what it needs to do to change, is self aware
- Need a stronger vision, a Swansea story, narrative that brings things together about what we want to achieve. Work has started on this.
- Needs to be quicker at decision making.
- Actions rather than meetings.
- Need to work more as one council breaking down silos.
- Leadership including Councillors must be visible and 'walk the talk'.
- Need to establish more of a role for the council as a city leader and develop our brand/approach.
- Need to be more commercial by trading and exploiting our assets.

3.2.2 The next important step will be getting staff to 'buy in' to the Swansea Story and ensuring commitment to those priorities. Getting the message out there to all staff will be absolutely vital. The Swansea Story needs to matter to staff, and must include what we trying to achieve. Staff must be able to understand where they fit into the Story. This will be an important role for managers. Staff must be clear about what they can actually do to improve services. The Panel believe that staff (and managers) also need to understand what innovation actually means to them i.e. that it can be small ideas within their work as well as big ideas for how to change and run services. The Panel was of the view that staff needed to understand what will be in it for them, what is their motivation for change - will this be for example better processes, a better service for the end user, a better more empowered working environment etc.

3.2.3 Communicating with and engaging staff across the Council in this process is vital. The Panel heard about the work that is currently being done around internal communications and were supportive of the new Staff Engagement Strategy. The Panel heard that the council has a number of ways of engaging with employees but found one of the biggest challenges was engaging with those staff who work more remotely and/or do not have access to IT at work. This is where getting the basics of staff appraisals, 1-2-1's and team meetings is essential in order for information to be cascaded to and for feedback to be initiated.

3.3 Develop the skills and improve the attitudes of Managers across the organisation

3.3.1 Our message and approach must be clear that managers must engender an environment of trust where staff feel they are able to be innovative within their work environment, feeling empowered to make suggestions and carry through change. The Panel recognise that this is not necessarily something that all

managers are currently skilled to do, that many will need to learn how to get the best from staff through coaching and empowerment rather than micro management. Supporting and empowering staff should be a key tool in a managers' portfolio of skills, development in this area is therefore especially important. We must move away from micro management, wasting time, controlling small detail and move towards encouraging staff to be more self-aware.

- 3.3.2 We need to address any potential barriers to engaging with the innovation programme. This includes changing attitudes of staff particularly where a block has been identified at middle manager level. It is important that managers portray the wider picture and a positive and encouraging attitude to their team's involvement in innovations activities.
- 3.3.3 It appears historically that many managers across the organisation have been subject specialists rather than people managers. We must identify and address the deficit using management training, peer mentoring and through future recruitment practices.
- 3.3.4 There must be a clear expectation that managers take time to connect regularly with their staff. Engaging with them through consistent and regular appraisals, 1-2-1's and team meetings.
- 3.3.5 Issues identified in the staff survey particularly around bullying and harassment must be addressed. The Panel were pleased to hear that the council has made it clear that there is a zero tolerance policy in this matter and managers should play a role in ensuring this policy is active.
- 3.3.6 New and existing managers will need specific training in how to support and empower staff. Some may need more support than others, requiring more than simply a few hours in off-site training and then be expected to be able to empower their staff. Some managers may require a more hands on approach for example peer mentoring from fellow experienced people managers. The authority needs to be certain that all managers have the capacity and ability to do this; this should to be monitored and follow up training offered if required.

3.4 Change staff attitudes, develop staff skills, overcome barriers to improvement, develop innovation and actively encourage staff to question how we deliver our services

- 3.4.1 The Panel found the Purple Room concept is a good one and supported the notion where staff are given the space to innovate whether this is physically in the actual 'purple room' or elsewhere.
- 3.4.2 The Panel were keen to hear about some of the events that have taken place and about what happens to many of the ideas that arise through these sessions. We wanted to explore what happened to those ideas but were disappointed to hear that they were not recorded and tracked. The Panel did recognise that this would be rather labour intensive but felt it could help to provide a clearer understanding of what is happening in departments to new ideas/innovations and identify where barriers might be. The Panel did also feel that it is important for service managers to have responsibility for this. The Panel did recognise that there is no central budget for innovation work.

- 3.4.3 It was also thought that the authority could build upon and capitalise more on the work that is being done in the purple room sessions and other related activity by reaching a wider audience through accessing and participating in activities in different ways including remotely, investigating the Webinar or similar type activity and recording sessions to view on line after. The importance of communicating outcomes and successes of these sessions and innovation work more widely was raised. For these reasons the Panel suggest that an innovation blog is put in place. This could be modelled around the successful chief executive's blog and be open to views, ideas and comments. One example of this is the Local Government Information Unit blog at <http://www.lgiu.org.uk/blog/> which is clear and encourages comments and debate on issues blogged. The Panel were pleased to hear that an innovation newsletter was circulated on a quarterly basis which is made available to all staff, recognising that only 40% of staff may have access to any online activity.
- 3.4.4 The Panel heard about the Innovation Leads Network and were impressed with the enthusiasm and experience of the staff from the innovation community who participated in the roundtable meeting with them. The Panel considered this community of approximately 85 staff to be a hugely beneficial tool in helping to take the message across the council.
- 3.4.5 Some of the barriers identified through the councillor survey to developing a 'can do' corporate culture were poor communication, not engaging with staff and resistance to change.

The innovation community is a virtual community and is open to any member of staff who is involved in or interested in innovation, continuous improvement and change activity. The purpose of the community is to:

- Help drive cultural change and support the corporate change agenda
- Assist with delivery of the Sustainable Swansea Fit for Future Programme
- Develop officers to support/lead change, improvement and innovation
- Create a forum to support idea development and design
- Share and research best practice
- Provide a mechanism for practitioners to network
- Provide information and advice on relevant subject areas

Terms of Reference of the Innovation Community

- 3.4.6 The Panel found the issue around changing the blame culture in the organisation as a particularly difficult one and hard to change because we do not work in isolation with the organisation being influenced by internal and external attitudes. We therefore need to counteract the *blame environment* prevalent outside the council as well as internally, including for example bad publicity and public criticism.
- 3.4.7 The Panel also recognised the difficulty and barriers to the council becoming less risk adverse. There are many influences on council staff around this including the importance of holding the public purse and ensuring we are not taking undue chances with public money. We recognise that this is a fine balance to strike and staff, managers and councillors fear getting this wrong.

We were encouraged by the work being completed by the Councils Commercial Team around income generation and raising staff awareness.

- 3.4.8 The Panel would like to emphasise the role that can be played by Trade Unions within the organisational change process. Developing a good relationship with unions can both enable views from a staff perspective and help get the message out there to all staff especially those staff not on email system.
- 3.4.9 The Panel were provided with information on the first council wide survey of staff since 2005 and were informed that there at been a response rate of 25%. This is a disappointing uptake and a more consistent completion of the survey by staff across the council was needed. It had been accessible online via internal and external website, with hard copies available for staff not on email. A total of 2227 responses were received. The survey will be run annually and work to address the next survey completion rates will be made running up to that. We believe it is essential that this work is done to improve the response rate and also to engender more trust in the process. The Panel were pleased to see work in relation to this was planned.
- 3.4.10 The perception that staff suggestions are not taken seriously was identified as a barrier to completion which the Panel believe will ultimately cause disengagement and disinterest amongst staff in the innovation process if not addressed. It was also believed that managers could have a much stronger role in emphasising the importance of completion of the survey especially in reaching those staff that are not on email/Intranet.
- 3.4.11 The Panel found the outcomes of the most recent staff survey was largely positive and was reflective of many of the issues arising from the peer review. The Panel thought it would be beneficial to correlate the outcomes of the staff survey with any customer surveys annually to identify commonalities and issues to be addressed.

Staff Survey Results – Actions agreed by Executive Board

- Publicise results to staff
- Develop and promote the Swansea story to provide clear vision
- Adopt a zero tolerance approach to harassment, bullying and abuse
- A commitment to ‘continue the conversation’ with staff by improving day-to-day engagement led by managers
- Provide more opportunities for staff to participate and become involved, including new staff suggestion scheme
- Develop service-based action plans to tackle ‘local’ issues raised in the survey

- 3.4.12 There is a clear need to improve the consistency and promptness of Induction practices for new staff within the Council. We were informed that e-learning is available but believed that there also was a need for a human element. Part of it must be ‘face to face’ with managers. Managers need to introduce staff to ‘can do’ ways of working including the importance of the innovation programme and the Sustainable Swansea agenda. This should be done with all new staff and done quickly after starting with the organisation. A form of induction also needs to be in place for any short term Agency staff to ensure they are clear about our ways of working.

- 3.4.13 Changing attitudes will be central to improving the culture and especially in creating a 'can do' attitude. The Panel recognise that culture change can be a gradual process especially where staff may have been required to be rather process bound. It is a challenging process getting staff to change their mindset to be more problem solving. This will be essential for staff and the organisation in meeting future challenges.
- 3.4.14 Staff morale was recognised as a potential barrier which the Panel believe will need to be addressed. Attitudes and motivation in some areas may be more negative, where some members of staff may have experienced displacement, redundancies and negative job evaluation grading.
- 3.4.15 The Panel were pleased to hear about the revamped staff suggestion scheme, hoping it will provide staff with another avenue for ideas. It is essential that a clear process to feedback the outcome of their suggestions is built into the process.

3.5 Recognise that visibility in all aspects of the programme will be key to driving change

- 3.5.1 The Panel agreed that it was important that staff see the bigger picture of the organisation and understand the wider delivery of services, suggesting that this will help them move away from silo working and encourage new methods of working that are more joined up and less bureaucratic in nature.
- 3.5.2 The Panel found that there is a need for greater visibility with staff of Senior Officers and Councillors both Cabinet Members and elected councillors more widely. The Panel wished to emphasise the importance of demonstrating the drive for change and leading by example. Breaking down barriers between the executive board, councillors and staff is important for example through more activities like 'back to the floor' and spending time with staff especially in the front line services. Publicising this work and what was learnt to staff via the internet or an innovation blog would help with extending this visibility.
- 3.5.3 Showing visibility in what we are doing as an organisation around innovation and culture change including publicising success stories is essential. This blog should also be public to encourage external and public engagement.

3.6 Develop our income generation potential and engage staff in this

- 3.6.1 It is important that we meet the challenge as a council of reduced budgets by increasing income generation. In order to do this we need to actively adjust staff attitudes and thinking to become more commercially minded. The Panel agree that many staff across the organisation have the skills and expertise to identify and progress income opportunities but we need to increase this knowledge base. The Panel emphasised the importance of staff being kept aware of developments and of the achievements made to ensure that staff recognise that the very best is being done to retain services and jobs. They need to understand that their input and assistance is absolutely vital. There is a role for this in the new Employee Engagement Strategy.
- 3.6.2 The Panel found that one of the barriers was at middle manager level, where ideas are not always encouraged or taken seriously. The Panel agreed that

all managers at all levels of the organisation must understand how important it is for ideas and innovations to be nurtured and recognised. Staff must also receive feedback about the progression of their ideas/innovations.

- 3.6.3 The engagement of staff and councillors in developing the council's income generation potential as well as identifying areas of waste was seen as key to addressing the Councils budget challenges.

3.7 Be more customer centred

- 3.7.1 We must as a Council regularly look at how we operate and ensure we are being customer centred. Panel members particularly mentioned the issues of not being 'shunted' about the organisation when you have a query or request. Helping customers at the initial point rather than 'passing calls on' was encouraged. This will require staff to work together more effectively and not just in departmental boxes. Some improvements have been made in relation to silo working but the Panel believe that this is still an issue that needs to continue to be addressed.

- 3.7.2 We must look at our systems and processes from the viewpoint of the customer. This will include removing unnecessary or inadequate processes and procedures. User stories⁴ can also be a useful tool when looking to improve services. It is vital that staff are closely involved in this as they are in the best position to identify, understand and rationalise these processes. It will also help to ensure 'buy in' to the new ways of working which in turn will make them more sustainable.

The Importance of organisational culture

The patient experience can be key to transforming the organisation. For patient experience to be used effectively within an organisation, the organisation needs to be prepared to change. There is no 'tick box' exercise, but rather a fundamental engagement with the idea of starting with the patient.

However, culture change is challenging, particularly when the change can threaten traditional ways of working. NHS organisations reported that investment in understanding patient experience and providing support for staff at all levels is necessary to achieve a real change in culture.

One senior manager explained '*just having a nice big action plan was not enough, there was a need for staff to believe in what they were doing. Its addressing staff attitude and values head on*'.

NHS Institute for Innovation and Improvement

- 3.7.3 The Panel were keen to hear about 'systems thinking' work within the council and also encouraged the use of 'user stories' to inform services/process changes. The Panel understood that the authority is 'buying in' expertise to do some 'systems thinking' work but would like to see staff internally trained within the organisation to carry out these activities in the longer term. The panel were subsequently informed that the expertise that has been brought in has been to 'up skill' a core number of employees so they are able to support the systems thinking work with the purpose that staff internally carry out these activities going forward.

⁴ User stories – information collect from service users about what they want from a particular service.

3.8 Do more targeted work by focusing in on areas for development through a more holistic and co-ordinated approach

3.8.1 We recognise that a lot of work is already being done in relation to changing the organisational culture here in Swansea but the Panel felt that for it to be most effective the authority will need to draw it all together in a more targeted, co-ordinated and joined up way. This would require a 'co-ordinated hit' on areas across the authority with the aim of tipping the balance in favour of an excellent can do culture.

3.8.2 In order to do a co-ordinated hit in areas of the council those services that will benefit most will need to be identified. A priority list of areas to be targeted should therefore be identified. The Panel did look into this aspect but from their evidence do not get a clear message about who should be prioritised. But did agree that it should start with those services with the most public face. It will be beneficial to pilot this in smaller area/s, with quick wins along the way publicised. This will help raise morale and ensure a co-ordinated approach.

3.8.3 Targeting areas with a co-ordinated approach should include:

- Training for managers in supporting and empowering staff
- System thinking work
- Consistent appraisal, 1-2-1 and team meeting processes incorporating innovation time within these
- Innovation awareness and events for staff and managers
- Visibility of senior managers and Councillors raised
- Encouragement of staff suggestions, recording and tracking these to fruition, identifying any barriers, publicising outcomes and feedback to staff.
- Involvement of trade unions

Issues highlighted by staff in respect of innovation and the culture of the organisation

- Innovation is often seen as something that is nice to do than something that is part of the day job.
- Suggestions put forward by staff going unanswered.
- Staff are being 'blocked' from engaging with the programme or attending events.

Themes to overcome barriers and encourage innovation and creating a can do culture

- Programme of events for senior leadership team
- Heads of Services are involved in developing a programme for middle management development.
- Innovation built into Employee Management process with managers.
- A back to basics approach is adopted and checklist of behaviours is to be developed in respect of leadership style.
- Staff given space away from job to innovate
- Senior Management Group and role of the quarterly meeting to be reviewed to incorporate more problem solving sessions

Linked to above, Peer Review suggests:

- All Directors and Heads of Service to specifically host action learning events
- Develop a programme of positive change stories for the public and internally 'INSPIRE'
- Develop a programme of member seminars focussed on change agenda
- Develop a programme of public seminars focussed on change agenda

Director of Corporate Services Overview Report 12 November 2014

3.8.4 Once targeted work moves on from an area we must ensure there is follow up/monitoring in place to ensure successes are sustainable.

3.9 Develop the role of councillors in improving the councils corporate culture

3.9.1 The Panel were keen to emphasise the importance of engaging and involving councillors in improving the corporate culture of the organisation. The Panel were pleased to see from our councillor survey that 86% of those who responded felt well informed about matters relating to corporate culture so the next step in for them to feel well engaged in the process.

3.9.2 The Councillor Survey highlighted that they felt they could best contribute to the development of a 'can do' culture in Swansea by meeting and talking with staff, demonstrating and reinforcing the 'can do' culture, improving communication and thinking more widely and not just within their own wards.

3.9.3 Visibility and involvement of councillors was seen as important to improving organisational culture. Building relationships with officers is seen as important, especially for councillors to get to know the staff in different parts of the council. The Panel liked the idea of Councillors having the opportunity of spending a little time in a chosen service, to see how it works and maybe shadow an employee.

3.9.4 The ideas identified in the councillor survey to improve the corporate culture within the organisation included working together and engaging with all staff and residents, strong leadership, regular communication, staff rewards and the importance of a no blame culture.

How do you think Councillors could best contribute to the development of a 'can do' culture in Swansea?

- By talking and meeting staff in all services that the Council provides so that it shows we are all working for the citizens of Swansea.
- Communication is vital. Meetings on a regular basis. Making clear what the policies are & monitoring the implementation of any new policies. Work together with staff however good scrutiny is a priority.
- Councillors can help by getting the council to understand the frustration experienced by their Council Tax Payers.
- Invite all councillors to put up a suggestion for something off the wall, at least twice a year.
- Be prepared to adopt practices that may go against political views.
- Being more visible
- Important to think beyond own ward, strive to achieve improvements beyond self-interest - however, this has to be balanced by representing the interests of own constituents. Not accept status quo: challenge 'official views' of officers if they stand in the way of making things better. Actively listen to constituents and, even if a request appears to be unfounded, make enquiries before coming to conclusions (sometimes something 'ludicrous' turns out to be a misunderstanding and has real value).
- We need to be included in all aspects of Sustainable Swansea, then if we know what is on the agenda and we understand we can gently deliver the message to the people of Swansea. Also when we try to engage with officers they accept we are part of this organisation and that we need to work together.
- Demonstrate a desire for change

Councillor Survey February 2014

3.10 Monitor progress regularly include looking at good practice

3.10.1 The Panel explored how we might know when we have an excellent corporate culture and how will we measure it? The difficulty in measuring attitudes and creating a benchmark was recognised but the Panel believed that some of the best ways to do this could include annually:

- a) Staff survey, benchmark established this year.
- b) Customer survey, benchmark established.
- c) Focus group with staff
- d) Focus group with users
- e) Consulting with councillors, views sought

3.10.2 The results of the Councillor survey suggested that the main indicators of a can do culture should include the following and these should be recognised in any measuring/monitoring process developed:

1. A willingness to try new things
2. Satisfied customers
3. A no blame culture
4. An organisation that listens and responds to staff and the public
5. Where ideas and innovations are embraced
6. Where staff feel happy

3.10.3 Evidence gathered suggests making connections with other organisations is a positive thing. Reviewing our practice and looking at innovations elsewhere will ensure that we are at the top of our game. It is important to see how others, with similar pressures, are improving their organisational culture. The Panel recognise that one size does not fit all but by continuing to be outward looking and seeing how others are operating will always be of benefit.

3.10.4 Ensuring that we plan for the sustainability of any culture change was seen as essential - we must not take our eye off the ball when attention moves on from the issue.

4. RECOMMENDATIONS

The Panel commends Cabinet to consider all issues and ideas raised by this inquiry and, in particular, the recommendations set out below.

The Panel recognises that the Authority

- (a) will need to ensure that any subsequent actions are legal and meet the requirements of any relevant legislation;
- (b) has a responsibility to make the best use of limited resources and that any additional costs will need to be considered carefully as part of the annual budget setting process.

The Panel has kept these principles in mind in the course of its investigations.

The Panel recommends that Cabinet:

Long term challenges

1. Ensure sustainability of a can do culture by embedding it in all aspects of organisational development.
2. Embrace a wide range of innovation methods to bring about organisational changes including using for example systems thinking approaches and user stories to help inform work.
3. Develop skills for using these methods internally within the Council in the longer term to avoid the cost of 'buying in' expertise.

Medium term improvements

4. Develop and deploy a holistic and co-ordinated approach for improving the organisational culture using a targeted approach by:
 - a) ensuring staff are engaged in the Swansea Story
 - b) developing a prioritised shortlist of those services to be targeted
 - c) introducing a development programme for Managers specifically around supporting and empowering staff including managing effective change
 - d) introducing a peer coaching initiative for Managers
 - e) considering staff training needs for any future changes
5. Establish a streamlined measuring and monitoring process for driving improvement which is incorporated in the balanced scorecard.
6. Produce a single action plan that incorporates the recommendations from the peer review, staff survey, Corporate Assessment and the outcomes from this inquiry with clear development milestones.
7. Compare the outcomes of the annual staff survey with customer survey and publicise the results.
8. Take steps to ensure new staff receive corporate induction within 1 month of starting work with the Council
9. Review the corporate induction programme to ensure it includes required behaviours for a can do culture and information on the innovation programme.

Quick wins

10. Provide a clear instruction to managers prior to the next survey to maximise completion of staff survey within their teams.
11. Set a target for completion of the staff survey of at least 50%
12. Provide guidance to managers to ensure a consistent approach to staff Induction.
13. Ensure that Senior Managers and Councillors model the behaviour they would like to see from staff by building innovation into manager's personal development plans and councillor annual training programmes.
14. Ensuring managers incorporate innovation into staff appraisals, 1-2-1s and team meetings.

15. Increase the variety of ways the Innovation Programme reaches staff and publicises activities considering tools like an 'innovation blog' and recording sessions accessible to staff on the Intranet.
16. Encourage Senior Managers to undertake 'back to the floor' type activities with the outcomes forming part of the innovation blog.
17. Enable Councillors to be included in innovation activities including open invitations to Purple Room events and activities including publicising these activities on councillor micro site.
18. Develop a procedure for Councillors to be able to spend time in an observational/shadowing capacity within different Council departments.
19. Meet with Trade Unions to discuss how they might be involved.

ACKNOWLEDGEMENTS

The Panel is very grateful to everyone who contributed to the inquiry.

The Panel would like to thank Councillor Clive Lloyd (Cabinet Member for Transformation and Performance), Dean Taylor, Director of Corporate Services, Steve Rees, Head of Human Resources and Organisational Development and Leanne Cutts, Innovation Co-ordinator, for all of their help and information provided.

The Panel would like to record its thanks to the following people who came and gave evidence including Andrew Hopkins, Interim Commercial Manager, Lee Wenham, Head of Communications and Customer Engagement, the Innovation Leads who attended the roundtable session with the Panel, Councillors and staff that gave their views via the surveys.

ABOUT THE INQUIRY PANEL

The **Corporate Culture Scrutiny Inquiry Panel** was established by the Scrutiny Programme Committee on a task and finish basis to carry out this work. It is a team of cross party Councillors who are not members of the Cabinet. The role of inquiry panels is to examine a strategic issue of concern and to make recommendations about how policies and services can be improved.

Members of the Panel


Andrew Jones (Convener)
Jan Curtice
David Cole
Paul Meara
Anthony Colburn
Erika Kirchner
Nick Davies
Mandy Evans
Joe Hale
Terry Hennegan
Mike White

NEXT STEPS

The report will be presented to Cabinet for decision. The Panel will reconvene within 12 months from decision to follow up on progress with the implementation of recommendations agreed by Cabinet and assess the impact of its work.

The inquiry was supported by Michelle Roberts from the Council's Scrutiny Unit.

For further information contact:

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 01792 637732

Agenda Item 8.

Report of the Cabinet Member for Education

Cabinet – 15 October 2015

LOCAL AUTHORITY GOVERNOR APPOINTMENTS

Purpose of Report:	To approve the nominations submitted to fill L. A. Governor vacancies in School Governing Bodies.
Policy Framework:	Policy and Procedure for Appointment of L. A. Governors as amended by Council on 23 October 2008.
Reason for Decision:	To ensure vacancies are to be filled expeditiously.
Consultation:	Education, Legal, Finance.
Recommendation:	It is recommended that: - 1. The nominations be approved, as recommended by the LA Governor Appointment Panel.
Report Author:	Allison Gough
Finance Officer:	Ben Smith
Legal Officer:	Stephanie Williams
Access to Services Officer:	Sherill Hopkins

1.0 The nominations referred for approval

1.1 At the meeting of the L.A. Governor Appointment Panel held on 27th February 2015, nominations were recommended for approval as follows:

1.Cadle Primary School	Mr Lee Morgan
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2. Crwys Primary School	Mr Khan Prince
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3. Hendrefoilan Primary School	Councillor. Mary Jones
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4. Sketty Primary School	Councillor Mike Day
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5. St Joseph's Cathedral Primary School	Mr Manola Lozano
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6. YGG Bryn-y-Mor	Mr Manola Lozano
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7. Gowerton Comprehensive School	Mr John Collins
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8. Pontarddulais Comprehensive School	Mr Julian Caruana
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9. YGG Bryntawe	Mr John Alun James
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2.0 Financial Implications

2.1 There are no financial implications for the appointments; all costs will be met from existing budgets.

3.0 Legal Implications

3.1 There are no legal implications associated with this report.

4.0 Equality and Engagement implications

4.1 There are no equality and engagement implications associated with this report.

Background papers: None

Appendices: None

Report of the Cabinet Member for Education

Cabinet – 15 October 2015

ESTYN INSPECTION 2013 – UPDATE ON PROGRESS

Purpose:	For Cabinet to receive an update on the progress in meeting the five Recommendations in the Estyn Inspection Report.
Policy Framework:	Estyn Common Inspection Framework.
Reason for Decision:	Political monitoring of progress in meeting the five Recommendations was stipulated by Estyn.
Consultation:	Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that: 1) Cabinet notes the progress update on the five Recommendations in the Estyn Inspection Report.
Report Author:	Lindsay Harvey, Chief Education Officer
Finance Officer:	Susan Rees
Legal Officer:	Stephanie Williams
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

1.1 All local authorities' education services for children and young people in Wales are inspected by Estyn under the Common Inspection Framework. Local authorities are inspected on the basis of a self-evaluation. City and County of Swansea was inspected in June 2013 and the report was published in September 2013.

2.0 Background – what the Estyn Inspectors found in 2013

2.1 Many good features and services were noted in the inspection report. <http://www.estyn.gov.uk/download/publication/291263.7/inspectionreport-city-and-county-of-swanea-2013/>

2.2 Estyn made the following specific judgements:

- Primary attendance rates were well below average with nearly half of schools in the bottom 25% when compared to similar schools on the free-school-meal benchmarks.
- Too many schools did not improve quickly enough when identified as needing follow-up after a core inspection and too many were in categories of concern.
- The reintegration of pupils in key stage 3 educated other than at school back into mainstream schools and the provision in the key stage 4 pupil referral unit were not good enough.
- Processes to quality assure the work of officers were not effective enough to make sure that all officers consistently challenge all schools to improve.
- Performance management and quality assurance processes were not applied consistently enough within education services to identify and address underperformance of staff.
- Education targets were often not sufficiently challenging.
- Annual reviews of the local authority's education services and the self-evaluation report prepared for the inspection provided too positive an analysis of the local authority's work in a few areas.

2.3 The outcomes of the 2013 inspection were that Performance was judged to be Adequate and Capacity to Improve judged to be Good. The Inspection Report made five recommendations for improvement.

- Develop and implement a strategy to improve levels of attendance in primary schools
- Quality assure the work of officers to secure greater consistency in the level of challenge they offer to schools
- Improve officers' evaluation of the quality of leadership and management in schools to make sure that underperforming schools are identified and supported quickly
- Improve the quality of provision for those pupils who are educated other than at school, particularly to raise standards of achievement and to assist reintegration back into schools
- Improve the consistency of leadership across all education services and the quality of self-evaluation and improvement planning within education services

2.4 A Post-Inspection Action Plan (PIAP) was developed in the format of the Education Department Business Plan 2014-15. Estyn accepted the PIAP/Business Plan in July 2014. It can be found at: www.swansea.gov.uk/estyninspections. The Education Business Plan for 2015-16 which builds on that of 2014-15 is appended below.

2.5 The Chief Executive established an Improvement Board in July 2013 to monitor progress following the inspection. It has met at least monthly from that date to now. In addition, the Leader of the Council established

a Member-led monitoring board, the Education Leadership Board, which met termly during the first year after the inspection and most recently in February 2015. In order to make the monitoring function more transparent, progress is now reported directly to Cabinet, beginning in March 2015. From January to mid-March 2015, the local authority was without a Chief Education Officer.

2.6 In March 2015, the Education Strategic Group was established, under the following terms of reference:

- To act as an innovation and ideas forum, drawing together schools and local authority Members and officers
- To ensure the development of coherent and consistent short, medium and long term financial strategies for education in the City and County of Swansea
- To ensure political, officer and school involvement in developing such financial strategies - both revenue and capital
- To propose options for Council to consider, outlining potential implications
- To provide a mechanism for strategic dialogue in making budget choices, building on the base budget review

The Group is served by a number of key stakeholders and delivery partners including school governors.

3.0 **Progress on addressing the five recommendations and further work required**

Key to ratings:

GREEN	=	Excellent progress
YELLOW	=	Good progress
AMBER	=	Limited progress
RED	=	Remains a concern

3.1 Recommendation 1: Develop and implement a strategy to improve levels of attendance in primary schools

Status: YELLOW

- Attendance in our secondary schools has hit an all-time high for 2015-16 at 94.0%, up 0.7% on last year. Swansea's ranking improved to 10th in Wales after 5 years where ranking was 15th or 16th.
- In primary schools, the provisional figure in the year to date sees attendance at 94.9%, up 0.5% on last year. National performance and rankings are due in late November.
- By the end of 2014/15, eight primary schools had attendance exceeding 96% and eight secondary schools at or exceeding 94%, with one achieving 96%.

- All schools are now using the common attendance action plans, local authority target setting analysis tools and follow the ERW attendance process.
- Strong links are being established between the Education Welfare Service and Education Improvement Team colleagues (notably Challenge Advisers).
- Two Swansea schools (St Helen's Primary School and Parkland Primary School) appeared in the recent Estyn attendance good practice document.

Further work required:

- Although there has been good improvement in absolute terms, the comparative position of too many primary schools remains an area for improvement. Schools and the local authority will continue to work together to embed and share the strategies and actions that lead to higher levels of attendance.
- This work will be supported by joint EWS and Challenge Adviser visits in the autumn term and also best practice events scheduled for the autumn term
- In the longer term, the impact on the readiness for school of young children in areas covered by Flying Start provision should support their wellbeing and contribute towards improved attendance.

3.2 Recommendation 2: Quality assure the work of officers to secure greater consistency in the level of challenge they offer to schools

Status: YELLOW

- The new Hub arrangements within ERW have strengthened the challenge to schools and the Head of the Education Improvement Hub, appointed in September 2014, continues to provide strong leadership.
- The team of nine Swansea Challenge Advisers have now been working effectively for three terms. The team has been jointly trained, with Hub colleagues from Neath Port Talbot, by the new Head of Hub and the region.
- The Autumn Core Visits were subject to robust quality assurance processes. These included joint visits with peers and joint visits with the Lead Challenge Adviser or the Head of Hub. All Autumn Core Visit documentation was assessed by the Head of Hub there were moderation exercises at local, Hub, regional and national levels prior to submission of final categories to Welsh Government. This ensured consistency in the work of the Challenge Advisers and reassured schools that they had been treated objectively.
- Quality assurance of the second core visit is now also undertaken by the new Chief Education Officer.
- Quality assurance protocols for reports to Estyn have been strengthened so that the Chief Education Officer approves reports after the Head of Education Improvement has quality assured them.

- Throughout the year, training and guidance has been delivered to challenge advisers in addition to continual feedback on written reports. A summative report on reports to Estyn has been produced, and fed back to challenge advisers, to secure continual improvement.

Further work required

- While the current configuration of Education Improvement Team personnel provides a high-quality service, staff recruitment and retention continues to be challenging (most notably in the secondary sector).
- Continue to monitor the written work of challenge advisers closely.

3.3 Recommendation 3: Improve officers' evaluation of the quality of leadership and management in schools to make sure that underperforming schools are identified and supported quickly

Status: YELLOW

- The recently introduced Hub arrangements within ERW have strengthened all aspects of the challenge to schools. The Hub Team has been trained to apply the new national categorisation system and the regionally agreed processes consistently and rigorously. Regional paperwork describing the characteristics of leadership and management has been strengthened and that assisted Challenge Advisers in assessing schools fairly and robustly, where in the past they may have been too generous.
- A leadership development programme for both primary and secondary sectors has started to address the needs of the senior leadership team in the secondary sector and new or acting headteachers in the primary sector.
- Support for underperforming schools has been strengthened by a professional working partnership with each Challenge Adviser.
- Schools have been supported, on a cluster basis, to help improve the accuracy of teacher assessment because teacher assessment has been too generous in a few schools.

Further work required

- Further develop the leadership and management programme to build capacity at all levels of management within schools.
- Raise awareness of leadership standards to ensure aspiring (and existing) senior leaders have a full understanding of all aspects of leadership and management (eg HR, trade union issues, finance, health and safety and buildings).
- Continue to liaise with ERW and University of Wales Trinity St David's to develop a robust leadership development programme.
- A few primary schools have been placed in a statutory category within the 2014-2015 academic year. In all cases, pupils' performance,

according to teacher assessment, appeared good and this masked issues on managing resources, including staff. Additional training for new challenge advisers will be required for national categorisation.

3.4 Recommendation 4: Improve the quality of provision for those pupils who are educated other than at school, particularly to raise standards of achievement and to assist reintegration back into schools

Status: AMBER

- The Key Stage 4 Pupil Referral Unit (PRU) was removed from 'special measures' in January 2015 but the whole Swansea PRU (all key stages) was judged 'in need of significant improvement'. A post-inspection action plan has been developed.
- A new Challenge Adviser with responsibility for special educational needs, including PRUs and special schools, took up post on 13 May 2015. She has begun to work with the centres that comprise the Swansea PRU.
- An internal report commissioned in June 2015 raised significant issues in respect of the strategic and operational capability of PRU settings across Swansea. Following on from the report, actions were agreed by the Access to Learning Team and the Education Improvement Team which have resulted in greater clarity around strategic responsibility and operational management for the 2015-16 academic year.
- A robust implementation plan to improve Swansea PRU was finalised by 31 August and will be shared with all relevant leads and staff of the PRU as soon as possible. A key focus of the implementation plan involves curriculum and staff development. External moderation of the implementation plan will ensure the actions are comprehensive, swift and objective.
- An Intervention Board has been created to support, challenge and monitor the implementation plan. This will also support the wider governance arrangements of PRU settings in Swansea through the newly-formed PRU Management Committee. A chairperson has been appointed for the Intervention Board and terms of reference are being developed. A Teacher in Charge for Swansea PRU will be sought.
- The Intervention Board will work with the Education Otherwise Management Committee (effectively the governing body for the PRU) to ensure robust monitoring of the effectiveness of the post-inspection and implementation plans.

Further work required

- A review of teaching and learning at Swansea PRU is planned for autumn 2015.
- Changes to the remaining elements of EOTAS will be subject to further work. Reorganised provision will need to be gradually introduced over the next academic year and monitored over time to assess its impact on improved reintegration rates and standards of achievement for pupils.

- A decision has been made to restructure the Home Tuition Service and it is envisaged that the new delivery model will be in place from January 2016.
- A decision will need to be made regarding longer-term, strategic-level staffing requirements.

3.5 Recommendation 5: Improve the consistency of leadership across all education services and the quality of self-evaluation and improvement planning within education services

Status: AMBER

- An online DIG (Delivery Improvement Group) reporting tool provides clear lines of accountability and supports a Departmental benefits realisation programme. Benefit Managers and Benefit Owners have been identified and update the self-evaluation as required.
- The Business Plan for Education 2015-16 is aligned with national, regional, Local Service Board and corporate priorities, while also addressing all five recommendations from the post-inspection action plan. It sets out the governance and performance management arrangements for education services in Swansea.
- A pan-Department internal risk register is being developed for introduction to senior staff in early September and operation across the Department from October 2015
- A comprehensive performance management system has been adopted throughout the Department and quarterly performance management meetings are held. The Department has set itself the target of 30 September 2015 for all officers to have individual performance management plans.
- A revised meeting structure has been in operation since May 2015. Strategic Leads Group, Education Department Senior Leadership Team, and Delivery Improvement Group meetings are held on a monthly basis. All meetings have comprehensive agendas, are minuted and receive formal reports.
- There is a strong focus on corporate priorities, local targets and regional objectives at each meeting.

Further work required

- The senior leadership team within the Education Department has been depleted during 2015. Suitable management of key absences has ensured that service delivery has been maintained effectively. This is now proving challenging due to ongoing absence (especially of senior officers) and recent retirements. A revised Departmental structure has been approved by Directors' Group. It is hoped that the new structure will provide business continuity.

3.6 A self-evaluation of Local Authority Education Services for Children and Young People takes place each year. The latest self-evaluation was completed and published online in December 2014. It can be found at:

www.swansea.gov.uk/estyninspections. It provides more detail on all the areas covered by the Recommendations. The 2015 self-evaluation is due by early December.

4.0 Equality and engagement implications

Whilst there are no specific equality or engagement implications associated with this report, some specific areas of work resulting from the recommendations will be subject to the Equality Impact Assessment (EIA) process (which incorporates the UNCRC). For example, an EIA report is already being developed for the EOTAS review.

5.0 Financial implications

Whilst there are no immediate financial implications arising from this report, acceptance could result in additional expenditure at a future time. Acceptance does not mean that additional resources will be made available and it should be assumed that future spending needs will need be contained within existing budget provision and have full and due regard to the budget principles set out in 'Sustainable Swansea – Fit for the Future' and the likely levels of future budgets having due regard to the budget and medium term financial plan

6.0 Legal implications

There are no legal implications associated with this report.

Background papers

Common Inspection Framework

<http://www.estyn.gov.uk/download/publication/11438.7/common-inspection-framework-from-september-2010/>

Estyn Guidance on inspection of Local Authority Education Services for Children and Young People

<http://www.estyn.gov.uk/download/publications/8326.5/guidance-for-the-inspection-of-local-authority-education-services-for-children-and-young-people-from-september-2010/>

City and County of Swansea LAESCYP Inspection Report 2013

<http://www.estyn.gov.uk/download/publication/291263.7/inspection-report-city-and-county-of-swansea-2013/>

Annual self-evaluation of Local Authority Education Services for Children and Young People, December 2014

www.swansea.gov.uk/estyninspections

Appendix 1

Education Department Business Plan 2014/15 Progress Report

Appendix 2

Terms of Reference EOTAS Intervention Board

Agenda Item 10.

Report of the Cabinet Member for Enterprise, Development and Regeneration

Cabinet – 15 October 2015

TALL BUILDINGS STRATEGY (REVISED DRAFT GUIDANCE)

Purpose:	To seek Cabinet agreement to undertake public consultation exercise on a draft revised draft Tall Buildings Strategy for Swansea.
Policy Framework:	Swansea City Centre Strategic Framework Review draft 2015.
Reason for Decision:	To allow City Centre (CC) regeneration to be progressed in line with the vision for Swansea City centre.
Consultation:	Planning, Highways, Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that: 1) Cabinet authorise that a public consultation exercise be undertaken and that the results of that public consultation exercise be reported back to Cabinet for final approval.
Report Author:	Gail Evans/ Amy Prince
Finance Officer:	Jayne James
Legal Officer:	Christopher Allingham
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

- 1.1 In January 2015 Cabinet approved a draft Swansea City Centre Strategic Framework Review (SCC SFR), which sets out a new role for the City centre, and its potential for regeneration.
- 1.2 In order to implement the new vision and aspirations highlighted in the SCC SFR there is a need to revisit the extent of the areas where the development of tall buildings will be supported in principle.

2.0 Context

- 2.1 The draft Swansea City Centre Strategic Framework Review (2015) aims to define a new role for areas of the City centre, and encourage a greater diversity of mixed uses with opportunities for living, working and learning in areas like the Kingsway and Alexandra Road, and within high quality mixed use developments on the City Waterfront and St Davids.
- 2.2 Development schemes which incorporate tall buildings can provide the opportunity for landmark developments contributing significantly to the City's skyline, with exceptional sea views due to Swansea's seafront location. They can also capture the imagination and become associated with the City's image, consequently having a symbolic or iconic role. More significantly they can introduce intensive levels of activity which Swansea requires in order to become a more vibrant and viable destination. Whilst tall buildings can have a positive role in the City, they must relate to the context of the area, be well designed and sustainable and be close to supporting uses and infrastructure.
- 2.3 The City and County of Swansea's current Tall Buildings Strategy was prepared by Consultants White, Young and Green. Following a process of public consultation it was adopted as supplementary planning guidance to the Unitary Development Plan in October 2008. An updated and revised Tall Buildings Strategy will aim to provide greater opportunity for tall buildings to be developed in the City centre to align with the aspirations of the Swansea City Centre Strategic Framework Review.
- 2.4 The overall aims of the Tall Building Strategy is to do the following:
 - Respond to matters outlined above with regard to regeneration aspirations for the City centre
 - Provide clear guidance to developers
 - Provide a basis for consistency in the consideration of proposals
 - Take account of the National Guidance and examples of good practice in the production of strategic guidance
- 2.5 The Tall Buildings Strategy is applicable to the whole of the City and County of Swansea. The main thrust of the Strategy however focuses on the City centre where tall buildings are considered more physically and economically viable. It also considers other areas including Swansea University and the SA1 Waterfront development.

3.0 DRAFT REVISED STRATEGY

- 3.1 A copy of the draft revised Strategy is attached. As in the original 2008 version of this document, the analysis section sets out key factors such as the City's topography, landscape and seascape and the existing built form with updated plans and graphics. Reference is also made to key approaches and gateways to the City Centre. The updated policy section also sets out the key design principles that must be reflected in any development proposal and the Tall Buildings Zone plan identifies the locations where tall buildings will now be welcomed and considered. Design Commission for Wales has recently published guidance 'Designing for Tall buildings', and recommendations included in that guidance are incorporated within this draft revised Tall Buildings Strategy for Swansea.
- 3.2 The key change proposed to the Tall Buildings Strategy is the extension to the area where tall buildings will be 'considered', to include:
- The remainder of the retail core, including the Kingsway
 - Areas adjacent to the Railway Station including the Mariner Street/ Alexandra Road site
- As part of the revised Tall Buildings Strategy it is also proposed that the area where tall buildings will be 'welcomed' has also been extended to include areas of the City waterfront.
- 3.3 Subject to Cabinet approval, the aim is to seek public response to the draft revised Tall Buildings Strategy. Following the public consultation exercise, the responses will be analysed and a further report to Members will be prepared identifying any proposed amendments and seeking formal adoption as Council policy. It is anticipated that the revised Tall Building Strategy will be adopted as supplementary planning guidance to the prevailing development plan and will supersede the 2008 Tall Buildings Strategy.

4.0 Equality and Engagement Implications

- 4.1 An Equality Impact Assessment Screening has been undertaken and concludes that a full EIA report is not required as there is generally a low equality impact and any accessibility issues would be addressed by separate (building) regulations. The Screening will be reviewed during the public consultation exercise, based on any relevant feedback received.

5.0 Financial Implications

- 5.1 There are no immediate financial implications arising from this report, however when / if schemes are developed FPR7 reports will be required.

6.0 Legal Implications

- 6.1 None

Background Papers: Swansea City Centre Strategic Framework Review 2015 (draft), Tall Buildings Strategy 2008

Full report web link: <http://www.swansea.gov.uk/tallbuildingsstrategy>

Report of the Cabinet Member for Finance and Strategy

Cabinet – 15 October 2015

ANNUAL REVIEW OF PERFORMANCE 2014/15

Purpose:	The report is a review of progress made by the Council in meeting the priorities, actions and targets set out in <i>Standing up for a Better Swansea</i> the Corporate Improvement Plan for 2013/17 updated for 2014/15 as required by Part 1 of the Local Government (Wales) Measure 2009
Policy Framework:	<i>Standing up for a Better Swansea</i> Corporate Improvement Plan 2013/17 updated for 2014/15
Reason for Decision:	To comply with statutory guidance and to approve and publish the Annual Review of Performance 2014/15.
Consultation:	Legal, Finance and Cabinet Member.
Recommendation(s):	It is recommended that: 1) The Annual Review of Performance 2014/15 is approved.
Report Author:	Richard Rowlands
Finance Officer:	Carl Billingsley
Legal Officer:	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1.0 Introduction

- 1.1 The Local Government (Wales) Measure 2009 creates an obligation on Councils to account for improvement. The process for accounting for improvement falls into two stages.
- 1.2 Stage one reporting covers the Council's plans and Improvement Objectives for that year and should be published every year as soon as possible after the 1st April.
- 1.3 Stage two reporting arises when the Council is in a position to be able to account for success of the previous year's improvement activity and must

be published before 31st October in the financial year after the year to which the information relates.

1.4 The attached report relates to stage two performance reporting against the 'improvement objectives' set out within *Standing up for a Better Swansea* the Corporate Improvement Plan 2013/17 updated for 2014/15.

1.5 The Corporate Improvement Plan 2013/17 updated for 2014/15 and its 9 Improvement Objectives that are the subject of the Annual Review of Performance 2014/15 has now been superseded by the five key priorities described in *Delivering for Swansea* the Corporate Plan for 2015/17.

2.0 Content

2.1 The Annual Review of Performance must be written to comply with statutory guidance, as summarised below:

- Evidence of the processes that the authority has gone through to discharge its general duty to improve;
- A summary assessment of the authority's view of its success in achieving its improvement objectives as set out in the previous year's improvement plan;
- Assessment of performance in comparison with itself in previous years and to other comparable bodies (including other authorities).

2.1.1 These requirements are addressed in *Parts 1 and 2 – Executive / Summary of evaluations delivering the Council's Improvement Objectives in 2013/14*. These parts represent a summary of the Council's own evaluation of its performance delivering its Improvement Objectives during 2014/15.

- Details of the ways in which the authority has exercised its powers of collaboration during the reporting year including details of whether a collaborative activity has achieved its intended outcomes.

2.1.2 Information on collaboration is provided in *Part 3 – Working in partnership with others in 2014/15*. This part summarises how the Council is collaborating with others across a wide range of services in some key areas.

- Details of other performance information and its use;
- Any statements of activity that the authority has issued as a result of any Section 19 reports issued by the Auditor General for Wales to that authority in that reporting year.
- Performance as measured by all statutory performance indicators, whether or not these relate directly to improvement objectives;

2.1.3 Details on performance information and a summary of the Council's performance against national indicators in 2014/15 are provided in *Part 4 – Performance Information and its use*. This part summarises how the

Council plans for and puts arrangements in place to secure improvement. The Council is not subject to Section 19 reports but this section includes details on how the Council has responded to the Estyn inspection. More detailed comparative performance information for all national performance indicators will be published on the Council's website before the statutory publication date of 31st October 2015.

3.0 Equality & Engagement Implications

- 3.1 The Annual Review of Performance is not relevant for an Equality Impact Assessment (EIA) itself. It may mean however that it might form part of the information that leads to a service screening for and undertaking an EIA as required.

4.0 Financial Implications

- 4.1 The financial resources required to implement all the actions and achieve the specified performance targets in 2014/15 were provided in the approved budget. Any additional financial implications which arose from the pursuance of the priorities in the Corporate Improvement Plan would have been dealt with as virement within the normal financial procedures.

5.0 Legal Implications

- 5.1 The Annual Review of Performance 2014/15 must be published at or before the statutory date of 31st October 2015.

Background Papers: None

Appendices: Appendix A – Annual Review of Performance 2014/15.

Agenda Item 12.

Report of the Cabinet Member for Services to Adults and Vulnerable People

Cabinet - 15 October 2015

DELIVERING IMPROVED COMMUNITY SERVICES FOR OLDER PEOPLE- SECTION 33 AGREEMENT

Purpose:	For Cabinet to consider and approve: <ul style="list-style-type: none">• an analysis of progress in the implementation of the business case approved in May 2014 to deliver integrated intermediate care services at an optimal scale• an integrated service model, 'What Matters to Me' to meet the well-being, care and support needs of older people• a formal agreement for the provision of adult and older people (intermediate care) services between City and County of Swansea and Abertawe Bro Morgannwg University Local Health Board (ABMU HB) in accordance with Section 33 of the National Health Service (Wales) Act 2006.
Policy Framework:	Sustainable Social Services for Wales: A Framework for Action
Reason for Decision:	To consider and approve the arrangements for Intermediate Care Services as outlined in the report and approve the What Matters to Me Model.
Consultation:	Legal, Finance and Access to Services.
Recommendation(s):	It is recommended that Cabinet: <ol style="list-style-type: none">1) Note the progress made in the implementation of the business case to deliver integrated intermediate care services at an optimal scale approved in May 20142) Approve the 'What Matters to Me' model as the overarching service model for integration of community health and social care services to meet the well-being, care and support needs of older people3) Approve entering into the overarching partnership agreement in accordance with Section 33 of the National Health Service (Wales) Act 2006 to for the provision of intermediate care services between City and County of Swansea and Abertawe Bro Morgannwg

University Local Health Board (ABMU HB) for Adult and Older People's Services.

- 4) Note the financial position and approve. The finance contributions included in the Section 33 for City and County of Swansea and ABMU Health Board is **Appendix 2** to this document.

Report Author:	Dave Howes
Finance Officer:	Chris Davies
Legal Officer:	Debbie Smith
Access to Services Officer:	Catherine Window

1.0 Background

- 1.1. In September 2013 the Western Bay Health and Social Care Programme set out a joint commitment to work together to integrate and improve the planning and delivery of community services for older people, *Delivering Improved Community Services*. The commitment was a whole systems approach to addressing the challenges of the issues presented by an ageing population. It stated clearly the first phase of integration would focus on intermediate care services which in turn would act as a catalyst for change across the rest of the system. A detailed business case, *'Delivering Improved Community Services – Business Case for Intermediate Tier Services'* was developed. This was approved by Cabinet in May 2014.
- 1.2 The crux of the *Delivering Improved Community Services* and the subsequent business case was; to achieve sustainable health and social services for frail or older people, we need to provide better assessment, care and support at lower cost; something that is impossible were we to be tied to traditional, silo-type forms of both health and social care delivery. The tendency toward individual agencies cost-shunting in an uncoordinated system that lacks significant integration is also highly undesirable as it leads to poorer outcomes for older people.
- 1.3 Cost pressures due to demographic change are considerable, and they impact across social care and health services. The business case stresses that the issues of trying to manage the current and future challenges that an increasingly older and frailer population presents. It states the risks inherent in continuing to operate the health and social care system as we do now, (the 'do nothing' scenario), and estimates cost pressures of £3.3million in social care and a further £2million in the NHS or 450 fewer people receiving additional support by 2016/17¹. The business case described how developing

an effective intermediate tier of services is central to this wider transformation programme. Intermediate tier services provide the critical boundary between wellbeing and the need for managed care, with the potential to enable more people to maintain their independence.

- 1.4 As a consequence of the business case, investment was made in an optimal intermediate care service model. The optimal model comprised 3 elements:
- Common Access Point - an integrated common access point that consists of a multi-disciplinary team who are able to effectively triage callers and direct them to the most appropriate outcome: urgent clinical response, reablement, long term community network service, specialist mental health service or a third sector or community solution (e.g. housing)
 - Rapid Response - The rapid response service provide a rapid clinical response (doctor, nurse and/or therapist) for people who require immediate assessment, diagnosis and sometimes treatment who would otherwise be admitted to hospital. Clinical response is within 4 hours of referral.
 - Reablement – therapy led reablement helps people to retain or regain skills that they may have lost, due to hospital admission or illness, with the objective of minimising the need for ongoing domiciliary care and support.
- 1.5 The business case attracted an investment of £2.380million revenue and £1.191 million capital totalling £3.571 million in intermediate care in City and County of Swansea in 2014/15 as a consequence of grant funding made available for one year only through the Intermediate Care Fund. In approving the business case, Cabinet noted that the business case represented a 5 year programme of transformational change and in addition recognised the challenges presented by the bridging finance requirements in 2015/16 and 2016/17 to make the model financially sustainable. In its commitment to the Business Case, Cabinet endorsed a recommendation to ‘approve in principle the establishment of an arrangement to pool resources with partners in the Western Bay Programme, subject to formal agreement in accordance with Section 33 of the National Health Service (Wales) Act 2006 by April 2015’.

2.0 Progress In Delivering the Intermediate Tier Business Case

- 2.1 Year one of the business case was pump primed by Intermediate Care Fund (ICF), and concentrated on achieving the recruitment of new staff to enable a fully optimised service model to be developed. The case stated benefits would start to come on line circa six months after full operational capacity had been achieved. This assumed that all elements of the model were functioning at optimal levels.
- 2.2 In developing the business case, a detailed baseline summary was undertaken of current intermediate tier capacity across Western Bay. There was a longstanding, successful acute clinical service in Neath Port Talbot, well developed reablement in Bridgend and reductions in long term care placements in Swansea as a result of the step up step down capacity in Bonymaen House and Ty Waunarlwydd. It was clear considerable investment

and service development work was needed in all 3 areas to reach optimal capacity and performance levels.

2.3 The ICF investment in 2014/15 pump primed the scaling up of intermediate tier services. 2014/15 was identified as a transformational year. Recruitment timescales means the fully optimised model is not in place fully across the region, although considerable progress has been made in all areas. Table 2 summarises the recruitment profile and position.

Bridgend		NPT		Swansea	
ICF investment		ICF investment		ICF investment	
Rapid Response		Common Access Point		Common Access Point	
Consultant, Nurse Practitioner, Nursing, Therapy, Social Work and Social Care staff		Management, Therapy, Social Work. Assistive Technology and Third Sector Broker		Access & Information Assistants Rapid Response	
Planned Response		Rapid Response		Therapy, Advanced Nurse Prac, Nursing, Social Work and Social Care Workers	
Therapy, Medicines		Nurse Practitioner, Community Nurses & HealthCare Support Worker		Planned Response	
Management, Social Care staff, and Admin		Planned Response		Therapists, Medicines	
Speech and Language Therapy, Dietetics		Therapists & District Nurses		Management and Community Care Assistants	
		Support across the piece		Support across the Intermediate Tier	
		Medicines Management, Therapy Technicians, Social Care, Management and Community Consultant		Project Management, Staff Development & Performance & Information Assistant	
		22 fixed term posts	33 permanent posts		
ICF WTE	28	ICF WTE	55 wte	ICF WTE	62
Less attrition	6	Less attrition	8	Less attrition	42
Net gain	22	Net gain	47 wte	Net gain	20

Table 2

2.4 Table 3 summarises the proximity in delivering the optimal model in each of the 3 areas.

Key features of optimal model -	B	N	S
Multi-disciplinary triage in common access point	Y	Y	D
Mental Health provision within common access point	N	D	N
Third Sector Brokerage in common access point	Y	Y	Y
Acute clinical response, Nurse Practitioners and Community Consultant – virtual ward model	D	Y	D
Therapy led reablement service	Y	Y	D
Intake & review reablement	Y	Y	Y
Therapy led residential reablement	Y	Y	D
Support & stay for people with dementia	N	N	N
Step up / down intermediate care (residential or community)	Y	D	Y
Key; Y(yes) N(no) D(in development)			

Table 3

2.5 There have been some variations in achievement of the optimal model and this reflects the decision that there should be a ‘franchise’ approach to the delivery of the model. This ultimately meant that whilst the service model and outcomes were described how it should be implemented; it was not prescribed in detail and was thus left to local determination. Emerging from this approach is some evidence that the areas in which there is closer proximity to the model (as summarised in table 3) are achieving the better level of performance across the whole system.

2.6 The business case contained a set of performance measures as a means of determining effectiveness of the business case. Table 4 outlines where performance is against the anticipated benefits once the services were in place.

Business case anticipated benefits	Benefit realised by 2014/15
93 hospital beds closed	40 hospital beds closed (Gellinudd & Gorseinon). These were closed prior to the new investment but the bed activity did form part of the baseline within the business case
117 reduction in care home placements	37 reduction in care home placements (25) Swansea; (21)NPT, (+9) Bridgend
222 reduction in homecare packages	12 reductions in homecare packages. (+62)Swansea; (27)NPT;(47) Bridgend

Table 4

2.7 This analysis is also reflected in an initial evaluation report into the implementation of the intermediate tier business case. It has resulted in Western Bay Leadership Group directing that the optimal model should be strictly adhered to in all areas and revised performance framework and governance arrangements have been established.

3. 'What Matters To Me' Service Model

- 3.1 The 'What Matters to me' service model is presented in **Appendix 1** of this paper and details the whole systems integrated approach to delivering improved outcomes for older people with well-being, care and support needs. It is a person centred approach which focuses on a proactive and preventative approach to meeting the needs of people at risk of losing independence and tackling social and health needs holistically. The model details eleven initial steps which need to be taken together to deliver better outcomes for people, and deliver services which are financially sustainable. These range from initiatives to tackle loneliness and social isolation, through to strengthening existing intermediate care services and developing proactive anticipatory care planning for people at risk of losing their independence. The model also includes a clear commitment to integrate older person's mental health services into community teams so services are delivered through 'one team' around the older person.
- 3.2 'What Matters to Me' is the product of significant engagement undertaken as part of the Changing for the Better programme, then strengthened with engagement on *Delivering Improved Community Services* and further strengthened as a result of the 'Focus on Frailty' event in March 2015. The latter event was attended by 220 stakeholders across health, social care, third sector and service user representatives. Apart from the rich feedback on the various service elements of the model, one of the outcomes of that event was a challenge to the descriptor of frailty by older people as they do not consider themselves as being 'frail' nor do they appreciate the label. The branding of the model 'What Matters to Me', which reflects the ethos of what this service model represents, is as a result of feedback from that and also engagement with older people and key partners.

4. Section 33 Agreement

- 4.1 In approving the Business Case for Intermediate Tier Services there was approval to establish a formal pooled fund in accordance with Section 33 of the National Health Service (Wales) Act 2006. The original intention was for the pooled fund to be in place by April 2015. The agreement which has been developed represents an extensive endeavour by all four organisations involved in the Western Bay collaborative and by service, finance and legal colleagues in City and County of Swansea and ABMU HB.
- 4.2 The agreement sets out in detail within the body of the document and associated schedules, the:-
- services covered by the agreement
 - the performance measures for those services
 - the health care related functions of the Health Board and the Council in entering into the agreement
 - finance and buffer setting arrangements and governance.

The agreement is important both practically and symbolically as demonstrating the commitment of City and County of Swansea and ABMU to deliver integrated services.

5.0 Equality and Engagement Implications

An equality impact assessment (EIA) for Intermediate Care Services has been undertaken using City and County of Swansea's process on behalf of the Western Bay partners. Some further actions have been identified which will be incorporated into future plans. This EIA can be found in appendix 3 for information.

The 'What Matters to Me' model describes the new way of working for health and social care across the Western bay region and further work streams are being developed to support this new way of working. Equality impact assessments will be carried out for the individual work streams/services.

6.0 Financial Implications

6.1 In approving the business case for intermediate care, City and County of Swansea and ABMU HB committed to making intermediate care services sustainable with recurrent funding. The recommendations approved were to:

- Note the challenge presented by the bridging requirements in 2015/16 and 2016/17 and that further work is required to detail the benefits realisation framework and risk sharing arrangements required
- Agree the requirement to re-invest the cash releasing savings achieved from remodelling services into intermediate tier pooled funds to achieve the sustainability of the intermediate tier of service

6.2 In March 2015 Welsh Government announced it would be providing a reduced allocation of ICF available recurrently as a result of successful outcomes from the use of the fund across Wales. Welsh Government asked in doing so that all partnerships across Wales confirm the services that would be funded sustainably. In City and County of Swansea locality, (CCS LA and ABMU HB) £1,392,880 of the pooled fund budget of £9.1 million is funded via ICF. This has reduced the requirement for bridging finance to be made available to sustain the services in 2015/16.

6.3 The s33 outlines in detail the formula governing budget setting, outturn and balancing payments for pooled fund resources. In summary, in setting the budget for the pooled fund City & County of Swansea and ABMU HB need to confirm to the other partners their anticipated commitment by 31st January each year and agreed budget by 31st March. This governance ensures that the budget for the pooled fund is not set outside the usual budget setting process of either partner.

7.0 Legal Implications

7.1 The S33 agreement provides the governance arrangements for the partners and the strategic operational provisions including the establishment of a

pooled budget. The agreement is legally binding and both the Council and ABMU HB must comply with its terms and conditions.

Background Papers:

Cabinet Reports -

- Intermediate Care Services (Endorsement of capital funding)– 13th May, 2014
- “Western Bay Health and Social Care Programme: Delivering Improved Community Services – Business Case for Intermediate Tier” – 8th April 2014
- “Western Bay Overview Report” – 8th April 2014
- “Western Bay Health and Social Care Programme Update” – 17th September 2013

Appendices:

- Appendix 1 – ‘What Matters To Me’ Model.
- Appendix 2 - Finance Contributions by City and County of Swansea and ABMU Health Board extracted from the Intermediate Care Agreement in accordance with Section 33 of the National Health Service (Wales) Act 2006.

Appendix 1 – ‘What Matters To Me’ Model



“What matters to Me” –
Supporting the health and
wellbeing of our older
population

*The new way of working for health and
social care across the Western bay region*

What we will do

1. We will focus on the needs of older people at risk of losing their independence
2. We will all plan and implement community services around the 11 Community Networks
3. We will focus on early intervention and prevention to tackle loneliness and social isolation
4. We are committed to implementing 'What Matters To Me' consistently across Western Bay, ensuring all older people have the same services available to them and are called the same thing irrespective of where they live
5. We will roll out the same 'acute clinical team' model across all localities, ensuring the right service for those in crisis and linked to ambulatory care
6. Our core community services will deliver pro-active anticipatory care planning to keep care as close to home when needed
7. We will integrate services on the basis of 'only doing things once' where possible, such as assessment, single case manager and single care plans, including integrated Older People's Mental Health in a 'team around the person' approach
8. We will use innovative ICT solutions to give the workforce the tools they need to do the job
9. We will develop our workforce through team development and leadership for staff – moving to a 'core competency framework'
10. We will work with third sector to build the infrastructure needed in communities to support people
11. We will minimise delays for patients who have had unplanned admissions to hospital by improving the interface between community services and hospitals

1. Introduction

The need to change ways of delivering care and supporting the health and wellbeing of older people is well evidenced in health and social care research and policy, with the drivers for change more pressing than ever.



People are living longer and as a result are vulnerable to mental and physical ill health conditions and have complex needs that require care. Across the Western bay area it is predicted there will be a 34% increase in the number of people aged 65+ by 2033.

Whilst significant progress has been made, health and social care provision in the Western Bay area needs to adapt further to ensure services are fit for purpose and sustainable; giving individuals every opportunity to take ownership of their own health.

In 2013, *Delivering Improved Community Services* set out an ambitious plan for addressing the pressures resulting from an ageing population. We have come a long way in the last 18 months – through delivering phase 1 of that plan, for example through delivering the intermediate care programme – but over that time period we have learnt a lot. This document sets out how phase 2 of the project will be implemented, taking the learning so far and applying it to new models of care arising in different parts of the UK.

As such, this document sets out our commitment to deliver high quality integrated health and social care that meets the current and future needs of older people across Swansea, Neath Port Talbot and Bridgend. The document has been developed through a process of research and discussion with partners in health and social care, including the 'Focus on Frailty' event on 27th March 2015 and building on the engagement with partners as part of *Delivering Improved Community Services*.

2. Our Vision

“Healthy independent ageing with proactive high quality care close to home when needed”

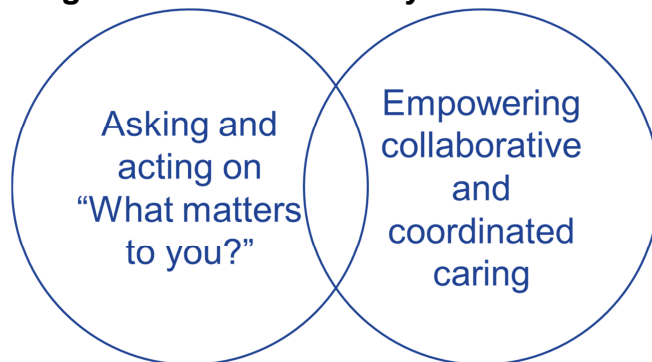
We aim to support older people in our community to:

- Live healthy, independent lives in their own homes

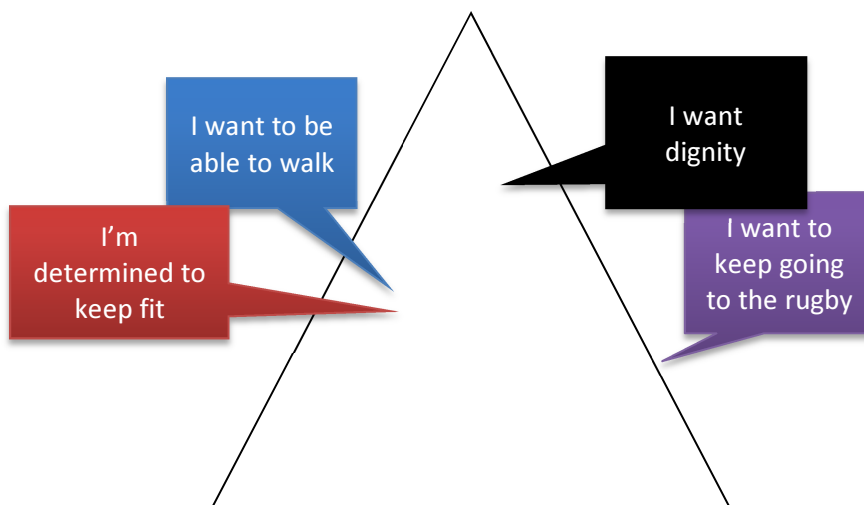
- Be listened to by people who are responsible for services, working with them to understand how they can live the lives they want
- Stay as independent as possible through accessing the right information, advice and assistance
- Receive services in their home when needed
- Have their health and social care problems solved quickly and considered as a whole rather than individually

3. Principles

Two overlapping principles are central to helping us deliver our vision:
Asking and acting on “What matters to you?”



All individuals are different. They have different life priorities combined with different health and social care needs.



Central to effectively and efficiently supporting the health and wellbeing of our older population is understanding these perspectives by asking **“What matters to you?”**

This must be at the forefront of all care and organisational thinking.

By doing this we will:

- Ensure the relevant health and social care needs of people are met
- Help individuals engage in their personal care and have a positive experience when interacting with health and social care systems.

Box 1. Using personal stories to inform better health and social care

We intend to engage members of the public and staff to understand stories of experiencing health and social care. This will provide a consistent foundation for transforming care. *(Example below)*

DORIS' STORY – MAY 2015

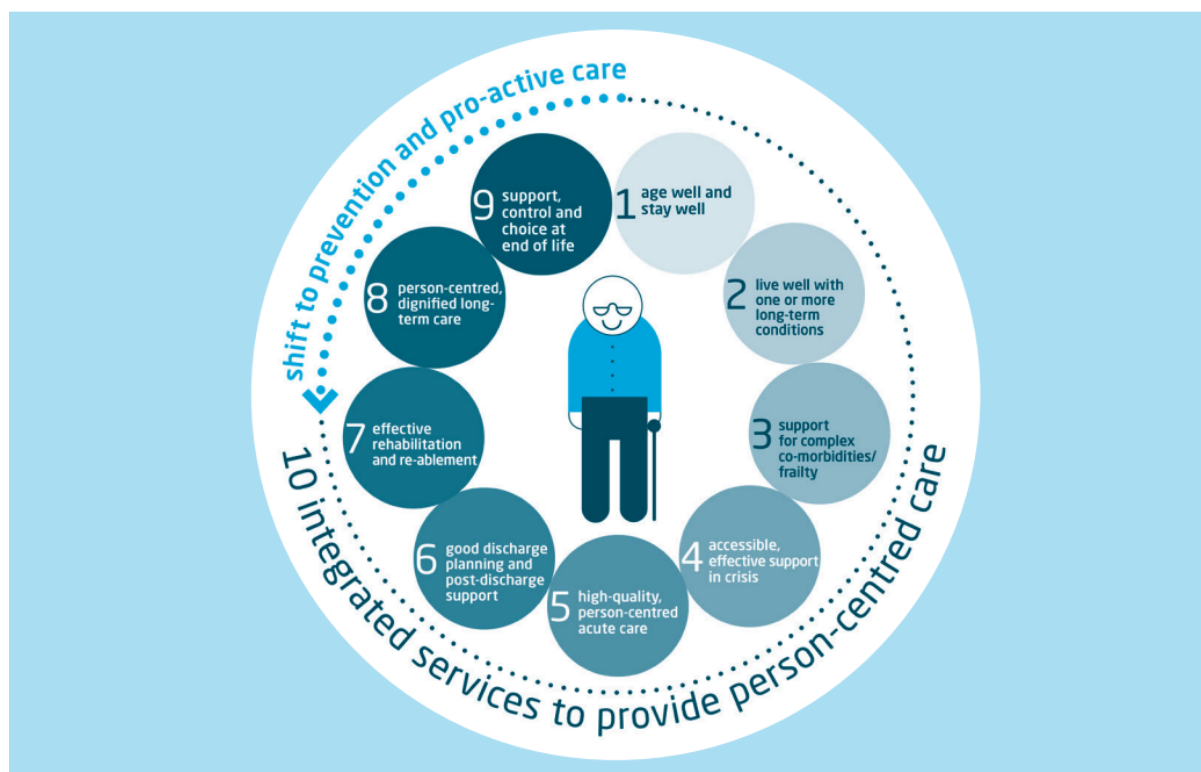
I was talking to my daughter recently about the huge change there has been over the last couple of years in the care and support I receive. I am 85 years old, and have lived in the area for most of my life. The past ten years since my husband died have been a struggle. I have lived with diabetes for twenty years, and now have heart and breathing problems as well. If that were not enough, I've been getting a bit confused at times.

Since last year though, things have got a lot better. The main difference has been Penny. I think she is a nurse, and her main job is to co-ordinate the care I need. I still see some different people, but they all now seem to have an up to date picture of how I'm doing. I still regularly see a physiotherapist and a mental health man has started to visit. They've recently added an extra carer visit, so I now see somebody who helps me with my medication and to get up and dressed and things three times a day. Penny says that most of them are now based in an office nearby, so there is only one number we need to phone if there's a problem. The person who answers the phone is really helpful, and will always put me in touch with somebody if Penny is not there.

The great thing is that I've not had to go to hospital, except for appointments for the past twelve months. The year before, I was taken in three times, twice in the middle of the night. When I got out of the ambulance and into hospital, nobody seemed to know much about me, and it looked to be a real struggle to make arrangements to get me home. They were also talking about me maybe needing to go into a care home, but that seems to have stopped now.

I see my GP every two months, and she says that this new system is fantastic. She works closely with Penny and her team, and says she knows I will get the help I need if there's a problem. She also says it makes her life a lot easier, and that the area does this better than most places. I always used to think the people I saw talked to one another. It's

Empowering collaborative and coordinated caring



Supporting the health and wellbeing of older people often involves addressing a range of physical, mental, environmental and social needs and the collaboration of multiple individuals and groups, with the older person themselves at the centre. To support the health and wellbeing of the older population we must empower this collaboration and ensure it is coordinated in a seamless manner. This includes:

- enhancing integrated teams already developed
- making new connections between individuals and groups
- harnessing the power of third sector and communities
- giving confidence to the public and staff to proactively assess needs, deliver care for themselves or others and acts as brokers of knowledge

By doing this we will:

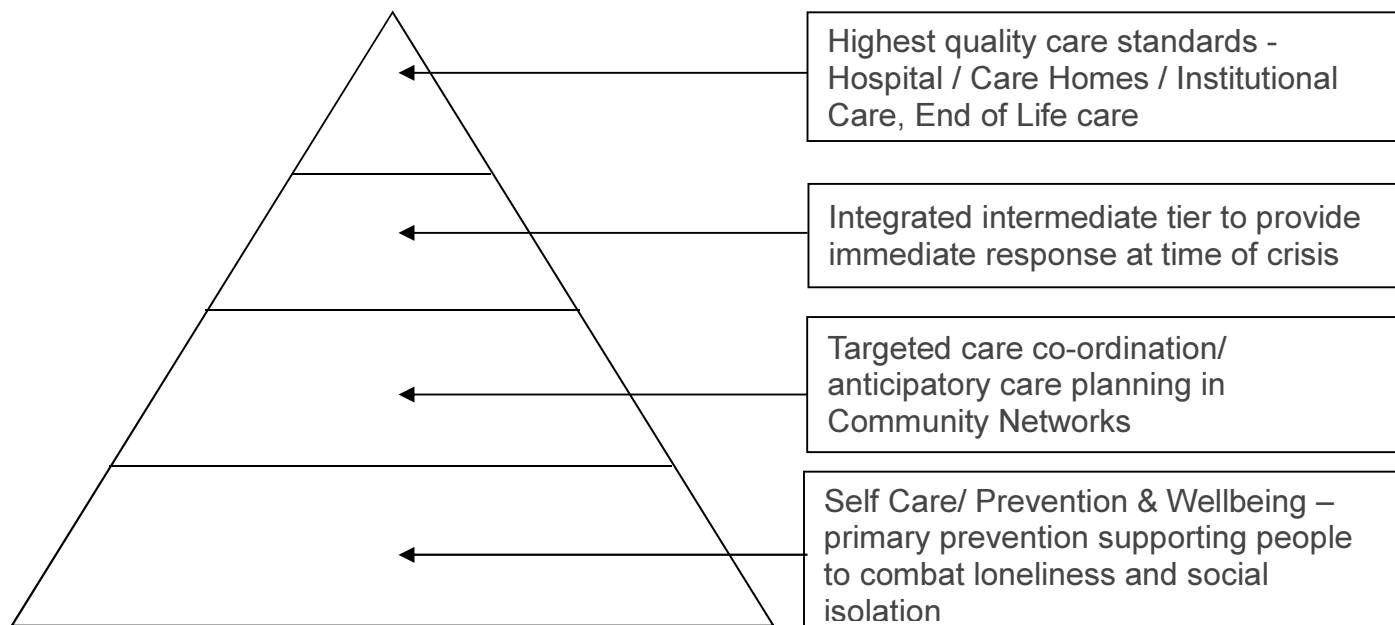
- ensure all the people necessary are involved and engaged with care
- develop structures and pathways to facilitate transitions of care
- install the required capacity and capability for those involved – including the ability of the public and staff workforce development

4. Delivering at a service level

With these principles in mind, to turn our vision into reality requires the specification of difference levels of care to frame decisions, conversations and delivery of care.

These delivery aims were designed as a result of direct feedback from over 220 stakeholders at the Focus on Frailty Event on 27th March 2015.

(A collation of best practice from other areas of the country is provided in an appendix to this document)



The sizes of the segments emphasises our vision of **supporting the health and wellbeing of older people at home when possible** and in healthcare institutions when necessary.

The levels of care do not suggest additions to the current health and social care services but rather **a new way of person centred, collaborative and coordinated** working that builds upon existing core services and organisations and addresses recognised gaps in services and workforce capacity and capability.

a. Self-Care/ Prevention & Wellbeing – primary prevention supporting people at risk of frailty

Aim: to help people take action to manage their health and wellbeing, live as independently as possible and to keep out of hospital.

How:

- Support to combat loneliness and social isolation
- Tools, motivation and confidence to take responsibility for their health and wellbeing
- Taking the learning from local initiatives such as Local Area Coordination to begin to use innovative ways of tackling loneliness and social isolation
- Supporting the maintenance of a healthy lifestyle – regular exercise, not smoking, reduced alcohol consumption, health eating
- Installing a culture of independence and empowerment through self-care and wellbeing, supported by families, carers and community
- Enabling people to live healthy and independent lives engaged in their community and remaining active
- Ensuring there are regular mechanisms in place to check-in with people and their health and wellbeing

This support for patients could be provided by a range of sources - from health and social care organisations to families and communities to other public groups or mechanisms that can facilitate any of the above points.

b. Targeted care co-ordination/ anticipatory care planning in Community Networks

Aim: To deliver anticipatory care for those most vulnerable in communities

How:

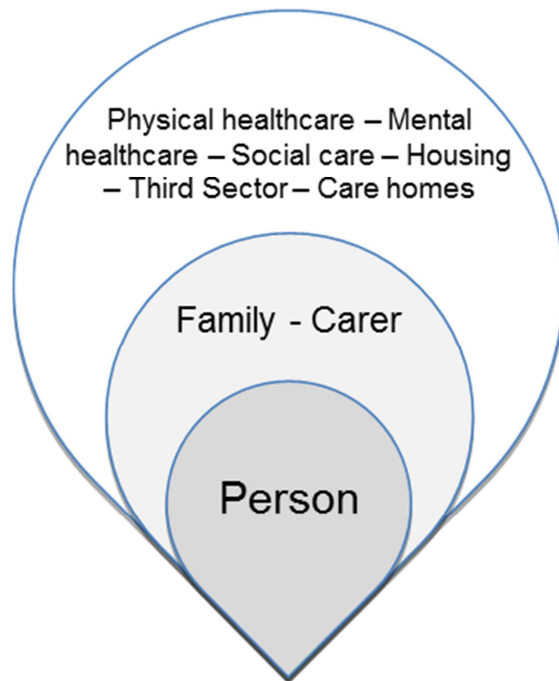
- Case finding and regular review of individuals who would benefit from coordinated care and continuity with a named case manager
 - Includes patients with simple or complex long term medical conditions as well as with a range of other health conditions and changing social support needs
- Encourage individuals and carers to play an active part in determining their own care and support needs as part of a collaborative care planning process
- Develop personalised care plans through shared decision making between the person and staff centred on “what matters to me?”
 - An iterative process based on co-creating goals for maintaining and improving health, support options, personal preferences and the needs of family and carers
- Capture care plans on a standardised, person held document (“This is me” passport).
 - Supports and reduces duplication of conversations between individuals, families, carers and health & social care
 - The care plan is shared with all those who may touch the lives of those people, such as the Ambulance service, GPs, day service provider, etc.

“What matters to you?” – Supporting the health and wellbeing of our older population – July 2015 -

- Ensure the proactive **case management** of those at risk of deterioration and the best possible **care coordination** arrangements are in place with a named case manager and coordinator

To achieve this requires close working with General Practice, community teams and families to identify and coordinate care to help people live independently in the community.

The above aims and service level



Box 2. Definitions for Targeted care co-ordination/ anticipatory care planning

Case management

Case management is a personalised and time-limited intervention aimed at preventing a specific occurrence or event, often a deterioration of health and hospital admission.

It may involve a range of groups or people delivering a range of interventions or support services.

Care coordination

The role of a care coordinator is to act as the first point of contact for questions, concerns or problems for an identified person in regards to their health.

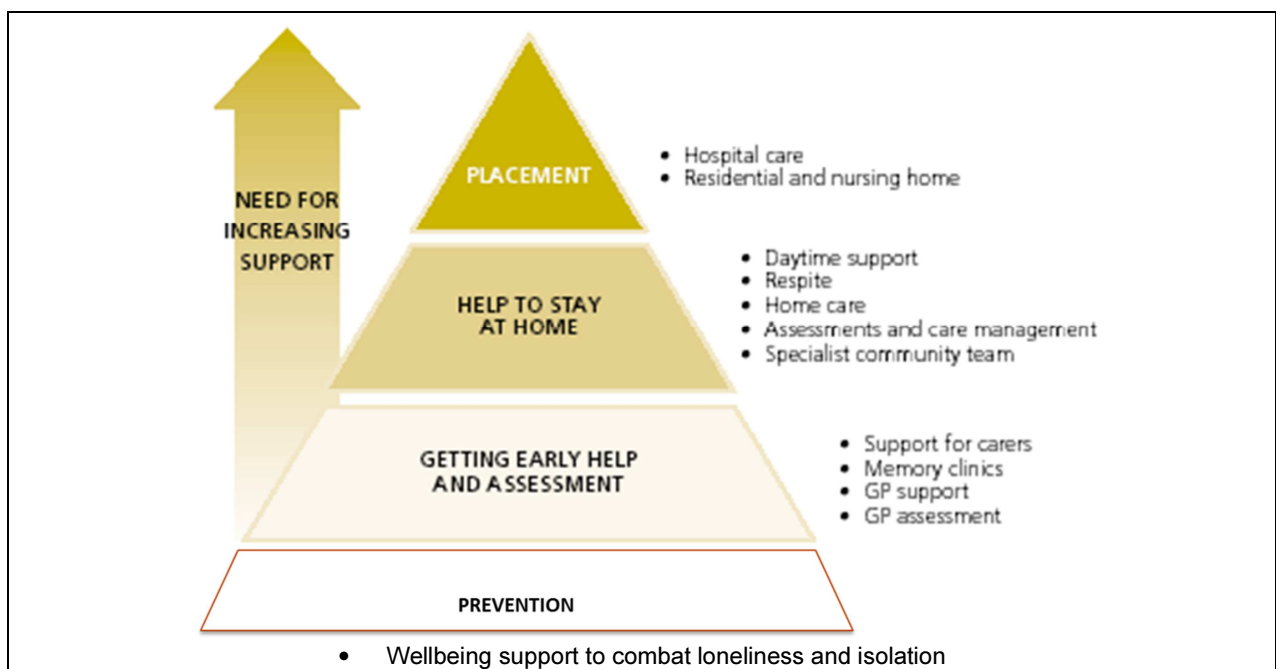
They would take responsibility for checking in with the person and having oversight of their care plan, but not necessarily responsible for delivering the care plan.

Tasks would also include medicines management, self-care support, advocacy and negotiation, psychosocial support etc.

The process of care coordination is seen as a way of working which can be adopted by a range of staff, rather than an additional caseload or task ascribed to an individual practitioner on top of existing duties.

Box 3. Older people's mental health

Care for older people with mental health needs can also be viewed in a similar format and will be considered within every level. An example below outlines this for care of people with Dementia



c. Integrated intermediate tier to provide immediate response at time of crisis

Aim: Maximise recovery and on-going independence and reduce the need for institutionalised care whilst also limiting duplication and hand-offs between health and social care agencies

How

- Short term interventions that address needs at a time of crisis, when people's needs change, of after illness or injury
 - Rapid support close to home when required
 - Good rehabilitation/ re-ablement after acute illness or injury

Much progress has already been made at this level of care through the development of community resource teams (CRTs). These teams support integrated and co-ordinated care management including specific admission avoidance and supportive discharge schemes, chronic condition case management, enhanced preparation for scheduled care, enhanced medicines management and advanced access to diagnostics. Going forward, it will be necessary to harness the learning in developing these teams and integrate with the other levels of care

d. Hospital / Care Homes / Institutional Care, End of Life care when required

Aim: Deliver high quality care in healthcare institutions for those that need it

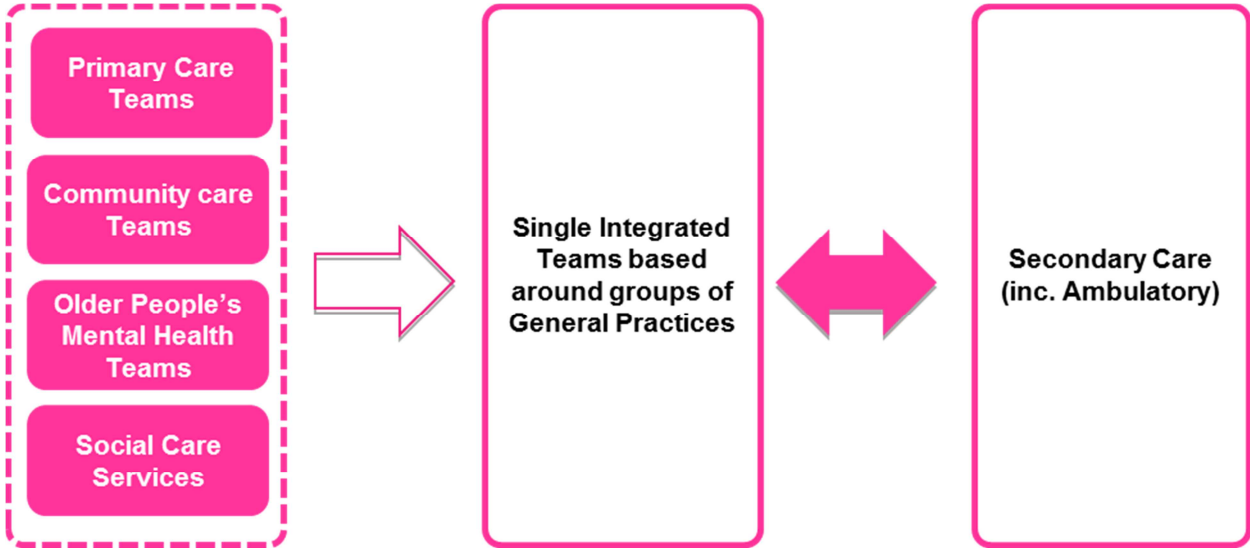
How

- Good acute hospital care when (and only when) needed
- High-quality nursing and residential care for those who truly need it
- Choice, control and support towards the end of life
- Good discharge planning and links to post-discharge support aiming to return to their community without delay.

Collaborative and coordinated working with other individuals and groups is necessary to ensure this is a smooth, safe, proactive transition of care.

Box 4. Interface between community, hospitals and ambulatory emergency care

For the levels of service delivery to function effectively there needs to be seamless interface between secondary care and community services (including primary care)
To do this effectively we will look to leverage the integrated community workforce which assesses & proactively plans to meet the needs of older people.



The aim will be to provide community services that are coordinated for people. Our local older people in Western Bay, if unwell or need support, will be cared for or supported by the most appropriate professional – this might be the Community Mental Health Nurse, the GP or a Social Worker – whoever it is the care and support will be coordinated around the needs of the individual.

Community teams are also pivotal to ambulatory care working well, that is treating people on the basis of need when in crisis without the need for admission to hospital – ambulatory care as the default. A key issue facing the NHS is that of managing the increased demand for emergency care within a reducing resource of inpatient beds and staff. Ambulatory care aims to ensure a significant proportion of emergency patients are managed safely and efficiently on the same day, avoiding admission to a hospital bed. Pivotal this is the joint working of community and secondary care.


The Western Bay region has recently joined the Ambulatory Care Network which will be used to extend the good foundations already achieved.

5. Enablers

Integrated Assessment

Key to enabling the health and wellbeing of the older population is the ability and consistency to identify support needs. A focused Task and Finish Group was established in November 2014 to research the most suitable assessment criteria for older people requiring health and social care. The rationale for this was that many different assessment criteria were being used across health and social care.

The group consisting of Geriatricians, nurses and social work professionals agreed the common assessment should be the Integrated Assessment documentation. This will be supplemented by the Rockwood Frailty Scale for further assessment of frailty.



Iwrod Iechyd Prifysgol
Abertawe Bro Morgannwg
University Health Board

ABERTAWA BRO MORGANNWG
Integrated Community Nursing Assessment


Addressograph

GP:


Area	
Network	
Assessor (Print Name)	
Assessor (Signature)	
Datetime	

Clinical Frailty Scale


1 Very Fit – People who are robust, active, energetic and motivated. These people commonly exercise regularly. They are among the fittest for their age.




7 Severely Frail – Completely dependent for personal care, from whatever cause (physical or cognitive). Even so, they seem stable and not at high risk of dying (within ~ 6 months).




2 Well – People who have no active disease symptoms but are less fit than category 1. Often, they exercise or are very active occasionally, e.g. seasonally.




8 Very Severely Frail – Completely dependent, approaching the end of life. Typically, they could not recover even from a minor illness.




3 Managing Well – People whose medical problems are well controlled, but are not regularly active beyond routine walking.




9 Terminally Ill – Approaching the end of life. This category applies to people with a life expectancy <6 months, who are not otherwise evidently frail.




4 Vulnerable – While not dependent on others for daily help, often symptoms limit activities. A common complaint is being “slowed up”, and/or being tired during the day.



5 Mildly Frail – These people often have more evident slowing, and need help in high order IADLs (finances, transportation, heavy housework, medications). Typically, mild frailty progressively impairs shopping and walking outside alone, meal preparation and housework.



6 Moderately Frail – People need help with all outside activities and with keeping house. Inside, they often have problems with stairs and need help with bathing and might need minimal assistance (cuing, standby) with dressing.



Scoring frailty in people with dementia

The degree of frailty corresponds to the degree of dementia. Common **symptoms in mild dementia** include forgetting the details of a recent event, though still remembering the event itself, repeating the same question/story and social withdrawal.

In **moderate dementia**, recent memory is very impaired, even though they seemingly can remember their past life events well. They can do personal care with prompting.

In **severe dementia**, they cannot do personal care without help.

Rockwood Frailty Scale

Workforce Development

Another key enabler is the development of skilled and motivated workforce with the right number and allocation of roles.

The future health service will see more person-centred systems of care and less division between primary, secondary, community, voluntary and social care organisations. Individual roles, teams and governance arrangements will need to be developed to support the increasing numbers of staff that will be in training, on placement and working independently outside hospital, and in community settings. The workforce will frame, prepare and deliver an organisational development programme.

We aim to develop a working environment and culture where everyone comes to work each day thinking they can improve outcomes and customer service within the resources we have – providing better care for our older population. To achieve this, our strategic and operational visions will be linked to a complementary Organisational Development strategy.

Planning for these workforce developments is already underway. Some potential actions to continue these efforts include:

Skills and motivation

- Develop culture change examples and morale boosters – aiming to get everyone on the same page in terms of integration and focus on proactive and not reactive care models
- Develop a core competency framework
- Modify core training programmes to align with new service needs
- Develop new learning environments that build on multidisciplinary approaches

Number and type of roles

- Take a stocktake of the current workforce and its needs
- Manage immediate and forecasted workforce supply shortages
- Reshape existing roles through ongoing training, education and development
- Develop and pilot new roles
- Evaluate and research the effectiveness of new roles and workforce configurations

6. How we'll deliver on 'What Matters To Me'

At a meeting of the Western Bay Leadership Group on 1st July 2015, it was agreed there needs to be a robust governance structure for the Community Services programme to implement the work going forward. The specific request was to amend the current governance arrangements and set up a new Community Services board/group which includes all the relevant stakeholders and reports up to Leadership Group.

It is therefore proposed to have a *Regional Planning and Delivery Board for Community Services*, which will have responsibility for planning and commissioning of community service for older people as well as providing a strategic cross challenge function on service implementation. This would address the issue of inconsistent local implementation and provide the mechanism for standardisation across the region. By establishing a Board that addresses both planning and delivery it will allow one meeting per month for key stakeholders rather than two separate meetings. The stakeholders will include:

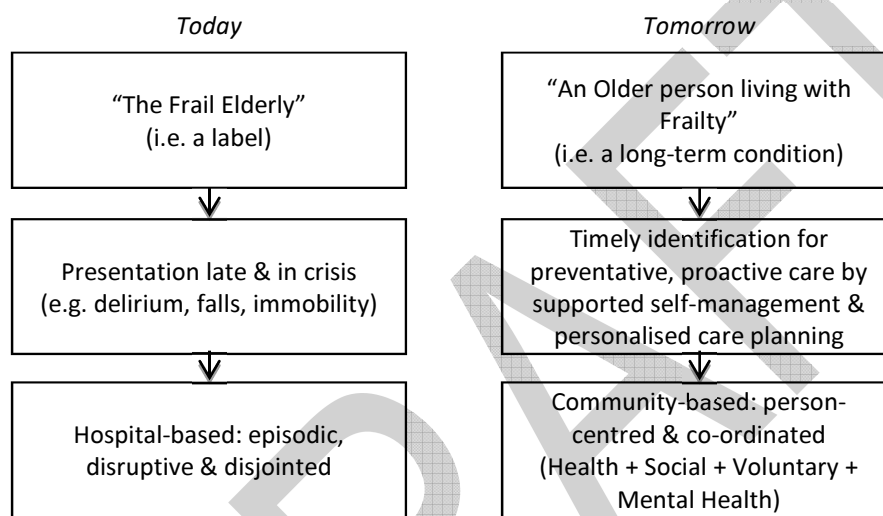
- x3 Directors of Social Services/Heads of Adult Services
- Service Director for Primary and Community Care – ABMU
- Nurse Director/Medical Director – Primary and Community Care
- Service Director/ Medical Director for Mental Health
- General Practitioner
- Third Sector Chief Officer
- CS Programme support

A Terms of Reference will be drawn up in consultation with the key stakeholders before the Board commences in October 2015.

Examples of best practice to guide our work

Examples of best practice that link with the articulated priorities within the system are outlined below from an overarching view of care and within the individual levels. These have been drawn from and summarised for the Kings Fund archive of best practice and NHS England publications.

1 Overarching views of caring for older people



The full presentation can be found here - <http://www.kingsfund.org.uk/audio-video/professor-john-young-primary-care-based-model-frailty>

Making our health and care systems fit for an ageing population – The Kings Fund & Safe, compassionate care for frail older people using integrated care pathway - NHS England

The Kings Fund and NHS England both outline a wide overview of evidence based elements of care for older people. They identify 9 key areas which are outlined in the list and diagram below and overlap the 4 levels of care outlined.

- Good acute hospital care when needed
- Good discharge planning and post-discharge support
- High-quality, long-term nursing residential care for those who need it
- Choice, control, care and support towards the end of life
- Healthy active ageing and supporting independence
- Helping people to live well with simple or stable long-term conditions

- Helping people live with complex co-morbidities, including dementia and frailty
- Rapid support close to home in times of crisis
- Good rehabilitation and re-ablement (outside acute hospitals) after acute illness or injury



DK

2 Highest quality care standards - Hospital / Care Homes / Institutional Care, End of Life care

Emergency care pathway for older patients - Sheffield Teaching Hospitals NHS Foundation Trust

Sheffield Teaching Hospital one of the hospital's three MAUs has become a unit focusing on the medical admissions of frail older people with the co-location of all the specialist, medical, nursing and therapist staff who deal with frail older people.

To overcome the often delayed process of discharge from hospital for these patients, where the patient is medically fit to leave hospital but waiting for home support to be in place, inter-agency working with both the local authority and primary care has supported the introduction of a 'discharge to assess' system. This is where patients are discharged once they are medically fit and have their support needs assessed on arrival at home by members of the community intermediate care and social care teams. This enables them to access the right level of home care and support much more quickly

Following this introduction the Frailty Unit saw a 34% increase in patients being discharged on the day of their admission or the following day, with no increase in the proportion of patients readmitted to hospital. The change has truncated a discharge process of up to two weeks to care packages being put in place directly with the patient at home, enabling the Frailty Unit to reduce length of stay and therefore shortening the overall patient pathway.

Further information can be found here - http://www.health.org.uk/media_manager/public/75/publications_pdfs/Improving%20the%20flow%20of%20older%20people.pdf

3 Integrated intermediate tier to provide immediate response at time of crisis

Examples of addressing these elements are provided in the overarching best practice examples.

Joint emergency team (JET) – Greenwich

A collaboration between Greenwich Community Health Services, Oxleas NHS Foundation Trust and Royal Borough of Greenwich Social Care has seen the development of a team of nurses, social workers, occupational therapists and physiotherapists working together to provide a multi-disciplinary response to emergencies arising within the community which require a response within 24 hours.

The team responds to emergencies to which they are alerted within the community at care homes, A&E and through GP surgeries, and handle those which could be dealt with through treatment at home or through short-term residential care.

Over a two-and-a-half-year period, over 2,000 patient admissions were avoided due to immediate intervention from the Joint Emergency Team (JET). There were no delayed discharges for patients over 65 and over £1m has been saved from the social care budget.

Further information can be found here -

<http://www.local.gov.uk/documents/10180/12193/Greenwich+-+Getting+back+on+your+feet+-+value+case/9cd224ae-b63d-42f9-872e-18943767a695>

Frailty Pathway - Lincolnshire West CCG

Lincolnshire West CCG led the creation of an integrated frailty pathway, supported by a wider range of services including a community response team, to enable the frail elderly to remain healthy and safe at home.

It included a number of service changes, including:

- Developing a range of third sector services (e.g. transport and befriending services)
- Creation of a community geriatrician post
- Establishment of integrated community response teams
- Additional training and enhanced GP involvement for local care homes.
- Use of the Canadian Frailty Scoring Tool to identify patients at risk of unnecessary hospital admissions

They have reflected upon the importance of securing buy-in from all partner organisations from the start, acknowledging the time and effort that is required to develop such a pathway and the benefits of involving patients and carers to help articulate how the new service will be different in practice and how this will improve the care that is delivered

Further information can be found here -

http://www.nhs.uk/media/2570535/lc_case_study_lincolnshire_frailty_pathway.pdf

4 Targeted care co-ordination/ anticipatory care planning in Community Networks

Transforming Primary Care in London - London Primary Care Transformation Board and Primary Care Transformation Clinical Board.

A new framework for commissioning primary care in London has outlined elements of Accessible, Proactive and Coordinated care specification. The coordinated care specification refers to patient centred, coordinated care and GP/patient continuity. A number of elements apply to the provision of care for the frail elderly:

Case finding and review

- Practices will identify patients who would benefit from coordinated care and continuity with a named clinician, and will proactively review those that are identified on a regular basis.
- Patients with complex conditions who need care from more than one professional or team are to be added to a coordinated care register and will be provided with an enhanced level of service. These patients may have long term conditions but may also be patients with a range of other health conditions and social support needs such people with mental health conditions; people in nursing homes; people at the end of life; or vulnerable people who find it hard to access services.
- Patients are to be identified using a combination of clinical alerts, risk profiling and clinical judgment. Every practice or network of practices where appropriate, will run a regular risk profiling/risk stratification process in order to identify patients who should be on their care coordination register.

Named professional

- Patients identified as needing coordinated care will have a named professional who oversees their care and ensures continuity.
- Patients may also be allocated an additional member of the practice team or an additional health or social care professional as a care coordinator to act as their first point of contact if they have questions, concerns or problems. This person who coordinates their care should work with the patient to achieve their goals.
- Patients with more complex needs would ideally be able to contact their care coordinator 24/7 for certain periods of very acute clinical risk or towards the end of their life.

Care planning

- Each individual identified for coordinated care will be invited to participate in a holistic care planning process in order to develop a single care plan that can be shared with teams and professionals involved in their care.

- Development of the care plan should follow the approach described in Delivering Better Services for People with Long Term Conditions – Building the House of Care. This represents a departure from the current focus on individual diseases towards a generic approach in which patients' goals drive care delivery and greater attention is paid to the contribution that people make towards managing their own health. Care planning should be based on a philosophy of co-created goals for maintaining and improving health. It should be an iterative process that continues for as long as an individual has complex needs. Patients identified for coordinated care, and their carers, should be encouraged to play an active part in determining their own care and support needs as part of a collaborative care planning process. This should involve discussing care and support options, agreeing goals the patient can achieve themselves, and co-producing a single holistic care plan that includes the needs of family and carers.

Patients supported to manage their health and wellbeing

- Primary care teams will create an environment in which patients have the tools, motivation and confidence to take responsibility for their health and wellbeing. A culture of self-management support will underpin care coordination, recognising that the personal information that patients, their carers and families bring to the development of care plans can be as important as the clinical information in medical records.
- Support for patients could be provided by individual practices or across a number of practices and could for example include internet resources; advice from staff skilled in lifestyle training and/or motivational support; information packs; services provided by volunteers or voluntary organisations and access to patient groups in which patients support each other.

Care Coordinator - Wiltshire CCG, The Great Western Hospital Foundation Trust (GWHFT) and Primary Care in Wiltshire

At a local level, Wiltshire NHS organisations have collaborated to develop a new model of care targeted at frail older people and people with complex long term conditions.

It has seen the deployment of 23 WTE Care Coordinators (one per 20,000 population) to work in GP surgeries and focus on ensuring that the people referred to them by GP's and sometimes identified using a Risk Stratification Tool:

- re receiving the right care, at the right time, in the right place,
- Know what services they can access and how
- Have support for their discharge from hospital
- Access appropriate community resources (not just those traditionally available from statutory authorities).

The Care Coordinators links with practices themselves but also with their local Community Teams, acute hospitals, social care, and voluntary sector and community groups.

Further information -

<http://www.kingsfund.org.uk/sites/files/kf/media/Great%20Western%20Hospital%20NHS%20Foundation%20Trust%2C%20Care%20Cordination%20Project.pdf>

Clinical Management Plan (CMP) - NHS South Worcestershire Clinical Commissioning Group

Targeted art care home residents, but applicable to a wider range of individuals, NHS South Worcestershire have developed a Clinical Management Plan (CMP) to help improve the coordination and management of care.

The CMP is one single individualised patient plan, available for any health care clinician treating the patient and includes details of a residents care needs and preferences in regards to end of life care or avoidance of hospital admission. The CMP facilitates residents living well by ensuring their CMP is agreed between the resident, Community Nurse Practitioner (CNP), care home staff and the GP. It remains with the patient at their care home, allowing direct access to ambulance crews and GP Out of hour's services for rapid support close to home.

The individualised CMP facilitates patient engagement and offers care home residents the opportunity to express and record their care wishes, particularly in regards to end of life care. One CMP accessible for all helps to avoid error and improves communication speed

After 11 months the evaluation of the project has seen a 15% reduction in admissions from Care homes in South Worcestershire, fewer ambulance call outs and fewer episodes where residents were conveyed to hospital, with savings in the region of £500.000. More recent information suggests a 25.3% reduction in all admissions when compared to this time last year.


Further information -

<http://www.kingsfund.org.uk/sites/files/kf/media/NHS%20South%20Worcestershire%20Clinical%20Commissioning%20Group%2C%20Clinical%20Management%20Plan.pdf>

5 Self-Care/ Prevention & Wellbeing – primary prevention supporting people at risk of frailty

Practical guide to health ageing – NHS England & Age UK

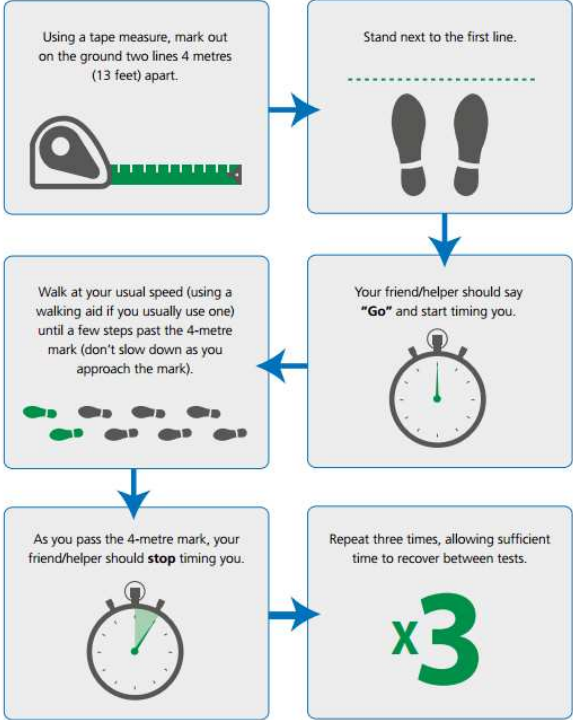
Try this at home



Have you noticed it's taking longer to get to the bus stop than it used to? Or that your weekly supermarket shop takes longer than before?

These can be signs that you've started slowing down.

If you've noticed you're a little slower than you used to be, or even if you haven't, you may want to try the simple test opposite which will let you know if the 'slowing-down' process of later life is affecting you. It is called the Walking Speed Test. You can do it easily at home. All you need is a tape measure and a watch with a second hand or mobile phone with a stopwatch function.



Using a tape measure, mark out on the ground two lines 4 metres (13 feet) apart.

Stand next to the first line.

Walk at your usual speed (using a walking aid if you usually use one) until a few steps past the 4-metre mark (don't slow down as you approach the mark).

Your friend/helper should say "Go" and start timing you.

As you pass the 4-metre mark, your friend/helper should **stop** timing you.

Repeat three times, allowing sufficient time to recover between tests.

x3

If you take more than 5 seconds, it's likely you're affected by the slowing-down process of later life. Of course, some of us walk slowly for other reasons, such as arthritis, but the test will give you a good indication of your general fitness. If you have slowed down you may want to try some simple exercises, or see your GP or nurse to discuss things further.

NHS England, in partnership with Age UK, have produced a leaflet with advice to help improve the health and general fitness of people of any age, but written to be particularly relevant for people who are 70 years or older. It includes a guide to a self-assessment of the "slowing down" process related to the effects of ageing on the body and specific advice regarding a number of areas: looking after feet and eyes, making the home safe, keeping active, talking about medicines, getting hearing testing, preventing falls. Looking after mental well-being, and getting ready for winter.

To access the leaflet: <http://www.england.nhs.uk/wp-content/uploads/2015/01/pract-guid-hlthy-age.pdf>

An Ageing Well strategy - Newcastle West CCG & Newcastle Council

Newcastle CCG & Council also provides a specific example of a local region developing a strategy which considers a range of different stages of ageing, including: preparing for active old age; active old age; vulnerable old age; and dependent old age.

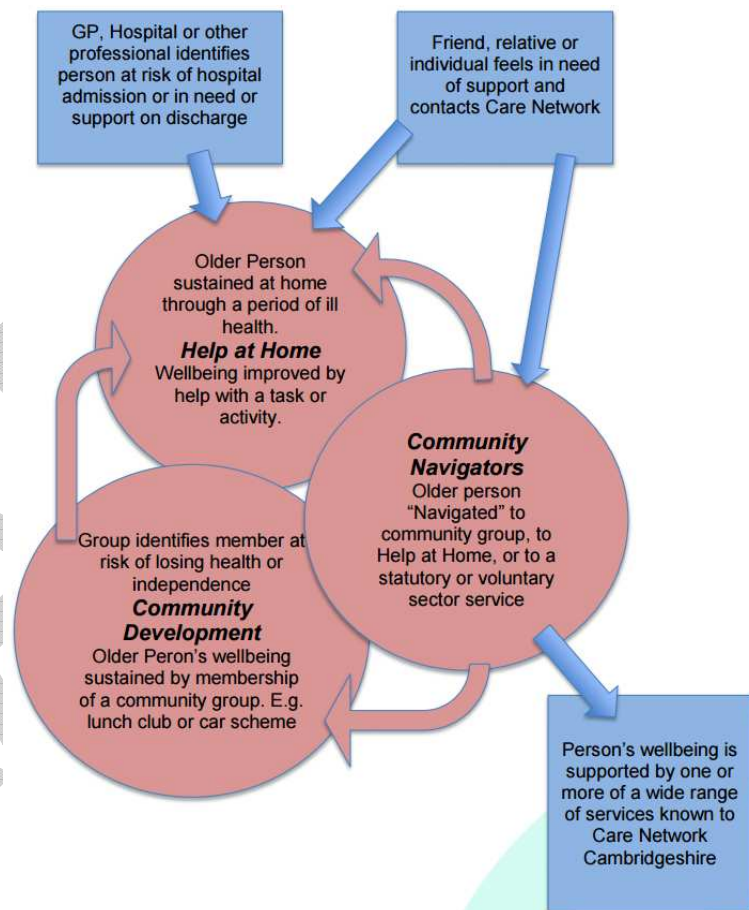
The strategy includes:

- Health checks aimed at identifying risk factors such as obesity, physical inactivity and poor diet in those aged 40-74
- Engaging older people as volunteers and health champions
- A focus on case-finding to identify older people who are vulnerable to deterioration or dependency so that they can receive proactive support
- Focus on supported self-management

Care Networks – Cambridgeshire Care Network

The Cambridgeshire Care Network, through a combination of qualified paid staff and trained volunteers, has developed an infrastructure of support for over 100 local community groups. Approximately 1,200 volunteers have been engaged in the work. The network includes:

1. **Community Development** – supporting communities and groups to support local older and vulnerable people.
2. **Community Navigators** – providing information about activities and services which older people might enjoy or find helpful
3. **Help at Home** – providing short-term practical and emotional support to older and vulnerable people at a time of need.



Appendix 2

Finance Contributions by City and County of Swansea and ABMU Health Board extracted from the Intermediate Care Agreement in accordance with Section 33 of the National Health Service (Wales) Act 2006

Swansea Locality

	LA	Health	Total
<u>Common Access point</u>			
Intake Team	765,196	0	765,196
<u>Rapid response/Acute Clinical Team</u>			
Acute Clinical Team	0	128,369	128,369
<u>Reablement</u>			
CRT Therapy	376,350	2,710,914	3,087,264
DCAS/CRT (dom Care)	3,339,016	633,014	3,972,030
Residential Int Care Beds	598,000	25,480	623,480
Meds Management Service		161,057	161,057
<u>Support</u>			
Admin Support	0	100,483	100,483
Additional non pay costs	0	262,075	262,075
	5,078,562	4,021,392	9,099,954
	55.81%	44.19%	

Agenda Item 13.

Report of the Cabinet Member for Services for Adults and Vulnerable People

Cabinet – 15 October 2015

SUPPORTING PEOPLE PROGRAMME GRANT – LOCAL COMMISSIONING PLAN 16/17

Purpose:	<p>This report seeks approval of the Supporting People Local Commissioning Plan (LCP) priorities for 2016/17.</p> <p>The draft Local Commissioning Plan (Appendix 1)</p> <p>This report summarises the key issues and challenges for commissioning with SPPG.</p> <p>The report gives a financial overview</p> <p>The SPPG commissioning priorities must go through a process to receive member approval before forwarding to the Western Bay Regional Collaborative Committee in order to develop a regional commissioning plan.</p> <p>A regional supporting people commissioning plan must then be sent to Welsh Government</p>
Policy Framework:	<p>National Policy Framework Prevention of Homelessness & Tackling Poverty.</p> <p>Local Policy Framework The One Swansea Single Integrated Plan Homelessness Strategic Business Plan 2015-18 The Social Services Commissioning Framework and associated commissioning plans.</p>
Reason for Decision:	<p>To comply with the requirements of the Welsh Government Grant Conditions July 2013 and supplementary guidance. http://wales.gov.uk/topics/housing-and-regeneration/services-and-support/supporting-people/?lang=en</p>
Consultation:	<p>Finance, Legal Services, Access to Services and Partner Organisations.</p>

Recommendation(s): It is recommended that:

- 1) The Supporting People Local Commissioning Plan priorities are noted and approved for sharing with the Western Bay Supporting People Regional Collaborative Committee to inform the development of a regional plan.

Report Author: Anita Evans

Finance Officer: Chris Davies

Legal Officer: Debbie Smith

Access to Services Officer: Phil Couch

1.0 Introduction

- 1.1 The Supporting People Programme Grant (SPPG) is a Welsh Government (WG) grant and sits within the WG Tackling Poverty Portfolio currently. The 2015/16 SPG allocation to the Local Authority (LA) was £13.8 million. The allocation is paid to commission or provide housing related support services to help prevent people becoming homeless or requiring residential/ institutional services, through the provision of 'housing related support'.
- 1.2 The majority of the services are provided via LA contracts with third sector and a small number of private sector service providers. There are also internally provided services equating to £1,454,176 of the SPPG provided by the Housing Department and within Social Services Mental Health Section. Approximately 90% of the grant allocation is spent externally and with 3rd sector providers. The contracting process aims to ensure that 80% of grant is focused on front line support staff.
- 1.3 The principal local commissioning partners are Social Services, Housing, Probation and Health. The local governance structure is the Supporting People Commissioning Group (SPCG) which meets quarterly to oversee the local commissioning activity and approve funding decisions.
- 1.4 WG guidance requires that these services are reviewed taking account of strategic relevance, cost effectiveness and quality assurance. The Supporting People Team (SPT) in Social Services undertakes this responsibility on behalf of the LA.
- 1.5 There is also a regional governance structure; the Western Bay Regional Collaborative Committee (WBRCC) is in place as prescribed by Welsh Government. It includes the same representative stakeholders within the Local Commissioning Group plus elected service provider representatives, co-opted members as agreed and Welsh Government Officials.

- 1.6 The grant conditions and WG guidance requires the LA to produce an annual Local Commissioning Plan (LCP). The LCP must be forwarded to the WBRCC. The RCC will use the LCPs from the three LA's to explore and agree a Western Bay Regional Supporting People Commissioning Plan which identifies regional collaborative working opportunities and priorities. This must be formally adopted by each LA and be submitted to WG.
- 1.7 Each LA must also produce an annual projected spend plan for the grant for each year. Quarterly out turn reports must also be submitted to WG to monitor against the projected spend. Variance from the projection of more than 10% in each client group category must be agreed by the RCC. If not approved, it will be referred by the RCC to WG and the Supporting People National Advisory Board (SPNAB). Any under spend will be clawed back by Welsh Government.
- 1.8 This report summarises the LCP & seeks member approval of the Supporting People commissioning priority areas and the draft Local Commissioning Plan for 2016/17.

2.0 What the Supporting People Programme Grant funds

- 2.1 The grant funds services to help prevent people becoming homeless or requiring residential/ institutional services, through the provision of 'housing related support. Housing related support enables people to develop or maintain the skills and confidence necessary to maximise their ability to live independently. Tasks which, if not performed adequately, would lead to a breakdown in the individual's right or ability to continue living in that home.
- 2.2 The SPPG programme has housing, and preventing homelessness or people living in inappropriate institutional settings, at its core. Support can be offered to anyone eligible, regardless of the tenure. The emphasis of the programme is "doing with" as opposed to doing for and building their personal resilience.
- 2.3 There are limitations on grant use. The programme cannot fund hands on personal care. Individuals must be over 16 years and must be legally responsible for their accommodation.
- 2.4 There are a range of service models currently funded by the programme which can be broadly grouped by the following services models:
 - Direct Access Homeless Hostels & Domestic Abuse Refuges
 - Temporary Supported Housing
 - Permanent Supported Housing
 - Floating Support
 - Sheltered Housing
 - Other

2.5 There is a National Supporting People Outcomes Framework for the programme which states:

“People have the right to aspire to safe, independent lives within their community and the financial security and health to enjoy that community. People differ in the barriers they face in achieving these aspirations. Supported housing seeks outcomes for people that are steps on the way towards these ultimate aspirations.

Outcomes should be person centred, purposeful, negotiated and agreed with the individual and, if appropriate, with their advocates, supporters or carers. Outcomes will be achieved through enabling maximum possible control, involvement and understanding across the following areas where appropriate:

*The project is: **Promoting Personal and Community Safety***

People are:

1. *feeling safe*
2. *contributing to the safety and well-being of themselves and of others*

*The project is: **Promoting Independence and Control***

People are:

1. *managing accommodation*
2. *managing relationships*
3. *feeling part of the community*

*The project is: **Promoting Economic Progress and Financial Control***

People are:

1. *managing money*
2. *engaging in education/learning*
3. *engaged in employment / voluntary work*

*The project is: **Promoting Health and Wellbeing***

People are:

1. *physically healthy*
2. *mentally healthy*
3. *leading a healthy and active lifestyle”*

3.0 SUPPORTING PEOPLE COMMISSIONING PRIORITIES

3.1 Core Business priorities for administration of the SPPG are:

- Implement and manage the impact of any WG funding reductions.

- Comply with the Welsh Government SPPG conditions and undertake service evaluations
- To review the medium term financial plan regarding the long term financial position of grant allocation to Swansea in light of the national review of the grant conditions and development of a revised distribution formula.
- To collate and analyse the National SPPG Outcomes Framework data to demonstrate the effectiveness of the programme.
- To comply with specific corporate procurement guidelines and demonstrate value for money.
- Contribute & Participate in the Western Bay Regional Collaborative Committee work plan.
- Undertake the Coordination role for Western Bay Supporting People Regional Collaborative Committee
- To identify and manage risk associated with changes relating to the national strategic direction, governance, finance and quality changes in the programme.
- To identify and maximise opportunities associated with the changes relating to the national strategic direction, governance, finance and quality changes in the programme.
- To explore cross border opportunities within all aspects of Supporting People commissioning, planning and development.
- To research and facilitate innovation an new sustainable models of delivery of housing related support

3.2 **Financial context for commissioning services using SPPG**

3.21 The current financial context is based on early indications from Welsh Government Officials to begin modelling the following possible reductions on the 2015/16 allocation of £13.8 Million. The following shows percentages and equivalent possible cash reductions for 2016/17:

- 20% £2.763 million
- 15% £2.073 million
- 10% £1.382 million
- 7.5% £1.036 million

3.22 The Western Bay Regional Collaborative Committee has suggested a 7.5% reduction as the minimum to be modelled. This is based on the Supporting People National Advisory Boards paper on discontinuing the interim grant distribution formula on the same cut applied for 2015/16. Under the interim formula there was a mitigating impact in Swansea's favour. Swansea was effective at undertaking the initial capture exercise which established the Supporting People grant level across Wales however other LA's were not so. Welsh Government have been engaged since that time with WLGA & the Provider sector on a developing a distribution formula implementing an interim formula. However, development of a new formula has commenced. Previous options put

forward by LE Wales have not favoured Swansea. Previously estimated impacts were at worst a 25% reduction in the Swansea.

- 3.23 A letter from Welsh Government indicates budget figures are not likely to be available until January 16 which is far later than usual. This provides a very short timescale to reach a decision on where to implement reductions.
- 3.24 Welsh Government has also indicated they expect there will be further year on year reductions projecting a possible figure of 40% reduction over three years, equivalent to £5,526,848.45 reduction. Any of the modelled cuts would represent substantial reductions in service provision.
- 3.25 To date previous SPPG allocation reductions have been implemented without any individuals losing their service through cost reduction exercises. It is evident as a result implementing the previous reductions for 2015/16 that this approach would not be possible going forward.

3.3 **Strategic Context for Commissioning with SPPG**

- 3.31 Welsh Government guidance is strengthening and emphasising the role of the SPPG programme as a resource for delivering on key LA homeless prevention duties within the new Housing Wales Act introduced in 2015. This is specifically in relation to new homelessness prevention duties and the requirement to assess housing related support needs.
- 3.32 The Supporting People grant programme also sits within the Welsh Government Tackling Poverty Portfolio currently. The Ministerial guidance is advocating closer links with other tackling poverty grants both at Welsh Government level and locally with programmes such as Communities First, Families First and Flying Start.
- 3.33 The Local Service Board (LSB) has identified the following priorities for the City & County of Swansea as an area:
- Children have a good start in life
 - People learn successfully
 - Young people and adults have good jobs
 - People have a decent standard of living
 - People are healthy, safe and independent
 - People have good places to live and work.

As can be seen the SPPG national outcomes framework is compatible with most of these priorities with service working one to one on their specific needs and identified outcomes.

3.34 The City & County of Swansea Local Authority has agreed the following priorities in the 2015/17 Corporate Plan.
<http://www.swansea.gov.uk/corporateimprovementplan>
“This plan does not include everything that we do but focuses on what is most important for Swansea:

- Safeguarding vulnerable people
- Improving pupil attainment
- Creating a vibrant and viable city and economy
- Tackling poverty
- Building sustainable communities”

The SP programme outcome areas can be seen to assist to deliver in some part on most of the above. However, the most relevant may be considered as:

- Safeguarding vulnerable people
- Tackling Poverty

3.35 The draft Adult Social Care Strategy Promoting Safer independence for Older People and Vulnerable adults aims to reduce the number of adults receiving institutional forms of care, and supported care planning within 3 – 5 years.

1. To safely reduce or prevent the need for citizens to require formal adult services intervention or “supported care” planning
2. Safely reduce the period of time citizens may expect to spend in receiving “supported care planning”
3. Ensure that services for Swansea citizens are sustainable and continue to safeguard and promote independence of the most vulnerable

3.36 The LA Homeless strategy priorities based on the annual review of homelessness and the Homelessness Strategic Business Plan 2015-18 are in summary

Priorities include:

- Reducing and preventing all homelessness by tackling the causes as well as solution focused working for households who are homeless.
- Increasing the capacity of the private rented sector ensuring that accommodation is well managed, affordable and of a high quality
- Dealing with the ongoing and future impact of welfare reform
- Continuing responses to rough sleeping (including the Housing First Model and individual budgets work as well as meeting the day to day needs of those without a roof)
- Reducing and eliminating the use of B&B

- Improving outcomes for Looked after Children
- Developing short and long term support options for people with complex needs including older people with substance and alcohol misuse
- Develop creative support packages for people within shared housing
- Explore options to support homeless prison leavers in finding and maintaining somewhere to live
- Continue to develop and improve customer focused referral pathways into supported housing across the city

The priorities are from the Homelessness Strategic Business Plan 2015-18.

3.37 The LA's Tackling Poverty Forum has identified the following three areas as a priority for action for tackling poverty.

1. Early years – child development
2. Apprenticeships and employment support
3. Identifying people at risk/already vulnerable and support them intensively to address their issues and needs) particularly mental health issues, debt and finance)

4.0. Establishing new SPPG commissioning priorities

4.1 Reviewing the above drivers the recommended new City & County of Swansea priorities for commissioning housing related support services using Supporting People Programme Grant are:

4.2 Tackling Poverty for those at risk of Homelessness

All the supporting people programme services are a key element in delivering the Anti-poverty agenda. It provides a skilled workforce delivery advice and practical housing related support around welfare benefits, debt reduction and developing budgeting skills. They also give advice and practical assistance and signposting around getting work ready. This support is specifically focused on those who are vulnerable and vulnerably housed and most at risk of or who are homeless.

- Identifying people at risk/already homeless and vulnerable and support them in the most appropriate and sustainable manner to address their urgent issues and building their future resilience.
- Delivering crisis & responsive services earlier to prevent homelessness and fulfil LA duties under the new legislation.
- The approach to delivering housing related support should not deskill but promotes an asset based approach to progression and building personal and family resilience.
- Ensuring the most vulnerable have access to limited temporary supported, supported & housing related floating support resources.

- Supporting the delivery of a Private Rented Sector Access Service and the offer to private landlords and their tenants of good quality affordable accommodation with support which assists in enabling the LA to discharge its duties.
- Prevention of Domestic Abuse as a cause of homelessness
- Developing new ways of meeting the housing and support needs of the most vulnerable e.g. ex-offenders in light of the new legislation.
- Meeting the challenges of the more complex nature of homeless and rough sleeping individuals.
- Eliminate the use of B & B as temporary accommodation

4.3 Families with Children and Young People

This reflects the aim that children have a good start in life. The delivery of housing related support to parents to assist in creating a stable home and preventing homelessness is key to delivering that start. The Homeless Prevention, Anti-Poverty and Safeguarding vulnerable people priorities compliment and combine to achieve this aim:

- Identifying families with children & young people at risk/already vulnerable and homeless and support them in the most appropriate and sustainable manner to address their urgent issues and needs and to build their family resilience.
- Ensuring the most vulnerable have access to limited temporary supported, supported & housing related floating support resources.
- To ensure the approach to delivering housing related support does not deskill but promotes an asset based approach to building personal and family resilience.
- Prevention of Domestic Abuse as a cause of homelessness
- Eliminating the uses of B & B as temporary accommodation for young people prioritising 16 & 17 year olds.

4.4 Vulnerable People with Support Needs

This links both to the homeless priorities around ensuring the most vulnerable have access to limited temporary, supported accommodation & housing related floating support resources and the remodelling for the Adult Social Care front door and reducing safely the time people can expect adult social care supported care planning.

- Identifying the most vulnerable people at risk/already vulnerable to homelessness or requiring a more institutionalised form of accommodation and/or support and to support them in the most appropriate and sustainable manner to address their urgent housing issues and needs and to build and maintain their resilience and level of independent living.
- The approach to delivering housing related support should not deskill but promotes an asset based approach to progression and building personal and family resilience.

- Services will complement and integrate with the Swansea Adult Social Care service remodelling around prevention, early intervention and wellbeing services e.g. Local Area Co-ordination and Intake.
- Ensuring the most vulnerable have access to limited temporary supported, supported & housing related floating support resources through appropriate gateways.

5.0 Broadly what will the services we procure be like?

5.1 At present there is an options appraisal exercise underway to comply with the new EU procurement rules which would have been taking place even if funding levels were stable or increasing.

5.2 The LA has begun engagement with the Joint Homelessness & Supporting People Collaborative forum on a blank page approach to procuring services within the SPPG allocation addressing the LA agreed priorities. This is at an early stage and will continue through the rest of the year based on projections until a SPPG allocation is known at the end of November 2015.

5.3 Broadly some of the emerging themes are:

- We will commission services within the envelope of SPPG projected grant allocations and we will have less SPPG to buy services with.
- We will commission services which can be flexible to respond to changes in commissioning priorities and changes to the SPPG grant allocations.
- We will be mindful when commissioning of further welfare reforms affecting the affordability of supported housing.
- All services will link to central referral and access points which identify the most vulnerable individuals most in need of housing related support.
- There is likely to be less emphasis on support being fixed or linked to specific accommodation for certain groups.
- There is likely to be multi-skilled/multiple specialist services delivering support in the priority areas we have identified and therefore less individual specialisms.
- There will be some provision for pre tenancy, responsive (inc. crisis) and early intervention support which includes the concept of after-care as a form of early intervention to minimise the chances of “relapse”.
- The expectation will be that support will be delivered by shorter term services in the main.
- The concept of permanent support at the same intensity will be replaced by one of being able to demonstrate support which is “**enabling maximum possible control, involvement and understanding**” for the individual as set out in the national SP outcomes framework. Services will be expected to evidence how individuals are progressing to this point.

- Support will be person centred and use an asset based approach to build the individual's and/or the family's resilience and ability to live as independent as possible and move to their maximum level control involvement & understanding.
- There will be a stronger emphasis on services demonstrating the outcomes or the impact support has had in an individual's resilience and progress on improving their ability to live as independent as possible.
- There will be a stronger emphasis on services assisting to demonstrate the financial impact the programme has on achieving the local and national priorities.
- There will be a stronger emphasis on demonstrating the cost benefits to other statutory areas e.g. Health & Social Care.
- We will research and explore new and different models of service delivery.

6.0 **Equality and Engagement Implications**

- 6.1 Supporting People Programme Grant services are designed to support individuals to address many of the challenges experienced by groups referred to in the equality legislation.
- 6.2 An Equality Impact Assessment screening exercise has been undertaken and a full Equality Impact Assessment will be necessary and opened once the financial settlement is known. On the announcement of the SPPG allocation for Swansea Individual and full screening will be undertaken on the detailed procurement plan. The resulting commissioning/decommissioning recommendations will be presented to the Supporting People Commissioning Group for decision.
- 6.4 The Supporting People Programme Commissioning Group will make final commissioning/decommissioning decisions on whether a reduction is appropriate to go ahead or not based on the Equality Impact Assessment outcome.
- 6.5 Monitoring of presenting needs information, service utilisation and outcomes as well as regular contract liaison meetings with individual providers will monitor any impact relating to the above.
- 6.6 The Strategic Priorities identified have been reached following review of a range data identifying need. It includes engagement with individuals who use services via the Service User Involvement Framework for Supporting People Programme and Homelessness Services in Swansea. Other Stakeholders such as service providers are engaged via the Supporting People Programme Grant Collaborative Forum and the wider Homelessness and Social Care planning forums. The plan will inform the development of the Supporting People Regional Commissioning Plan and will be consulted on with service users and the public later this year.

7.0 Financial Implications

- 7.1 The report advises on the projected reduction in Supporting People Grant funding level and possible implications once the WG confirm the annual allocations for 2016/17 in November 2015.

6.0 Legal Implications

- 6.1 The report advises on possible future legal implications of implementing the medium term procurement plan and budget reductions in the shorter term which may involve decommissioning of services which will involve giving notice on contracts. The Council must comply with WG grant conditions and the procurement plan must comply with the Councils Contract Procedure Rules and EU procurement law. All future contracts will need to be fit for purpose with the flexibility to respond to changes in the levels of WG funding.

Background Papers: None

Appendices: Appendix A Supporting People Local Commissioning

Agenda Item 14.

Report of the Cabinet Member for Transformation and Performance

Cabinet 15 October 2015

COMMISSIONING REVIEWS: RESIDENTIAL & OUTDOOR CENTRES, BUSINESS SUPPORT AND NON SCHOOLS BUILDING CLEANING

Purpose:	This report outlines the background to the <i>Sustainable Swansea – fit for the future</i> commissioning review programme and sets out the findings and proposals from reviews for the future delivery of: <ul style="list-style-type: none">• Residential & Outdoor Centres• Business Support• Non Schools Building Cleaning
Policy Framework:	<i>Sustainable Swansea – fit for the future</i>
Reason for Decision:	A Cabinet decision is required following the Commissioning Reviews for Residential & Outdoor Centres, Business Support and Non Schools Building Cleaning
Consultation:	Cabinet Members, Executive Board Legal, Finance and Access to Services
Recommendation(s):	<p>Residential & Outdoor Centres</p> <ol style="list-style-type: none">1) That the new model of Option 2 is implemented which is to Transform in house with phased implementation of staff restructure, closure of 1 site, Danycoed due to the backlog of maintenance issues , in July 2016 with a view to seek an alternative operating model in the future. Appendix A2) Appoint a Centre Manager to have overall control of the centres and to drive forward change and review the vision and strategic business plan. <p>Business Support Services</p> <ol style="list-style-type: none">1) That the new model for Business Support for the Council is adopted as outlined in the Review report at Appendix B2) That the new model is delivered through In-House Transformation3) That the Director of Corporate Services is authorised to implement the new model as outlined in the Implementation Plan set out in Appendix B

Non Schools Building Cleaning

- 1) The new model for Non-Schools Building Cleaning for the Council is delivered through a Transformed In-House model as outlined in Appendix C
- 2) That the Chief Operating Officer is authorised to implement the new model as outlined in the high-level Implementation Plan

Report Author: Dean Taylor / Martin Nicholls / Sarah Crawley

Finance Officer: Ben Smith

Legal Officer: Tracey Meredith

Access to Services Officer: Sherrill Hopkins

1.0 Purpose & Summary

1.1 This report:

- *Provides a reminder of the policy and financial context for the commissioning reviews*
- *Summarises the process that we have undertaken to get to this point*
- *Sets out the outcomes and recommendations from the Commissioning Reviews for Residential and Outdoor Education, Business Support and Non- Schools Building Cleaning*
- *Outlines the implementation process*

1.2 This is the first in a series of reports that Cabinet will receive on the Commissioning Review programme, as each of the Reviews proceed through the agreed process.

1.3 Individual reports for each of the three Reviews are contained in the attached Appendices, which themselves contains other Appendices with further detail about the review process, findings and proposals.

1.4 For each Review there is a considerable amount of background papers, including the 2 Gateway Reports, appendices, workshop notes and so forth. The amount for each review varies, depending on the complexity of the stream, but it is clearly impractical to circulate all of this. However, additional papers can be made available to Members on request.

2.0 Policy Context for Commissioning Reviews

2.1 Commissioning Reviews are being undertaken for all services provided by the Council as part of the New Models of Delivery Workstream of *Sustainable Swansea – fit for the future*.

2.2 We have defined Commissioning in Swansea as follows:

The process of identifying community needs, specifying the outcomes to be achieved, deciding how best to deliver these and monitoring delivery

2.3 The key features are as follows:

- *It is about outcomes and transformation... not just modifying services*
- *It addresses the fundamental question... why do we do what we do?*
- *It needs to be strategic... a whole system view, not just the Council*
- *It is evidenced based... if we aren't getting results we should change*
- *It is a continual process... securing long term continuous improvement*
- *It is the key process for finding ways to deliver outcomes at lower costs*

2.4 Commissioning is not outsourcing, procurement or contracting. What matters is what works - a mixed economy of provision is therefore more likely.

2.5 These Reviews are expected to make a significant contribution to the aims in *Sustainable Swansea*:

- *Service transformation*
- *Financial sustainability*
- *Better outcomes for residents*

3.0 Financial Context for Commissioning Reviews

3.1 Commissioning Reviews are fundamental to meeting the £80m challenge and changing how we do things.

3.2 The Medium Term Financial Plan 2016-19 sets out the strategic savings targets for the Council and specific service blocks over the next 3 years as follows:

Service	Current Budget £m	Percentage Reduction/ Increase over 3 Years	Amount Realised £m
Schools & Education	159.5	-15	-23.9
Social Care – Child & Families	39.1	-15	-5.9
Social Care- Adults	65.6	-20	-13.1
Poverty & Prevention	3.5	+5	+0.2

Place	54.0	-50	-26.5
Corporate Services	25.1	-50	-12.5
Total	346.8m		-81.7m

3.3 The indicative potential savings targets within *Sustainable Swansea* are as follows:

Workstream	2016/17 £m	2017/18 £m	2018/10 £m
Efficiency	5	10	15
New Models of Delivery	10	20	30
Prevention	2	6	8
Stopping Services	3	6	9
Total	20	42	62

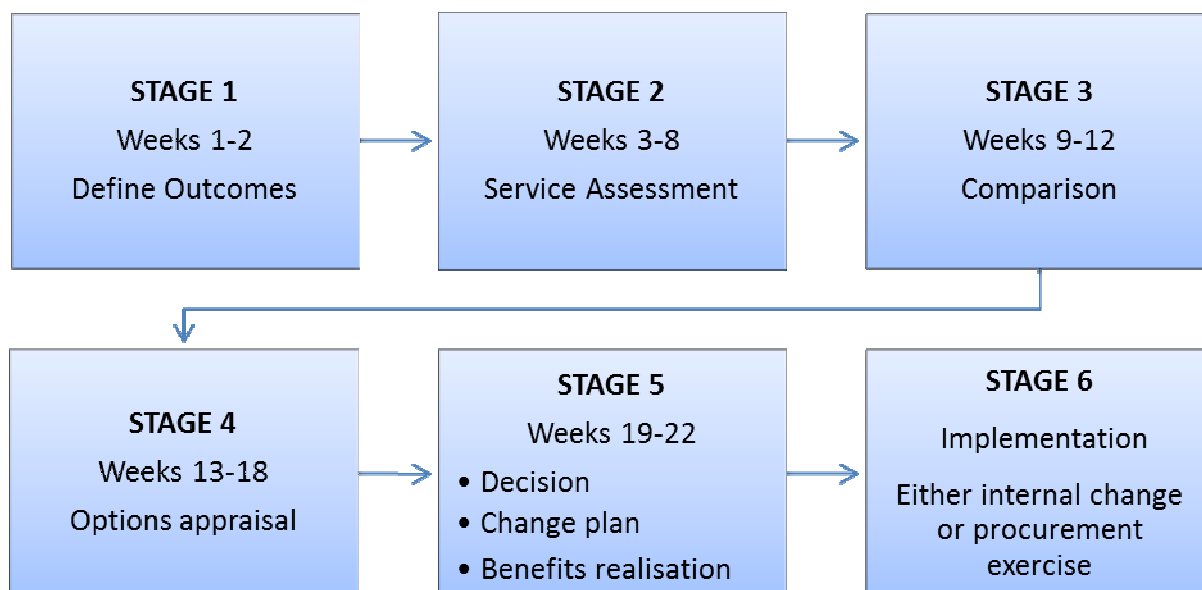
3.4 In formulating proposals the Commissioning Reviews have borne in mind:

- The relevant MTFP savings target
- The range of delivery strands within *Sustainable Swansea* that can contribute to service transformation, savings and additional income

3.5 The financial implications of each Review are set out in the Appendices.

4.0 Commissioning Review Process

4.1 Reviews have followed a staged and gateway approach



4.2 Gateways determine whether a Review can proceed to the next stage.

4.3 We have now reached Stage 5: a report that brings together all the work so far to tell the story of the Review, the findings, the proposals and how they might be implemented.

4.4 This report deals with three Reviews from the first round of Commissioning Reviews as follows:

- Residential & Outdoor Centres
- Business Support
- Non Schools Building Cleaning

4.5 Other Reviews will be reported to Cabinet at future meetings.

5.0 Review Findings - Summary

5.1 The findings from each stage of the Review are set out in the attached Review Reports (and in more detail in the two Gateway Reports).

5.2 The table below provides a summary of the key Proposals from each Review:

Review	Proposals
Residential & Outdoor Centres	<ul style="list-style-type: none"> • The agreed core purpose of the Residential and Outdoor Activity Centres in Swansea is: <i>“To provide educational outdoor activity opportunities for children, young people, families & schools on the Gower in a Sustainable way”</i> • Following the option appraisal matrix, Option 2 was the preferred model which is;

	<ul style="list-style-type: none"> • Transform in house with phased implementation of staff restructure, closure of 1 site, Danycoed due to the backlog of maintenance issues, in July 2016 with a view to seek an alternative operating model in the future. • Appoint a centre manager to have overall control of the centres and to drive forward change and review the vision and strategic business plan. • By implementing this option it will allow the continuation of a sustainable way of providing opportunities for Children, Young People, Families and Schools on the Gower and maintaining our relationships and offer to Schools through the two remaining sites
Business Support	<ul style="list-style-type: none"> • The adoption of a radical new model for business support that has 3 distinct but inter-related components: <ul style="list-style-type: none"> ○ a strong strategic centre (<u>for the Council not for corporate services</u>) ○ a small corporate advisory unit ○ an integrated business hub, covering all Council functions • Transformation of existing business support in line with the common design principles to provide a clear, consistent and integrated framework for service redesign • The transfer of all business support functions, staff and budgets to the new structure, wherever they lie and whatever service they notionally support – quite simply the model is not viable and savings will not be achieved unless this happens • A strong preference for the in house transformed model to deliver this, at least as a first phase, but “keeping the door open” for collaboration/shared services; however, the new model will need to address culture, identity and branding, we will need to think like a business, even if we are still an in house service • Whole system change across the Council, we will not simply transfer the current work to services, rather we will change the way processes currently operate as set out in the design principles, including the introduction of new systems to reduce/divert demand

	<p>and support the change</p> <ul style="list-style-type: none"> • Agree a change plan and engagement strategy with strong messages about the future and branding for the new model, demonstrating the benefits to residents, the Council, Services and employees • Establishment of a transition team to develop the new model, work with each Service Area and Schools on customer needs and to support and develop managers' capabilities to fulfil their responsibilities and to self-serve • Adoption of a digital business strategy: this must be the central driver for our future strategy as a Council and, therefore, for business support • Produce a business case which will describe the benefits, investment in systems/ICT, process change and training, key milestones and inform the detailed service redesign • A workforce development plan setting out the skills, competencies and behaviours required for the new model and a training/development plan to support managers and staff • A phased approach to delivery • Reductions in costs and staffing (see Financial Implications section) • A pragmatic, benefits driven approach about the future development of the model, including opportunities for shared services/collaboration, right sourcing and trading
<p>Non Schools Building Cleaning</p>	<ul style="list-style-type: none"> • Implement a Transformed in house model as outlined: Amalgamation of schools and non-schools cleaning services – ‘one service’ – <i>This change is essential to enable the successful implementation of a transformed building cleaning in-house service.</i> Clear cleaning requirements based on site by site & client needs analysis – develop output specifications and specialist SLA's • Explore other commercial opportunities to expand Trading in the service area, e.g. provision for Cleaning Services for Older People, schools (janitorial service Changing and modernising current working practices

	<p>(site pilots)</p> <ul style="list-style-type: none"> • New Staff Structures (drive cultural change) • Building Cleaning Manual - Educational Programme for Building Staff users and Staff • Monitor cleaning materials spend by apply a coding system to materials to establish exact costs per establishment • The new model will allow an opportunity to explore income generation and a mixed service models were appropriate to ensure the service is sustainable and mitigate staff reductions, where ever viable. • Establishment of a transition team to develop and implement the new Service
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6.0 Implementation

6.1 Subject to Cabinet’s decisions, the implementation process will be as set out in each Review report.

6.2 In addition to the specific actions required for each Review, it is proposed that we adopt an overarching approach to the Commissioning Review programme covering:

- *Consultation*
- *Communication messages*
- *Resourcing implementation*

6.3 The key issues are summarised in the table below.

COMMISSIONING REVIEWS: IMPLEMENTATION

Consultation	
<p>We will adhere to the specific consultation requirements arising from the Review proposals for:</p> <ul style="list-style-type: none"> • Residents • Employees • Trade Unions (including section 188) • Partners • Welsh Government 	<p>All Reviews</p> <ul style="list-style-type: none"> • A communication and engagement plan will be out in place for each Review <p>Residents</p> <ul style="list-style-type: none"> • Each Review will comply with any statutory requirement to consult residents • We will have an overarching communication and consultation on the issues that will be of public interest <p>Employees</p> <ul style="list-style-type: none"> • All Reviews will require staff consultation. There will be a general narrative for all staff, with specific but co-ordinated consultation with the groups affected by each proposal • There will be “joined up” support, led by the HR Service, for staff who are concerned about the impact

<ul style="list-style-type: none"> Regulators 	<p>of change and outplacement support for those who are made redundant</p> <p>Trade Unions</p> <ul style="list-style-type: none"> TUs were briefed on the Review Programme before it commenced and have also been invited to Review workshops The clear intention is to involve the TUs in the implementation of each Review as appropriate We will use both existing informal meetings and JCC meetings for this We will start formal consultation with the TUs about new structures and/or potential redundancies when we have a clear view on the impact of the proposals on specific groups of staff Formal Section 188 consultation will cover all the Reviews and other planned changes on a rolling basis as specific proposals become clearer <p>Partners</p> <ul style="list-style-type: none"> As part of the Communications Plan, each Review will identify the specific communication and consultation requirements ie: which partners are likely to be affected buy or have an interest in the proposals? <p>Welsh Government/Regulators</p> <ul style="list-style-type: none"> Similarly, each Review will identify the specific communication and consultation requirements with Welsh Government and any Regulators or Inspectorates
<p>Communication Messages</p>	
<p>In addition to specific consultation requirements, we will also have an overall narrative about the Review Programme as a whole to explain what we are doing, why and what the benefits will be</p>	<ul style="list-style-type: none"> A strong and compelling narrative is vital in being able to sell communicate changes to the public (and to other Members) We will be honest with people about where services will change or closures will take place, we will explain why this is required and what will be different and better about the future arrangements This will be put in place for the programme as a whole (linked to the existing <i>Sustainable Swansea</i> narrative) and for each Review
<p>Implementation</p>	
<p>We need to set out within each Review the key steps to implementation and the</p>	<ul style="list-style-type: none"> Stage 6 of the Review process is implementation All final review reports contain sufficient detail to give both a clear picture of what will happen when and confidence that this can be achieved As part of delivery, it will be necessary, for most reviews, to retain external support, largely for

<p>requirements for external support to achieve this, we also need to agree reporting arrangements to keep track of reviews</p>	<p>specialist knowledge and skills rather than additional capacity (which we should secure ourselves through reprioritisation)</p> <ul style="list-style-type: none"> • The <i>Sustainable Swansea</i> Delivery Programme contains our current approach to this, but we will ensure sufficient competition so that we are transparent and can be assured that we are getting the best outcomes and best value • We will put in place the right governance to track implementation; each Review will have its own project management; there will also be a simple highlight report available to Cabinet and Executive Board so we know we are on track and any issues can be resolved quickly
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7.0 Legal Implications

- 7.1 The legal implications of the Reviews are set out in each report.
- 7.2 The Council has powers under the Local Government Act 1972 to enter into a range of joint arrangements with other councils if a shared services solution is pursued for some aspects of business support.
- 7.3 The Council has powers to trade to generate additional income and to create alternative business structures for the delivery of its functions.

8.0 Financial Implications

- 8.1 The financial implications of the Reviews are set out in each report.
- 8.2 The Medium Term Financial Plan 2016-19 sets out the strategic savings targets for the Council and specific service blocks over the next 3 years as set out in Section 3 above.
- 8.3 The Commissioning Review programme is fundamental to meeting the £80m financial challenge. The proposals from each Review have had regard to the relevant MTFP savings target.

9.0 HR Implications

- 9.1 The HR implications of the Reviews are set out in each report.
- 9.2 Because of the financial targets that need to be met, there will be a significant reduction in posts at some stage under any option.
- 9.3 For all Reviews, consultation with staff and trade unions will take place and HR procedures followed to ensure that all staff have an opportunity to comment on the proposals and understand the process for assessment, appointments and the out placement support where appropriate.

10.0 Consultation

10.1 The Reviews have sought to engage stakeholders and obtain views from experience elsewhere as follows:

- *Updates to staff in affected services*
- *Senior Manager workshops*
- *Stakeholder Workshops on outcomes and alternative models, including Trade Union representatives and Scrutiny Members*
- *External advice and challenge from Gartner and Improvement & Efficiency Social Enterprise (IESE), APSE*
- *Report to the Executive Board*

10.2 The Communications Plan for implementation will cover all aspects of communication, engagement and involvement, including:

- Stakeholder map
- Key messages
- FAQs
- Engagement opportunities
- Staff Reference Group

10.3 A key objective will be to engage staff in the implementation of the proposals.

11.0 Equality

11.1 An EIA Screening Form has been completed for each review and a full EIA report will be required for both Business Support and Residential & Outdoor Centres.

11.2 Further detail is set out in each Review report.

Background Papers:

None

Appendices:

Appendix A – Residential and Outdoor Centres Review
Appendix B – Business Support Commissioning Review
Appendix C – Non Schools Building Cleaning Review



Commissioning Review Report Stage 5 Residential and Outdoor Centres

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1	PURPOSE AND SUMMARY
2	BACKGROUND TO THE REVIEW & SCOPE
3	REVIEW FINDINGS
4	ALTERNATIVE MODELS
5	PREFERRED SERVICE MODEL
6	NON FINANCIAL BENEFITS
7	RISKS
8	LEGAL IMPLICATIONS
9	FINANCIAL IMPLICATIONS
10	HR IMPLICATIONS
11	IMPLEMENTATION
12	EQUALITY AND ENGAGEMENT IMPLICATIONS

1.0 Purpose & Summary

1.1 This report:

- *Summarises the outcomes from the Commissioning Review for Residential and Outdoor Centres*
- *Provides evidence that the Review has completed all relevant tasks as part of the commissioning process*
- *Sets out the recommendations from the Review for approval by Cabinet.*

1.2 Supporting this paper are Gateway Reports addressing the specific requirements of Stages 1 & 2 and Stages 3 & 4 of the Commissioning Review Process which followed the correct decision making route during the review.

2.0 Background to the Residential and Outdoor Centres Review of Scope

2.1 The Residential and Outdoor Centres Service is currently delivered from the 3 sites; Borfa House in Port Eynon, Danycoed House in West Cross, and Rhossili Centre in Rhossili Bay. They are owned by the local authority and operated as educational residential centres for over 30 years.

2.2 Budget saving targets of £148K have been allocated to the service, spread over a three year period, starting in 14/15. Historically all of the centres run at a loss, therefore a review was needed to establish a clear core purpose for the Centres and achieve a balanced budget.

2.3 Numerous cost saving steps have been initiated to date which include;

- A pricing review which increased charges for both full paying and free school meal subsidies pupils in line with inflation
- The removal of school to centre transport
- Transport efficiencies and savings
- Efficiencies within hospitality and activity staffing.

2.4 Despite the implementation of these initiatives, financial modelling demonstrates that the required savings will not be met. In order for the savings target to be met and to continue to aim for a future cost recovery model, it is imperative that other more radical options are sought.

2.5 The service outcomes were most strongly seen as contributing to Corporate Plan priorities of:

- Improving pupil attainment
- Tackling poverty
- Creating a vibrant City economy (as a destination).

- 2.6 Stakeholder analysis clearly outlined the benefit of these Centres as providing educational opportunities to vulnerable children, young people and families at a subsidised rate where appropriate for those who may not get the opportunities to participation in such experiences.

3.0 Review Findings

- 3.1 The agreed core purpose of the Residential and Outdoor Activity Centres in Swansea is:

“To provide educational outdoor activity opportunities for children, young people, families & schools on the Gower in a Sustainable way.”

- 3.2 Based on the research and evidence gained as we have proceeded through the stages of the commissioning review and looked at options to re-design and deliver in house. A new delivery model matrix has been completed and scored based on the following criteria;

- Outcomes
- Fit with priorities
- Financial impact
- Sustainability and viability
- Deliverability.

4.0 Alternative Models

- 4.1 The 4 Options looked evaluated were;

- Option 1 – ‘As is’ Model (do nothing)
- Option 2 - Transform in house with phased implementation of staff restructure, closure of 1 site, potential alternative model of delivery.
- Option 3 - Option 3 - Transform in house with a staff restructure maintaining running of 3 centres
- Option 4 - Stop service and close all 3 centres.

5.0 Preferred Model - Transformed in-house

- 5.1 Following an option appraisal, option 2 was the preferred Option based on the criteria set which outlined a new model of delivery to;

- Transform in house with phased implementation of staff restructure, closure of 1 site, Danycoed due to the backlog of maintenance issues, in July 2016 with a view to seek an alternative operating model in the future
- Appoint a centre manager to have overall control of the centres and to drive forward change and review the vision and strategic business plan
- By implementing this option it will allow the continuation of a sustainable way of providing opportunities for Children, Young People, Families and Schools on the Gower and maintaining our relationships and offer to Schools through the two remaining sites.

6.0 Non-Financial Benefits

6.1 Outlined below are some of the non-financial benefits which will add value to the provision;

- Continue to provide an historical reputational service to Swansea schools and vulnerable groups of children, young people and families
- Budgets will be balanced and budget savings targets achieved
- Overarching Manager to drive change forward
- Staff restructure and appropriate contracts in place
- Commercial opportunities explored within the new model
- Sale and capital receipt for the Asset sale
- Address the maintenance backlog issues.

7.0 Risks

7.1 Outlined below are potential risks to the implementation of this new model of delivery;

- **Capacity:** insufficient resources to implement change (appointment of new Manager)
- **Capability:** lack of skills and knowledge to implement change
- **Systems:** fail to invest in systems and technology new booking system
- **Processes:** fail to stop or change processes
- **Savings:** don't deliver savings in total or on time
- **Resistance:** new model is not supported in the Council or Public
- **Engagement:** fail to engage with Staff and Public may cause reputational damage (2 Centres will remain after the service changes) there is also a risk to adverse publicity if one or more of the centres closed.

8.0 Legal Implications

8.1 There are covenants in place at both Borfa House and Rhossili Centre restricting commercial activity. Both centres must fulfil their core purpose, which is for Educational Outdoor Pursuits. At Borfa there is a specific covenant to prevent the property being used as a guest house or hotel.

8.2 There is a further covenant on both Borfa and Rhossili to 'not cause nuisance or annoyance'. Such covenants have been held to be far reaching and can be used to prevent extensions, noise, increased volume of traffic etc. Essentially anything that could be considered as such.

8.3 There are no restrictions or covenants in place at Danycoed House.

9.0 Financial Implications

- 9.1 The core budget available in 15/16 is to run all the Centres is only £154K. As part of the review we have looked at a building a budget from a zero base to establish the running costs of each centre, the cost of staffing and how much income would need to be generated to achieve a balanced budget.
- 9.2 From the new model of delivery and the financial summary appraisal it is clear to see that Option 2, transform in house with phased implementation of staff restructure, closure of 1 site, potential alternative model of delivery is the most financially viable.

Year	Base Budget (Core)	+/- Staff Costs	+/- NNDR Costs	+/- Other Costs	Estimated Future Annual Income	Estimated Future Annual Net Operating Cost	Any Estimated Capital Receipt?	Possible further annual savings
2016/17	£ 154,000	£ 266,507	£ 37,935	£ 126,069	£ 292,905	£ 16,394	No	No
2017/18	£ 154,000	£ 205,361	£ 12,879	£ 102,417	£ 195,816	£ 29,159	Yes	No

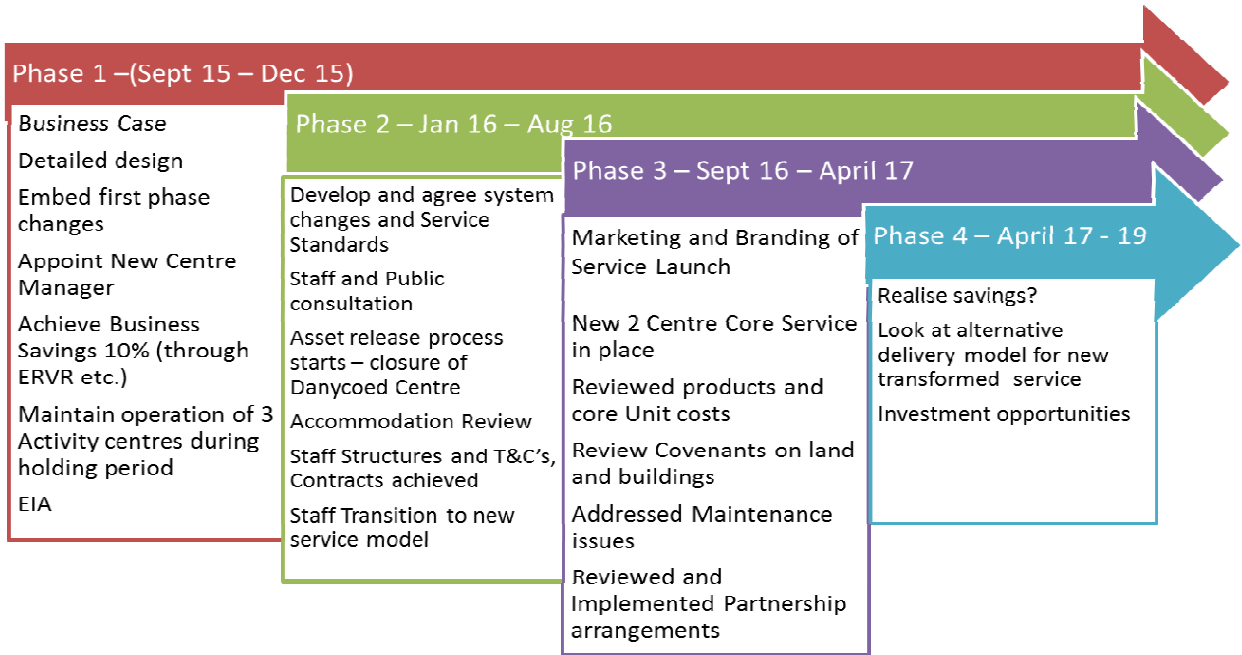
10.0 HR Implications

- 10.1 Because of the financial targets that need to be met, there will be reductions in posts, but this will be built into the redesign to mitigate staffing reductions.
- 10.2 In relation to the preferred option of In House Transformation and in order to achieve a balanced budget in year and employ an overarching manager to drive change forward a staffing restructure is required:
- This will involve changing terms and conditions for some of the posts required to seasonal contracts to align with peak booking times.
 - All job descriptions will need to be reviewed and re-written and passed through job evaluation.
 - Consultation with staff and unions will need to take place and the HR procedure followed to ensure all staff have a clear overview of a new staffing structure and have an understanding of the slotting and match process
 - ER/VR opportunities will need to be explored.

10.3 Under the preferred option, consultation with staff and Trade Unions will need to take place and HR procedures followed, to ensure that all staff have the opportunity to comment on the new service model and structure.

11.0 Implementation

11.1 High-Level Plan



12.0 Equality and Engagement Implications

12.1 The Review will seek to engage with stakeholders and users within the implementation timeline.

12.2 An EIA screening form has been completed which outlined that a full report was needed. This has been drafted and will be progressed in line with the implementation plan.

Background Papers:



Commissioning Review Report Stage 5 Business Support Review

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1 EXECUTIVE SUMMARY

Review	Key Points
Scope	All Business Support functions across the Council (eg: Customer Services, Finance, HR, IT, Legal, Policy etc)
Defining Outcomes	<p>The Outcomes Statement for Business Support reflects:</p> <ul style="list-style-type: none"> • The corporate client role • The need for Outcomes to be delivered in different ways (in particular, self-service) given the challenges we face • The “sub-outcomes” that the major service areas have developed within the overall framework
Service Assessment	<ul style="list-style-type: none"> • Insufficient current understanding of customer needs and expectations • Importance of consolidation & standardisation of similar functions – a whole Council approach • Too many variations in how support is provided; too many different processes etc • Gaps in how we capture transaction costs and how we measure performance
Comparison	<ul style="list-style-type: none"> • Need to strengthen the statutory, governance and stewardship role that has to be undertaken for the Council as “corporate client • Centrality of ICT and digital to delivery of business support outcomes and to drive innovation • Developing a strong strategy and policy function and business intelligence capability • Benefits of collaboration, 95% of councils in England have some form of shared service arrangement • Good performance across corporate services as whole and on an all-Wales basis we compare favourably • A mixed picture on comparative costs, which requires further analysis as we redesign business support
Options Appraisal	<ul style="list-style-type: none"> • We have developed design principles for business support to provide a clear, consistent and integrated framework for service redesign • The new model will drive down transactional costs, drive up value and reduce or divert the demand for services • The best Councils have a Digital business strategy with investment • We found a strong preference for In House Transformation to deliver the new model • But we need to be confident we have the will, skills and resources to implement this • And we need to continue to factor shared services into our planning and have an eye to future income from trading
Proposals	<ul style="list-style-type: none"> • The adoption of a radical new model for business support that has 3 distinct but inter-related components: <ul style="list-style-type: none"> ○ a strong strategic centre (for the Council not for

	<ul style="list-style-type: none"> corporate services) <ul style="list-style-type: none"> ○ a small corporate advisory unit ○ an integrated business hub, covering all Council functions • Transformation of existing business support in line with the common design principles to provide a clear, consistent and integrated framework for service redesign • The transfer of all business support functions, staff and budgets to the new structure, wherever they lie and whatever service they notionally support – quite simply the model is not viable and savings will not be achieved unless this happens • A strong preference for the in house transformed model to deliver this, at least as a first phase, but “keeping the door open” for collaboration/shared services; however, the new model will need to address culture, identity and branding, we will need to think like a business, even if we are still an in house service • Whole system change across the Council, we will not simply transfer the current work to services, rather we will change the way processes currently operate as set out in the design principles, including the introduction of new systems to reduce/divert demand and support the change • Agree a change plan and engagement strategy with strong messages about the future and branding for the new model, demonstrating the benefits to residents, the Council, Services and employees • Establishment of a transition team to develop the new model, work with each Service Area and Schools on customer needs and to support and develop managers’ capabilities to fulfil their responsibilities and to self-serve • Adoption of a digital business strategy: this must be the central driver for our future strategy as a Council and, therefore, for business support • Produce a business case which will describe the benefits, investment in systems/ICT, process change and training, key milestones and inform the detailed service redesign • A workforce development plan setting out the skills, competencies and behaviours required for the new model and a training/development plan to support managers and staff • A phased approach to delivery • Reductions in costs and staffing: £12.5m and 380 FTE • A pragmatic, benefits driven approach about the future development of the model, including opportunities for shared services/collaboration, right sourcing and trading
Implementation	<ul style="list-style-type: none"> • The proposed approach to implementation is set out in the Review Report, phased over 3/4 years

2.0 OVERVIEW AND SCOPE

2.1 This report:

- Summarises the outcomes from the Commissioning Review for Business Support
- Provides evidence that the Review has completed all relevant tasks as part of each Stage of the commissioning process
- Sets out the recommendations from the Review for approval by Cabinet
- Outlines the implementation process for Stage 6

2.2 The scope of the Review was **ALL** business support functions across the Council ie: not just those in the Corporate Services Directorate. See **Appendix A**.

2.3 The Review is important because:

- Corporate Services have to reduce their budget by 50% over the next 3 years
- The current model of delivery is unsustainable, fragmented and in need of investment and modernisation
- The future model needs to change to support the Council as a whole and the delivery of frontline services

2.4 Corporate Services have four main roles in supporting the Council in delivering its priorities for Swansea:

- **Direct delivery** of services to residents, eg: contact centre, benefits
- **Business support** to services across the Council to do their jobs eg: finance, HR, ICT
- **Delivering specific projects** eg: revamping the Council's Website, ICT infrastructure programme
- **Developing the organisation** eg: leading the Council's Innovation Programme

2.5 Ahead of the Commissioning Review, Corporate Services had been working on a new model based on key design principles, which were evaluated as part of the Commissioning Review process.

3.0 STAGE 1 – DEFINE OUTCOMES

3.1 Purpose of Stage 1

Stage 1 of the Commissioning Review process is about defining outcomes:

What are the outcomes that we want to deliver and for whom?

A Stage 1 Workshop with stakeholders took place on the 23 April 2015 (reported in full as part of the Gateway report)

3.2 Stage 1 Questions

The Review has addressed the Stage 1 questions set out in the agreed process. The assessment for each of the 5 main service blocks under review and the overall conclusions were reported in the gateway report.

Key conclusions are set out in Table 1 below.

An **Outcomes Statement** has been produced for Business Support and is attached as **Appendix B**. The Outcomes reflect:

- The corporate client role
- The need for Outcomes to be delivered in different ways (in particular, self-service) given the challenges we face
- The “sub-outcomes” that the major service areas have developed within the overall framework

4.0 STAGE 2 – SERVICE ASSESSMENT

4.1 Stage 2 of the Commissioning Review process is about how good we are at delivering the Outcomes:

*How is the current service delivering against the outcomes?
This is about the current performance and effectiveness of the service*

4.2 The Review has addressed the Stage 2 questions set out in the agreed process. The assessment for each of the 5 main service blocks under review and the overall conclusions were reported in the Gateway report.

4.3 Key conclusions are set out in Table 1 below.

Table 1 – Stage 2: Conclusions

Issue	Comments
Stopping Functions	<ul style="list-style-type: none"> • So far, customers and service providers have not identified any functions that should be stopped altogether (albeit the level can be reduced, the service needs to change etc) • This needs to be tested further during the next stages
Corporate Client	<ul style="list-style-type: none"> • It needs to be understood that corporate services have a statutory, governance and stewardship role that has to be undertaken for the Council as “corporate client” • The way in which this is delivered can, of course, be different
Alignment of change	<ul style="list-style-type: none"> • We need to ensure that the changes made in Business support are built around the future shape of the Council and aligned with the changes taking place in service areas - but this is a “moving target” • This will require more detailed discussions with customers and alignment with other commissioning reviews
Impact on customers	<ul style="list-style-type: none"> • As business support resources are reduced significantly, an impact on customers is inevitable • There is a concern that changes to Business Support will result in “shunting” of work and/or costs to services • The intention is to support services via self-service, training, toolkits etc, so the process will need to be managed to avoid this risk • It needs to be clear that customer “behaviour” and expectations will need to change as part of any new model,
Level of Support	<ul style="list-style-type: none"> • There is a concern that changes to Business Support will result in insufficient levels of services being provided, thus impacting on frontline services

	<ul style="list-style-type: none"> • Close discussions will be required with services to develop an understanding of the minimum level of support required so this can be documented and monitored
Affordability	<ul style="list-style-type: none"> • Linked to the last point, the MTFP proposes significant cuts to business support, but we must retain a minimum level • So solutions will need to be radical to square this circle
Customer Relationships	<ul style="list-style-type: none"> • There are gaps in how customer feedback is captured and how it is used to plan, change services and manage demand • However, we also need honest feedback so this can be achieved
Whole Council Approach	<ul style="list-style-type: none"> • In line with the existing agreed policy, consolidation of similar functions will be required – a whole Council approach • Part of this will need to be an acknowledgement that there will be “one way” of doing things ie: this is the way we transact business • We will need to work through this as part of the next stages but this will required the transfer of staff and functions
Performance & VFM	<ul style="list-style-type: none"> • There are gaps in how we capture transaction costs and how we measure performance measures in some areas • This will be addressed at the next stage
Change Plan	<ul style="list-style-type: none"> • It needs to be acknowledged that the changes will take time, they will need investment (people and money) and there will be risks • We also need to acknowledge that we are “on a journey” and need to change culture as well as systems and processes • We need to think now about will we plan, measure and evaluate the success of the changes we make • This will be built in to Stage 5

- 4.4 A service workshop took place to review the Gateway report and key issues. The Gateway Report was agreed by the Budget Review Steering Group on 16 July 2015.

5.0 STAGE 3 – SERVICE COMPARISON

5.1 Purpose of Stage 3

Stage 3 of the Commissioning Review process is about comparing the current service:

*Compare the current service model, outputs, cost performance with others
This is about assessing whether there are better ways to deliver the outcomes*

5.2 Approach to Stage 3

A Stage 3 Workshop took place on 14 July 2015 to discuss the outcome of the comparison stage undertaken by each Service (reported in full as part of the Gateway report).

Comparative data was obtained from a wide range of sources, some across business support, some specific to each Service. The key sources included:

- Welsh Government Administrative Review (KPMG): a summary of the key points from this is set out in **Appendix C**
- Advice from Improvement and Efficiency Social Enterprise (IESE): who have extensive experience of working with local authorities on transformation and efficiency
- Case studies from the Local Government Association (eg: Local Government Shared Service Guide) and Welsh LGA
- Data from professional associations such as CIPFA
- Comparison data from a range of other local authorities, including Nottingham City Council as a similar unitary council to establish an English context
- Research and opinion pieces from organisations such as Gartner, NLGN, Deloitte, Localis etc.

The Review addressed the Stage 3 questions set out in the agreed process (reported in full as part of the Gateway report)

5.3 Key Findings & Summary

The key conclusions, or insights, from Stage 3 are set out in Table 2 below:

Table 2 – Stage 3: Conclusions

Theme	Insight
Corporate Client	<ul style="list-style-type: none"> • Benchmarking has reinforced the Stage 1/2 Outcome about the importance of the “corporate client” • Business support/corporate services have a statutory, governance and stewardship role that has to be undertaken for the Council as “corporate client” • This has been reflected in the design of new models elsewhere
Shadow Services	<ul style="list-style-type: none"> • Returns submitted for the KPMG review show around £6.5m of spend on business support outside of the Corporate Services

	<p>Directorate</p> <ul style="list-style-type: none"> • The scope of this Commissioning Review was defined to include ALL business support functions • Further analysis is taking place on this to identify all posts and associated budgets across all support functions and services (including support for the HRA)
<p>Delivery of Outcomes</p>	<ul style="list-style-type: none"> • The overwhelming conclusion from benchmarking was the centrality of ICT and digital to delivery of business support outcomes • ICT and digital led change will need to underpin the new business support model and the whole organisation • The second insight was the importance of developing a strong strategy and policy function to align organisational thinking and action, we are currently weak in this area • Linked to this is the consolidation of business intelligence to inform service improvement and business change
<p>Market Assessment</p>	<ul style="list-style-type: none"> • There is a strong and diverse market for business support services, both as a package (Business Process Outsourcing) or as function eg: legal • Having agreed to exit the Cap Gemini contract it is not likely that we will wish to enter into a new outsource arrangement in the medium term, but this is explored as part of Stage 4 (eg: “Right Sourcing”, working with the market flexibly where it makes sense, may be the optimum solution) • Comparison with English councils highlighted dramatically the benefits of collaboration, particularly as resources have diminished; 95% of councils in England have some form of shared service arrangement • This has to be part of our thinking if we are to deliver outcomes in a sustainable way and as a potential vehicle for income
<p>Innovation</p>	<ul style="list-style-type: none"> • The most significant and transformational area of innovation is digital; many organisations have adopted digital as a business (not ICT) strategy • Benchmarking has also shown that there is innovation in most areas of business support, led as, would be expected, by customer insight, business intelligence, process change, self-service • There are few areas that Swansea is not already thinking about or doing, for example, we are at the forefront of change in revenues and benefits and ICT developments are underway as the transition to in-house gathers pace, but we need to go further and faster • To achieve the full benefits from innovation, we need to establish

	a common business unit and processes
Evidence	<ul style="list-style-type: none"> • Shared Services: the experience of England underlines the importance of shared services in the future; as well as the potential for income through trading • Investment: the Council will need to be prepared to make significant investment in new technology on a ROI basis – or lever this in from a delivery partner • Mixed Models: there is no ‘one size fits all’ and each function could be handled in a different way • Whole Council: case studies also evidence that importance of leadership and adopting a whole Council approach involving all services, including support for the HRA
Performance	<ul style="list-style-type: none"> • The recent WAO Corporate assessment found good performance across corporate services as whole and on an all-Wales basis we compare favourably • Benchmarking has confirmed the importance of delivering our current plans to invest in and change the delivery model for ICT and customer contact
Costs	<ul style="list-style-type: none"> • Conclusions from the KPMG review need to be treated with caution but should nevertheless be a driver for improvement • The assessment has shown a mixed picture but needs to be the start of further analysis as we redesign business support • Some of our above average costs are due to non-compliance or a lack of standardisation eg: ISIS should be the ONLY method of purchasing within CCS but we still have around 50% of purchases by value outside of this
Change Management	<ul style="list-style-type: none"> • Stage 3 has also provided some insight into change management • Organisational Maturity: there has to be acceptance that a different model for business support is required and will be supported • Value Proposition: linked to this is the importance of describing the new model in terms of value to the customer (corporate and service) • Resources: the change has to be properly resourced, planned and monitored

5.4 Recommendations (*taken forward to Stage 4*)

- **Adopt digital as a business (not ICT) strategy:** digital innovation for people, service delivery, business improvement etc must be the central driver for our future strategy as a Council and, therefore, for business support
- **Assesses opportunities for shared services:** build joint working and collaboration into the future design of business support (cross sector)

- **Assess what a mixed model could look like** for different business support functions
- **Ensure all business support is in scope for Stage 4:** rationalisation of business support must take place across the Council, including support for HRA and trading activities
- **Develop Strategy and Policy Capability:** a stronger central focus on strategy and policy as part of redesigning corporate services; to align organisational thinking and action on strategic planning and policy development as a new “value added” function for the new “strategic centre” eg: to include other areas where policy development is being undertaken
- **Develop Business Intelligence Capability:** adopt the use of insight to inform service improvement and business change as a new “value added” function for the new “strategic centre”
- **Consolidation of transactional services:** develop a new model based upon the integration of business support functions and processes from across all parts of the Council, including support for the HRA and business units; this will drive the greatest benefits and cost savings
- **Property & Asset Management:** consider the relationship between the property function and the “centre” as part of strategic resource management (assets) and business support (facilities management)
- **Develop a value proposition for the new model:** as part of the change management process we need to set out why the new model will be better – even if we have to reduce significantly what we spend; meaningful engagement with customers will be vital to success
- **Further Benchmarking:** explore in more detail the approach adopted, the benefits and learning from the business support models in England eg: Kent, Buckinghamshire, Nottingham

6.0 STAGE 4 – OPTIONS APPRAISAL

6.1 Purpose of Stage 4

Stage 4 of the Commissioning process is about future options for business support. The central question to be asked at Stage 4 is:

What are the different options for delivering the outcomes we have agreed for business support?

6.2 Approach to Stage 4

Each Service Area worked on Stage 4 and the different perspectives were then brought together to ensure a common approach for the final recommendations.

The work for Stage 4 involved:

- Review and assess **different options** for delivering the outcomes
- This needs to cover **service design and innovation** as well as **service provider**

A Stage 4 Workshop took place on 4 August 2015 to discuss the draft future Operating Model for Business Support and options for the future delivery of the new model (reported in full as part of the Gateway report).

6.3 Response to Stage 4 Questions

The Review addressed the Stage 3 questions set out in the agreed process (reported in full as part of the Gateway report).

Key points from the assessment are set out in Table 3 below:

Table 3 – Stage 4: Conclusions

Theme	Insight
Service Redesign	<ul style="list-style-type: none"> • A number of design principles have been developed for business support which will provide a clear, consistent and integrated framework for service redesign. These are set out in Appendix C with a brief explanation of what they mean • The benefits of this approach are also described below • A fundamental aim of the new model is to drive down transactional costs and to drive up value as illustrated in Appendix C • The potential shape of the model and the range (not exhaustive) of functions in the “transactional” and “valued added” category is set out in Appendix C
Demand Management	<ul style="list-style-type: none"> • A central objective of many of the design principles for business support is to reduce or divert the demand for services. This will be achieved as set out in Appendix C
Digital Technology	<ul style="list-style-type: none"> • The work on Stage 4 has reinforced the centrality of digital for business support change AND as a central driver for our future

	<p>strategy as a Council. There are a number of aspects to this for business support:</p> <ul style="list-style-type: none"> ○ Digital innovation for people: agile working, mobile working, within buildings, in the community and at home ○ Digital innovation for service delivery: the internet of things, social media, customer transactions; cloud technology ○ Digital innovation for business improvement: automation of basic processes, customer insight, mobile apps to increase customer and staff engagement <ul style="list-style-type: none"> • There are wider and far more significant implication for the City and the Council that need to be explored as part of our future digital strategy that are beyond the scope of this Review. • Clearly there will be investment requirements here which will need to be set out in a business case, showing return on investment
Cost Reduction and Efficiencies	<ul style="list-style-type: none"> • Reductions in cost and improvements in efficiencies can be achieved by applying the proposed design principles through a new model for business support • The key drivers for this are set out in Appendix C • Each Service Area has produced proposals for the implementation of this approach across their functions. These are set out (in high level) in Appendix D – note that there are already a number of examples of this approach across business support. These case studies will be used to demonstrate the potential benefits of the new model
Alternative Delivery Models	<ul style="list-style-type: none"> • See section 4.4 below

6.4 Alternative Delivery Models

6.4.1 Assessment Process

The new delivery model matrix was completed and scored based on the following options and criteria:

Model	Criteria
<ul style="list-style-type: none"> • Transformed In House • Shared Service • Out Sourced • Traded Agency 	<ul style="list-style-type: none"> • Outcomes • Fit with priorities • Financial impact • Sustainability and viability • Deliverability

(NB: some Services have also assessed “as is” as a baseline for other options)

This has been undertaken by each of the 5 Service Areas within the Review and, in most cases, has also been broken down into broad functional blocks within each Service.

6.4.2 Comments on the Approach

- One form of delivery may deliver better outcomes for one service but not for others. The Council could, therefore, decide to go for a “best of breed” approach for HR, Finance, Legal etc, or go for the best fit for all.
- Similarly, the delivery models are not mutually exclusive.
- Finally, the best model of delivery may change over time

6.4.3 Outcome of Assessment

A summary of the outcome for each Service Area/Block is set out in table 4 below:

Table 4 – Evaluation of Delivery Models – Summary Scores

New Delivery Models Scoring Matrix - Overview of Business Support Functions							
Business support services		(Option 1) As Is	Option 2 (Transformed In House)	Option 3 (Private Company)	Option 4 (NFPDB/Arms Length/Other)	Option 5 Outsource	Option 6 Shared Services/ Collaboration
Service	Functions	Weighted	Weighted	Weighted	Weighted	Weighted	Weighted
Information & Business Change	Business Change	4.2	4.8	3.6	2.3	0	4.3
	ICT	4.3	4.4	0	2.5	2.7	0
	Strategy and Information	3.1	3.7	1.7	1.6	0	2.9
Legal	Legal (excluding Democratic Servi	0	4.4	0	3.6	1.4	3.3
Finance	Revenues & Benefits	3.9	3.2	0	0	2.7	3.3
	Finance (Transactional)	3.6	4.1	0	0	3	3.3
	Finance (Int Audit)	3.5	4.0	0	0	3.5	3.9
	Finance (Core Financial Service)	3.6	4.8	0	0	3.1	3.3
Communications & Marketing	Web Development	0	4.1	0	0.9	1.2	2.9
	Communications	0	4.1	0	1.7	1.4	3.4
	Access to Services	0	4.0	0	2.4	0.0	5.6
	Complaints	0	4.1	0	2.8	0.0	3.7
	Executive Board Pas	0	3.6	0	1.7	1.3	2.7
HR & OD	HR Operations	3.1	7.0	0	5.2	2.5	0
	Organisation Development	4.2	4.8	0	1.7	1.0	0
	Employee Services	4.4	4.8	0	1.7	1.0	0
TOTAL		37.9	69.9	5.3	28.1	24.8	42.6

The **overall assessment** of the four models for Business Support as a whole was reported in full as part of the Gateway Report.

6.4.4 Commentary on the Outcome of the Assessment

Taking into account the Service and overall assessment of the options for delivery set out above and the points from the Commercial assessment, the following **key points** emerge:

- There is a very strong preference for the In House Transformed model: this was also the outcome of the Workshop on 4 August 2015. **But we need to be clear that the rational for this is equally strong and objective and that we have the capability to deliver this**
- Service transformation to achieve the desired outcomes requires far more than good processes and effective management, it requires a far more radical approach. **We need to be satisfied that our approach is radical enough**
- The reason shared service centres in the private sector radically reduce costs is because they offer a different service, not just a more 'efficient' or 'consolidated' one. **We need to be confident that we are able to make this level of transformation**

- Councils that have transformed business support services have not achieved the efficiencies to the level that we require in the medium term. **Therefore, other options must be kept in play**
- The scale of shared service arrangements in England (involving 95% of councils) demands that we factor this into our future thinking, albeit the appetite in Wales for this appears low and overshadowed by potential LGR. **We need to agree how best to pursue this**
- There is no commonality over services which are bundled as support services, and there are case studies which cover a range of support services as a package. **We need to have a clear rationale for the business support package that we are putting forward**
- There are income opportunities within the scope of the commissioning review, but the challenge is to understand how these should be taken forward and the optimum time for this. **We need to understand the future income potential of services, as we implement the new model and increase the attractiveness of our offer**

6.4.5 Gateway Report

The second Gateway report, setting out the conclusions from Stages 3 & 4 and the key recommendations was agreed by the Budget Review Steering Group on 25 August 2015

7.0 STAGE 5 – FINAL REPORT AND RECOMMENDATIONS

7.1 Purpose of Stage 5

Stage 5 of the Commissioning Review process is about the final conclusions and recommendations:

*Bring all the stages together into a report for final decision on the way forward
This needs to set out the rationale for the decision, the change plan to deliver this and the monitoring process*

7.2 Stage 5 Questions

The response to the Stage 5 questions is set out in Table 5 below:

Table 5 – Response to Stage 5 Questions

1. Has the Review completed all the Stages effectively?
Yes, two Gateway reports have been produced and agreed by the Budget Review Steering Group
2. Who has been engaged and how have their views been taken into account?
<p>As reported in the Gateway reports, workshop have taken place at each stage.</p> <p>We have sought to engage employees in the service, service managers from outside corporate services, Members and Trade Union representatives</p> <p>Reports have been considered by the Executive Board and the Leadership Team</p> <p>The engagement has shaped the Outcome Statement, design principles and approach to implementation</p>
3. Is there a clear and persuasive case for the recommendations?
<p>The benefits of the proposed model are as follows:</p> <ul style="list-style-type: none"> • Customer: better delivery of the agreed outcomes, including greater focus on “added value” services and advice (including the corporate client) • Cost: significant reduction of costs through the elimination of waste and unnecessary processes, reduction in headcount; capable of meeting the 50% savings target • Efficiency: simpler and standardised transactions that will produce quicker and consistent results • Workforce: the tools (ICT and training) to do the job and empowerment to resolve problems leading to an increase in job satisfaction • Capability: increasing the capability of managers to manage • Governance: clear statement of respective roles and responsibilities, increasing accountability and the ability to improve performance • Continuous Improvement: a virtuous circle of better customer engagement,

focus on better outcomes and innovation from staff to improve service delivery

4. What needs to be done to deliver the change?

An outline implementation plan is set out in section 6 below and Appendix E

5. What confidence do we have that we can make the change?

The assessment of our ability to deliver the change is based on a number of assumptions as follows:

- **Organisational ownership:** Directors and HoS will agree and support the new model
- **One Model:** we will transfer ALL functions/staff/budgets within scope from other Services to the new operation, including those that support HRA and business/trading units
- **One way:** there will be one way of doing things across the Council to drive out waste, standardise and optimise processes, with action for non-compliance
- **Bi-modal:** we will need to work on the basis of all areas having a dual role of running day to day operations and striving for continuous improvement and innovation
- **Strategic Thinking:** the Leadership Team/SMG will make a leadership and creative contribution to the strategic centre (ie: we are all part of the strategic centre of the Council)
- **Change Plan:** the new model also needs key cultural change to be realised eg: Swansea Manager, innovation
- **Resources:** we will put in place sufficient interim resources to design and implement the changes at the pace required (eg: secondments, use of external subject matter expertise); we will have the resources/skills to implement new systems successfully

6. How will we realise the benefits, who will be accountable for this?

There will be a Project Board and Transition Team to oversee delivery and this will include a transition plan with benefits realisation methodology

Accountability for delivery will be at different levels:

- Strategic Leadership: Leadership Team
- Senior Responsible Owner: Director of Corporate Services
- Project Director: Head of Legal and Democratic Services
- Senior Users: Heads of Service

7.3 Conclusions and Recommendations

The conclusions from the Commissioning Review for Business Support are as follows:

The scale of savings we need to make cannot be achieved solely by greater efficiencies, better systems and integration (although all of this is still required).

A solution that is capable of delivering the required outcomes for business support and is sustainable demands a radical model that:

- ***Transforms business support in line with the new design principles, so that there is one way of doing things***
- ***Challenges and changes business support delivery ACROSS THE COUNCIL***
- ***Transforms our systems around a new digital strategy and platform***
- ***Targets a significant and planned reduction in headcount over the next 3 years***
- ***Adopts a pragmatic and benefits driven approach to future delivery options***

The recommended model to deliver the agreed Outcomes for Business Support is set out in **Table 6** below:

Table 6 - New Model of Business Support

Key Features and Actions

- The adoption of a **radical new model** for business support that has 3 distinct but inter-related components (see further **Appendix C**):
 - a strong **strategic centre** (for the Council not for corporate services)
 - a small **corporate advisory unit**
 - an **integrated business hub**, covering all Council functions including HRA and business/trading activities
- Transformation of existing business support in line with the **common design principles** (see Appendix C and examples of service change in Appendix D) to provide a clear, consistent and integrated framework for service redesign; this will need to be undertaken with discipline and rigour to ensure a consistent approach to service redesign and to avoid variations in the degree of risk and innovation
- The **transfer of all business support functions**, staff and budgets to the new structure, wherever they lie and whatever service they notionally support – quite simply we are better together and the model is not viable and savings will not be achieved unless this happens *NB: there will be further discussion about the links between the new model and property/assets*
- Adopt a **digital business strategy for the Council**: digital innovation for people, service delivery, business improvement etc must be the central driver for our future strategy as a Council and, therefore, for business support
- A strong preference for the **in house transformed model** to deliver this, at least as a first phase, but “keeping the door open” for collaboration/shared services; however, the new model will need to address culture, identity and branding, we will

need to think like a business, even if we are still an in house service

- **Whole system change across the Council**, we will not simply transfer the current work to services, rather we will change the way processes currently operate as set out in the design principles, including the introduction of new systems to reduce/divert demand and support the change
- Agree a **change plan and engagement strategy** with strong messages about the future and branding for the new model; this would include the “value proposition” for the new model, demonstrating the benefits to residents, the Council, Services and employees, alongside the delivery of the new outcomes we have set
- Establishment of a **transition team** to develop the new model, work with each Service Area and Schools on customer needs for new service standards and to support and develop managers’ capabilities to fulfil their responsibilities and to self-serve (the transition resources will be reduced in a planned way over the 3 years)
- Produce a **business case** which will describe the benefits, investment in systems/ICT, process change and training, key milestones and inform the detailed service redesign
- A **workforce development plan** setting out the skills, competencies and behaviours required for the new model and a training/development plan to support managers and staff
- A **phased approach to delivery** (see Appendix E - indicative only at this stage):
- **Reductions in costs and staffing** as follows (an indicative working assumption):

Year	Reduction	£000	FTE	Achieved By
2016/17	15%	3,750	115	Consolidation/rationalisation Standardisation Reduced demand/ increased self service
2017/18	20%	5,000	150	Reduced demand/prevention Common operating model New technology
2018/19	15%	3,750	115	New technology Improved performance Collaboration
Total	50%	12,500	380	

*Note: This assessment is based, at this stage, on the Budget and staffing for the Corporate Services Directorate only. The actual transformation and changes will need to be made across **ALL** business support functions, as stated in this report*

- A **pragmatic, benefits driven approach about the future development of the model**, including opportunities for shared services/collaboration, right sourcing and

trading (there is a clear requirement and scope for increasing income); consequently we need to continue work on alternative options alongside the internal transformation, including working with existing local authority business support providers

- As part of this, we should **assess the future potential market for the Council's support services to trade** as a "package" either as part of the overall model or a separate, later venture; this could include, for example, HR advice, training, workforce planning, business change, commercial/business development advice (provided that we have the right skills and there is a clear market opportunity)

7.4 Alternative Options

The following alternative option(s) have been considered but rejected as unviable and contrary to the one Council approach we are aiming to deliver:

Alternative Delivery Model

- The only potentially viable alternative is a form of federated business support. Key features would be:
 - Retain a minimal "centre" ie: just the statutory minimum, with the Corporate Services Directorate all but disappearing
 - The remaining Directorates/Service Areas would provide their own business support
 - Very few whole Council processes would be retained, with services free to run their own "business"
 - Services would be free to balance spend on frontline and back office to deliver their outcomes

Alternative Delivery Vehicle

- If transformed in-house is not supported then a "best of breed" approach could be considered eg: ICT in partnership with NPT, an ABS for legal
- Or a stepped approach could be adopted, based on order of preference eg:
 - establish a shared service with NPT for those functions where there is agreement
 - establish a trading arrangement for remaining services where there is a market
 - purchase services from an existing local government provider such as Local Government Services Ltd
 - right source other functions
 - retain a small in house strategic core for control and statutory functions

7.5 Legal Implications

7.3.1 There are no legal implications under the preferred option of Transformed in-House

7.3.2 The Council has powers under the Local Government Act 1972 to enter into a range of joint arrangements with other councils if a shared services solution is pursued for some aspects of business support.

7.3.3 The Council has powers to trade to generate additional income and to create alternative business structures for the delivery of its functions.

7.4 Financial Implications

7.4.1 The Medium Term Financial Plan includes a target reduction of 50% over the next 3 years for Corporate Services as follows:

2015/16 Budget	3 year reduction	Savings Required
£25.1m	50%	£12.5m

7.4.2 Current planned savings for Corporate Services and the additional requirement in the MTFP are as follows:

[this needs to be reconciled to the £12.5m target]

	2016/17 £000	2017/18 £000	2018/19 £000
Planned savings	3,176	1,210	-
Additional Requirement	2,441	2,566	4,047
Total	5,617	3,776	4,047

7.4.3 The proposed model would need to achieve these levels of savings (net of any additional income generated) over the 3 years as described above. The table below models how this **might** be achieved, based on assumptions around transformation, future shared services etc implicit in the model:

Year	Reduction	£000	FTE*
2016/17	15%	3,750	115
2017/18	20%	5,000	150
2018/19	15%	3,750	115
Total over 3 years	50%	12,500	380

* *FTEs are an estimate based on an average cost of £25k plus on costs FTEs are based at this stage on CSD staff only, but will include business support posts across the Council.*

7.4.4 As stated throughout this report, the savings will need to be achieved across **ALL** business support costs. Not just from the £25.1m CSD budget. Further work is required to assess these costs, but they are currently estimated to be at least £6.5m.

7.5 HR Implications

7.5.1 Because of the financial targets that need to be met, there will be a significant reduction in posts at some stage under any option.

7.5.2 In relation to the preferred option of In House Transformation:

- Significant staff reductions will need to be made over the next 3 years to deliver the savings requirement
- This is estimated (high level only) to be 380 FTE for Corporate Services Directorate, but will also include staff who are delivering business support across the Council
- ER/VR opportunities will need to be explored
- New job descriptions will be required for all posts within the new model

7.5.3 Under all options, consultation with staff and unions will need to take place and HR procedures followed to ensure that all staff have an opportunity to comment on the new model and structure and understand the process for assessment, appointments and the out placement support for those who are not successful.

7.6 Consultation

7.6.1 The Review has sought to engage stakeholders and obtain views from experience elsewhere as follows:

- *Updates to staff in corporate services*
- *Senior Manager workshops at each stage*
- *Stakeholder Workshops on outcomes and alternative models, including Trade Union representatives and Scrutiny Members*
- *Consultation with the Leadership Team on proposed Outcomes*
- *External advice and challenge from Gartner and Improvement & Efficiency Social Enterprise (IESE)*
- *Report to the Executive Board*
- *Presentation to Leadership Team*

7.6.2 The Communications Plan for implementation will cover all aspects of communication, engagement and involvement, including:

- Stakeholder map
- Key messages
- FAQs
- Engagement opportunities
- Staff Reference Group

7.6.3 A key objective will be to provide opportunities for staff to help to shape and design the new model in accordance with the design principles

7.7 Equalities

7.7.1 An EIA Screening Form has been completed and a full EIA report will be required

7.7.2 Although it is not possible to assess the precise impact on particular groups until the detailed design of the new model is available, it is clear that there may be a potential impact inside and outside the Council. For example: engagement with specific groups, e.g. those organisations that Finance work with on Welfare Reform, benefit recipients, contact and call centre users, equality forums co-ordinated by Communications.

8 STAGE 6 – DELIVERY PLANNING

8.1 Purpose of Stage 6

Stage 6 of the Commissioning Review process is about the final conclusions and recommendations:

*Delivery of the agreed change plan
This needs to be undertaken as a project to ensure that it happens*

8.2 Stage 6 Questions

The (initial) response to the Stage 6 questions is set out in **Table 7** below:

Table 7 – Response to Stage 6 Questions

1. Is there a delivery plan with clear actions, milestones and accountable officers?
<p>Outline plan is set out in Appendix E.</p> <p>Overall accountability rests with the Director of Corporate Services.</p> <p>There will be accountabilities within the project for Heads of Service and Service Managers across Corporate Services and other parts of the Council</p>
2. What resources are needed from the service or otherwise to implement?
<p>A Transition Team is being established to deliver the plan on a full time basis with roles being backfilled.</p> <p>This will be led by the Head of Legal and Democratic Services</p> <p>Each Service will be represented on the Team</p> <p>Project, change management and business analysis resources will be brought in from the Business Change Team</p> <p>External support will be sought from IESE and Gartner under existing arrangements</p>
3. Where there is a procurement or other new model, what is the strategy for putting this in place?
<p>Not applicable</p>
4. Where there is an internal transformation, do we have the necessary skills or do we need help?
<p>Project, change management and business analysis resources will be brought in from the Business Change Team</p> <p>External support will be sought from IESE and Gartner under existing arrangements</p> <p>We will also use the learning and knowledge from other Councils who have or are adopting this model eg: Kent, Buckinghamshire, Birmingham</p>

5. What are the risks, who owns these and what is the mitigation?

The top risks and mitigation are set out below:

Risk	Mitigation	Risk Owner
<ul style="list-style-type: none"> Capacity: we don't have the resources to implement the change 	<ul style="list-style-type: none"> Identify resources requirements in the project plan 	Director
<ul style="list-style-type: none"> Capability: we don't have the skills and knowledge to implement the change 	<ul style="list-style-type: none"> Identify skills and knowledge in the project plan and retain from IESE/Gartner 	Director
<ul style="list-style-type: none"> Systems: we fail to invest in or implement the right systems and technology to operate such a radical model 	<ul style="list-style-type: none"> Business case to be produced for digital technology, training etc 	Head of Information & Business Change
<ul style="list-style-type: none"> Processes: we fail to stop or change processes that reinforce old ways of working 	<ul style="list-style-type: none"> Redesign blueprint will set out changes required 	Transition Lead Heads of Service
<ul style="list-style-type: none"> Savings: we don't deliver the savings in total or in time 	<ul style="list-style-type: none"> Project Plan and benefits Realisation plan will map when savings will be achieved, regular monitoring will be in place 	Director Transition Lead
<ul style="list-style-type: none"> Resistance: the new model is not supported in the Council and by staff and is not delivered or delivered too late 	<ul style="list-style-type: none"> Stakeholder management plan will focus on the key stakeholders and sell the benefits Leadership Team to contribute to this through DMTs etc 	Head of Comms and Customer Engagement Transition Lead Leadership Team
<ul style="list-style-type: none"> Engagement: we fail to undertake sufficient engagement with customers about the changes and so fail to secure ownership and meet expectations 	<ul style="list-style-type: none"> Communication and engagement plan will set out a programme of activities to communicate, engage and involve staff in the change 	Head of Comms and Customer Engagement Transition Lead
<ul style="list-style-type: none"> LGR: we become distracted by LGR and changes are delayed or derailed 	<ul style="list-style-type: none"> Strong messages about the need to make changes now Joint working with NPT CBC where this is agreed 	Executive Board

<ul style="list-style-type: none"> • Sustainability: the new model is unable to adapt to the changing environment and changes to other services and their support requirements 	<ul style="list-style-type: none"> • New model design to include future proofing and build in capacity for continuous improvement and regular review points • Process for regular dialogue with customers about future or changing requirements 	Director Transition Lead
<ul style="list-style-type: none"> • Accountabilities: the transfer of business support for frontline services to the new model could confuse accountability when things go wrong 	<ul style="list-style-type: none"> • Working Together Agreements will set out respective roles and responsibilities • Process for regular dialogue with customers about respective roles 	Heads of Service Transition Lead Leadership Team
<p><i>As part of the implementation planning we need to learn from why previous decisions to standardise approaches across the Council have not been successful</i></p>		
<p>6. What needs to be in the communication plan, who will do this?</p>		
<p>The Communications Plan will cover all aspects of communication, engagement and involvement, including:</p> <ul style="list-style-type: none"> • Stakeholder map • Key messages • FAQs • Engagement opportunities • Staff Reference Group <p>The Plan owner will be the Head of Communications and Customer Engagement</p> <p>A key objective will be to provide opportunities for staff to help to shape and design the new model in accordance with the design principles</p>		

APPENDICES

Appendix A – Business Support Scope

Appendix B – Business Support Outcome Statement

Appendix C – Outline of the New Business Support Model

Appendix D – Examples of Service Change

Appendix E – Outline Implementation Plan

BUSINESS SUPPORT SCOPE

Business Support		Budget £25.1m (plus)
What is the Scope of the Review?	Why Do the Review?	What are the Key Issues?
<p>All business support service functions across the Council (ie: not just within Corporate Services Directorate). Including:</p> <p>HR function: strategy, OD/training workforce planning, recruitment; pensions, payroll, employee relations</p> <p>Finance function: accountancy, internal audit, treasury management, revenues and benefits</p> <p>Legal Services: all litigation, child care, social services, education, commercial and property services etc</p> <p>Customer Services: all channels of customer contact (face to face, phone, web, e-mail etc)</p> <p>ICT: all internal and contracted information management and technology systems, processes and people, including SLAs</p> <p>Other support services: including communications, policy and performance, research and intelligence, project management</p> <p><u>Excludes:</u> Democratic Services/Member Support/Statutory Officer (Governance Review)</p>	<p>Significant budget reductions (50% over 3 years) are required</p> <p>Existing service model is unsustainable</p> <p>Existing model is in need of modernising and innovation</p> <p>Existing support is fragmented across the Council</p> <p>New approach to the use of systems is required</p> <p>Market exists for other providers</p> <p>Corporate support must enable wider change and support frontline services</p>	<p>Agreeing CCS core requirements for support services</p> <p>Establishing the optimum balance between savings and effective support to frontline services</p> <p>Increasing our capability</p> <p>Demand management</p> <p>Establishing a whole Council approach to delivery</p> <p>Change and investment in ICT</p> <p>Opportunities for collaboration (across all sectors)</p>

Budgets and Staffing

The budgets for each Service in Corporate Services are as follows:

CORPORATE SERVICES DIRECTORATE BUDGET*	£000
Communications & Customer Engagement	2,374
Director of Corporate Services	158
Information & Business Change	8,636
HR & OD	2,925
Legal Services	1,860
Finance & Delivery	4,800
Total	22,753

**NB: Excludes budgets in Corporate Services that are outside the scope of the Review and budgets in other services that undertake business support – to be assessed as part of the implementation process*

The staff numbers for each Service in Corporate Services are as follows:

CORPORATE SERVICES DIRECTORATE STAFFING*	FTE
Communications & Customer Engagement	57.57
Director of Corporate Services	1
Information & Business Change	69.59
HR & OD	114.35
Legal Services	82.68
Finance & Delivery	265.42
Total	590.61

**NB: Excludes staff in Corporate Services that are outside the scope of the Review and staff in other services that undertake business support – to be assessed as part of the implementation process*

BUSINESS SUPPORT OUTCOMES STATEMENT

(Produced at Stage 1 following a Stakeholder workshop and subsequent consultation with Heads of Service)

VISION STATEMENT

Business Support Vision

To provide professional and sustainable business support to our customers, to enable the delivery of Council services to the residents of Swansea.

OUTCOMES FOR BUSINESS SUPPORT

The following Outcomes are proposed for Business Support.

There are 3 overall Outcomes and a number of Outcomes for different domains

Business Support Overall Outcomes

1. Customers are supported to deliver their objectives, where possible by enabling self-service
2. Demand for business support is reduced by adding value, innovation and system change
3. Business support supports good governance, sound stewardship and local accountability
4. Business support is effective, efficient, value for money and sustainable

Right Culture

- **Outcomes**
- Business support is focused on Customer needs
- Business support staff are supported and valued
- Business support and customers have shared objectives and a relationship of trust and confidence

Right People

- **Outcomes**
- Business support staff have a positive, can do approach and take personal responsibility
- Business support staff are creative, business like and proud of their service
- Workforce planning and development ensures that the right business support staff are in place at the right time with the right skills and behaviours

Right Services

- **Outcomes**
- Business support services are clearly defined and performance managed against standards agreed with customer
- Business support is right first time, accessible and flexible to meet customer needs
- Business support services are proactive and support customer objectives, through self service where possible

Right Processes

- **Outcomes**
- Business support processes are simple, lean and efficient
- Business support processes are standardised, shared and consistent
- Business support processes enable customer self-service

Right Systems

- **Outcomes**
- Business support systems are in place to manage and reduce demand
- Business support systems are integrated and promote easy data sharing
- Business support systems enable remote working by employees and 24x7 access

NB: There are also a number of draft outcome statements for the different functions in business support, which have been developed following a “core purpose” review by each Service area

OUTLINE OF THE NEW BUSINESS SUPPORT MODEL

The new model is described and illustrated by a number of charts and diagrams set out below:

1. **The Design Principles**... providing a common and consistent framework against which the current way of doing things is fundamentally challenged and all aspects of the new model are developed and redesigned.

PRINCIPLE	WHAT THIS MEANS
Right first time	<ul style="list-style-type: none"> • Resolution of service requests at first point of contact • Reduction in repeat queries and failure demand
Channel shift	<ul style="list-style-type: none"> • “80%” of queries/transactions delivered on line • User friendly and intuitive portal for self-service
Empowerment	<ul style="list-style-type: none"> • Service managers empowered to manage their budget • Staff given the tools and training to do the job
Predict and prevent	<ul style="list-style-type: none"> • Upstream working and planning with services • Stopping problems arising in the first place
Clear accountabilities	<ul style="list-style-type: none"> • Clear, best practice and up to date policy framework • Clarity about areas of compliance and areas of discretion
Business partner	<ul style="list-style-type: none"> • Understanding customer needs and adding value • “Working Together Agreements” in place and monitored
Standardise, simplify, share	<ul style="list-style-type: none"> • Systems aligned and processes redesigned • Processes are integrated, consistent and repeatable
Workforce redesign	<ul style="list-style-type: none"> • Staff savings are planned as demand is reduced • Staff are trained and given the tools to do the job

- 2 **Demand Management**... vital to achieving a sustainable model, as opposed to just one that is cheaper, is to place reducing and diverting demand at the centre of all that we do. Four Principles in particular will be used to ensure this happens

Principle	Impact	Example
<i>Right first time</i>	Reduce failure demand	Integrated service desk
<i>Channel Shift</i>	Customer self service	Low level procurement
<i>Predict and Prevent</i>	Prevent the need for service arising	Child care legal work
<i>Standardise, simplify and share</i>	Fewer but simpler processes	Streamlining Delegated Power Reports

Each Service has developed proposals for how this can be achieved – see **Appendix D**. The impact of this needs to be modelled so we are clear about, for every function:

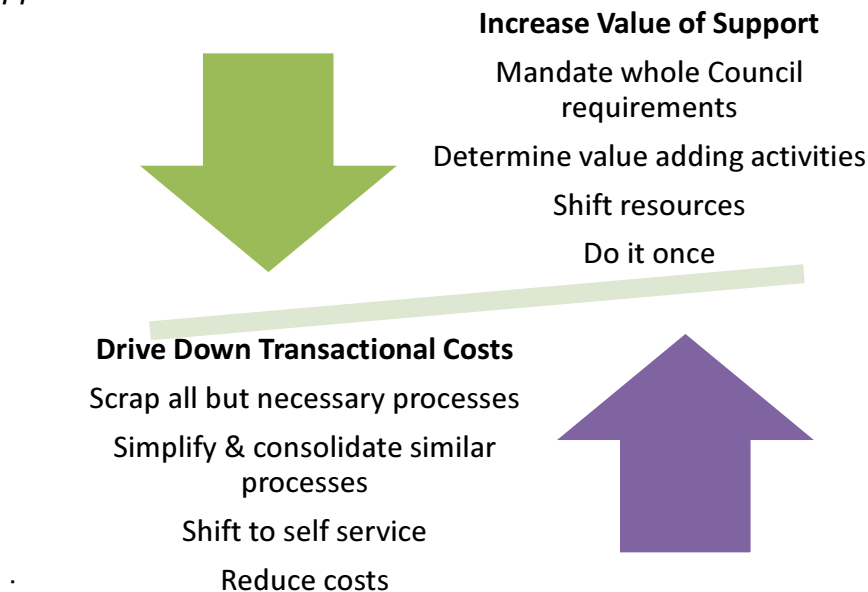
- Current and new volumes
- Time saved
- FTE equivalent savings
- Other non-cashable benefits

3 An integrated model... *the new business support model will be designed on the basis of looking at existing services and processes horizontally, not vertically within service silos. The following cross cutting approaches provide a “lens” through which business support is redesigned and managed differently in the future.*

Self Service	<ul style="list-style-type: none"> ✓ Optimising ISIS for self service ✓ E-forms, real time budget control, employee life cycle ✓ Managers toolkits, training
Process change	<ul style="list-style-type: none"> ✓ Cutting out, simplifying, sharing processes - lean ✓ Stopping waste, freeing up resources, reducing time
Consolidation	<ul style="list-style-type: none"> ✓ Grouping common support functions across the Council ✓ Managing peaks and troughs ✓ Hub and spoke model
Transactional Model	<ul style="list-style-type: none"> ✓ Standardised processes/templates ✓ Help desk ✓ Business partner for strategic advice
Service Levels	<ul style="list-style-type: none"> ✓ Clear service levels for customers ✓ Managing expectations ✓ Relationship management and control
Collaboration	<ul style="list-style-type: none"> ✓ Sharing/integrating support services with others ✓ Reducing costs, increasing resilience, sharing expertise ✓ Common business support unit for the Directorate
Right sourcing	<ul style="list-style-type: none"> ✓ Buying in support services from the market where it makes sense

Each Service has developed proposals for how this can be achieved – see Appendix D.

4 Functional building blocks... *the design principles are further illustrated in the diagram below... a central aim is to drive down transactional costs and to drive up value from business support.*



5 Functional allocation... *applying this basic principle to current functions leads to a broad reallocation of current Service area functions between the 2 areas, as follows (illustrative and not exhaustive of all functions at this stage)*

Value added

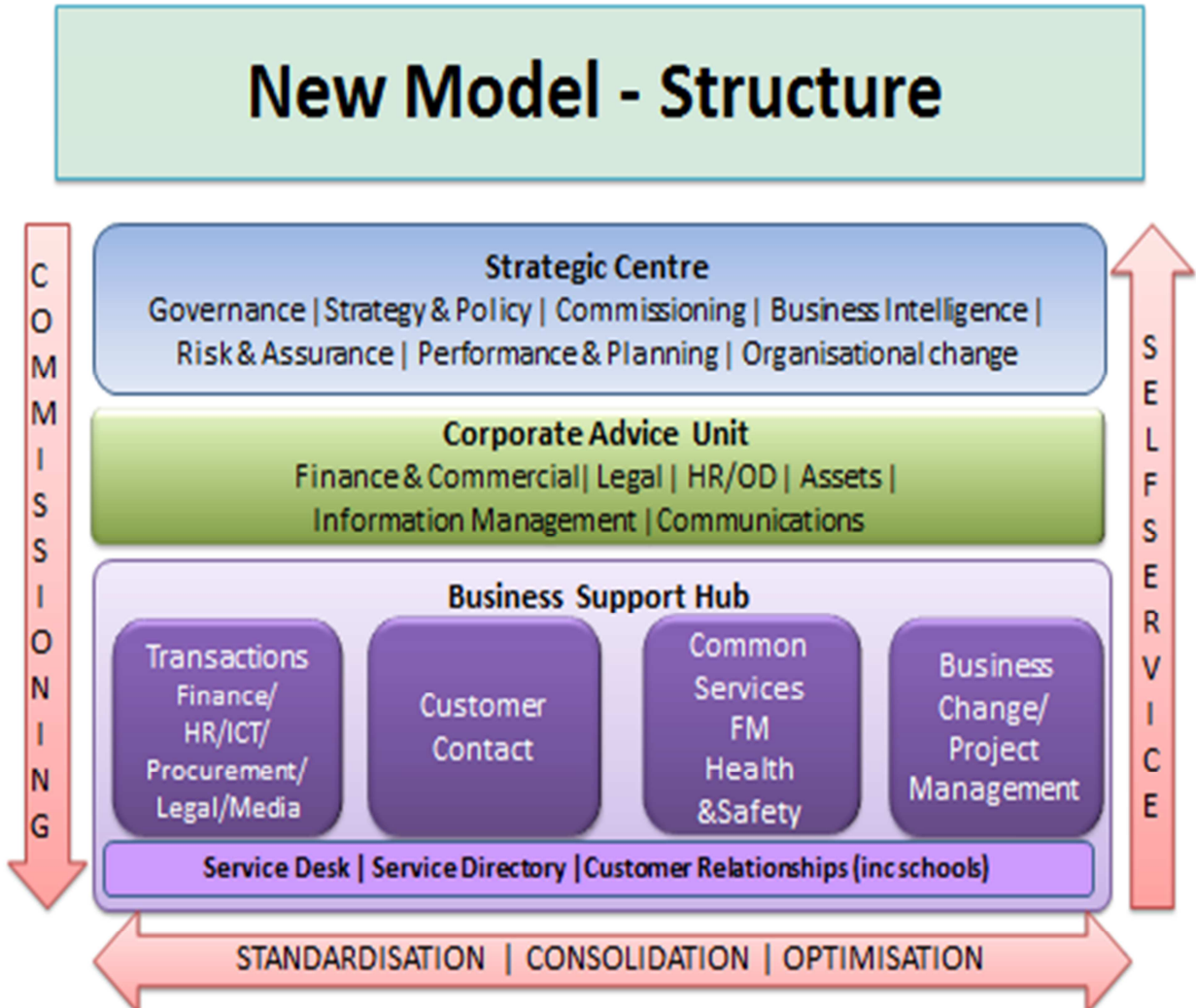
- Corporate Client: governance, financial stewardship, reputation management, partnerships
- Strategy & Policy: horizon scanning, corporate/business planning
- Strategic advice: finance, HR, legal, IMT, commissioning
- Understanding Swansea: social/economic data, needs,
- Understanding customers: segmentation & insight, demand management/channel shift
- Business Intelligence: research, performance data etc
- Commissioning: planning, delivery, collaboration
- Commercialism: market management, business development (income), trading models etc
- Organisational Development: Innovation, cultural change,
- Asset management: corporate landlord, property strategy

Transactional

- Paying: payroll, invoices in/out, benefits
- Resourcing: recruitment, ICT desktop/devices, training (delivery)
- Customer contact: web, phone, face to face
- Legal: casework, prosecutions
- Business change: BPR, project management
- Procurement: e-procurement, P2P, contracts
- Monitoring: budget, workforce data, customer, PIs
- Facilities management: building services, enabling agile working, printing
- Regulatory: IT systems, health & safety, HR policies, prosecutions

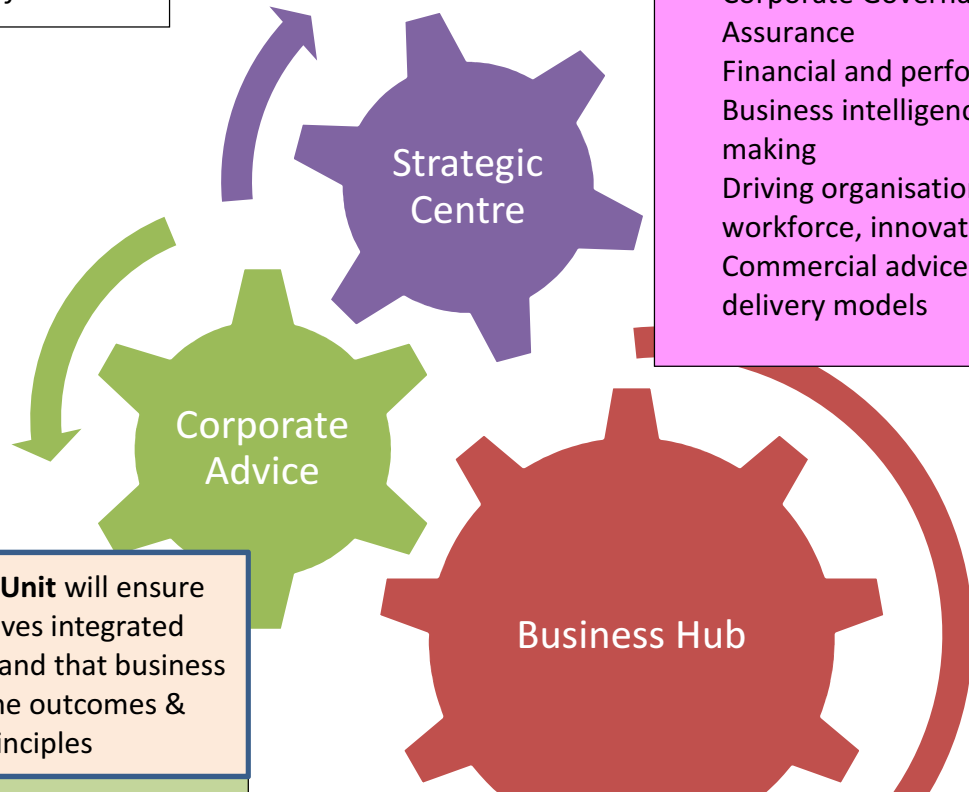
Note: *as made clear in the proposals and throughout the report, this model requires the transfer of all business support functions in scope in order to deliver the change, savings and other benefits required and to be sustainable. All business support functions, staff and budgets across the Council will need to be fed into this functional redesign process.*

6 New Model Outline Structure... *the broad functional allocation can be developed further into an outline new model, which reflects the innovation found during the Review process (this is the starting point for detailed work – not exhaustive)*



7 Purpose and Key Features of the New Model... *there are 3 components of the new model, each with distinct role but the benefits can only be achieved if they work together as illustrated in the diagram below:*

Note: the 3 components have distinct roles but also have inter dependencies that will need to be defined



The **Strategic Centre** will provide leadership for a ONE Council approach to everything we do, working with Heads of Service across the Council

Strategic policy & future direction of the Council
 Corporate Governance, Risk & Assurance
 Financial and performance “grip”
 Business intelligence for decision making
 Driving organisational change: workforce, innovation, digital
 Commercial advice and new delivery models

Corporate Advice Unit will ensure the Council receives integrated professional advice and that business support meets the outcomes & design principles

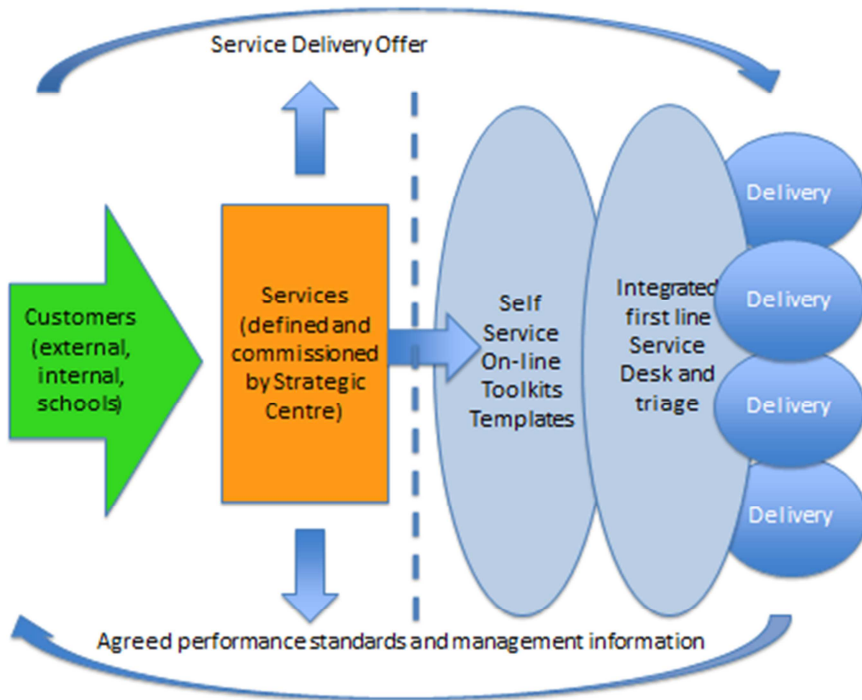
Commissioning Business Support from the “hub”
 Integrated resource management:
 § Workforce
 § Finance
 § Assets
 Digital/IT/Information Management advice
 Corporate Legal Advice
 Monitoring Officer
 Reputation management
 Transition support to Services

The **Business Hub** will manage customer contact and provide a unified support service to all frontline services in the Council, driving self-service for all

Customer Contact/Benefits Service
 One internal service desk
 One on-line directory
 Standard and integrated transactions:
 § Finance/HR
 § Procurement/Contract Management
 § ICT delivery
 § Legal
 § Media/Comms
 Business Change/project delivery

8 Business Hub Service Model... all customers (residents, schools and services) will receive support from the business hub in line with the defined service offer. Service fulfilment will be based on the levels set out in section 3 above ie: self-service first with subsequent helpdesk and triage to more specialist support if required. This is illustrated in the “customer flow” in the first diagram below and the “tiered” design approach in the following table:

BUSINESS HUB SERVICE MODEL – CUSTOMER FLOW



BUSINESS HUB – SERVICE DELIVERY TIERS

TIER	TYPE	FUNCTIONS
Tier 1	Self Service – Knowledge Hub	FAQs Toolkits Decision trees Standard forms e-forms and workflow
Tier 2	Service Desk - Generic	First line telephone enquiry Routine queries and signposting
Tier 3	Service Desk - Specialist	Functional advice Case management
Tier 4	Business Partners	Anticipating and reducing demand Agreeing resourcing of new requirements Negotiating and monitoring Working Together Agreements Added Value Services (to be agreed)

9 Support and Transition... *the proposals are clear that customers, including managers, will need to be supported in order to achieve a step change in reducing demand, through resetting expectations and supported behaviour change.*

This will need to include:

- *Customer engagement on the proposed changes and design*
- *Development of toolkits and on-line templates*
- *Process changes within services including new systems (the aim is not simply to shift the same work to services, rather it is to change the whole system for everyone)*
- *Defining the role and expectations of managers in key areas*
- *Training*
- *Escalation processes*
- *Review points*

BUSINESS SUPPORT

CHANGES TO THE DELIVERY MODEL (EXAMPLES)

Service/ Function	Ceasing or reducing services	Self Service	Process change & transactions:	Consolidation:	Changing service levels	Collaboration
Comms & Customer Engagement	Reduce Equalities support. Stop PR support to things not considered a priority. Reduce the number of websites and social media accounts Reduce printed materials and adverts	StaffNet – content forums, WebChat, Skype Website – digital by default, prioritising online forms and payments. Automated telephony. e-Zone. Cash machines to replace cashier staff. Social media Web to print facility	e>Returns to avoid double-punching Better information on the web to reduce customer contact/FOI requests. Scripting in call and contact centres to free-up back-office and professional staff. More online forms and payments. CRM – single view of the customer. Triage in contact centre Replace/augment printed comms with digital – eg Swansea Leader Inserter in DesignPrint with bulk mail function Change to a more digitally focused 'print on demand'	New call centre model New face-to-face model New model for web editors New communications plan and sharing resources with C&T Single brand across the council New CRM Customer and complaints insight Reduce MFD fleet	Communications SLAs with schools. Communications to focus on agreed priorities only – everything else isn't a priority Complaints support for services. Following team review, further define Access to Services support for: Service areas (e.g., possible integrated approach) Forums and groups that represent the interest of protected groups Members of the public who contact, (e.g. older people or carers) Regulators and commissions (e.g., reporting).	DVLA on customer services. Work with neighbouring LAs on Stage 2 social services complaints. Exec Board Support and HOS support to be shared Partner contributions to LSB support Regional Equality Group on reviewing Strategic Equality Plan & Equality Objectives, e.g., undertaking joint engagement (although WLGA unit in its existing form who facilitated this work will cease to operate at the end of March). Any regional

			<p>service</p> <p>Increased digital and online comms.</p> <p>Annual comms plan – behaviour change</p> <p>Scripting in customer contact areas.</p> <p>Design templates for recurring publications/items in DesignPrint.</p> <p>Standardised KPIs across customer services.</p> <p>Standardised customer services quality testing processes across all contact areas including digital, face to face, phone.</p> <p>Template messages for Welsh social media.</p> <p>LiveChat</p> <p>Online mapping</p> <p>Automated telephone</p>			<p>arrangements for implementing the Ageing Well Programme.</p> <p>Possible collaboration on engagement through LSB engagement group</p> <p>RIGHT SOURCING</p> <p>Web hosting</p> <p>Design and print</p>
Finance	Automation of Customer contact wherever possible together with development of e-payment options.	Development of financial management training Further development and roll out of financial reports	Lean Systems Thinking / Streamline Processes Reducing low level sign-off	Consolidation of Council wide common services Hub and spoke model for all staff involved in financial activities Sharing of	Full cost recovery Menu/Directory of services SLA for services with clear expectations/accoun	

	<p>Maximising payment of suppliers through consolidate invoicing and automated payments</p> <p>Increased use of self-assessment toolkits to aid financial control</p>		<p>requirements for finance officers commensurate with maintaining a level of financial integrity</p> <p>Business Partner model for strategic advice</p> <p>Further review of Financial procedure rules</p> <p>Development of common functions and multi skilling of finance staff</p>	<p>business support across Directorate</p> <p>Development of shared services with neighbouring Authorities where appropriate</p>	<p>tabilities</p>	
HR/OD	<p>Reduce HR advice for lower level issues</p> <p>Cease certain Training</p> <p>Cease Supply Teacher Register</p> <p>Cease accreditations</p> <p>Cease the weekly payroll</p>	<p>Improvement of Employee Handbook & Website</p> <p>Further roll out of Employee & Manager Self Service via ISIS</p> <p>iRecruitment</p> <p>eLearning</p> <p>OLM/Talent Management</p>	<p>Lean Systems Thinking / Streamline Processes</p> <p>Reducing admin functions that HR Officers undertake</p> <p>Business Partner model for strategic advice</p> <p>Employee Services Help Desk</p> <p>Further HR Policy Review</p>	<p>Helpdesk in Employee Services</p> <p>Merging of 3 Payroll Teams</p> <p>Training & Development Review</p> <p>Sharing of business support across Directorate</p>	<p>Full cost recovery</p> <p>Menu/Directory of services</p> <p>SLA for services with clear expectations/accountabilities</p>	
Information & Business Change	<p>Project / programme clerical support</p>	<p>New model ICT Service desk / helpdesk: Move</p>	<p>Knowledge hub, e.g. change , project management etc</p>	<p>Merge corporate and schools ICT</p> <p>Review systems</p>	<p>ICT SLA with schools</p> <p>Increase commercial</p>	<p>Strategy & Information: - Regional street</p>

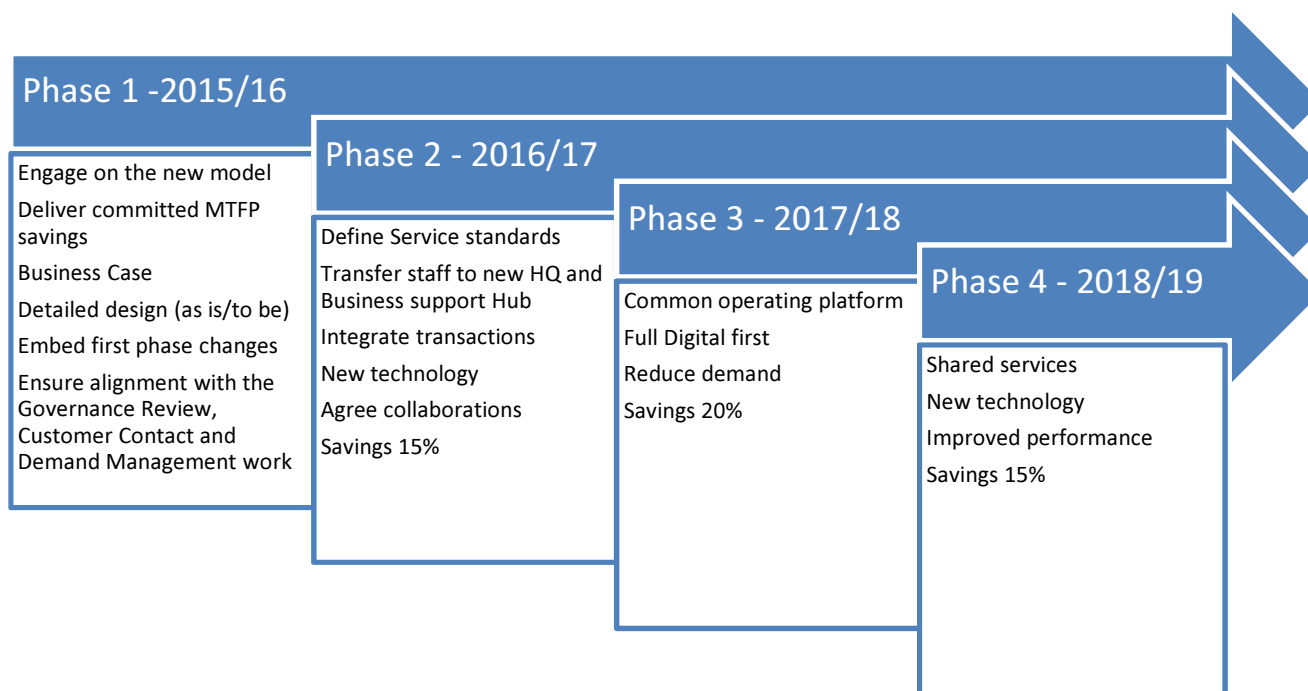
		<p>from all telephone and face-to-face support to tiered approach as per corporate services model, with greater self-service, e.g. password changes, incident logging etc New model for street naming and numbering: Move some processes to self-service for customers Model for delivering projects and new developments. Move from delivering the resource to self-service knowledge hub</p>	<p>StaffNet FAQs ICT service desk LiveChat</p>	<p>administration corporately and reduce beyond previous savings Review project management corporately and reduce beyond previous savings System rationalisation moving from a silo procurement approach to a smaller number of corporate systems – take this beyond those already in existing savings Consolidate Strategy and Information and ICT Services – one manager</p>	<p>opportunities: Business Change, Research and Information All Wales ICT systems, e.g. Hwb (Education) and CCIS (Health and Social Care) Corporate development – cross-cutting benefits, reduce silo bespoke work Supporting mobile / agile working – remote support less ‘at desk’ IM&T governance</p>	<p>naming and numbering back office - Regional GIS / LLPG development team - Regional research / information service ICT: - Create regional applications development pool - Merge parts of the service with NPT - Regional systems developed for services and hosted by partners - Data Centres / disaster recovery / business continuity, e.g. DVLA, NPT, Microsoft</p>
<p>Legal</p>	<p>There is no appetite for us to stop providing the service in any of our current areas of law but we will have no choice other than to ensure</p>	<p>We are developing a website which will include the following for each area of law we cover:</p>	<p>We are reviewing all of our processes over time and cutting out waste We will work on an electronic basis</p>	<p>Develop the “expert client” which could be achieved by means of training. This in turn will give</p>	<p>We will need to engender more of a business partner approach to lead to early intervention upstream which will</p>	<p>Continued collaboration through the Shared Legal Services</p>

	<p>that we only carry out legal work Further budget cuts will mean a reduction in qualified legal staff</p>	<p>Frequently asked questions together with legal guidance notes</p> <p>Customer self-serve area with standard documents such as indemnities, licences</p> <p>Introduction of standard documents wherever possible</p> <p>Standard contractual terms</p>	<p>wherever possible which will include</p> <p>Introduction of a secure legal portal to enable safe document exchange</p> <p>Introduction of service level description</p> <p>Setting up of case flows and standardised / automatic documents</p>	<p>officers confidence to take action in appropriate circumstances without necessarily having recourse to legal advice</p>	<p>have an effect on demand management. We will provide a service level description to set out what we can do and to what standard.</p>	
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OUTLINE IMPLEMENTATION PLAN

A PHASING

The new model will need to be implemented over (initially) 3 years, with associated planned cost and headcount reductions. The broad phasing is as follows:



B NEW MODEL IMPLEMENTATION REQUIREMENTS

1. Function Analysis	Map and document all corporate services functions (Council wide, not just those undertaken in the Directorate)
2. Commissioning Plan	The organisation needs to say what it wants and the areas of added value it needs corporate services to focus on and what is "retained" by Services
3. New operating model	Design the new TOM, top down and bottom up, describe the management structure eg: a single operations manager, with corporate advisers for each main function
4. Process redesign	Review all major processes to understand and reduce or divert demand, use lean to simplify etc and move to on-line, e-forms, workflow etc
5. ICT requirements	Assess what current ICT systems we can exploit, any new systems, any integration requirements
6. Telephony	Design a common service desk for those functions where this fits the model and customer need
7. Workforce Redesign	Assess the number of staff we need and the skills and behaviours we need to train for and performance manage

8. Information Management	Design a Knowledge Hub (eg: content of the new managers' toolkits etc; produce staff scripts and guides)
9. Performance Management	Agree content of Working Together Agreements with Service areas, KPIs, balanced scorecard reporting
10. Change Management Plan	Produce a plan for implementation, including staff training, customer engagement and education

C NEW MODEL SHARED REQUIREMENTS

NEW MODEL SHARED REQUIREMENTS	
Self- service	<ul style="list-style-type: none"> • One team that drives the change in behaviour • One portal for business support • Common look and feel to toolkits, templates, FAQs
Help Desk	<ul style="list-style-type: none"> • One help desk • Generic training • Specialists
Process change	<ul style="list-style-type: none"> • One team that leads innovation in process and system change
System improvements	<ul style="list-style-type: none"> • One delivery platform: CRM etc
Project Office	<ul style="list-style-type: none"> • One project management function • Change control process for new requests/projects
Service Levels (customers)	<ul style="list-style-type: none"> • One approach to defining service levels and issue resolution • Unit to monitor performance and issue reports • Unit to survey customers for satisfaction, gain insight and push service improvement
Investment	<ul style="list-style-type: none"> • Single plan for investment in system, process change, training • Business case for this
Marketing & Income	<ul style="list-style-type: none"> • Single team to develop our commercial offer • Market intelligence • Marketing materials • Sales/ income generation • Income/invoicing etc
Workforce Plan and	<ul style="list-style-type: none"> • One workforce plan

Development	<ul style="list-style-type: none"> • New structure • Skills and training plan • Approach to flexible working across services, project teams
Change management	<ul style="list-style-type: none"> • Influencing customer behaviour • Risk management • Service development

D INDICATIVE HIGH LEVEL TIMELINE

DATE	KEY ACTIVITIES
September 2015	Staff/Trade Union engagement on the new model eg: staff forum Leadership Team and Service engagement on the new model Agree implementation team and requirements for external support, including learning from other Councils with this model Begin due diligence on the model, testing assumptions etc with external partners and agencies eg: Gartner, IESE, WAO, DWP Begin the transition and identify service redesign priorities within and across each service area
October	Complete final comparison and options appraisal work, including commercial opportunities Change Plan: stakeholder management, engagement and marketing/branding Complete the analysis of functions/staff/budgets in scope from other Services
November	“Value proposition” for the new model, including EIA Business case for the new model and investment required Workforce development and training and development plan
December	Change Plan: transition and service redesign blueprint, including modelling demand reduction/diversion Agree new detailed structure and roles
January – March	Appoint to new roles Commence integration Phase 1 Develop service levels and performance framework
April 2016	Go Live with the new structure Implement system changes Implement new governance arrangements
April 2017	Review Integration Phase 2 Implement system changes
April 2018	Review Integration Phase 3

Notes:

1. Market testing may be required for elements of the model
2. The model doesn't preclude joint working/collaboration at any stage
3. The business hub could, in time, spin out as a trading vehicle for CCS or with a partner



Commissioning Review Report Stage 5

Non Schools Building Cleaning Service

CONTENTS

1	PURPOSE AND SUMMARY
2	BACKGROUND TO THE REVIEW & SCOPE
3	REVIEW FINDINGS
4	ALTERNATIVE MODELS
5	PREFRED SERVICE MODEL
6	NON FINANCIAL BENEFITS
7	RISKS AND IMPACT
8	LEGAL IMPLICATIONS
9	FINANCIAL IMPLICATIONS
10	HR IMPLICATIONS
11	IMPLEMENTATION – HIGH LEVEL PLAN
12	EIA

1.0 Purpose & Summary

1.1 This report:

- *Summarises the outcomes from the Commissioning Review for the Non-schools Building Cleaning Review*
- *Provides evidence that the Review has completed all relevant tasks as part of the commissioning process*
- *Sets out the recommendations from the Review for approval by Cabinet*
- *Outlines a high-level implementation process*

1.2 Supporting this paper are 2 Gateway Reports, these addressed the specific requirements of Stages 1 & 2 and Stages 3 & 4 of the Commissioning Review process which followed the correct decision making route during the review.

2.0 Background to the Non-Schools Building Cleaning Commissioning Review

- The original scope of the Review included all non-schools cleaning services currently operated out of all civic buildings and associated back office administrative services.

2.1 The Review is important because:

- *The current model of delivery is unsustainable, fragmented and in need of investment and modernisation*
- *The Service is under recovering its costs (due to budget cuts)*
- *The future model needs to change to support the Council in providing clean Environments/Buildings for our employees and customers.*

3.0 Review Findings

3.1 The findings from each stage of the Review are set out in the Gateway reports 2 & 4.

3.2 The table below provides a **high level** summary of the key points:

Stage	Key Points
1 Defining Future Service Outcomes	<p>“Clean Buildings for our employees and customers”</p> <ul style="list-style-type: none"> • Meets H&S standards • Maintains the good reputation of the Council • Acceptable levels of cleanliness in priority areas

	<ul style="list-style-type: none"> • Delivering a cost effective service • Meeting reasonably the expectations of our Workforce and Customers
2 Service Assessment	<ul style="list-style-type: none"> • The current cost of the service is circa £1.1m with projected income for 14/15 approximately £820k. Specific attention is drawn to the already committed budget savings to meet the 20% reduction and also an expected further savings of 30% across the Service area as part of this commissioning review. This raises serious questions about the delivery method, performance, productivity, and T's and C's (Terms and Conditions) • A new output based specification may be required based on a prioritisation process • There is good performance evidence via the Council's participation in the APSE performance networks, which draws comparisons across the UK and historically shows the service was performing well amongst its peer group • There is a critical link with the reputation of the Council and its assets, when used by the public, where there is a need to have high levels of cleanliness particular when this forms part of the "offer" • Evidence shows that failure to maintain an effective standard of cleaning can increase levels of sickness absence and have serious health and safety implications for staff
3 Comparison	<ul style="list-style-type: none"> • APSE Performance networks analysis found the City and County of Swansea cleaning figures for small offices is higher than other Councils in the same group; whereas large offices and libraries are at or near top quartile • As part of the review process, a high-level soft market testing exercise was carried out to compare the current service model, cost provision. A further exercise was carried out to collate data from other comparable Local Authorities, on how they deliver their Building Cleaning services
4 Options Appraisal	<ul style="list-style-type: none"> • The four main options that were investigated were Transformed in house, TECKAL Company, Shared Service & Private sector providers

	<ul style="list-style-type: none"> Preferred option was Transformed in-house however there is recognition that there is a significant amount of transformation required e.g. change of culture and current working practices, which will be built into the redesign in order to achieve cost effectiveness and efficiencies
5 Proposals (see further below)	<ul style="list-style-type: none"> A strong preference for the Transformed in-house model was identified by Stakeholders as part of the commission review process. The future service model will provide an opportunity to explore income generation and to consider a mixed service model where appropriate, to ensure the service is sustainable To facilitate transformation, a need to accelerate some elements from Phase 2 of implementation plan, however committed resources are essential to achieve this outcome. Establish a transition team to develop and implement the new Service
6 Implementation	<ul style="list-style-type: none"> The proposed high level approach to implementation is set out in 11.1 below, however this needs further planning and consultation with the team and staff.

4.0 Alternative Models

The four areas that were evaluated in detail by using specific criteria were:-

- **Transformed in house.** This model would maintain direct provision of the service, and would seek to make savings through more efficient use of resources and to generate income from other sources and external trading (e.g. Void properties).
- **Private Sector.** This model would require the procurement of one or more external organisations to deliver the service under contract. Compliance with the European public procurement regime would require European wide competitive tendering.
- **Shared service.** This model would involve formal collaboration with another local authority. This could be through a jointly owned company (see below) or via a joint committee approach.
- **Teckal Company.** This model must meet the activity test set out in the procurement regulations 2015, which allows contracts to be awarded directly i.e. without competition, to a company that is under the control of the local authority (or authorities) and which carries out at least 80% of its activity for the authority (or the authorities).

Please find the results of the alternative delivery models scoring matrix, these were carried out by the stakeholder group at the workshop

- The scoring matrix which was carried out by the stakeholder group shows that the transformed in house service had the highest score and was the preferred option, followed by the private sector with shared services and the Teckal company model of delivery scoring the same to finish a joint 3rd. This was also verified independently by Finance officers.

5.0 Preferred Model - Transformed in-house

5.1 The review has recommended that the Transformed in-house service model should be implemented for cost effectiveness and efficiency; however there is a significant amount of 'transformation' that is required as part of this process, as this is required whatever the long term solution may look like, listed below are some key outputs for the service redesign:

- **Determine extent of amalgamation of schools and non-schools cleaning services** – 'one service' – link this with the wider SLA review and consult with the Schools Budget Forum and Task and Finish Group - *This change is essential to enable the successful implementation of a transformed building cleaning in-house service.*
- Clear cleaning requirements based on **site by site & client needs analysis – develop output specifications**
- Explore other **commercial opportunities** e.g. provision for Cleaning Services for Older People, schools (janitorial service) to expand Trading in the service area
- Changing and modernising current **working practises** (site pilots)
- **New Staff Structures** (drive cultural change)
- **Building Cleaning Manual** – Develop and promote with Council employees an educational Programme
- **Monitor cleaning materials spend** by apply a coding system to materials to establish exact costs per establishment

6.0 Non-Financial Benefits

- Revised Staff Structures and working practises to continuously drive change in the service area
- Commercial opportunities for external trading can be explored within the new service model.
- Re-branding and Service Modernisation
- Clear output specifications for Service Areas
- **'One Service'** – amalgamated service with schools and non-schools building cleaning.

7.0 Risks & Impact

Risk	Mitigation	Risk Owner	Impact
<ul style="list-style-type: none"> Capacity & Capability: We have insufficient resources to implement the transformed in-house service. 	<ul style="list-style-type: none"> Identify the required resources to implement <i>Phase 1</i> – (Amalgamation of schools and non-schools Building Cleaning - back office function) 	Chief Operating Officer	Failure to Transform the service and achieve sustainability
<ul style="list-style-type: none"> Change Management: Service may not have the desire, ability or capacity to transform 	<ul style="list-style-type: none"> Ensure all staff are part of the service redesign and rebranding through staff workshops and briefings 	Service Manager	Trade Union & Staff resistance Failure to Transform the service and achieve sustainability
<ul style="list-style-type: none"> Timescales: The pace of change could be too slow to produce desired outcomes (savings and processes) 	<ul style="list-style-type: none"> Ensure all staff are part of the service redesign and timescales set are achievable Amalgamation of schools and non-schools Building Cleaning - back office function) 	Service Manager and Team	Failure to Transform the service and achieve sustainability
<ul style="list-style-type: none"> Systems & Processes: Failure to invest in systems, staff, new working practices and technology 	<ul style="list-style-type: none"> Training/Education programme for staff and building users to be developed Innovative and new ways of working to be identified during service redesign Output Specifications to be produced for all sites to develop working practices 	Service Manager	Working practises will not change and remain unsustainable Service will not modernise

8.0 Legal Implications

- 8.1 There are no legal implications under the preferred option of the Transformed in-House model
- 8.2 Ensure there is clarity over powers to generate external income, charge for services at full cost recover and to charge public sector bodies at a profit as part of the Cleaning Service redesign.
- 8.3 Maintain Cleaning to a level that is consistent with Health and Safety statutory requirements.

9.0 Financial Implications

- 9.1 The Medium Term Financial Plan includes a target reduction of 50% over the next 3 years for the Non-schools Building Cleaning Service:

	2015/16 £000	2016/17 £000	2017/18 £000	Sub Total
New Model	218K (20%)	87k (10%)	-	£305K
Asset Reduction Targets *		75k (10%)	75k (10%)	£150K
Total				£455K

- 9.2 The proposed service model would need to achieve these levels of savings (net of any additional income generated) over the 3 years as described above. **However, it is noted that the savings identified within the Asset Reduction Strand could be duplicated by other strands within the Sustainable Swansea Programme resulting in a risk of double counting.*

10.0 HR Implications

10.1 As a result of actions listed in this report, there will be reductions in posts, but this will be built into the redesign to mitigate staffing reductions.

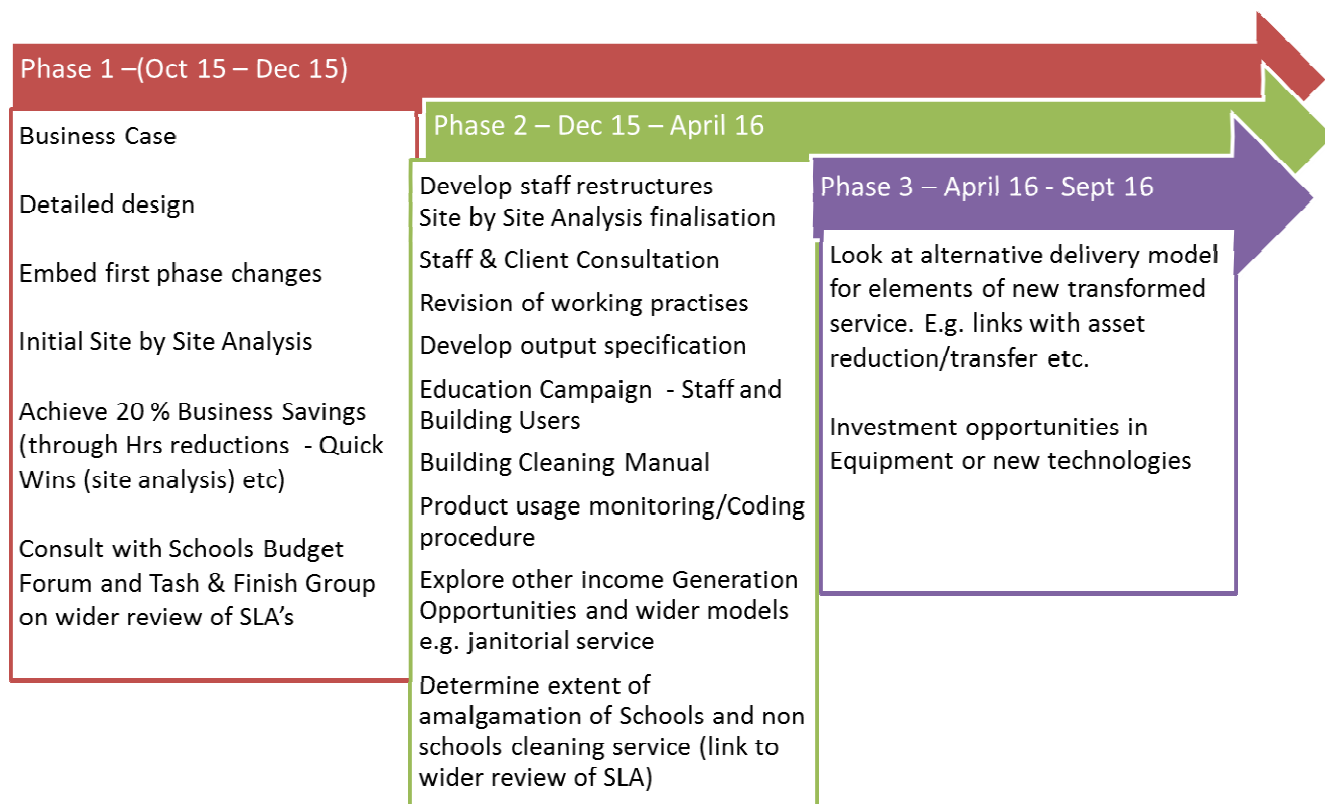
10.2 In relation to the preferred option of In House Transformation:

- ER/VR opportunities will need to be explored
- New Staff Structures and new job descriptions will be required for all posts within the new model
- Revised T's and C's for Cleaning Service employees
- New working practises will be introduced (pilots/testing in specific zones)

10.3 Under the preferred option, consultation with staff and Trade Unions will need to take place and HR procedures followed, to ensure that all staff have the opportunity to comment on the new service model and structure.

11.0 Implementation

11.1 High-Level Plan



12 EIA

12.1 An EIA Screening Form has been completed with the agreed outcome that a full EIA report was not required (Appendix 1)

Appendices:

- Appendix 1 – EIA Screening

Background Papers:

Agenda Item 15.

Report of the Cabinet Member for Transformation and Performance

Cabinet – 15 October 2015

CORPORATE COMPLAINTS ANNUAL REPORT 2014-2015

Purpose: To report on the operation of the Corporate Complaints Team, highlighting the number, nature and outcome of complaints made against the Authority, together with details of lessons learned and service improvements.

The following reports have been prepared separately in conjunction with this report, and are appended for information purposes:

- Adult Social Services Complaints;
- Child and Family Services Complaints;
- Freedom of Information Act (FOI);
- Regulation of Investigatory Powers Act (RIPA).

Report Author: Andrew Taylor

Finance Officer: Carl Billingsley

Legal Officer: Tracey Meredith

Access to Services Officer: Sherill Hopkins

FOR INFORMATION

1. Introduction

- 1.1 The City and County of Swansea is a large organisation providing a variety of services and whilst every effort is made to carry out these services accurately and professionally, complaints are made for a number of reasons
- 1.2 Members of the public complain for various reasons, such as lack of action/consultation, delay, staff attitude etc. Customers wishing to voice their dissatisfaction or concerns are dealt with open-mindedly and impartially by the Complaints Team.
- 1.3 The Council recognises that in order to meet the needs and concerns of members of the public, the monitoring of complaints is a valuable resource in its requirement to continually improve services. All complaints are taken very seriously and Executive Board receives monthly updates on complaints received, providing valuable customer insight. **Appendix 1** contains all statistical tables referred to in this report.

2. Requests for Service (RFS)

- 2.1 A request for service is not a complaint (e.g. a request for service could be a request to repair an unlit lamp post). A complaint would only arise should the request for service not be properly dealt with. The Complaints Team take calls of this nature and liaise with the service department to ensure they are processed, to avoid a public perception of being “pushed from pillar to post”.

3. The Corporate Complaints Process

- 3.1 The current Corporate Complaints Policy was adopted on 01/04/2013 in line with the Welsh Government Model Complaints Policy issued in 2011.

- 3.2 It is understood that the Welsh Government Model has now been adopted by all Welsh Authorities, providing greater consistency to the way complaints are handled nationally.

3.3 Stage 1 Complaints

- 3.3.1 The majority of Stage 1 complaints are dealt with by the relevant service area. When a complaint spans several different service areas, the complaints team will coordinate the handling of the complaints and provide a single, substantive response. Additionally, where a member of the public will not accept the information given to them by departmental staff, the complaints team will often work as the intermediary to try and resolve issues.

- 3.3.2 Stage 1 complaints should be responded to or actioned within 10 working days.

- 3.3.3 Initial complaints may be made to the Complaints Team or to the Service Department. The figures shown in this report reflect Stage 1 complaints that have been received by the Complaints Team directly and those that went directly to the service departments.

3.4 Stage 2 Complaints

- 3.4.1 If a complainant is dissatisfied with the outcome of a Stage 1 complaint, they may request that the matter be investigated by the Complaints Team, which is independent of the service department.

- 3.4.2 The Complaints Team will carry out an investigation, re-examining those issues with which the complainant remains aggrieved. This investigation will include a review of all relevant correspondence, and often incorporates separate discussions with both the complainant and with relevant officers from the service department(s) concerned. Stage 2 complaints should be responded to within 20 working days.

- 3.4.3 Complainants who remain unhappy with the outcome of the Stage 2 investigation by a Complaints Officer can refer their complaint to the Public Services Ombudsman for Wales (the Ombudsman).

4. Social Services Complaints

- 4.1 The handling of Social Services complaints is carried out under specific legislation and the Authority has a separate policy for such complaints. Full details of Social Services Complaints for Adult and Directorate Services have therefore been reported separately in **Appendix 2**. Complaints for Child and Family Services are shown in **Appendix 3**.

5. Corporate Complaints Received

- 5.1 **Table 1** shows details of complaints received directly by the Complaints Team during the 2014-2015. The headings under which Stage 1 complaints have been grouped have changed this year following a restructure at Head of Service level, reflective of the new structure. As such there is no comparison with previous year's figures.
- 5.2 **Tables 2 to 6** provide a breakdown for each Directorate by section.
- 5.3 On each of these tables (1 to 6), a row has been added for comments received. These are cases where an individual has made a comment regarding a service as opposed to a complaint, which is then passed on to the relevant service unit for information. These comments may be negative or positive.
- 5.4 **Table 7** provides the total enquiries received by the Complaints Team, which includes both complaints, requests for service and comments.

6. Cases reported to the Ombudsman

- 6.1 Should a complainant remain dissatisfied following completion of the two internal complaint stages, they can take their complaint to the Ombudsman's office for independent investigation.
- 6.2 The Ombudsman will usually check with the Authority whether or not the complaint has been through Stages 1 & 2 of the Authority's complaints procedure. Where this has not been done, the Ombudsman will usually refer the complaint back to the Authority, to give us an opportunity to attempt to resolve the complainant's concerns through our internal complaints processes first.
- 6.3 The Ombudsman publishes an Annual Report every year and full details of his report for 2014/15 can be viewed online at: <https://www.ombudsman-wales.org.uk/en/publications/Annual-reports.aspx>
- 6.4 There have been a total of 59 complaints to the Ombudsman this year, down from 64 last year.
- 6.5 Of the 59 complaints received by the Ombudsman this year, only 1 complaint was upheld/partly upheld and 1 matter was resolved by quick fix/voluntary settlement.

7. Service improvements introduced following complaint investigations

- 7.1 Lessons can usually be learned from complaints received where complaints are upheld (and in many cases where the complaint was not upheld but the Authority recognises that improvements to services can be made).
- 7.2 There are often cases where mediation is more productive than an investigation of a complaint. The Complaints Team will, wherever possible, seek to resolve complaints using alternative dispute resolution where it is considered that such an approach would be more appropriate.
- 7.3 Occasionally during the course of an investigation issues will be identified that need to be addressed over and above the original complaint. The Complaints Team will always try to look at the “bigger picture” to ensure that residents receive the best possible service from the Council.
- 7.4 Examples of improvements made this year following complaint investigations by the Corporate Complaint team are as follows:
- 7.5 **Complaint 1:** A resident who had applied for a Disabled Facilities Grant (DFG) had not been provided with a copy of the Owner’s Certificate which contains details of the circumstances where repayment of the grant may be required.
- 7.5.1 **Outcome of complaint 1:** It was acknowledged that whilst it is not a legal requirement, provision of this information constitutes good practice. The complaints officer recommended that procedures be amended to ensure that this information is routinely provided to all DFG applicants and this has since been fully implemented.
- 7.6 **Complaint 2:** A Housing Benefit applicant complained that the wording on the Housing Benefit application form relating to appointees completing application forms on behalf of another individual was confusing. This resulted in a delay in the calculation of Housing Benefit.
- 7.6.1 **Outcome of complaint 2:** Following investigation, arrangements were made for the wording on the application form to be clarified to avoid ambiguity in future.
- 7.7 **Complaint 3:** A letter was sent to a resident by the Planning Department in English, in response to original correspondence received in Welsh.
- 7.7.1 **Outcome of complaint 3:** Following investigation it was found that procedures for ensuring that correspondence received in Welsh were not robust. Recommendations for improvement included the creation of new response categories within the Planning software system to avoid repetition of this error, which have duly been implemented.

- 7.8 **Complaint 4:** Parents complained that their son had not been properly supervised at Morriston Leisure Centre, resulting in a slow response by pool staff when he got into difficulties in the pool during a swimming lesson.
- 7.8.1 **Outcome of complaint 4:** The investigation, which included an examination of the CCTV footage of the incident, found that the lifeguard had acted promptly and taken appropriate action. However, it was noted that the positioning of the CCTV cameras could be improved as there were some areas of the pool that could not be clearly seen. The cameras have since been repositioned to ensure there are no blind spots.
- 7.9 **Complaint 5:** A stall holder in Swansea Market had disputed liability for electricity charges backdating several years as the stall did not have a dedicated electricity meter on the stall.
- 7.9.1 **Outcome of complaint 5:** The investigation found that there had been a breakdown in communication between several parties, leading to the stallholder incorrectly thinking that electricity charges were included in the terms of the licence agreement. Arrangements were made for a dedicated meter to be installed. It was also made clear that from this point forward the stall holder would be responsible for all electricity charges incurred by the stall.
- 7.10 **Complaint 6:** A resident reported that they had been subject to verbal abuse from a driver of a Council vehicle.
- 7.10.1 **Outcome of complaint 6:** This was one of several complaints that had been received concerning the driving of Council vehicles / behaviour of drivers. Such complaints are taken very seriously and where such complaints are upheld, further disciplinary action may be considered. In order to address this issue, a recommendation was made to the Chief Operating Officer to remind all staff of the importance of responsible driving and this reminder was duly issued.
- 7.11 Where Service Departments agree to take follow up action as an outcome from a complaint investigation, the Complaints Team may inform Internal Auditors (when deemed appropriate) in order to ensure that changes have been implemented. In these circumstances, compliance checks can be made as part of the next internal audit of that section.
- 7.12 Regular reminders are given to departments to follow corporate guidelines with regards to the importance of acknowledgement letters and responses.

8. **Comments / Compliments**

- 8.1 Members of the public often request that comments made are recorded without requiring a response, however these are always passed to the relevant service area for information purposes. When compliments are received we acknowledge their receipt and forward to the relevant service area. This has a positive impact on staff morale and allows departments to recognise good practices. Examples of the many compliments received are shown in Appendix 1 (Table 8).

9. Other Functions carried out by the Complaints Team

9.1 Implementing & Providing Advice on Use of the CCS Unreasonable Customer Behaviour Policy.

9.1.1 A revised Unreasonable Customer Behaviour Policy was adopted by the Authority with effect from 1 May 2013. There are occasions when customers act in an unacceptable or unreasonable manner. In some cases the frequency and nature of their contact with the Authority can hinder the consideration of their own or other people's enquiries. In some instances the sheer number or nature of their inquiries lead them to be considered as 'persistent' or 'vexatious' in their dealings with staff. The revised policy provides a robust mechanism for dealing with situations whenever such circumstances arise.

9.1.2 The Team have issued several letters asking members of the public to moderate their behaviour and on occasion to use the Team as a single point of contact within the Authority. In addition the Democratic Services and Complaints Manager has written to individuals restricting contact. An example of a restriction is where a member of the public is restricted to contacting the Council in writing only.

9.1.3 The Complaints Team collaborates with departmental staff in a consultative capacity and ensure that a consistent and corporate approach is followed in relation to the way in which they are treated by members of the public. Staff are reminded to complete HS3 forms when incidents of abusive behaviour have occurred. These forms, which are collated and recorded by the Occupational Health Unit, can be used in the decision process when consideration is given to implementing the behaviour policy.

9.1.4 The Authority has a duty of care to its staff; in line with this, a revised policy was launched with effect from May 2013, providing more comprehensive guidance on appropriate measures that may be implemented where customers' actions are deemed to be unreasonable or unacceptable.

9.1.5 The Complaints Team assisted the Education Department in the development of a Parent / Guardian Behaviour Policy for Schools this year, providing consistent guidance to behaviour management for all CCS educational establishments where parents / guardians act unreasonably toward staff.

9.2 Freedom of Information Requests

9.3.1 Requests for information continues to be a growth area, with year on year increases since the inception of the Freedom of Information Act in 2000 and the right to request information which came into force on 1 January 2005. The Complaints Team started closely monitoring information requests in 2005-2006, when there were just 320 requests and 14 reviews. This figure has grown year on year, reaching an all- time high of **1159** requests and **25** reviews this year.

9.4 Subject Access Requests

- 9.4.1 A Subject Access Request is a request made by an individual under the Data Protection Act for personal data held on them. Co-ordinating subject access requests is a role that the Complaints Team have undertaken since January 2010. At present the requests are in much smaller numbers than the Freedom of Information requests, however this is also an area that is increasing as individuals become more aware of their right to have sight of their personal information.
- 9.4.2 Detailed analysis of both FOI & Subject Access requests can be found in the Freedom of Information Annual Report 2014-2015 at **Appendix 4**.

9.5 Regulation of Investigatory Powers Act

- 9.5.1 The Regulation of Investigatory Powers Act (RIPA) 2000 allows local authorities to conduct covert surveillance activity where it is required for the purpose of preventing or detecting crime or of preventing disorder. This is now subject to Magistrates Court approval.
- 9.5.2 Detailed analysis can be obtained in the Regulation of Investigatory Powers (RIPA) Annual Report 2014-2015 at **Appendix 5**.

10. Conclusion

- 10.1 This has again been a busy year for the Complaints Team. The total number of complaints & Requests for Service handled by the team has risen by **4.5 %** on last year, and requests for information have increased by a further **23.8%**.
- 10.2 The highest standards of service are expected from all service departments irrespective of the increasing budgetary challenges faced by all Local Authorities. It is therefore vital that customer expectations are carefully managed to keep complaints to manageable levels. On occasion, customer behaviour toward staff members has been unreasonable, and this has been addressed by use of warning letters asking individuals to moderate future behaviour.
- 10.3 As the volume of Information Requests continues to increase, facilitating the provision of information is becoming far more onerous across the Authority and this has been compounded by reductions in staff resources. As a result, the percentage of response times exceeding the 20 working day statutory deadline has increased.
- 10.4 In order to obtain a clearer picture of Stage 1 complaints made across the Authority and their outcomes, a system went live this year for the central logging of all Stage 1 Complaints. This is now providing better customer insight than has ever previously been available.

11. Equality and Engagement Implications

11.1 Consultation exercises and Equality Impact Assessments were carried out in relation to the revised Complaints Policy and Customer Behaviour Policy introduced last year.

12. Financial Implications

12.1 All costs incurred in dealing with complaints have to be covered from within existing budgets.

13. Legal Implications

13.1 None.

Background papers: None.

Appendices:

Appendix 1 - Corporate Complaints Annual Report - Statistical Data

Appendix 2 - Adult and Directorate Social Services Complaints Annual Report 2014-2015;

Appendix 3 - Children's Services Complaints Annual Report 2014-2015;

Appendix 4 - Freedom of Information (FOI) Act Annual Report 2014-2015;

Appendix 5 - Regulation of Investigatory Powers (RIPA) Annual Report 2014-2015.

Agenda Item 16.

Report of the Section 151 Officer

Cabinet - 15 October 2015

MID-TERM BUDGET STATEMENT 2015/16

Purpose: To present to Corporate briefing a statement which outlines current year financial performance together with an updated assessment of savings requirements over the period of the Medium term Financial Plan.

Policy Framework: Sustainable Swansea Budget Plan 2015/16.

Reason for Decision: The report is presented in order to provide Members with a view of current financial performance and the likely financial planning scenarios that will influence budget and service decisions over the period of the MTFP.

Consultation: Cabinet Members, Executive Board, Legal Services and Access to services.

Recommendation: It is recommended that:-

- 1 the comments made in this report are noted and that the revised Resources forecast and forecast of spending pressures are adopted in terms of future budget planning.
2. The financial forecast in relation to the current year is noted and that Cabinet endorses whatever actions are required in order to move towards a balanced revenue outturn for 2015/16.
3. Comments in relation to the funding of the Capital programme set out in the report are noted and the funding shortfall continues to be addressed by a policy encompassing all asset sales.

Report Author: Mike Hawes

Finance Officer: Mike Hawes

Legal Officer: Tracey Meredith

Equalities Officer: Sherill Hopkins

Section 1 – Introduction and background

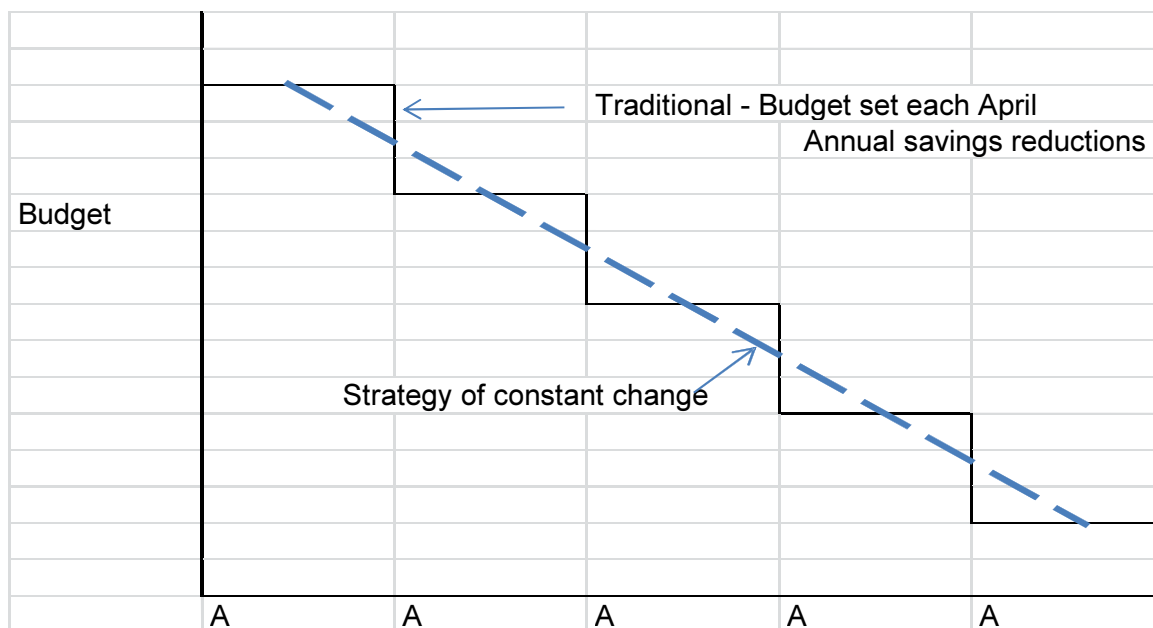
1.1 This statement is intended to provide a strategic and focussed assessment of current year financial performance and an update on strategic planning assumptions over the next three financial years. The clear benefits of this statement are:-

- **Enhanced Local Accountability:** it will enable the Council to have a “state of the nation” type debate, increasing accountability about what has been achieved and what is planned
- **Clear Strategic Direction:** it will enable the Council to update and/or confirm strategic direction in response to in year external and internal changes, providing clear direction for the development of budgets and savings options prior to the Annual budget meeting of Council
- **Better Medium Term Financial Planning:** it will enable the Council to publically update its financial assessment mid-year, in response to national announcements or changing assumptions, rather than wait until February
- **In Year Budget Changes:** it will enable the Council to make in year changes to budgets to respond to the increasing financial challenges – we cannot wait until February each year to do this
- **Transparency:** it will enable a clear and unambiguous public assessment of savings performance against targets
- **Remedial Action:** it will enable the Council to increase the pace in dealing with identified budget and/or savings variances

1.2 The Council has a clear and accepted strategy for addressing the budget savings it needs to achieve – ***Sustainable Swansea – Fit for the Future***. However, it is clear that the strategy has to increase in both scale and pace if the Council is to address the very real financial challenges that it currently faces.

1.3 It is also clear that at present the Council remains attached to a policy of addressing its financial affairs via the annual budget cycle rather than accepting the medium term financial outlook and, in doing so, moving to a position where it operates in advance of annual savings targets.

1.4 It is clear that those Councils who are successfully dealing with savings requirements highlighted in the MTFP, in all forms, are doing so by adopting a strategy of constant in year savings implementation set against the annual budget cycle. The inevitable result of that is a tendency to achieve annual in year budget underspends due to actions being taken early to address the long term downward trend in net expenditure.



1.5 The above table contrasts Councils that operate via traditional annual budget cycles with an annual April budget reduction with the expenditure path taken by those who adopt a strategy of constant change. Those that adopt the strategy recognise and accept a net reduction in expenditure as a certainty over the medium term financial plan period.

1.6 The Council does have a successful track record of implementing savings requirements on an annual basis. For the period 2008/09 to 2013/14 the Council achieved cumulative savings of some £42m in order primarily to offset budget pressures; crucially, however, during that period it did so against the background of a net expenditure increase (allowing for changes in funding to Council tax support costs) of some £30m

1.7 The 2014/15 and 2015/16 financial years have seen further cumulative savings targets totalling some £38m. This is set against a net reduction in overall spend of some £11m over the two year period – i.e. a real cash reduction in Council spend.

1.8 It is clear, as stated above, that the Council faces unprecedented challenge in delivering future required savings targets.

1.9 This Statement is intended to form a logical flow from an assessment of current year anticipated performance through each step of a structured planning process for future years and as such it specifically details:-

Section 2 - Revenue financial forecast 2015/16

Section 3 - Service/Financial risks currently identified in relation to the delivery of the 2015/16 Revenue Budget

Section 4 - A revised Medium term Resource and Funding forecast for the period 2016/17 to 2018/19 based on latest known decisions and Council decisions

Section 5 – An assessment of risk and potential movements on specific grants

Section 6 - An assessment of medium term spending pressures

Section 7 - The medium term financial forecast

Section 8 - Medium Term Financial planning for Schools

Section 9 - An assessment of reserves

Section 10 - Capital programme and funding

Section 11 – Summary of Actions and Decisions required/Legal implications/Access to services implications

1.10 This report should be read in the context of the Council's overarching budget strategy – ***Sustainable Swansea – Fit for the Future*** – and the revised Delivery Programme as agreed by Cabinet on 16th July 2015

Section 2 – Revenue Financial Forecast 2015/16

The purpose of this section is to provide a high level assessment of the projected 2015/16 revenue outturn position as an essential precursor to forward financial planning assumptions.

An analysis of the current position is given in sections 2.1 to 2.7 below.

Conclusions and recommendations are given in sections 2.8 and 2.9 below.

- 2.1 The first quarter budget monitoring report presented to Cabinet on 17th September 2015 highlighted a forecast service overspend for 2015/16 of £8.2m. Whilst it is implicit within the Council's Financial Procedure Rules that it is the duty of responsible Officers to manage budgets within agreed limits, that report highlighted that it is unlikely that recovery of overspends in the areas of Education and Social Services can be delivered in the current year.
- 2.2 The Revenue outturn report for 2014/15 detailed a net Council underspend for 2014/15 of some £3m. The report highlighted the one-off impact of Corporate items on this outturn position and also drew attention to the fact that overspends within adult services and education, unless addressed, were likely to impact adversely on the 2015/16 budget position. The areas of overspend – particularly around Mental Health and Learning Disability – continue to overspend in 2015/16
- 2.3 The first quarter budget monitoring report also highlighted the need to resolve the allocation of work stream savings against specific service budgets as an in year process. This is in hand..
- 2.4 Given the ongoing spending pressures facing the Council it is important that, where possible, local expenditure is prioritised in order to best reflect community needs and priorities. To this extent consideration needs to be given to the potential to further involve Local Ward Members to influence spending decisions specific to their individual wards.
- 2.5 Work must be undertaken to try and mitigate projected overspends in the Directorates affected by savings elsewhere but it is unlikely that a balanced outturn can be achieved for 2015/16 at this point in time.
- 2.6 It is also likely that the projected underspend of £0.1m on Corporate Services Directorate will increase in scale due to:-
 - Ongoing management action being taken to address both 2015/16 and 2016/17 savings targets
 - Likely savings arising from the Council Tax Support Scheme

- 2.7 The position regarding the use of the Contingency Fund and the Corporate Inflation provision is largely in line with that reported at first quarter. The Contingency fund position, however, will be largely determined by the scale of ER/VR/Redundancy costs incurred later in the year.
- 2.8 Anticipating both current and future year spending pressures, the Section 151 Officer has made formal reports to Cabinet and Council highlighting the significant escalation in risks arising from projected funding reductions and known spending pressures and informing Council, based on his view of the changing risk profile, of his recommendation at this point to reclassify earmarked reserves in order to set aside some £7.8m towards future costs of downsizing the organisation.
- 2.9 The Council is continuing to undertake a challenging review of Single Person Discounts in respect of Council Tax. Early indications are that, whilst some element of savings may arise from this exercise, they will be nowhere near the scale of those achieved for 2014/15.

In addition, the Council continues to pursue claims through HMRC in relation to VAT, although at the current time there are no anticipated receipts from these claims in 2015/16.

- 2.10 During 2015/16 the Council has reported on a detailed savings tracker which is designed to monitor delivery of specific savings proposals contained within the 2015/16 budget report. This activity is separate but entirely complimentary to the standard budget monitoring process. The clear indication at this point is that against an extended savings target of £26.774m the Council is anticipating less than 80% achievement which, given the scale of the challenge faced, is a significant achievement. However, whilst manageable in the short-term, this is outside of sustainable budget affordability. Work is in hand to try and identify in year savings to offset against this overspend.
- 2.11 **Overall the key message is that the Council, subject to the high level risks and issues below, will struggle to deliver within the overall resources identified to support the budget in 2015/16 and will need to significantly accelerate its efforts in terms of scale and pace in order to implement the *Sustainable Swansea* delivery programme into 2016/17 and beyond. In terms of projected outturn, much will depend on the willingness and ability of the Council to reduce and restrict ongoing expenditure across all areas for the remainder of 2015/16.**
- 2.12 **In determining the high level budget strategy for 2016/17 onwards the MTFP discussed later in this report considers the impact of specific variances in year.**

Section 3 – Current year Financial and Service risks

The purpose of this section is to provide an overview of the identified high level financial and service risks which could impact on the 2015/16 revenue outcome as detailed in section 1 above. It is critical in understanding the potential for in year variances.

An analysis of the current position is given within the tables in section 3.1 below.

Conclusions and recommendations are that the Council remains at risk around the identified areas and where appropriate further assessments of likelihood and scale of impact have been undertaken.

3.1 The Council continues to carry a number of financial risks arising out of both Corporate and Service issues:-

Corporate Financial Risks

Issue	Scale/Risk	Mitigation/Funding
Equal pay payments/Backpay	£1m+/Medium	
The Council is in the process of settling equal pay claims covering a number of categories of claimants. The current financial position suggest adequate funding exists subject to settlement rates on grievance claims.		Current analysis of settled and projected claims suggests adequate funding exists based on agreed settlement rates. Any movement upwards on these rates introduces a potential additional cost over and above sums currently set aside. Any additional funding would be a call on one-off savings for 2015/16 or reserves.
Pay awards	£0/ Very Low	
A two year settlement including backdating was implemented in January 2015 covering the period to March 2016. Risks are minimal in terms of additional costs in current year although there has		Would have to be met from contingency fund, one off savings identified during 2015/16 or reserves. Reduction in service budgets would be difficult due to timing.

been a supplemental national pay claim made around national minimum wage levels.		
Job Evaluation Appeals		
The Council is continuing a significant appeals process following the introduction of Single Status from April 2014. The budget report approved by Council on 24/2/15 approved the Revenue Budget for 2015/16 which contained a clear statement that ' any additional costs that may potentially arise out of the appeals process will be met from within existing Directorate Budgets '.	£1m+/Medium	No corporate provision exists to meet the ongoing costs of successful JE appeals. Whilst the majority of appeals will be heard by the end of 2015/16, the ongoing incremental effect of successful appeals will inevitably impact on revenue costs going forward. In effect this translates into an additional savings requirement on each service of the Council.
Welsh Government Grant Funding	£3m+	There remains the potential for Welsh Government to passport Central Government in-year budget cuts across Services in Wales including Local Government. The current assumption is that this will not be implemented until 1 st April 2016 but will form the first tranche of funding cuts for 2016/17.

Service Financial/operational risks

Issue	Scale	Mitigation/Funding
Key areas of spend around Social Services (particularly at this stage in Adult Services/Mental Health services) remain volatile in terms of demand.	£3.5m+	Discussed at Executive Board. Action being taken to manage demand in the current year with long term plans in place to further manage demand.

Key areas of education spend around out of school tuition show continued signs of overspend without current mitigation.	£1,200k	Progress is being made to deliver savings in these areas albeit delayed against original plan.
The Council continues to incur costs above budget in respect of Employment Training	£400k	Discussed at Executive Board – action being taken to downsize cost 15/16 – timing issue at present.

Section 4 – Revised Medium Term Core Funding Forecast

The purpose of this section is to provide an update on the latest known position regarding the potential levels of Aggregate External Funding Going Forward together with an impact across a range of assumptions both in terms of Aggregate External Finance and potential Council Tax levels.

An analysis of the current position is given in sections 4.1 to 4.5 below..

Conclusions and recommendations in respect of planning assumptions are given in section 4.6 below and are based around an annual reduction of 4.5% in AEF and an indicative annual 3% rise in Council tax which is consistent with assumptions contained within the Medium term Financial Plan.

4.1 Existing position 2015-16

The net revenue budget requirement set for 2015-16 excluding Community Councils was £409m, consisting of gross expenditure of £676m and associated revenue of £267m, comprising specific grants and trading income. It was financed as follows:

2015-16	£m	%	Determined
Aggregate External Finance	308	75	By Welsh Government
Council Tax – Swansea	101	25	By CCS - with constraints
Total Financing	409	100	

This paper considers the strategic position regarding the budget for 2016/17 to 2018/19 and presents figures rounded to £m. A stylised presentation and assumption in all cases is made of a low, medium and high outcome, albeit the parameters of each component are different.

4.3 Aggregate External Finance

4.3.1 Prior announcements for 2016-17 - Autumn Budget Statement planning assumptions

The UK government Autumn Budget Statement is predicated on all government departments making preparations for two scenarios for unprotected spending:

25% reduction in funding OR
40% reduction in funding

There will be consequential reductions for the Welsh Government of similar magnitude. Given UK Government relative protection to the NHS and Education there is likely to be some similar degree of prioritisation in Welsh Government

budgets and local government can therefore continue to expect to fare relatively badly in any settlement.

Any mitigation in the scale of reduction will only be likely if schools continue to receive further funded relative protection which will in turn limit our ability to make savings in our largest area of spend.

In announcing the 2015/16 final Local Government grant settlement no indicative figures were given for 2016/17 and beyond. This followed the position in 2014/15 where initial indicative settlement figures proved to be wildly optimistic.

The timing of the Autumn Statement (17th November 2015) means that Local Government in Wales is unlikely to have indicative funding levels for 2016/17 available until mid January 2016.

4.3.2 Known funding reductions to Welsh Government

Following the outcome of the General Election in May 2015, the Chancellor of the Exchequer announced specific in-year budget reductions to non protected areas of Government expenditure within England. The consequent effect of that ,through the impact the Barnett funding formula, results in a net reduction in the Welsh Government budget of some £50m for 2015/16 with a proviso that for devolved administrations implementation of those cuts could be delayed until 1st April 2016.

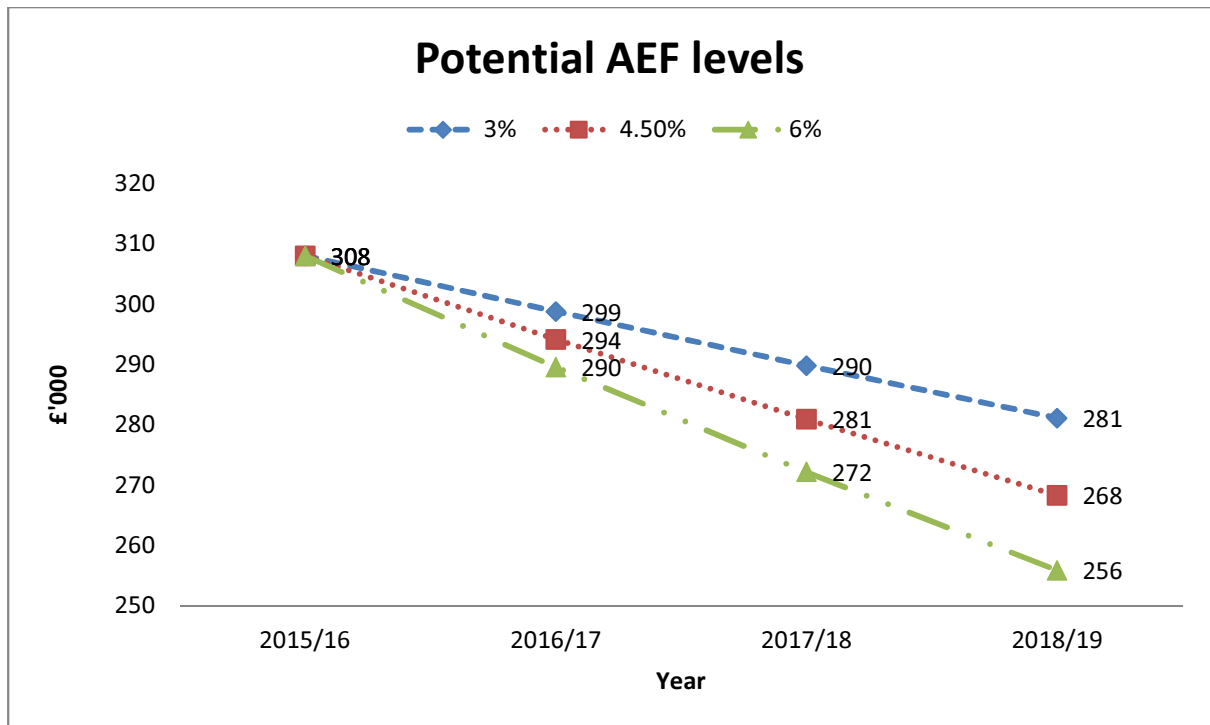
There has been no announcement by Welsh Government as to the distribution of these savings across the components of Welsh Public Sector Expenditure but the reality is that, should that sum be allocated across Local Authority expenditure, then CCS would incur a reduction of some £3.5m for 2016/17 solely as a result of that decision.

4.3.3 Assumptions around 2016/17 and beyond

There are uncertainties around the **SCALE** of reductions and **TIMING** of budget announcements. The latter cannot be influenced but it is essential that, in planning future spend, account is taken of what will inevitably be a significant and sustained reduction in Welsh Government core funding. The question is not **IF** there will be a reduction it is **HOW MUCH** that reduction will be.

We cannot plan in a vacuum. Therefore it is clear that at the present time we have to make assumptions around future core funding.

The following graph illustrates annual and cumulative effects of reductions of 3%, 4.5% and 6% respectively:-



At the present time it would be realistic to assume the middle funding scenario – i.e. a compounded annual reduction of 4.5% although this is simply a planning assumption. There remains great risk attached to this assumption and, indeed, an assume upper reduction limit of 6% p.a. cuts. The reality of the situation is that the Council remains dependent on the outcome of funding decisions both by the Westminster Government and Welsh Government with absolutely no guarantee that these decisions will be made in a timescale that offers sensible planning timetables.

4.4 Council Tax – Swansea

Budgeted gross council tax yield for Swansea for 2015-16 is £100,807,000, which we have rounded up to £101 million. This remains prudent as we are seeing reductions in single persons discounts, following a targeted and forensic reassessment of eligibility, and we have not seen any reduction in collection rates (as we might have first feared) as a result of the all Wales Council Tax Support Scheme.

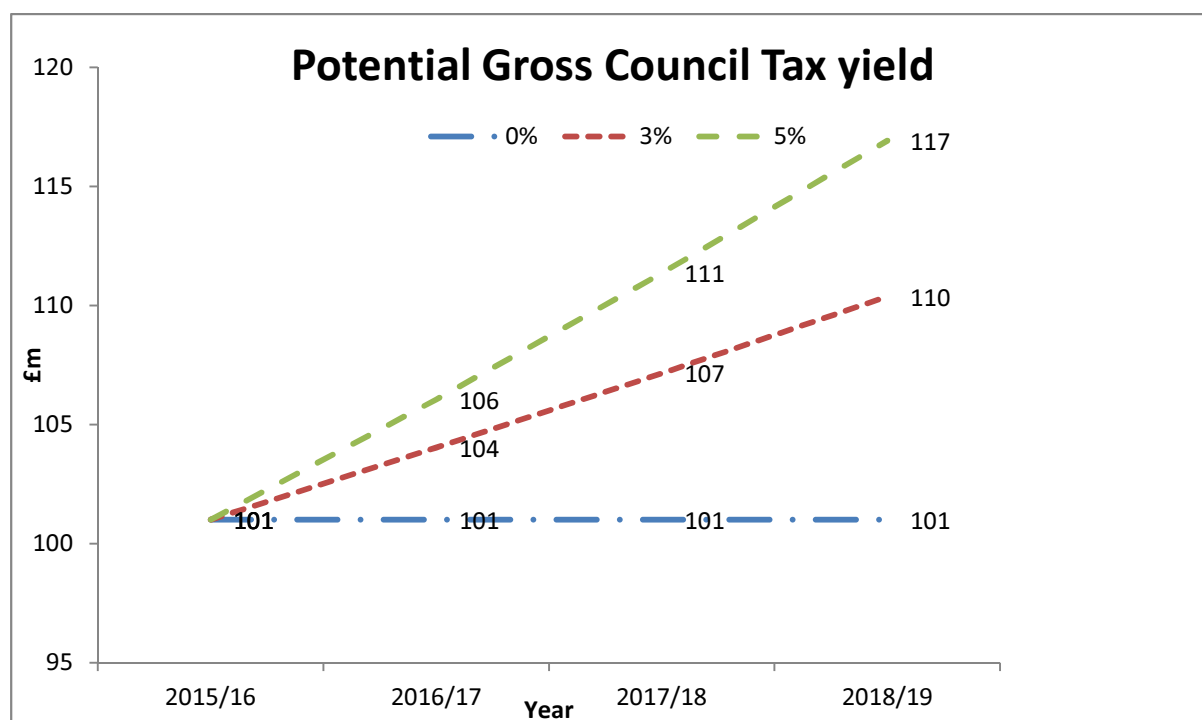
This remains the gross yield on Council Tax and it must be borne in mind that any Council Tax increases results in a corresponding increase in the local cost of the Council Tax Support Scheme, and that will have to be met as expenditure by the City and County of Swansea. This will be flagged as a spend pressure when we consider the spend side of the budget plan.

To be prudent and err on side of caution we will not, for broad strategic planning purposes at this stage, make any assumption about additional growth in the Council Tax base beyond the slight increase implied by rounding the starting point up to the nearest £1 million. This is essential in that the allocation of Local Authority block grant takes account of relative changes to the Council tax base for individual Councils on an annual basis.

Policy decisions on the level of Council Tax will of course remain a matter for full Council to determine on an annual basis and it is always relatively challenging to set out a published range of Council Tax options years in advance, so what follows can only be an indicative assumption to give a plausible range of planning scenarios, to aid the overall understanding of the financial plan.

The following stylised planning assumptions are made:

- As in the past, there is no formal published upper limit to annual Council Tax increases but Welsh Government reserve powers and hints of action taken against what could be deemed to be excessive rises, place an effective top end cap at 5% per annum. This is assumed to be the absolute high end of any potential increases for scenario planning;
- Given the sheer scale of spending reductions needed to set a future balanced budget it is considered equally implausible (albeit theoretically not impossible) that Council Tax levels will be cut. This provides a lower limit of 0% per annum;
- To provide a middle ground option, the stylised assumption is 3%. This provides continued consistency with the current single assumption set out in the existing medium term financial plan.



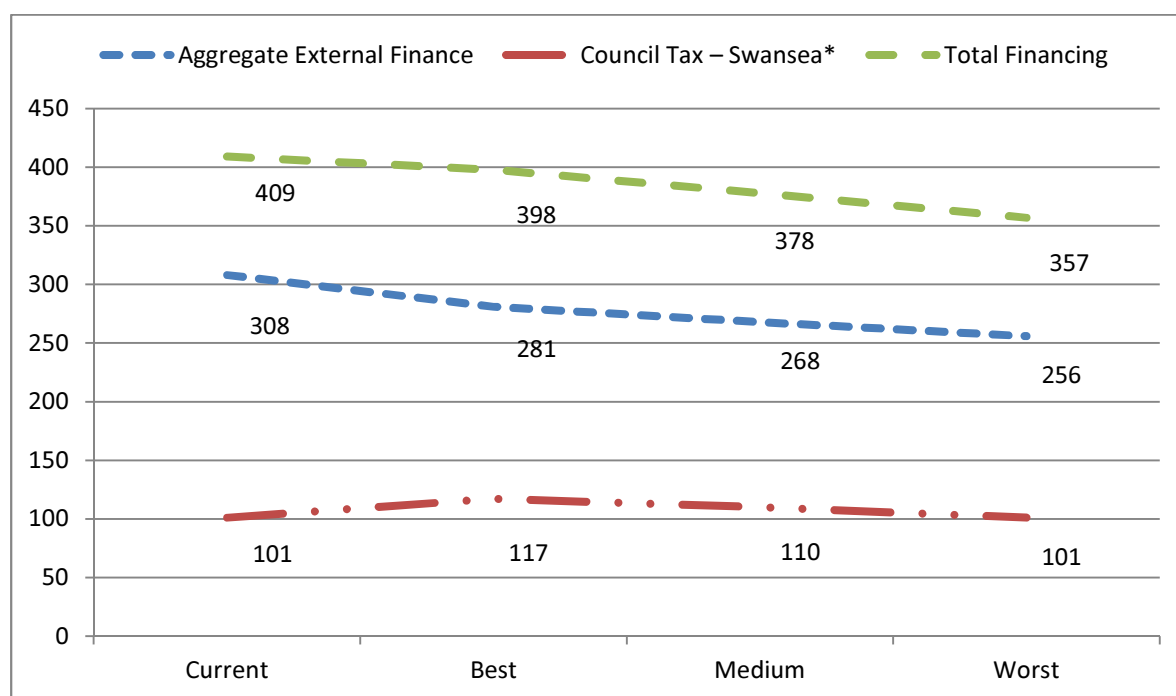
4.5 Combining the assumptions around the resource forecasts

We have set out a range of low, medium and high stylised assumptions for each of the core components of the overall resources available, which does ultimately constrain and determine the budgets we can anticipate setting.

Whilst all or none of these three stylised assumptions may come to pass and indeed it is more likely that the final outcome is one that is either a mix of all permutations, or none at all rather than any one single stylised set of low, medium or high outcomes. It provides a bounded range and a mid point to try to capture relative sensitivities, for the first time in our planning assumptions.

In sensibly combining the components it must be borne in mind, there is a need to align running orders of the three scenarios. So a worst overall case scenario is one which combines high scenario cuts in Aggregate External Finance and low scenario increases in Council Tax income. The converse is also true, an overall best case (solely in terms of resource availability) is one which combines high increases in Council Tax income with low reductions in Aggregate External Finance. This realignment is marked in the following table by *.

Future Resources - Cumulative three year effect



* Running order reversed so best increase aligned to worst cut and vice versa

4.6 Commentary on the resource scenarios

In combining the three sets of stylised assumptions, crucially in the correct order, we are saying:

- If there is no change in Council Tax levels for three years and there is a 6% per annum reduction per annum in Aggregate external Finance then we face a £52 million cumulative reduction in resources, before we even factor in any spend and inflation pressures whatsoever.

- The mid range scenario results in a loss of resources, before any spend and inflation pressures of a cumulative £31 million.
- The best case resources scenario, of low 13% reductions in Aggregate External Finance, combined with high 5% per annum Council Tax increases, could mean a cumulative loss of resource of £11million, before factoring in inflation and spend pressures. So even in the most optimistic scenario possible resources will have reduced.

Note: the Council has a clear policy to be more commercial and to increase income to seek to offset some of the financial pressures that we face. Although this should mitigate the position in the medium term, it is unlikely that the level of increased income that we can achieve will make a significant contribution in the next 1/2 years. It is equally clear that in terms of the scale of the savings requirements facing the Council then any increase in Commercial activity will potentially contribute to the solution but in no way will it provide the solution on its own.

4.7 Prudent planning assumptions.

At this point, given the clear message contained in the letter from the Minister, it would be prudent to assume an annual reduction in AEF of 4.5%.

At an average rise of 3% in Council Tax per annum, the net reduction in funding over the three year period, not taking into account spending pressures detailed elsewhere in this report, would be £31m and this forms the basis of planning for the rest of this report.

Section 5 – Updating assessments of specific grants

The purpose of this section is to provide an assessment of the potential impact on the Councils medium term resources in respect of potential reductions in specific grants.

An analysis of the current position is given in sections 5.1 to 5.4 below.

Conclusions and recommendations in respect of planning assumptions are given in section 5.5 below.

Our successive budgets and medium term financial plans have made one assumption about specific grants: effectively that spend plans are aligned to specific grants and if specific grants reduce, expenditure will reduce to neutralise the loss of grant. That remains an explicit assumption but emerging evidence in terms of the pace and scale of reductions in specific grants requires us to more robustly capture and model risks around specific grant reduction and indeed cessation.

5.1 Existing position 2015-16

Underpinning the net budget set for 2015-16 were substantial specific grants. The most consistent method for capturing and reporting specific grants is to utilise the statutory budget returns (RA returns) which all local authorities have to complete. There are some inherent risks in such an approach:

- Not all grants are firmly agreed at the time of the return
- New grants emerge
- Some grants change (in terms of focus or target or amount) after the budget is set
- Some smaller and ancillary grants can be omitted from the data collection process

The total specific grants underpinning the 2015-16 budget, with broadly matched expenditure were £169,009,000.

2015-16	£m	Determined
Specific Grants	169	By Welsh Government
Total Specific Grants	169	

The nature and range of grants is incredibly diverse. They range in size from, through and to:

- Private sector and HRA housing benefit subsidy £89m;
- Supporting People £12m;
- Education Improvement Grant £12m;
- Concessionary fares £6m;
- Bus Services £5m;
- Waste Grant £5m;

- A range of very small grants worth a few thousand pounds each.

A stylised presentation and assumption in all cases is made of a low medium and high outcome, albeit the parameters of each component are different.

5.2 Past history and recent announcements

A raft of announcements and experiences lead us to conclude it remains wholly inappropriate to not recognise the scale of specific grants underpinning our spending and work. Particularly given the size of some of the reductions proposed or to come.

5.3 Taking a view on specific grants

The most likely scenario is there will be further reductions in specific grants in total value. Some will reduce, some will cease and some new ones will spring up. Given their nature and the timing of announcements it is problematic to capture these in a forward strategic plan given they direct resources to Ministerial priorities which ebb and flow over time.

The following table shows the current level of specific grant funding to CCS together with the specific area of impact per Directorate/delegated budget.

Possible outcomes at the moment cannot be individually guessed at and, following the table, overall assumptions around potential reductions are exemplified.

Specific grants – Swansea - £ millions

	Current value £m	Possible outcome	Impact on
Education Improvement Grant	12	?	Delegated
Families First	3	?	People
Post 16 schools provision	6	?	Delegated
Pupil Deprivation Grant	6	?	Delegated
Concessionary Fares	6	?	Place
Bus Services Support	5	?	Place
Supporting People	12	?	People
Flying Start	6	?	People
Community Housing	3	?	Place
Work Based Learning	2	?	People
Waste Grant	5	?	Place

Outcome Agreement	2	?	Corporate
European Rural Development Plan	2	?	Place
Housing Benefit (inc. admin subsidy)	90	2% per annum increase	Corporate/HRA
Other	9	Miscellaneous	
Total	169		

5.4 On balance it is felt prudent to model the following three outcomes based on ASSUMPTIONS only at this stage:

- A reduction of 6% per annum excluding housing benefit related grants;
- A reduction of 4% per annum excluding housing benefit related grants;
- A reduction of 2% per annum excluding housing benefit related grants;

In all cases the explicit assumption is that the overall loss of grant will be offset by a range of reductions in service expenditure equivalent to the overall loss of grant.

Specific Grants - Swansea - £ millions

	Current	2016-19 – cumulative 3 year effect £m		
		-2% pa	-4% pa	-6% pa
Grant income	169	159	150	140
Assumed spend*	-169	-159	-150	-140
Net cost	0	0	0	0

* This ignores the relatively small number of cases where there is an obligation to match fund specific grants with core resources. There are also instances where the authority voluntarily spends more on services currently than the level of specific grant and this is then recorded as net spend within the overall cost of services.

Specifically, whilst there is no overall financial impact if spend is reduced at the same rate as grant is reduced, we are recognising explicitly the propensity to need to remove spending and activity and this will have consequential impacts on residents and communities. However, this assumption is caveated in two ways:-

- To the extent that specific grant underpins services considered to be essential in contributing to the Council's agreed priorities, decisions to cut expenditure in those areas may be difficult and potentially subject to challenge.

- The ad-hoc nature of funding announcements means that remedial action often cannot be taken in time to meet any reduction that occurs. There is both a service and timing risk that exists.

If specific, non housing benefit grants fell on average by 3% per annum, £7 million of less spending will need to be undertaken by the authority by year three. That would be in addition to any spend reductions relating to loss of core funding and spend pressures highlighted elsewhere in this report.

- 5.5 Of course by their very nature each grant is considered and awarded through a different section of Welsh Government. Each of those separate Departments will be subject to varying overall reductions in core funding and will separately have the ability to vire funding across various service areas on an annual basis.
- 5.6 The result is that reductions in specific grant funding may be far more draconian than the initial modelling suggests.
- 5.7 Equally from the tables above it is clear that the impact of grant reductions should they occur will fall heavily on Schools' delegated budgets. This will have to be taken account of when forecasting the potential Schools position regarding the allocation of future core CCS funding.

Section 6 – Revised Medium Term spending pressures forecast

The purpose of this section is to provide an update on the known and assumed spending pressures which will impact the Councils Revenue Budget in the medium term. To make clear, the savings targets that the Council will have to make in the coming years arises due to funding reductions detailed in the previous two sections of this report together with the need to fund additional spending pressures which are detailed in this section.

An analysis of the current position is given in within the tables in sections 6.1 to 6.3.9 below.

Conclusions and recommendations in respect of planning assumptions are given in section 6.3.10 below which results in a significantly larger level of spending pressures largely as a result of National Decisions regarding levels of National Insurance and Teachers Pension contributions.

6.1 The starting position is a review of the stated included and excluded assumptions in the published MTFP as approved by Council on 24th February 2015.

Existing published projected spending pressures 2016/17 – 2018/19

		<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Future cost of pay awards		1,700	3,400	6,800
Pay and grading scheme		2,700	5,400	8,100
Cumulative contract inflation		1,000	2,000	3,000
Capital charges		1,750	3,250	5,000
Schools pay award		1,200	2,400	4,800
Teacher's pension costs		700	700	700
National Insurance rebate		8,000	8,000	8,000
Use of General Reserves		1,200		
Demographic and Service pressures		3,000	6,000	9,000
Total known pressures		21,250	31,150	45,400

Aggregate External Finance movement		13,844	27,064	39,690
Cumulative budget shortfall		35,094	58,214	85,090

The above spending pressures were accompanied by extensive notes not included for brevity in this paper but they remain extant.

6.2 Assessment of the assumptions and material changes to make

6.2.1 Pay awards

It was prudent to provide for 2% pay awards for staff and a similar pay award for teachers for 2017/189 and 2018/19. Recent commentary by the Governor of the Bank of England indeed indicates that pay growth is likely to accelerate over the next few years as slack is eroded from the economy. Nonetheless this potential for pay growth has to be contrasted with the past six year's experience which is an effective public sector pay freeze or pay cap of 1% each year (the last being a 2.2% two year deal), and the Budget 2015 announcement of a renewed effective cap at 1% until 2020. Having due regard to our employee budgets it is considered equally likely that future pay awards could be at nil or 1% as opposed to the current 2%. Each 1% less is worth £2.9m per annum including schools.. Compounding 1% less for the latter two years is over £5 million.

On balance it feels that an appropriate solution is to assume the mid point 1% per annum and if increases go higher then the cost of those increases will have to be mitigated by agreeing to budget for yet lower numbers of staff employed.

6.2.2 Pay and Grading Scheme

This provides an estimate of the cost of implementing a pay scale where the majority sit on the bottom of the new pay scale and progress up to the top of pay scale. There is no material reason to modify the assumptions made.

6.2.3 Contract inflation

Inflation has proven muted and lower than expected. Given the scale of purchased services the current increases are modest and it would be prudent to keep them unchanged. However, all efforts should be made to seek to contain contract increased through a more commercial approach with suppliers.

6.2.4 Capital charges

No reason to change existing assumptions.

6.2.5 Schools pay award

Same comments apply to pay generally as stated above.

6.2.6 Schools capital charges contribution

No reason to change the assumptions

6.2.7 Use of Reserves

No reason to change the assumptions

6.2.8 AEF Movement

This should be removed as a spend pressure as it has been more accurately reclassified and separately considered as part of resource availability elsewhere in this paper.

6.3 New considerations to factor in to the forecast

6.3.1 Changes to Teachers Pensions

A long standing 14.1% employer rate is now confirmed to be replaced by a 16.4% rate with effect from September 15 and triennial revision thereafter. Accommodating the difference between academic and financial years we can reasonably estimate the additional employer cost to be £1m in 2015-16 and a full year cost of £1.7m (i.e additional £0.7m) in 2016-17. This is an additional unavoidable pressure falling on schools.

6.3.2 Changes to National Insurance

The government intends to progress the single state pension with effect from 1 April 2016. Linked to this is an unavoidable removal of the current 3.4% national insurance rebate to providers of contracted out pension schemes. Both the Local Government Pension Scheme and Teachers Pension Schemes are such schemes. Whilst there will be statutory provisions for savings to be made to pension arrangements for private sector employers to offset these increased costs there is no mechanism offered for public sector schemes and HM Treasury forecasts an extra £5 billion plus in national insurance receipts which must imply no offsetting additional funding to public bodies to neutralise the cost. This will fall to all employers. We estimate the cost to be a worst case £8m in 2016-17 split £2.5m schools and £5.5m non schools.

6.3.3 National Living Wage

The announcement of a stepped increase in a new National Living Wage by 2020 doubly complicates things. There will be a need to bottom load national pay awards for local government and implement locally at a level up to almost

the whole of Grade 4. By 2018-19 this is forecast to cost an additional £3m on the direct pay bill. More significant will be the cost on contracts predominantly incurring costs on staffing by contractors at or near minimum wage, especially in the care sector. By 2018-19 this is forecast to add £6.5m to contract costs over and above inflationary pressures.

6.3.4 Older people demographics

It is recognised the population in Western Europe, the UK and Wales is getting increasingly old and even more so at the higher dependency higher cost over 85 level. Further more detailed and sophisticated work needs to be done on demographics but it is reasonable to flag the need for additional volume spending, growing at a stylised rate of £2m per annum.

6.3.5 Children's services

Notwithstanding the demographic trends in the older population, there is also an emerging theme of longer term demographic pressures in childhood ages and this is forecast to particularly affect three Welsh authorities, including Swansea. This has implications for both children's social services and for schools, albeit the latter to some extent have the benefit of surplus capacity places so it is expected the overall impact for education is somewhat deferred (because in the short run extra school places can be accommodated in existing schools and the formula grant allocation will respond relatively to increasing school age populations).

Furthermore there is an inevitability that given well documented serious child protection failures in some English authorities that there is a likelihood of increased spend pressures flowing from reporting of concerns by the wider public, vigilance by staff within and without social services and by other stakeholders and law enforcement bodies and systems assurance required in our own aspects of child protection.

Overall it is considered reasonable to make a stylised assumption of a further spend pressure at a growing rate of an additional £1m per annum.

6.3.6 Taxation

There are no material enough pressures beyond normal measures (e.g. land fill tax) to require additional and specific large scale uprating of our spend pressures.

6.3.7 Council Tax Support Scheme

Elsewhere in this paper we have separately considered three scenarios for annual increases in Council Tax. It is emphasised these were on the gross Council Tax yield. Under the Council Tax Support Scheme a sum was

transferred into aggregate external finance to pay for the costs of the support scheme. All future increases in costs have to be met locally. Crucially as we have budgeted for gross increase in Council Tax income we need to budget for the increased local costs of providing Council Tax support to those on low incomes. CTSS amounts to approximately £20 million. A 1% per annum Council Tax increase for three years adds about £0.6 million to our spending cumulatively. A 5% per annum increase adds £3.2 million cumulatively. A mid range 3% per annum adds £1.9 million cumulatively.

6.3.8 Specific grants

We have separately factored in elsewhere in this report an explicit assessment of specific grants and the likelihood of loss of resources for the first time.

6.3.9 Change in ICT contract arrangements

The Council is changing the model of ICT service delivery during 2015/16 which may result in additional transition costs for ICT services during that year.

6.3.10 Reassessing the spending pressures

Combining the various assumptions and updates above we have the following updated assessment:

		<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Future cost of pay awards		1,700	3,400	5,100
Pay and grading scheme		2,700	5,400	8,100
National Living Wage – own pay bill		0	700	1,700
National Living Wage – contract inflation		2,500	4,000	5,500
Cumulative contract inflation		1,000	2,000	3,000
Capital charges		1,750	3,250	5,000
Schools pay award		1,200	2,400	3,600
Teacher's pension costs		700	700	700

National Insurance rebate		8,000	8,000	8,000
Use of General Reserves		1,200		
Demographic and Service pressures		3,000	6,000	9,000
Council Tax Support Scheme		600	1,200	1,900
<i>Total known pressures</i>		<i>24,350</i>	<i>37,050</i>	<i>51,600</i>

Where each of these items represents a new or increased burden then it will be necessary to stretch the targets in relation to the appropriate Workstream within the Sustainable Swansea programme.

Items in bold italic above represent areas of changes in assumptions/new items compared to the original MTFP and are open to debate and potential change.

Section 7 – The Medium Term Financial Forecast

The purpose of this section is to combine the assumptions highlighted in Sections 4, 5 and 6 above to provide a high level set of planning assumptions around resource requirements going forward.

An analysis of the current position is given in sections 7.1 to 7.4 below.

Conclusions and recommendations in respect of the forecast are given in section 7.5 below which identifies a potential minimum additional funding deficit for the period of the MTFP critically assuming that:-

- All current planned savings both at Directorate level and through workstreams are achieved
- Any specific grant reductions are matched by equivalent specific service reductions
- All other planning assumptions remain valid.

Specifically it would be prudent at this time to envisage savings some £20m in excess of current savings plans for 2016/17 alone as set out in the Sustainable Swansea update in July 2015. None of these are yet assured.

- 7.1 Having assessed the potential spending pressures and likely resourcing scenarios we need to combine the two to determine the overall resource gap.
- 7.2 Whilst the resourcing side has been sensitivity tested with a range of scenarios, for the purposes of establishing both a single medium term forecast and an annual target for each year the explicit assumption is made that the mid-range forecast is used.
- 7.3 The forecast resource gap is as follows:

		<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	Note	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Total known pressures (as above)		24,350	37,050	51,600
Loss of block grant AEF		14,000	27,000	40,000
<i>Loss of specific grant (ultimately assumed funded by reduced</i>		<i>6,000</i>	<i>12,000</i>	<i>19,000</i>

<i>spend to match grant)</i>				
Resource gap		44,350	76,050	110,600

7.4 W

We can set against this revised resource gap existing and agreed measures, including the existing proposals set out in the medium term financial plan approved in February 2015, the updated assessment to Cabinet in July and the assumptions set out in this paper on future levels of Council Tax.

	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>
Note	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Council tax increase (gross)	3,024	6,139	9,348
Reduction in spend on services funded by specific grant (ultimately to match grant reductions)	6,000	12,000	19,000
Specific savings proposals already agreed and set out in MTFP	12,772	20,554	20,554
Resource gap currently addressed at best	21,796	38,693	48,902

7.5 This leaves the following gap to be addressed by further savings measures.

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Remaining minimum resource gap	22,554	37,357	61,698

This remaining minimum resource gap needs to be delivered via the various work-streams within the 'Sustainable Swansea – Fit for the Future' work programme as detailed in previous reports to Cabinet and Council

7.6 Crucially, adding the specific proposals already agreed and set out in the MTFP to the remaining minimum resource cap produces the following result:-

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Remaining minimum resource gap	22,554	37,357	61,698
Specific savings proposals already agreed and set out in MTFP	12,772	20,554	20,554
Total savings identified	35,326	57,911	82,252

This is entirely consistent with the forecast MTFP

7.7 In terms of addressing the shortfall, Council identified within the mtfp an indicative three year savings target across Directorates as follows:-

Service	Current Budget £m	Percentage Reduction/Increase over 3 Years	Amount Realised £m
Schools & Education	159.5	-15	-23.9
Social Care – Child & Families	39.1	-15	-5.9
Social Care- Adults	65.6	-20	-13.1
Poverty & Prevention*	3.5	+5	+0.2
Place	54.0	-50	-26.5
Corporate Services	25.1	-50	-12.5
Total	346.8m		-81.7m

It is clear that the overall savings target is in line with expectations and the above table effectively quantifies the scale and distribution of savings required. Any subsequent decision to lower savings targets in one area will carry a requirement for an equal (but potentially disproportionate) increase in others

Section 8 – Medium term Financial Planning for Schools

The purpose of this section is to highlight the estimated effect of specific spending pressures and potential specific grant reductions on Schools budgets as a precursor to any debate around additional savings targets for 2016/17 and beyond.

An analysis of the current position is given in sections 8.1 to 8.3 below.

Conclusions and recommendations in respect of schools budgets given in sections 8.4 and 8.5 below.

The additional potential budget reductions to schools arising out of the areas described above form PART OF the overall budget deficit as highlighted.

- 8.1 The annual projected funding deficit for the period 2016/17 to 2018/19 shown in section 7 above reflects the Gross funding requirement for the Council as a whole including expenditure relating to the Schools' delegated budgets.
- 8.2 In understanding the potential pressure on Schools budgets prior to any allocation of potential budget reductions it is important to understand the implications of both reductions in specific grants and estimated spending pressures
- 8.3 The following table, building upon information given in sections 5 and 6 above, shows the spending pressures identified as part of the overall funding pressures that are applicable to delegated budgets:-

	2016/17	2017/18	2018/19
	£'000	£'000	£'000
Schools pay award	1,200,000	2,400,000	3,600,000
Contribution to Capital charges	1,000,000	2,000,000	2,000,000
Teachers Pensions	700,000	700,000	700,000
National Insurance Rebate	2,500,000	2,500,000	2,500,000
Total budget strain	5,400,000	7,600,000	8,800,000

- 8.4 These budgets pressures are based on current assumptions and reflect realistically the spending pressures that Schools are likely to face at the current time.

- 8.5 Whilst there would appear to be no specific Ministerial guarantee on funding for schools for 2016/17 such a guarantee cannot be ruled out during the budget process.
- 8.6 It is important to note that the above table assumes NO reduction in specific grants which may form part of the delegated budgets to Schools.
- 8.7 The budget strategy adopted by the council as part of its MTFP assumed a 15% reduction in overall education funding (i.e. 5% p.a.), including schools' delegated budgets, over the MTFP period. Specific decisions on levels of school funding will have to be considered by Council as part of the coming budget round.

Section 9 – Use of Reserves

The purpose of this section is to highlight the current planned use of General Reserves to support the 2015/16 Revenue Budget and to outline the relationships between known risks and earmarked reserves and its effect on planning assumptions.

An analysis of the current position is given in sections 9.1 to 9.5 below.

Conclusions and recommendations in respect reserves usage is given in section 9.6 below.

- 9.1 The current 2015/16 Revenue Budget is underpinned by a proposed use of £1.2m from general reserves.
- 9.2 In terms of planning assumptions the assumption is that this creates a spending pressure for 2016/17 as there is no assumption of ongoing availability of General Reserves for that year or beyond.
- 9.3 With respect to earmarked revenue reserves, a separate report has been presented by the Section 151 Officer outlining the reclassification of reserves following an updated assessment of risks currently facing the Council. Based on that report it is not envisaged any support for the Revenue budget being provided by the use of earmarked reserves at this time.
- 9.4 It remains the position that until these significant risks are fully mitigated then any additional planned use of earmarked reserves to support general revenue budget deficits would be inappropriate.
- 9.5 At this point in time, in line with previous years, any consideration regarding use of reserves should relate to General Reserves only and previous planning assumptions remain extant.

Section 10 – General Fund Capital programme and financing

The purpose of this section is to highlight the continuing funding deficit across the period of the current capital programme and to reaffirm the need for accelerated and increased Capital receipts to support the programme.

An analysis of the current position is given in within the tables in sections 10.3 to 10.5 below.

Conclusions and recommendations in respect reserves usage is given in section 10.6 below.

- 10.1 The General Fund Capital Programme approved at Council on 24th February 2015 highlighted potential in year funding deficits for both Directorate Services and Schools improvement programme of some £9.736m for 2015/16 assuming achievement of budgeted capital receipts of some £8.1m.
- 10.2 The overall deficit in financing highlighted for the period covered by the forward capital programme is some £57.038m after allowing for assumed capital receipts of some £14.856.
- 10.3 Previous reports have highlighted the need to accelerate the rate and scale of asset disposals in order to mitigate the above requirement which includes substantial funding requirements relating to the Schools Improvement Programme.
- 10.4 Again as highlighted in previous reports the revenue effect of the above has to be taken in conjunction with the annual debt repayment being made by the Council and, in particular, the level of net debt held at any point in time.
- 10.5 A further and developing pressure on annual Revenue Capital charges is arising from the need to extend the need for additional external borrowing to replace current internal borrowing as the levels of general and earmarked reserves of the Council – and hence cash backed balances – are expected to decrease over the current year.
- 10.6 By way of explanation, where the Council carries surplus cash funding, largely arising from the existence of cash backed reserves and provisions, then rather than invest such surpluses at current historically low interest rates it makes sense as part of good financial management and best practice to use such surpluses instead of using additional external borrowing to support the Capital programme.

However, given the financial outlook of the Council it is likely that the level of cash backed balances is likely to decrease substantially over the period of the MTFP resulting in increased replacement external borrowing with a consequent increase in capital charges.

- 10.7 Future Capital charges are forecast to increase as part of the MTFP as shown in Section 6 of this report. The potential increases shown in that section are considered no better than a best assessment at this time and are dependent wholly on the shape and funding of the future capital programme going forward and the profile of Capital receipts.. It is clear however, that a move to externalise current internal borrowing alone would add some £3.5m p.a. to annual interest charges if fully implemented..
- 10.8 Until such time as additional asset sales materialise both spending pressures and recovery of debt charges arising from the schools programme via reductions in delegated budgets remain part of the revenue funding planning of the Council.
- 10.9 Aggressive pursuit of asset sales is essential to funding both the current and future capital programmes
- 10.10 It remains the case that other than further receipt of capital grants or a substantial increase in asset disposals there is no headroom going forward in terms of the general fund capital programme.

Section 11 – Summary of actions required

- 11.1 There needs to be immediate and sustained action to control and reduce budgeted spend across the Council in order to achieve a balanced revenue outturn for 2015/16 in line with overall approved budget totals.
- 11.2 The Council has adopted a clear and deliverable strategy in order to address savings requirements going forward coupled with the need to continue to provide sustainable services to the public. However, the delivery of that plan needs to be increased in both scale and pace if the Council is to remain financially sound.
- 11.3 The Council needs to adopt a clear methodology of identifying and delivering savings as part of normal in year business rather than as part of an annual budget cycle. That requires implicit acceptance of the mtfp as a firm planning document. This acceptance allows the Council to be proactive rather than reactive to announcements on funding reductions and known budget pressures.

Legal implications

There are no legal implications arising from this report other than the need for the Council to set and maintain a balanced budget

Access to Services implications

While there are no direct implications arising from this specific report, it remains essential that where service levels are affected by budgetary changes (including savings options), robust consideration is given to the equality impact of such decisions. The corporate Equality Impact Assessment process (which includes engagement and children's rights amongst other equality issues) must continue to be used in order to ensure our compliance with the Public Sector Equality Duty for Wales.

Background Papers: None.

Appendices: None.

Agenda Item 17.

Report of the Head of Legal, Democratic Services & Procurement

Cabinet – 15 October 2015

EXCLUSION OF THE PUBLIC

Purpose:	To consider whether the Public should be excluded from the following items of business.	
Policy Framework:	None.	
Reason for Decision:	To comply with legislation.	
Consultation:	Legal.	
Recommendation(s):	It is recommended that:	
1)	The public be excluded from the meeting during consideration of the following item(s) of business on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Paragraphs listed below of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 subject to the Public Interest Test (where appropriate) being applied.	
	Item No.	Relevant Paragraphs in Schedule 12A
	18	15
Report Author:	Democratic Services	
Finance Officer:	Not Applicable	
Legal Officer:	Patrick Arran – Head of Legal, Democratic Services and Procurement (Monitoring Officer)	

1. Introduction

- 1.1 Section 100A (4) of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, allows a Principal Council to pass a resolution excluding the public from a meeting during an item of business.
- 1.2 Such a resolution is dependant on whether it is likely, in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present during that item there would be disclosure to them of exempt information, as defined in section 100I of the Local Government Act 1972.

2. Exclusion of the Public / Public Interest Test

- 2.1 In order to comply with the above mentioned legislation, Cabinet will be requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involve(s) the likely disclosure of exempt information as set out in the Exclusion Paragraphs of Schedule 12A of the Local Government

Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

- 2.2 Information which falls within paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended is exempt information if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 2.3 The specific Exclusion Paragraphs and the Public Interest Tests to be applied are listed in **Appendix A**.
- 2.4 Where paragraph 16 of the Schedule 12A applies there is no public interest test. Councillors are able to consider whether they wish to waive their legal privilege in the information, however, given that this may place the Council in a position of risk, it is not something that should be done as a matter of routine.

3. Financial Implications

- 3.1 There are no financial implications associated with this report.

4. Legal Implications

- 4.1 The legislative provisions are set out in the report.
- 4.2 Councillors must consider with regard to each item of business set out in paragraph 2 of this report the following matters:
 - 4.2.1 Whether in relation to that item of business the information is capable of being exempt information, because it falls into one of the paragraphs set out in Schedule 12A of the Local Government Act 1972 as amended and reproduced in Appendix A to this report.
 - 4.2.2 If the information does fall within one or more of paragraphs 12 to 15, 17 and 18 of Schedule 12A of the Local Government Act 1972 as amended, the public interest test as set out in paragraph 2.2 of this report.
 - 4.2.3 If the information falls within paragraph 16 of Schedule 12A of the Local Government Act 1972 in considering whether to exclude the public members are not required to apply the public interest test but must consider whether they wish to waive their privilege in relation to that item for any reason.

Background Papers: None.

Appendices: Appendix A – Public Interest Test.

Public Interest Test

No.	Relevant Paragraphs in Schedule 12A
12	Information relating to a particular individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 12 should apply. His view on the public interest test was that to make this information public would disclose personal data relating to an individual in contravention of the principles of the Data Protection Act. Because of this and since there did not appear to be an overwhelming public interest in requiring the disclosure of personal data he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
13	Information which is likely to reveal the identity of an individual.
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 13 should apply. His view on the public interest test was that the individual involved was entitled to privacy and that there was no overriding public interest which required the disclosure of the individual's identity. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
14	Information relating to the financial or business affairs of any particular person (including the authority holding that information).
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 14 should apply. His view on the public interest test was that:</p> <ul style="list-style-type: none"> a) Whilst he was mindful of the need to ensure the transparency and accountability of public authority for decisions taken by them in relation to the spending of public money, the right of a third party to the privacy of their financial / business affairs outweighed the need for that information to be made public; or b) Disclosure of the information would give an unfair advantage to tenderers for commercial contracts. <p>This information is not affected by any other statutory provision which requires the information to be publicly registered.</p> <p>On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>

No.	Relevant Paragraphs in Schedule 12A
15	<p>Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.</p>
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 15 should apply. His view on the public interest test was that whilst he is mindful of the need to ensure that transparency and accountability of public authority for decisions taken by them he was satisfied that in this case disclosure of the information would prejudice the discussion in relation to labour relations to the disadvantage of the authority and inhabitants of its area. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
16	<p>Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.</p>
	<p>No public interest test.</p>
17	<p>Information which reveals that the authority proposes: (a) To give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) To make an order or direction under any enactment.</p>
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 17 should apply. His view on the public interest test was that the authority's statutory powers could be rendered ineffective or less effective were there to be advanced knowledge of its intention/the proper exercise of the Council's statutory power could be prejudiced by the public discussion or speculation on the matter to the detriment of the authority and the inhabitants of its area. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>
18	<p>Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime</p>
	<p>The Proper Officer (Monitoring Officer) has determined in preparing this report that paragraph 18 should apply. His view on the public interest test was that the authority's statutory powers could be rendered ineffective or less effective were there to be advanced knowledge of its intention/the proper exercise of the Council's statutory power could be prejudiced by public discussion or speculation on the matter to the detriment of the authority and the inhabitants of its area. On that basis he felt that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. Members are asked to consider this factor when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.</p>

Agenda Item 18.

By virtue of paragraph(s) 15 of Schedule 12A
of the Local Government Act 1972
as amended by the Local Government (Access to
Information) (Variation) (Wales) Order 2007.

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