

# Pecyn Dogfennau Cyhoeddus

Penallta House,  
Tredomen Park,  
Ystrad Mynach,  
Hengoed CF82 7PG

Ty Penallta,  
Parc Tredomen,  
Ystrad Mynach,  
Hengoed CF82 7PG



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Am unrhyw ymholiad yn ymwneud â'r agenda hwn cysylltwch â Charlotte Evans  
(Rhif Ffôn: 01443 864210 Ebst: [evansca1@caerphilly.gov.uk](mailto:evansca1@caerphilly.gov.uk))

**Dyddiad: Dydd Mercher, 5 Mehefin 2019**

Annwyl Syr/Fadam,

Bydd cyfarfod **Cabinet** yn cael ei gynnal yn **Ystafell Sirhywi, Tŷ Penallta, Tredomen, Ystrad Mynach ar Dydd Mercher, 12fed Mehefin, 2019 am 10.30 am.** i ystyried materion a gynhwysir yn yr agenda canlynol. Mae croeso i chi ddefnyddio'r iaith Gymraeg yn y cyfarfod, a dylid rhoi cyfnod rhybudd o 3 diwrnod gwaith os ydych yn dymuno gwneud hynny. Bydd cyfieithu ar y pryd yn cael ei ddarparu ar gais..

Mae pob cyfarfod Pwyllgor yn agored i'r Wasg a'r Cyhoedd. Gofynnir i arsylwyr a chyfranogwyr ymddwyn gyda pharch ac ystyriaeth at eraill. Sylwer y bydd methu â gwneud hynny yn golygu y gofynnir i chi adael y cyfarfodydd ac efallai y cewch eich hebrwng o'r safle.

**Christina HARRY**  
PRIF WEITHREDWR DROS DRO

## A G E N D A

Tudalennau

- 1 I dderbyn ymddiheuriadau am absenoldeb
- 2 Datganiadau o Ddiddordeb.

Atgoffi'r Cyngorwyr a Swyddogion o'u cyfrifoldeb personol i ddatgan unrhyw fuddiannau personol

A greener place Man gwyrddach



a/neu niweidiol mewn perthynas ag unrhyw eitem o fusnes ar yr agenda hwn yn unol â Deddf Llywodraeth Leol 2000, Cyfansoddiad y Cyngor a'r Cod Ymddygiad ar gyfer Cynghorwyr a Swyddogion.

I gymeradwyo a llofnodi'r cofnodion canlynol:-

3	Cabinet a gynhaliwyd ar 29 Mai 2019.	1 - 4
I dderbyn ac ystyried yr adroddiad(au) canlynol y mae angen penderfyniadau gweithredol arnynt: -		
4	Credyd Cynhwysol - Diweddariad o ran Tai.	5 - 20
5	Alldro Dros Dro ar gyfer 2018/19.	21 - 36
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7	Strategaeth Cwsmeriaid a Digidol a Chynllun Gweithredu Strategol	81 - 130
8	Egwyddorion ar Weithredu "Office 365".	131 - 148

### **Cylchrediad:**

Cynghorwyr

C.J. Cuss, N. George, C.J. Gordon, Mrs B. A. Jones, P.A. Marsden, S. Morgan, L. Phipps, D.V. Poole a Mrs E. Stenner,

A Swyddogion Priodol.

### **SUT FYDDWN YN DEFNYDDIO EICH GWYBODAETH**

Bydd yr unigolion hynny sy'n mynychu cyfarfodydd pwyllgor i siarad/roi tystiolaeth yn cael eu henwi yng nghofnodion y cyfarfod hynny, weithiau bydd hyn yn cynnwys eu man gweithio neu fusnes a'r barnau a fynegir. Bydd cofnodion o'r cyfarfod gan gynnwys manylion y siaradwyr ar gael i'r cyhoedd ar wefan y Cyngor ar [www.caerffili.gov.uk](http://www.caerffili.gov.uk). ac eithrio am drafodaethau sy'n ymwneud ag eitemau cyfrinachol neu eithriedig.

Mae gennych nifer o hawliau mewn perthynas â'r wybodaeth, gan gynnwys yr hawl i gael mynediad at wybodaeth sydd gennym amdanoch a'r hawl i gwyno os ydych yn anhapus gyda'r modd y mae eich gwybodaeth yn cael ei brosesu.

Am wybodaeth bellach ar sut rydym yn prosesu eich gwybodaeth a'ch hawliau, ewch i'r Hysbysiad Preifatrwydd Cyfarfodydd Pwyllgor Llawn ar ein gwefan <http://www.caerffili.gov.uk/Pwyllgor/Preifatrwydd> neu cysylltwch â Gwasanaethau Cyfreithiol drwy e-bostio [griffd2@caerffili.gov.uk](mailto:griffd2@caerffili.gov.uk) neu ffoniwch 01443 863028.



## CABINET

### COFNODION Y CYFARFOD A GYNHALIWDYD YN NHŶ PENALLTA, TREDOMEN AR DDYDD MERCHER, 29 MAI 2019 AM 10:30AM

YN BRESENNOL:

Y Cyngorydd D. Poole – Cadeirydd

Cynghorwyr:

C. Cuss (Gofal Cymdeithasol a Lles), N. George (Gwasanaethau'r Gymdogaeth), C.J. Gordon (Gwasanaethau Corfforaethol), L. Phipps (Cartrefi a Lleoedd) ac E. Stenner (Yr Amgylchedd a Diogelwch y Cyhoedd).

Ynghyd â:

R. Edmunds (Cyfarwyddwr Corfforaethol – Addysg a Gwasanaethau Corfforaethol), D. Street (Cyfarwyddwr Corfforaethol – Gwasanaethau Cymdeithasol) ac M. S. Williams (Cyfarwyddwr Corfforaethol Dros Dro – Cymunedau).

Hefyd yn Bresennol:

M. Headington (Rheolwr Mannau Gwyrdd a Gwasanaethau Trafnidiaeth), A. Dallimore (Arweinydd Tîm – Adnewyddu Trefol a Chadwraeth) a C. Evans (Swyddog Gwasanaethau'r Pwyllgor).

#### 1. YMDDIHEURIADAU DROS ABSENOLDEB

Cafwyd ymddiheuriadau gan y Cyngorydd B.A. Jones (Cyllid, Perfformiad a Llywodraethu), y Cyngorydd P. Marsden (Addysg a Chyflawniad), y Cyngorydd S. Morgan (Economi, Isadeiledd a Chynaliadwyedd) a C. Harry (Prif Weithredwr Dros Dro).

#### 2. DATGANIADAU O FUDDIANT

Ni chafwyd datganiadau o fuddiant ar ddechrau'r cyfarfod, nac yn ystod y cyfarfod.

#### 3. CABINET – 15 MAI 2019

PENDERFYNWYD, yn amodol ar gofnodi Datganiadau o Fuddiant ar gyfer y Cyngorwyr C. Cuss, N. George, C. Gordon, B. Jones, S. Morgan a D. Poole fel Ymddiriedolwyr Sefydliad y Glowyr Coed Duon ar gyfer cofnodion rhif 2, 4 a 5, nodi bod y frawddeg olaf yng nghofnod rhif 2 a oedd yn dweud, "Gan fod y rhain yn fuddiannau personol a heb fod yn rhagfarnllyd, nid oedd yn ofynnol i Aelodau adael yr ystafell, a gallent gymryd rhan yn y ddadl", bod tudalen 3, cofnod rhif 4, paragraff 4 yn dweud "gan gyfeirio'n benodol at Waredu Tir ar gyfer Datblygiad Preswyl...". Mae tudalen 3, cofnod rhif 5 (ADRODDIAD ADOLYGIAD EIDDO 2019) yn cyfeirio at "Is-gadeirydd Ysgol Gynradd Rhymni Uchaf a Llywodraethwr Ysgol Idris Davies 3–18".

Cymeradwyd cofnodion y cyfarfod a gynhaliwyd ar 15 Mai 2019 fel cofnod cywir.

## **MATERION SYDD ANGEN PENDERFYNIADAU GWEITHREDOL**

### **4. EGWYDDORION TROSGLWYDDO ASED AU CYMUNEDOL (MEYSYDD CHWARAE)**

Roedd yr adroddiad, a gyflwynwyd i Bwyllgor Craffu'r Amgylchedd a Chynaliadwyedd ar ddydd Mawrth 14 Mai 2019, yn ceisio mabwysiadu set o egwyddorion arweiniol mewn perthynas â throsglwyddo meysydd chwarae i sefydliadau chwaraeon.

Nodwyd bod y Cyngor yn derbyn nifer cynyddol o geisiadau gan glybiau chwaraeon i brydlesu cyfleusterau (meysydd chwaraeon a/neu bafiliynau). Hyd yma, yr ethos cyffredinol yw y byddai'r Cyngor yn cefnogi uchelgeisiau clybiau (ar sail ad-hoc). Fodd bynnag, yn niffyg unrhyw egwyddorion arweiniol ac am y rhesymau a nodir yn yr adroddiad, mae hyn yn mynd yn fwyfwy anodd. Mae'r Cyngor wedi ymrwymo, lle bo'n bosibl, i ddarparu cymorth i glybiau i ddod yn fwy cynaliadwy a galluogi eu datblygiad a'u symud ymlaen i gynghreiriau uwch. Mae hyn nid yn unig yn dod â manteision i'r clwb, ei chwaraewyr, chwaraeon yn gyffredinol a'r fwrdeistref sirol, ond mae mabwysiadu'r egwyddorion yn galluogi'r Awdurdod Lleol i ddiogelu asedau.

Amlinellodd yr adroddiad rai egwyddorion arweiniol a fydd o gymorth wrth wneud penderfyniadau a rhoi eglurder i sefydliadau chwaraeon wrth ystyried ceisiadau am drosglwyddo meysydd chwarae a/neu bafiliynau.

Diolchodd y Cabinet i'r Swyddog am yr adroddiad a, gan nodi sylwadau Pwyllgor Craffu'r Amgylchedd a Chynaliadwyedd, cafwyd trafodaeth.

Gofynnodd Aelod am ragor o wybodaeth am y rhwystrau rheoli torfeydd yn 3.1.1 o'r adroddiad, sy'n awgrymu y dylai paneli gael eu gosod i wahardd cŵn o feysydd. Eglurodd y swyddogion fod adroddiad pellach i'w gyflwyno drwy broses y Pwyllgor sy'n cyfeirio at Gŵn ar Feysydd Chwarae; fodd bynnag, mae'r rhwystrau wedi'u cynllunio ar gyfer rheoli torfeydd fel y nodir yng ngofynion y Gynghrair.

Wrth drafod yr Egwyddorion, cytunodd y Cabinet y byddai'r Egwyddorion yn darparu cysondeb yn y broses o wneud penderfyniadau, yn ogystal â darparu amddiffyniad i Swyddogion ac Aelodau yn y broses o wneud penderfyniadau, fel bod y cyhoedd yn deall penderfyniadau'n well.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

**PENDERFYNWYD**, am y rhesymau a gynhwysir yn Adroddiad y Swyddog, ar fabwysiadu'r egwyddorion canlynol:

- i) Bod y Cyngor yn rhoi caniatâd, lle mae'n briodol i wneud hynny, i glybiau osod rhwystrau rheoli torfeydd (gyda neu heb baneli mewnlenni i wahardd cŵn);
- ii) Os oes cyfamod rhy gaeth wedi'i osod ar y maes chwarae neu'r adeilad, bydd y Cyngor yn cael ei wahardd rhag ymrwymo i gytundebau prydlesu neu drwyddedu gyda chlybiau;
- iii) Bydd y Cyngor ond yn derbyn ceisiadau gan glybiau, lle maent o leiaf ddeunaw mis i ffwrdd o ddechrau mewn strwythur cynghrair newydd, er enghraifft, Cynghrair Cymru ym myd pêl-droed a naill ai Pencampwriaeth neu Uwch Gynghrair Undeb Rygbi Cymru ym myd rygbi. Ynghyd â phob cais, mae'n rhaid cyflwyno achos busnes cryf ynghyd â ffi nad yw'n ad-daladwy o £500 i dalu am gostau cyfreithiol cychwynnol ac amser swyddogion. Yn ogystal, lle bo hynny'n

berthnasol, bydd y clwb yn atebol am gostau hysbysebu fel y nodir yn Rheoliadau Caeau Chwarae (Ymgysylltiad Cymunedau â Phenderfyniadau Gwaredu) (Cymru) 2015, a all fod yn fwy na £4,000. I'r perwyl hwn, anogir trafodaethau cyn ymgeisio gyda swyddogion;

- iv) Bod y Cyngor yn rhoi statws defnyddiwr dewisol lle mae'n briodol gwneud hynny, i glybiau o'r fath sydd wedi'u cofrestru fel Clybiau Chwaraeon Amatur Cymunedol;
- v) Bod swyddogion yn adolygu'r broses archebu ac yn parhau i archwilio cyfleoedd datblygu ar feysydd 3G i hwyluso'r clybiau hynny yn y cynghreiriau uwch i fodloni gofynion eu cynghrair;
- vi) Bod gan feysydd chwarae a chyfleusterau eraill sydd ar ymddiriedolaeth elusennol wahanol drefniadau llywodraethu a bydd angen iddynt fod yn destun proses gwneud penderfyniadau ar wahân;
- vii) Bod y Cyngor yn gyfrifol am brofion a gwaith cynnal a chadw statudol (o fewn adeiladau) a chynnal a chadw tiroedd, a'u had-dalu gan y clwb lle rhoddir cytundebau rheoli;
- viii) Bod yr Awdurdod yn parhau i anrhydeddu pryddesi presennol, lle mae'r clybiau yn cydymffurfio'n llawn â thelerau'r brydles;
- ix) Bod pob cais yn destun trafodaeth, i dynnu sylw at unrhyw faterion posibl, rhwng swyddogion perthnasol, yr aelodau Cabinet perthnasol ac Aelodau lleol. Yn y cyd-destun hwn, bydd swyddogion yn ymgysylltu â'r aelodau lleol perthnasol ac Aelod y Cabinet ar y cam cynharaf yn y broses ymgeisio ac yn penderfynu ar y dull mwyaf priodol ar gyfer ymgynghori â thrigolion ar y cyd â'r aelod(au) lleol perthnasol. Bydd barn aelodau(au) lleol yn cael ei hystyried yn y broses gwneud penderfyniadau a nodir yng Nghyfansoddiad y Cyngor. Lle mai'r penderfyniad yn y pen draw yw gwrthod unrhyw gais am drosglwyddo asedau, yna caiff y penderfyniad ei gyfleu fel penderfyniad y Cyngor ac ni fydd yn cael ei briodoli i farn unrhyw aelodau unigol;
- x) Bod unrhyw eithriad i'r set hon o egwyddorion yn dod gerbron y Cabinet am benderfyniad.

## 5. BWRDD ADFYWIO – CYNIGION PROSIECT

Argymhellodd yr adroddiad yr ail ran o gynlluniau blaenoriaeth ar gyfer Cyllid Datblygu Bwrdd y Prosiect Adfywio i'r Cabinet.

Nodwyd, yn ei gyfarfod ar 30 Mai 2018, fod y Cabinet wedi cytuno i sefydlu Bwrdd Prosiect Adfywio gyda chynrychiolaeth wleidyddol drawsbleidiol o Gynghorwyr ynghyd â swyddogion allweddol. Cefnogir y grŵp hwn gan Banel Asesu Adfywio sy'n cynnwys swyddogion o ystod o feysydd gwasanaeth.

Ers ei gyfarfod cyntaf ar 3 Hydref 2018, mae'r Panel Asesu Adfywio wedi cyfarfod i ystyried y tranche cyntaf o saith prosiect a nodwyd gan y Bwrdd i'w symud ymlaen i'r Cam Asesu. Cymeradwywyd tranche cyntaf y prosiectau hyn (cyfanswm o bedwar) yn y Cabinet ar 13 Chwefror 2019.

Roedd yr adroddiad yn gofyn am gytundeb ar gyfer cymeradwyo'r ail tranche (y tri phrosiect sy'n weddill), a nodwyd gan y Bwrdd Prosiect Adfywio ac a aseswyd gan y Panel Asesu

Gofynnwyd i'r Cabinet nodi, ers yr adroddiad blaenorol, y bu cynnydd yn y dyraniad cyllideb, gan gynyddu o £300k i gyfanswm o £1.5m. Hefyd, ers ysgrifennu'r adroddiad, mae cais Parcio a Theithio Ystrad Mynach am Gyllid Cludiant Lleol wedi bod yn aflwyddiannus. Mae swyddogion wedi trefnu cyfarfod gyda Llywodraeth Cymru i ganfod y rhesymau dros wrthod cyllid ond o ganlyniad, gofynnwyd i'r Cabinet nodi y gallai hyn arwain at y prosiect yn dod yn ôl i'r Bwrdd Prosiect Adfywio ar gyfer arian ychwanegol er mwyn cyflawni'r prosiect.

Diolchodd y Cabinet i'r Swyddog am yr adroddiad a chafwyd trafodaeth.

Gofynnwyd i Swyddogion ddiweddarau adran Rhagdybiaethau'r adroddiad i amlygu bod y costau yn seiliedig ar brisiau ac amcangyfrifon 2019.

Cynhaliwyd trafodaethau am y Cynllun yng Nghoedwig Cwmcarn a dymunodd yr Aelodau nodi bod Coedwig Cwmcarn wedi'i lleoli yng Nghwmcarn, ac nid yn Rhisga. Cytunodd y swyddogion i ddiwygio'r adroddiad yn unol â hynny.

Trafododd y Cabinet y Cynllun yn Ystrad Mynach mewn perthynas â pharcio ceir a gofynnodd am ragor o wybodaeth am y broses ymgynghori a'r gwrthwynebiadau. Eglurodd y swyddogion y cynhaliwyd ymgynghoriad gydag Aelodau Wardiau Lleol fel rhan o'r broses adrodd hon, fodd bynnag, cynhaliwyd ymgynghoriad helaeth hefyd fel rhan o Uwchgynllun Ystrad Mynach, y mae'r cynllun yn rhan annatod ohono. Codwyd gwrthwynebiadau mewn perthynas â mynediad i'r cyfleuster Parcio a Theithio a defnydd o Feysydd Chwarae Ysgolion; fodd bynnag, rhoddwyd sylw i hyn fel rhan o'r ymgynghoriad a'r Uwchgynllun.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD, am y rhesymau a gynhwysir yn Adroddiad y Swyddog:

- i) cymeradwyo cynnydd Prosiectau Tranche 2;
- ii) cytuno y dylid dyrannu £75,000 o'r Gronfa Datblygu Prosiect sy'n weddill o £1.21m y Bwrdd Prosiect Adfywio i gynlluniau blaenoriaeth tranche 2 a nodwyd gan y Bwrdd Prosiect Adfywio.

Terfynwyd y cyfarfod am 10:47am

Cymeradwywyd a llofnodwyd fel cofnod cywir yn amodol ar unrhyw gywiriadau a wnaed yn y cyfarfod a gynhaliwyd ar 12 Mehefin 2019.

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CADEIRYDD



## CABINET – 12TH JUNE 2019

**SUBJECT: UNIVERSAL CREDIT – HOUSING UPDATE**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

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- 1.1 The attached report is due to be considered by the Housing and Regeneration Scrutiny Committee on 11th June 2019, prior to its referral to Cabinet.
  - 1.2 The views expressed at the meeting and the recommendations of the Scrutiny Committee will be reported verbally to Cabinet on 12th June 2019.

Author: C. Evans, Committee Services Officer, Ext. 4210

Appendices:

Appendix Report to the Housing and Regeneration Scrutiny Committee on 11th June 2018 - Agenda Item 6

Gadewir y dudalen hon yn wag yn fwriadol





## HOUSING AND REGENERATION SCRUTINY COMMITTEE – 11TH JUNE 2019

**SUBJECT: UNIVERSAL CREDIT – HOUSING UPDATE**

**REPORT BY: CORPORATE DIRECTOR – SOCIAL SERVICES AND HOUSING**

- 1.1 The attached report was considered by Caerphilly Homes Task Group at its meeting on 16<sup>th</sup> May 2019 and sought the views of Members prior to its presentation to Housing and Regeneration Scrutiny Committee and thereafter Cabinet.
- 1.2 The purpose of the report is to recommend to Members that Cabinet agree to receive regular updates on the roll out of Universal Credit and its impacts, ratifies the approach being taken to manage the roll out of Universal Credit (UC) and the support being offered to tenants of Caerphilly Homes.
- 1.3 The report outlined the impact of UC on both Council tenants and Caerphilly Borough Council and explained how the roll out of UC operates and the issues this creates, resulting in an increase in rent arrears. The levels of rent arrears are significantly higher than that of tenants not in receipt of UC and it is quite clear that many tenants struggle with the complexity of UC and are at risk of not receiving their full benefit entitlement.
- 1.4 In recognition of the issues being experienced as a consequence of the roll out of the UC the report also explains the additional resource implications for Caerphilly Homes in delivering the extensive support mechanisms that are considered necessary for tenants to sustain tenancies, maximise incomes, improve living conditions and also maintain our rental income.
- 1.5 In addition, Officers outlined an amendment in the report at 10.2 and 10.3 in which 10.2 should read “Despite the positive impact of this increase in support provision over the last 3 years the level of tenant *arrears has increased by 7.5% in 2018/19*. 10.3 should read “Furthermore, due to the increase of tenants’ arrears, it is necessary to ensure sufficient Bad Debt Provision is accounted for within the HRA. This is a reserve for future recognition of certain accounts being uncollectable and is an accounting requirement within the HRA. This level of provision has *also risen over the past 3 years by 10.73% in 2018/19*.”
- 1.6 The Caerphilly Homes Task Group considered the report and length and sought clarification on the Universal Credit system and financial impacts on tenants and the allocation of benefits. Officers explained that there are some people who are worse off as a result of the system; however, there is an issue with budgeting as the system has moved to monthly and not fortnightly payments. In addition, during the assessment process, often people are without money for 5 weeks or more. However, claimants can apply for fortnightly payments on a short term basis to assist with budgeting where possible.
- 1.7 The Task Group raised a number of concerns around the arrears as a result of waiting period and the process and the additional financial difficulty UC is leaving people in. Officers explained that there is an option for people to apply for an advance payment, which acts as a loan and has to be repaid over 12 months, to bridge the gap during the assessment process, however the process can take between 5 weeks and beyond, depending on the completion of

the applications, which are online and Identification checks also need to be completed online with a Driving Licence or Passport, however, if tenants don't have this, they can book an appointment with DWP to action.

- 1.8 Discussions took place around the support provided to tenants by the Tenant Support Officers (TSO) and it was noted that an average of 15 tenants a week are moving over to UC and a number of new ways of working have been implemented, for example Surgeries have been implemented in some areas in which residents can drop in and have the support they need, and TSO's are provided with Wi-Fi enabled tablets to help tenants with applications where need. However, it was noted that the level of support currently being provided to tenants may not be sustainable for future tenants moving to UC, and as a result, all Customer Services Staff and Housing Benefit staff have been provided with relevant training to assist with claims, and an advert has been posted for additional TSO's.
- 1.9 A Member sought further information into the levels of arrears as mentioned in the report. Officers explained that whilst UC has had an impact on the number of tenants in arrears, additional pressures such as a crisis in the family, Christmas period or change to direct payments also impact on the levels of rent arrears.
- 1.10 Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RECOMMENDED to the Policy and Resources Scrutiny Committee (and thereafter Cabinet) that for the reasons contained in the Officer's Report:

- i) It be agreed for a regular update to take place on the roll out of UC and its impact;
- ii) the approach being taken to manage the roll out of UC and the support being offered to tenants be ratified.

- 1.11 Policy and Resources Scrutiny Committee are asked to consider the report and above recommendations and comments from the Caerphilly Homes Task Group and make a recommendation to Cabinet.

Author: C. Evans, Committee Services Officer, Ext. 4210

Appendices:

Appendix A Report to the Caerphilly Homes Task Group – Universal Credit – Housing Update – 16th May 2019



## **CAERPHILLY HOMES TASK GROUP – 16TH MAY 2019**

**SUBJECT: UNIVERSAL CREDIT – HOUSING UPDATE**

**REPORT BY: CORPORATE DIRECTOR OF SOCIAL SERVICES AND HOUSING**

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### **1. PURPOSE OF REPORT**

- 1.1 This report is seeking the views of members prior to its presentation to Regeneration and Housing Scrutiny Committee and thereafter Cabinet. The purpose of this report is to recommend to members that Cabinet agree to receive regular updates on the roll out of Universal Credit and its impacts and ratifies the approach being taken to manage the roll out of Universal Credit (UC) and the support being offered to tenants of Caerphilly Homes

### **2. SUMMARY**

- 2.1 This report focuses upon the impact of UC on both Council tenants and Caerphilly County Borough Council. The report explains how the roll out of UC operates and the issues this creates, resulting in an increase in rent arrears. The level of rent arrears is significantly higher than that of tenants not in receipt of UC and it is quite clear that many tenants struggle with the complexity of UC and are at risk of not receiving their full benefit entitlement.
- 2.2 In recognition of the issues being experienced as a consequence of the roll out of UC the report also explains the additional resource implications for Caerphilly Homes in delivering the extensive support mechanisms that are considered necessary for our tenants to sustain tenancies, maximise incomes, improve living conditions and also maintain our rental income.

### **3. RECOMMENDATIONS**

- 3.1 Cabinet agree to a regular update on the roll out of UC and its impact.
- 3.2 Cabinet ratifies the approach being taken to manage the roll out of UC and the support being offered to tenants.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 Universal Credit is one of the biggest changes to the welfare system since its inception, bringing together six existing benefits. Members will note the growing impact of Universal Credit on Caerphilly's Housing service and its tenants.

### **5. THE REPORT**

#### **Universal Credit**

- 5.1 Universal Credit (UC) was initially introduced in the Caerphilly County Borough in May 2015 for new claims by single persons who would previously have been eligible to claim job seekers allowance (JSA) only. Initially UC claims by Caerphilly tenants were slow with only around 3 to 5 per month believed to be making a claim. This "live" service remained in place

in Caerphilly until September 2018 and during this time 120 Caerphilly tenants were known to have made a successful UC claim.

5.2 In September 2018 roll out of the “full service” commenced in Caerphilly for single claimants, couples and families, combining six means tested benefits, the so called “legacy benefits”

- Job Seekers Allowance, income related
- Employment Support Allowance, income related
- Child Tax Credit
- Working Tax Credit
- Housing Benefit
- Income Support

5.3 The eligible tenant will directly receive one monthly combined lump sum payment covering each of the various benefits they are entitled to receive, which could include housing benefits to cover some or all of their rent. Previously housing benefit would have been paid by the Department of Work and Pensions (DWP) direct to the social landlord; during the period April 2018 to March 2019 we received £29 million in housing benefit payments directly to Caerphilly Council. As tenants move to UC this figure will reduce as payments are made directly to tenants, who become responsible for paying the rent to their landlord. Arrangements have to be made to collect these payments from tenants.

5.4 Tenants in receipt of UC will receive one lump sum payment which includes their personal allowance as well as their housing costs (rent). It is clear from our early experiences of roll out of UC that some tenants are using the housing costs element of their UC payment for other things and not paying their rent. At Christmas we noted an increase in rent arrears of tenants in receipt of UC.

5.5 Tenants move on to UC if they are a new claimant or if there is a change in their circumstances which triggers the changeover from the legacy benefits (detailed in 5.2). In practice this means a “change of benefits”. Examples of changes in benefits include:

<b>Universal Credit claim required</b>	A tenant who has come out of work or has reduced their hours and doesn't have an existing housing benefit claim would be required to claim UC
	A person moves from a neighbouring borough and had a live housing benefit claim would need to make a claim for UC once they move to Caerphilly County Borough
	A single person working part time and claiming working tax credits who moves in with a partner would have to claim UC.
<b>Universal Credit claim not required</b>	A tenant currently claiming housing benefits moves within the County Borough to another property would not be required to make a claim for UC
	A couple working part time and claiming working tax credit who have their first child would not need to make a claim for UC for the child element

5.6 There are further exceptions and the following groups would still continue to claim the legacy benefits (detailed in 5.2) above.

<b>Universal Credit exemptions</b>	Anyone who has reached the qualifying age for state Pension Credit. Pensioners will claim Pension Credit from the DWP and Housing Benefit from the Council.
	Anyone living in supported accommodation (such as sheltered accommodation). People in supported accommodation who have not reached the age for state Pension Credit will claim UC to meet their personal costs and Housing Benefit from the Council to meet their housing costs
	Anyone placed in temporary accommodation by the Council. People in temporary accommodation will claim UC to meet their personal costs and Housing Benefit from the Council to meet their housing costs
	Anyone who is already claiming the Severe Disability Premium. People who qualify for Severe Disability Premium will continue to claim the legacy benefits listed in 5.2.

- 5.7 Full service UC is digital by default with the initial application being made online and once in place all further interactions with UC are carried out via the claimants “digital journal.” This means any instructions or requirements for additional information from the DWP are notified to the claimant via the journal “to do” list.
- 5.8 Any changes in circumstances experienced by the claimant also need to be communicated digitally using the online journal. UC uses a texting service to advise claimants when a new request has been added to their journal. It is therefore vital that tenants inform the DWP, using the online journal, whenever they change their telephone number.
- 5.9 Once a claim has been completed claimants have to verify their identity either online using photo identification (passport or driving licence) or, as is often the case, if photo identification is not available by making an appointment at the local Job Centre. Once the claimant’s identity is verified then the UC claim enters a 5 week assessment period. The claimant should at this time make a separate application to the Council for Council tax Reduction as this process is completely separate to UC. Tenants not in receipt of UC and claiming Housing Benefit only need to complete one application used for both rent and Council tax reduction.
- 5.10 Generally, payments of UC are made each calendar month in arrears to one member of a couple, into the claimant’s bank account. If a claimant doesn’t think they will have enough to live on while they wait for their first payment (during 5 week assessment period) they are able to request an advanced payment of UC. The advanced payment is a loan and it has to be paid back within one year as a deduction out of their UC payments but no interest is charged.
- 5.11 An additional two week payment of Housing Benefit is paid during the assessment period, this is additional benefit and not repaid by the tenant. The DWP have recently announced that from July 2020 an additional 2 weeks non repayable legacy benefits (detailed in 5.2) will also be paid during the assessment period.
- 5.12 Alternative payment arrangements are available for claimants who can’t manage their monthly payment. The landlord or claimant can apply for an Alternative Payment Arrangement (APA) Managed Payment to Landlord (MPTL) at any time, which will be considered by the DWP on a case by case basis. An APA can also include more frequent than monthly payments or a split payment of an award between partners. The decision whether to award an APA takes account of numerous factors and using the Tier 1 and Tier 2 guidance detailed below

**Tier 1 factors** – Highly likely/probable need for Alternative Payment Arrangements  
Drug/alcohol and/or other addiction problems, such as gambling  
Learning difficulties including problems with literacy and/or numeracy  
Severe/multiple debt problems

Homeless  
Domestic violence and abuse  
Mental health condition  
Currently in rent arrears/threat of eviction/repossession  
Claimant is a 16 or 17 year old and/or a care leaver  
Families with multiple and complex needs

**Tier 2 factors** – Less likely/possible need for Alternative Payment Arrangements

Third party deductions in place (such as for fines or utility arrears)  
Claimant is a refugee/asylum seeker  
History of rent arrears  
Previously homeless and/or in temporary or supported accommodation:  
Other disability (such as physical disability or sensory impairment)  
Claimant has just left prison  
Claimant has just left hospital  
Recently bereaved

The DWP intends the change of payment to the landlord to be a short term and temporary arrangement and subject to review. Experience to date has demonstrated that this process is not straight forward for the landlord and is particularly problematic when there is a change in claimants' circumstances.

- 5.13 A significant issue is the delays that can be experienced in processing requests for MPTLs (i.e. when the landlord requests for the housing costs (rent) and arrears to be paid directly to the landlord). For information purposes the payment schedule received from the DWP dated 16/04/19 included £95,000 worth of housing costs and arrears deducted from tenants and paid to the Council directly. This schedule showed that some of the payments included had been deducted from claimants UC accounts as long ago as February 2019. This means a tenant's rent account will show they are in arrears but the DWP have deducted the monies but not yet paid it over to their rent account.
- 5.14 At 23/04/19 25% of Caerphilly council tenants in receipt of UC have a managed payment i.e. the housing costs are paid directly to the Council. UC is an in work and out of work benefit. A tenant could gain employment and, dependant on their level of income, their entitlement to UC may cease or reduce. Landlords are not made aware of this and would assume their normal payment from their UC will be deducted by the DWP and paid to the landlord direct. As shown in 5.1.11 the delay in payments being direct to rent accounts by the DWP adds further complications for both the tenant and the Council.

**Impacts of UC on the Housing Service**

- 5.15 As at 23/04/19, 933 Council tenants were recorded as being in receipt of UC for housing costs, equating to 8% of all Council tenancies. Of these 933 cases, 783 were showing arrears at this date, amounting to a total debt due of £569,490. Of the 783 tenants in arrears 35% owed more than 8 weeks rent.
- 5.16 A geographical split of the 933 Council tenants claiming UC is shown by housing area below:-
- |                                   |       |
|-----------------------------------|-------|
| Upper Rhymney Valley housing area | - 46% |
| Eastern Valley housing area       | - 32% |
| Lansbury Park neighbourhood       | - 11% |
| Graig Y Rhacca neighbourhood      | - 11% |
- 5.17 The average level of arrears for tenants on UC on this date amounted to £609.73. In context the average rent arrears for all Council tenants at this date was £375.15. Due to the nature of Universal Credit, with claimants receiving payments on differing dates depending on when their claim was accepted, and in four weekly schedules for receiving managed payments, it should be noted that these figures can only represent a snapshot of the position at the relevant date in question.

5.18 UC has been designed specifically with system change in mind – and many of the areas that are causing difficulties for Council tenants are those that are explicitly deliberate in the design of UC. These include:

- It is digital by default and therefore applications must be made online and once accepted, the customer must actively maintain their online journal
- Applicants must budget monthly to prepare them for the world of work
- Requirement for ID to make an initial claim although appointments can be made at the job centre to verify
- Requirement for monies to be paid into a bank account
- No payment for one calendar month (plus up to a week for payment to transfer) after a claim is made
- Ending of system referred to as 'implied consent' which enabled advisors to discuss clients cases with the DWP without the client being present.
- Tenants receive their Housing Costs (rent) direct and are responsible for paying rent to landlord

5.19 Support to new and existing council tenants affected by UC is provided by Tenancy Support Officers. The underlying economic climate and the introduction of the Welfare Reform Act 2012 which brought about wholesale reform of the benefits system, including the development of UC, led to the creation in 2012 of a tenancy support team within the Rents section. This team (5FTE), together with the Specialist Benefits Advisor, provide invaluable assistance to tenants in sustaining their tenancies, including:

- Supporting tenants with new and existing benefit claims (including UC)
- Providing budgeting and basic debt advice
- Warm home Discount scheme applications
- Subsidised water tariffs (Help U)
- Applications to relevant charitable trusts and Discretionary Assistance Fund
- Energy advice (staff trained to level 3 City and Guilds)
- Personal Independence Payment applications
- Food parcels
- Benefit better off calculations
- Referrals to employability programmes.

5.20 During the period April 2018 to March 2019, the tenancy support staff made 2035 home visits to council tenants which resulted in an additional £628,000 additional income for those tenants. This came from a variety of sources including additional benefits, preferential water tariffs, written off utility debts, and grants. In addition to the financial savings the staffs were successful in applying for 92 free white goods items for tenants (e.g. cookers, fridge freezers and washing machines) from the Discretionary Assistance Fund. The support staff ensure the service is as accessible as possible by visiting tenants in their own homes and offering appointments at Council Offices and premises e.g. Hafod Deg and community spaces. Assistance is often provided at short notice, ensuring crisis situations can be avoided and tenants are able to sustain their tenancies.

5.21 The established tenancy support team at Caerphilly has been integral in supporting tenants moving onto and maintaining UC claims. The staff have received in depth UC training and the broader knowledge they have gained since 2012 is enabling them to provide focused support to tenants. The team also work in partnership with other teams within Housing who also support tenants e.g. Floating Support, and the Community Regeneration Team for tenants who require ongoing digital or employment support.

5.22 During February to April 2019 the Housing Service undertook a survey of council tenants who had recently moved to UC and made a claim directly with the DWP, to seek their views of the whole claim process. Although the sample was small the following highlights the key results from the survey:

- 48% did not find it easy to make a claim for Universal Credit
- 80% were informed by the DWP they could apply for an advance or more frequent payments
- 85% felt they could cope with managing their online journal (with possible assistance from families)

5.23 Comments from tenants about their claims included:

“I didn’t understand how to make claim, would have liked 1 to 1 support at home. Not confident to challenge how much the DWP gave me. I had help from the Council to check calculation”

“Had issues setting up the account but had help from JCP staff”

“Initial claim was easy but very little support after claim. DWP staff not helpful”

“Had support from daughter as do not have internet. Unable to use computer due to epilepsy. Daughter helps manage claim”

“Verification a problem due to no photo ID, advised of advance but not more frequent payments”

5.24 Appendix 1 details four case studies where the support staff have given assistance to tenants in relation to UC. In some instances it can financially benefit tenants to move to UC however due to the highlighted issues e.g. digital by default and monthly budgeting, many of our tenants are reluctant to move to this benefit which means they are losing out on additional income.

5.25 From September 2018 to March 2019 Caerphilly County Borough Council Rent Section received funding from the DWP to provide budgeting and digital support to tenants. During this period £7750 was received. From April 2019 the DWP announced that this funding is to be provided nationwide to Citizen Advice and removed from local authorities. The estimated cost of the actual provision of this support to Caerphilly Homes tenants for this period was considerably higher i.e. £50k.

5.26 Demand for the Tenancy Support Service continues to grow and we are constantly monitoring and reviewing resource and capacity levels.

5.27 Central Government recently announced that the roll out of UC was to be slowed down. It is not anticipated that this will reduce the numbers of new claims being submitted each week as a UC claim will still be made when there is a change of circumstances (as detailed in 5.1.3). The roll out being slowed down relates only to the migration of long term claimants of legacy benefits from their existing benefit to UC.

5.28 The Welsh Government has recently commissioned a study to assess the impact of UC on the Council Tax reduction scheme and rent arrears in Wales. They want to understand how UC is affecting families in Wales. Findings are not expected to be available until early next year.

5.29 **Conclusion**

The impact of UC is a strategic risk that, although mitigated by the advice and support we provide, remains a high risk to the Housing Service with critical impact. Mitigating the impact of UC comes at a significant additional cost to the Service but the alternative would be an even greater impact on tenants and their ability to sustain their tenancies, leading to an increase in homelessness and tenancy turnover, and rent arrears.



## 6. ASSUMPTIONS

- 6.1 No assumptions have been made in proposing the recommendations in the report.

## 7. LINKS TO RELEVANT COUNCIL POLICIES

### 7.1 Corporate Plan 2018-2023

The report content contributes towards or impacts the Corporate Well-being Objectives within The Caerphilly We Want (2018-2023) Well Being Plan which are:

**Objective 1** - Improve education opportunities for all - by supporting the improvement of digital skills for tenants

**Objective 2** - Enabling employment through providing relevant support and the enhancement of knowledge and skills of Housing staff and tenants thereby supporting better employment prospects.

**Objective 3** - Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being – by helping to reduce fuel poverty and preventing tenancies from failing by providing a range of housing related support to tenants, including those affected by financial hardship

**Objective 6** - Support citizens to remain independent and improve their well-being – by supporting tenants to help themselves by providing comprehensive advice and information, including signposting to other services, and having meaningful conversations to help people identify what matters to them. Providing support to reduce the need for statutory interventions.

### 7.2 Caerphilly Homes Service Plan (2018-2023)

**Priority Objective 6** – Prevent homelessness and tackle rough sleeping - by providing tenants threatened with homelessness advice to mitigate the impact of UC.

**Priority Objective 7** - Sustaining tenancies by providing a range of housing related services:-

- Providing help to tenants to enable them to budget effectively, to claim the correct welfare benefits and to mitigate the impact of welfare reforms.
- Referring council tenants in need of money and debt advice to the right agencies.
- Providing advice to tenants on energy usage and other measures to help save money.
- Providing assistance to tenants requiring help with benefit claims and appeals including Employment Support Allowance and Personal Independence Payment.
- Closely monitoring the impact of the full role out of Universal Credit on tenants, resources and homelessness.
- Raising awareness amongst elected members and staff of the full role out of Universal Credit and the potential impacts.

## 8. WELL-BEING OF FUTURE GENERATIONS

- 8.1 Housing Services and our outlined priorities, contribute to a minimum of 6 out of the 7 well-being goals within the *Well-being of Future Generations Act (Wales) 2015*, including:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A globally responsible Wales

- 8.2 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle of the Act in that:

**Long Term** – supports the sustainability of cohesive communities for tenants and residents; providing a fair and transparent service for tenancy support and sustainment.

**Prevention** – supports tenants and assists in the prevention of eviction and homelessness. It supports the health and well-being of tenants and residents.

**Integration** – improved standards of housing support which contribute to stable community environments.

**Collaboration** – The service focuses on internal collaboration and wider partnerships. Joined up working arrangements within the organisation and with outside agencies support tenant engagement and tenancy sustainment.

**Involvement** –The engagement of tenants, residents and support agencies in relation to sustainment of tenancies.

## 9. EQUALITIES IMPLICATIONS

- 9.1 An EIA screening has previously been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact was identified therefore a full EIA has not been carried out to date.

## 10. FINANCIAL IMPLICATIONS

- 10.1 In 2012 additional resource was necessary to support tenants with Welfare Reform Changes, and 5 additional posts were created within the tenancy support team at a cost of £190k.
- 10.2 Despite the positive impact of this increase in support provision over the last 3 years the level of tenant arrears has increased sharply from 2.67% in 2016/17 to 7.52% in 2018/19. Although these arrears include all charges to tenants (e.g. rent, service charges, water and fuel charges) officers are confident that the increase is as a direct result of the introduction of Welfare Reform.
- 10.3 Furthermore, due to the increase of tenants' arrears, it is necessary to ensure sufficient Bad Debt Provision is accounted for within the HRA. This is a reserve for future recognition of certain accounts being uncollectable and is an accounting requirement within the HRA. This level of provision has also risen over the past 3 years from 3.58% in 2016/17 to 10.73% in 2018/19. The current level of Bad Debt Provision is £1.6m which equates to 2.99% of the rent debit.
- 10.4 The level of write offs have also increased from £267k in 2016/17 to £283k in 2018/19 although the percentage of this against the total rent charges has remained around about 0.5%.
- 10.5 The above are clearly significant costs to the HRA resulting from Welfare Reform.
- 10.6 There is a Welfare Reform Provision that has been set up within the HRA of some £398k over the past few years. The Chief Housing Officer reports to PDM on a quarterly basis due to concerns over UC linked to rent arrears, tenancy support and the potential for increasing homelessness. Whilst resources have increased there will probably be a need to increase further, with the unknown impact of Brexit adding to concerns, along with the likelihood of increased fuel poverty, foodbank use, and living costs generally. We are already seeing increased levels of persons presenting as homeless and we are obviously keen to avoid evictions which will only add to the homeless problem. The Welfare Reform Provision has therefore been set up to assist with this.

## 11. PERSONNEL IMPLICATIONS

- 11.1 The roll out of UC is ongoing with an average of 15 tenants per week moving over to this benefit. If we are to be able to offer the same level of support to future tenants moving on to UC it may be necessary to increase the number of support staff.

## 12. CONSULTATIONS

- 12.1 The report reflects the views of the consultees.

## 13. STATUTORY POWER

- 13.1 Not applicable.

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Consultees: Cllr Dave Poole - Leader of the Council  
Cllr Lisa Phipps - Cabinet Member for Homes and Places  
Cllr Sean Morgan - Deputy Leader & Cabinet Member for Economy,  
Infrastructure, Sustainability & Wellbeing of Future  
Generations Champion

Christina HARRY - Interim Chief Executive  
David Street - Corporate Director of Social Services and Housing  
Shaun Couzens - Chief Housing Officer  
Robert Tranter - Head of Legal Services & Monitoring Officer  
Steven Harris - Interim Head of Business Improvement Services  
Fiona Wilkins - Housing Services Manager  
Lesley Allen - Principal Accountant  
Amanda Main - Benefits Manager  
Mark Jennings - Housing Strategy Officer

Appendices:  
Appendix 1 Universal Credit case studies

### Case Study 1

Single tenant and non-dependant daughter both made a claim for Universal Credit the same day. Tenant wasn't able to access the online journal as she had forgotten her email address and rang to request a TSO visit to assist as she had used the service previously.

- Completed a discretionary housing payment application as tenant and daughter were in a 3 bedroom house and affected by the bedroom tax. **This additional income was granted**
- Completed a water tariff reduction form with tenant **reduced by £6.50 per week**
- Assisted tenant to set up a new email and added it to the Universal Credit claim to enable tenant to manage claim online. **Tenant could now manage her claim online with the assistance of her daughter**
- Tenant receiving incorrect amount of housing costs, contacted the Universal Credit service centre and resolved this. **Backdate received of correct housing costs**

### Case Study 2

Single tenant, with mental health issues, not digitally literate and with no access to online/internet services. Tenant had contacted the Universal Credit service centre who told her to go to her local Job Centre Plus to make a claim. She was advised by the Job Centre Plus that due to her vulnerabilities and lack of digital skills she could make a claim by telephone. At this time her phone had been disconnected

TSO visited – contacted Universal Credit and a claim was made using the TSO's telephone. Request made for the DWP to carry out a home visit to verify ID **Universal credit now in payment**

### Case Study 3

Tenant claiming Job Seekers Allowance found not fit for work and informed he should claim Universal Credit. Tenant attempted to complete his own claim but did not finalise this as he did not complete the verification process

Support officer visited to assist tenant to claim Personal Independence Payments and found he was not in receipt of UC. Tenant had selected he preferred to be contacted by email but was not digitally literate

Tenant assisted to make a new claim for Universal Credit and contact was made to book a verification interview. A request was made for a backdate of UC due to vulnerabilities and a request was made for the tenant to manage his UC manually and not online – **Universal credit now in payment and tenant manages claim manually. Backdate of universal credit successful. The tenant was signposted for digital support at their local library**

#### **Case Study 4**

Tenant in receipt of job seekers allowance two working non dependants living with her. Struggling to cover rent as was not entitled to Housing Benefits due to the amount that the non-dependants were earning. Non dependants were not contributing towards rent which led to rent arrears on account.

The tenancy support officer visited and carried out a "better off" calculation which showed she would be £60.00 per week better off on Universal Credit. The nondependent flat rate charge entitled her to help opposed to the Housing Benefit non dependant charge that disqualified her. Tenant was supported to make a Universal Credit claim

Tenancy support officer followed up this initial visit a month later to see how the tenant was coping with her new benefit claim and she advised me that she was unable to manage her money monthly and was left with nothing by the end of the month, she had attended a budgeting class with the Job Centre but this had done very little in helping her. **Tenancy support officer applied for more frequent payment which amended her payment from monthly to fortnightly**

Gadewir y dudalen hon yn wag yn fwriadol



## CABINET – 12TH JUNE 2019

**SUBJECT: PROVISIONAL OUTTURN FOR 2018/19**

**REPORT BY: INTERIM HEAD OF BUSINESS IMPROVEMENT SERVICES AND  
ACTING S151 OFFICER**

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### **1. PURPOSE OF REPORT**

1.1 To provide Cabinet with details of the provisional outturn for the 2018/19 financial year prior to the annual audit by the Authority's External Auditor, Grant Thornton.

### **2. SUMMARY**

2.1 In advance of the 2018/19 Financial Statements being audited and presented to Council on the 30th July 2019, this report provides an overview of the Council's performance against the budget for the 2018/19 financial year. Members receive detailed budget monitoring reports as part of the Scrutiny process throughout the financial year.

### **3. RECOMMENDATIONS**

3.1 It is recommended that Cabinet: -

3.1.1 Notes the provisional 2018/19 outturn position.

3.1.2 Supports a recommendation to Council that the General Fund balance should be maintained at £11.660m as previously agreed by Council on the 21<sup>st</sup> February 2019.

3.1.3 Supports a recommendation to Council that the increase in the General Fund balance of £2.380m over the previously anticipated level should be transferred to Capital Earmarked Reserves, pending a report that will be presented during the autumn in respect of unallocated capital reserves and proposals for investments in a number of key strategic projects.

3.1.4 Agrees the proposals set out in paragraphs 5.28 and 5.29 that the remaining balance of £192k on the Intensive Fostering Support Service (IFSS) pilot scheme reserve in Social Services be utilised as follows: -

- £91k to fund 2 additional fixed-term Social Workers for 12 months to address a backlog in case reviews.
- £72k to fund backfill for staff undertaking Advanced Mental Health Professional (AMHP) training.
- £29k to top up the Social Services Invest to Save specific reserve.

#### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Cabinet Members are aware of the provisional outturn for the 2018/19 financial year and proposals for the use of reserves in specific areas.

#### 5. THE REPORT

- 5.1 The provisional outturn position is attached as Appendix A and is summarised below:-

	£m
Net Service Directorate Underspends	3.469
Miscellaneous Finance Underspend	3.355
Council Tax Surplus	1.412
Housing Revenue Account (HRA) Underspend	5.461
Schools Overspend	(0.550)
<b>Total: -</b>	<b>13.147</b>

- 5.2 The 2018/19 Service Directorate underspend of £3.469m represents 1.85% of net Directorate budgets. During the year Officers have continued to be mindful of the continuing programme of austerity and expenditure has been curtailed in a number of areas to support the Medium-Term Financial Plan (MTFP). This prudent approach has resulted in a number of savings being achieved in advance and underspends being higher than would normally be the case.
- 5.3 After adjusting for earmarked reserves, 50% of underspends are carried forward by Directorates and are available to meet the requirements of these service areas. The remaining balance is transferred to the General Fund. Overspends are normally funded from future Directorate budgets or balances brought forward from previous years. Service reserves held by Directorates can be used to fund one-off cost pressures or to pump-prime service reconfiguration but they cannot be relied upon to deliver balanced budgets on a recurring basis.
- 5.4 The table in Appendix B shows the movements on the General Fund balance from the 1<sup>st</sup> April 2018 to the 31<sup>st</sup> March 2019, along with agreed commitments for 2019/20. The forecast General Fund balance as reported to Council on 21<sup>st</sup> February 2019 was £11.660m. The updated position is a projected balance £14.040m, an increase of £2.380m. The variations to the forecast are as follows: -

	£m
Increased Contribution from Service Areas (including Miscellaneous Finance)	2.018
Additional 2018/19 Council Tax Surplus	0.012
Council Tax Collection Rate Change	0.350
<b>Net Increase:-</b>	<b>2.380</b>

- 5.5 The Section 151 Officer normally recommends a minimum General Fund balance of £10m (circa 3% of the net revenue budget). Cabinet will recall that anticipated savings of circa £44m will be required for the four-year period 2020/21 to 2023/24. This is clearly extremely challenging and it is inevitable that some very difficult decisions will need to be made. With this in mind Cabinet is asked to support a recommendation to Council that the General Fund balance should be maintained at £11.660m as previously agreed by Council on the 21<sup>st</sup> February 2019. It is further recommended that the increase in the General Fund balance of £2.380m over the previously anticipated level should be transferred to Capital Earmarked Reserves, pending a report that will be presented during the autumn in respect of unallocated capital reserves and proposals for investments in a number of key strategic projects.



5.6 The following paragraphs comment on the 2018/19 underspends as detailed in Appendix A.

**Education and Lifelong Learning (£899k Overspend)**

5.7 Overall the Directorate including schools is reporting an overspend of £899k. This includes an overspend of £550k by schools which necessitated a take from earmarked school balances. Consequently, the revised position for Central Education & Lifelong Learning (including Home to School/College Transport) is an overspend of £349k.

5.8 The most significant variances in arriving at the £349k overspend were as follows: -

	<b>(Over)/ Under £000's</b>
Cwmcarn High (on closure)	(267)
Home to School/College Transport	63
School Rationalisation/Vacant Properties	(63)
Retirement/Pension Costs School Based Staff	(55)
Relief Supply Cover (Sickness SRB's & Maternity)	(114)
Management & Support Services	58
Psychological Service	57
EOTAS, Addn. Support, Out of County	(1,217)
Early Years – Rising 3's	60
Early Years Central Team	265
EAS – Main Contract & EIG Match	56
Community Education (Adult & Youth)	227
Libraries	254
Net Underspend on Other Budgets	327
<b>Net Overspend: -</b>	<b>(349)</b>

5.9 In February 2018, as part of the 2018/19 budget process, Members will recall that agreement was made to set aside £1.4m from the General Fund to meet the projected deficit on the closure of Cwmcarn High School (October 2018). This deficit position is updated to a figure of £1.667m, a variance of £267k, which is a slight improvement on the projected variance of £295k in January 2019. The increase above the £1.4m is due to costs linked to the loss of posts on closure and this was very much an unknown in early 2018. As reported previously to Members, at closure there were 14 compulsory redundancies, consisting of 4 teaching/SMT staff and 10 support staff.

5.10 The variance on Home to School/College Transport is circa 1% of the total budget. This underspend arose with some late savings linked to snow days.

5.11 The successful investment of 21<sup>st</sup> Century Band A funding and associated closures (Oakdale & Pontllanfraith), together with the closure of Cwmcarn High School has resulted in some residual revenue costs linked to the rationalisation of the sites. These are unavoidable costs linked primarily to the short-term security of the Pontllanfraith and Cwmcarn sites.

5.12 The overspend on the Early Retirement Pension Costs budget for school based staff is also impacted by staff losses resulting from the closure of Cwmcarn High School. The Authority contributes 40% to the share of the release of staff costs in Secondary Schools.

5.13 Due to the unpredictability of sickness absence in our Special Resource Bases and the maternity absences across all school sectors, the Relief Supply Cover spend on school based staff is very difficult to predict. The outturn is an overspend of £114k.

- 5.14 The underspend in relation to Management & Support costs relates predominantly to in-year savings on staff costs. This variance is largely due to in-year vacancies that are not ongoing as posts are linked to delivering support through Service Level Agreements (SLAs) with our Schools.
- 5.15 The underspend on the Psychological Service has originated due to delays in the recruitment of appropriately qualified staff. This is a consequence of a shortage of such staff in the profession.
- 5.16 The significant cost pressure within the Directorate continues to be in relation to our most vulnerable learners, in particular in relation to our EOTAS (Education Other Than at School) provision. The provision accommodates learners who are unable to attend and learn in a mainstream setting. In reviewing the continuum of additional support provided to pupils, our alternative EOTAS provision and Out of County Placements, the outturn is an overspend of £1.217m. Whilst the cost pressure associated with supporting our most vulnerable learners has been recognised as part of the Authority's 2019/20 budget (budget growth of £800k), this outturn position is a significant concern. To advise Members, a review of demand, costs and structures is ongoing.
- 5.17 The spend on Early Years – Rising 3's is very much demand led as it is driven by the number of age 3 pupils who access nursery provision in the term following their 3rd birthday. This can vary from year to year, with spend based on the birth rate and parental choice with regards to accessing this "early" provision. This budget is reduced by £50k in 2019-20 as part of MTFP savings. The underspend against the Early Years Central Team is largely due to accessing additional grant funding in-year.
- 5.18 In 2018/19 the main contract charge from the Education Achievement Service (EAS) was less than the current budget provision. Similarly, the budget for the Authority's match funding requirement against the Education Achievement Grant is greater than required. These savings are part of the MTFP budget reductions in 2019/20.
- 5.19 The underspend within Community Education is a mix of both the Adult Education and Youth Services. In Adult Education an underspend of £96k is attributable largely to a vacant management post following a retirement, a further in-year vacancy gap and savings linked to exam fees spend. The on-going elements of this underspend are recognised in the 2019/20 budget with a reduction of £50k. The £132k underspend in the Youth Service relates primarily to in-year savings on staff costs, largely in-year gaps within the part time youth service and a vacant administrative post, both of which form part of MTFP savings of £125k in 2019/20.
- 5.20 The Library Service variance relates primarily to a one-off rebate for NNDR (National Non-Domestic Rates) charges of £130k. This refund relates to 4 Libraries covering financial year 2010/11 through to 2017/18. A further saving of £76k relates largely to in-year vacancies and supply cover arrangements. In 2019/20 the Library Services MTFP savings proposals include an amount of £80k that is staffing related.

### **Social Services (£1.924m Underspend)**

- 5.21 The overall outturn position in respect of Social Services for 2018/19 is an underspend of £1.924m. This is after accounting for an overspend of £22k relating to the Integrated Transport Unit (ITU) within the Communities Directorate which is largely due to increasing demand for transport in respect of Looked After Children and Adults with Learning Disabilities. The remaining underspend of £1.946m relates to budgets held within the Directorate of Social Services.
- 5.22 This underspend position includes a number of non-recurring issues that masked an underlying financial pressure in respect of increasing demands for social care. These non-recurring issues are highlighted in the following paragraphs.

- 5.23 An underspend of £1.119m is reported in respect of staffing vacancies that were either of a short-term nature or where posts will be permanently deleted in order to deliver MTFP savings targets for 2019/20.
- 5.24 A further underspend of £226k is reported in respect of non-staff savings delivered in advance of MTFP targets for 2019/20.
- 5.25 Non-recurring funding streams contributed around £1.340m towards the overall Social Services underspend, including £600k in contributions from service reserves; £246k through maximisation of grant funding; £419k in respect of refunds relating to earlier years; and £75k in respect of slippage in contributions into pooled budgets managed by other local authorities.
- 5.26 A further underspend of £178k is reported within the Children's Services Division due to fewer children than anticipated being referred to the agency responsible for finding adoption placements. This is unlikely to be repeated in 2019/20.
- 5.27 Without these non-recurring underspends the Directorate would have faced an underlying cost pressure of around £922k in 2018/19. When taking account of the full-year effect of this underlying cost pressure, it is likely that the growth funding awarded to the Directorate in the 2019/20 final budget settlement is already fully committed. Therefore, the success of the various cost avoidance initiatives implemented across the Directorate will be critical in delivering a balanced budget in 2019/20.
- 5.28 During the 2017/18 financial year, a specific reserve of £875k was created to fund an Intensive Fostering Support Service (IFSS) pilot scheme. This scheme has proved successful in reducing the requirement for residential placements and expensive independent sector foster care placements. As a result, Welsh Government grant funding will be used to continue the scheme in 2019/20, which means that the £192k remaining balance of reserve funding is no longer required. Therefore, Cabinet is asked to agree that £91k of this balance is utilised to fund 2 additional fixed-term Social Workers for 12 months, to address a backlog in case reviews that built up as a result of a restructuring of the reviewing function as part of the MTFP.
- 5.29 Cabinet is also asked to agree that a further £72k of the reserve balance is utilised to fund backfill for staff undertaking Advanced Mental Health Professional (AMHP) training. The role of the AMHP was created in the 2007 amendment of the Mental Health Act and is critical in the assessment and support of people who are suffering from mental health problems. This funding would allow Caerphilly to support 3 trainees without impacting on the workload of the remaining staff within the Mental Health Teams. It is also proposed that the remaining £29k of the IFSS reserve should be re-directed to top up the Social Services Invest to Save specific reserve. This reserve currently amounts to £251k and has been earmarked to fund pilot projects which could deliver long-term savings within the Directorate.

### **Communities (£234k Underspend)**

- 5.30 The overall outturn position for the Communities Directorate after the approved use of reserves is an underspend of £234k. However, this net position does include £400k of one-off funding from a previously approved corporate earmarked reserve in relation to dry recycling treatment. The underspend excludes a ring-fenced over spend of £22k in relation to Social Services Transport and a ring-fenced underspend of £63k in relation to Home to School Transport. These variations are included in the Social Services and Education & Lifelong Learning Directorates' outturn positions respectively.
- 5.31 The Regeneration & Planning Division is reporting an overall net underspend of £43k. Regeneration has reported a small net underspend of £7k, this includes: -

- An underspend of £48k in Business Support and Funding, consisting of a £70k underspend in the Community Regeneration Fund (CRF) which is partly offset by an overspend in staffing due to pension & voluntary severance costs.
  - An underspend of £64k for the Legacy/C4w grant programmes due to one-off additional grant from the Welsh Government.
  - An overspend of £22k for Urban Renewal & Town Centre Management including overspend in relation to Bargoed Unit shops of £67k due to units being unoccupied, partly offset by additional Urban Renewal fee income and staffing underspend.
  - An overspend of £63k for Industrial Properties due to a shortfall in income from vacant properties and increases in building maintenance spend.
  - A net overspend of £15k for Tourism Venues.
- 5.32 Planning has reported a net overall underspend of £36k. This is primarily due to vacant posts in Development Control and Strategic Planning (some of which are MTFP savings in advance) and additional income in Development Control (Planning application fees), which is offset by a shortfall in fee income in Building Control (Building Regulation fees) and Strategic Planning.
- 5.33 Overall the Infrastructure Division is reporting a net overspend of £12k. Highway Operations is reporting an overspend of £300k, which is primarily in relation to overspends of £68k in winter maintenance, £46k in street lighting maintenance, £100k in street lighting energy increases and £119k in land/highway drainage, which is partly offset by underspend of £36k on Risca Canal maintenance. Transport Engineering is reporting a net underspend of £107k, which is primarily in relation to an underspend of £140k on salaries (mostly School Crossing Patrollers and a Manager on maternity leave), £39k car park expenditure, and £16k on accident studies. These underspends are partly reduced by a £68k shortfall in Car Park income and £23k overspend on traffic signals. The Engineering Projects Group is reporting a £20k underspend and Infrastructure General an underspend of £37k. Passenger Transport is reporting a £74k underspend and Network Contract Services (NCS) has reported a net surplus of £50k due to additional income.
- 5.34 The Public Protection Division is reporting an overall underspend of £346k, with underspends in Trading Standards, Licensing, CCTV and Registrars (£47k) and Environmental Health (£142k) and Catering (£157k). The underspend in Trading Standards, Licensing CCTV and Registrars is primarily due to a combination of staffing and CCTV reduced line rental costs (which is an MTFP saving for 2019/2020). The Environmental Health underspend is primarily due to vacant posts and maternity leave, some of which is again a MTFP saving in advance for 2019/2020. The Catering underspend is primarily due to one-off grant funding of £152k from WG in relation to the role out of Universal Credit and the impact on free school meal entitlement.
- 5.35 The Community & Leisure Division has reported an overall overspend of £118k, however as already noted this is after £400k one-off corporate contingency has been allocated in relation to dry recycling treatment costs.
- 5.36 The overall Community & Leisure overspend includes an underspend of £162k in Waste Strategy & Operations. This includes an overspend of £307k in Waste Management (net of the £400k contingency funding) which is due to a combination of factors including additional costs associated with tonnage of waste going to Civic Amenity sites, a shortfall in Commercial Waste income and additional waste collection costs linked to staff cover (sickness absence), partly offset by not purchasing any new vehicles in 2018/19 and thereby generating an underspend on the Revenue Contribution to Capital Outlay (RCCO) budget. The Waste Management overspend is, however, more than offset by an underspend in street cleaning of £464k, primarily due to vacant posts some of which is MTFP in advance for 2019/2020. It should be noted that there is still £400k in the corporate contingency reserve to help fund costs pressures in dry recycling treatment in the 2019/2020 financial year.

- 5.37 Parks, Countryside & Cemeteries services reported an overall overspend of £30k. This includes a £62k underspend in relation to Cemeteries where underspends are ring-fenced to an earmarked reserve to help support future capital investment in cemetery provision. Parks & Countryside reported an overspend of £92k, which was primarily due to additional RCCO costs (revenue contributions to capital outlay) to fund the acquisition of tractors; this was partly offset by additional work and income generated by the Parks Special Team from undertaking work for other departments and various projects.
- 5.38 Leisure & Sports Development Services overspent by £331k, including a £234k overspend in relation to Leisure Centres due to a shortfall in income, partly offset by underspends in operating costs. There was also a net overspend of £154k in relation to Outdoor Education due to overspends in staffing, however these overspends were partly offset by underspends in relation to Central Leisure and HQ costs.
- 5.39 Community Centres underspent by £38k, Building Cleaning generated an underspend of £55k and Vehicle Maintenance & Fleet Management reported an overspend of £12k.

### **Corporate Services – (£1.660m Underspend)**

- 5.40 The final outturn position for the Directorate of Corporate Services is an underspend of £1.660m, prior to the outturn appropriation to Earmarked reserves of £427.5k for Digital Services (Abavus), agreed by Cabinet on 31<sup>st</sup> October 2018. The most significant elements of the underspend are the following: -
- Corporate Finance is reporting an overall underspend of £311k. This relates in the main to delays in appointing to vacant posts, vacancies that have been held to support MTFP savings requirements and additional one-off grant funding.
  - Legal & Governance is reporting a net underspend of £265k due to delays in filling posts and withholding vacancies pending the appointment of the new Head of Service and a restructure. This net underspend position is after the agreed transfers to earmarked reserves for underspends in Members Services and Election Services
  - Business Improvement Services is reporting an overall underspend of £192k. This includes a £41k underspend due to the delay in filling the Interim Head of Service post, a £48k underspend in the Policy budget, an underspend in Equalities of £78k, an underspend of £33k in Community Safety Partnerships, and an overspend of £7k in the Performance Management Unit. These underspends are partly due to MTFP savings in advance and the reduced need for external translation costs as vacant translator posts became filled.
  - There is an overall underspend of £241k for Customer & Digital Services. Information Technology is reporting an underspend of £10k, Procurement an underspend of 147k (due in the main to vacancies) and Central Services an underspend of £132k, also due to vacancies (some of which were being held to support MTFP savings in advance). These underspends were partly offset by Customer Services which is reporting an overspend of £49k.
  - For People Services there is a combined underspend of £374k. The main elements of this are a £181k underspend in Human Resources due in the main to vacancies being held to support the MTFP, an overspend in Communications of £77k largely due to reduced income levels, and an underspend of £277k in the Health & Safety budget due to additional income and vacant posts being held to support the MTFP.
  - Corporate Property Services is reporting a net underspend of £159k. The main variances are an overspend of £330k on maintenance budgets and a £4k overspend on energy, which was offset by underspends of £64k on Estates, £37k on Non-Operational Properties, £232k on Corporate Facilities and £139k on Building Consultancy. The Facilities underspend is due in the main to the successful lease agreement on Ty Duffryn which is also a MTFP savings in advance for the 2019/20 financial year.
  - Other budgets within Corporate Services are showing a net underspend of £84k.

- General Fund Housing Services is reporting a net £20k underspend. Overspends in providing housing advice and temporary accommodation have been offset by salary savings in the Allocations budget and Community Wardens recharges. Annual renewal funds for Ty Croeso and Ty Fesen have not been appropriated this year due to insufficient resources.
- Private Housing is reporting a £13k underspend. The recovery of agency fee income has remained a concern throughout the year and there was a shortfall against budget of £51k. This was offset by underspends against salary budgets.

### **Miscellaneous Finance - (£3.355m Underspend)**

5.41 Budgets in Miscellaneous Finance underspent by £3.355m, prior to the agreed transfer of funds to earmarked reserves. The most significant elements of the underspend are: -

- An underspend of £1.089m on Capital Financing budgets mainly due to the following:-
  - Assumed borrowing in 2018/19 being deferred to 2019/20, this includes the 21<sup>st</sup> Century Schools and HRA, partly offset by a reduced contribution from HRA for the debt costs due to the deferred borrowing.
  - Improved returns on investments.
- Pension Contributions for former Authorities - £91k underspend.
- Bank Charges and External Audit Fees - £100k underspend.
- Additional one-off income of £314k.
- NNDR Authority Empty Properties - £584k underspend due in the main to one-off prior year reductions in valuations
- An underspend of £119k on the City Deal programme due to deferred borrowing requirements.
- HMRC VAT Rebate on Leisure Facilities of £792k (transferred to a Capital Earmarked Reserve as previously agreed by Cabinet).
- Balance Sheet Review - £336k.

### **Council Tax Collection – (£1.412m Surplus)**

5.42 This represents an increase of £12k above the assumed level of £1.4m for the 2018/19 financial year.

### **Housing Revenue Account (£5.461m Underspend)**

- 5.43 £1.3m of the Housing Revenue Account (HRA) underspend is in the Building Maintenance budget, in particular the cyclical budget (£415k) and revenue projects (£850k). A further underspend of £1.8m is reported on non-pay budgets including Housing Response, Bad Debt Provision and various departmental projects.
- 5.44 £749k of the HRA underspend is in Capital Financing Recharges due to lower interest rates than projected and the assumed level of borrowing in-year was not required until later in the year. A further £833k of the underspend is due to salary savings, mainly from the turnover of staff throughout the year. Income achieved was slightly higher than budgeted (£179k) and the WHQS delivery team reported a £590k underspend due to vacant posts within the year which directly benefitted the WHQS programme as it resulted in less fees being recharged to capital.
- 5.45 The HRA allocated £16.9m as a contribution towards the Welsh Housing Quality Standard (WHQS) Programme during the 2018/19 financial year.
- 5.46 HRA Working Balances stood at £4.6m at the start of 2018/19 all of which was utilised to fund the WHQS programme. The in-year surplus of £5.4m will replenish these balances and will be earmarked for the 2019/20 WHQS Programme. £99k has also been added to earmarked provisions to assist with Welfare Reform.

## **Housing Revenue Account (HRA) Capital**

- 5.47 Total expenditure on the HRA Capital Programme for 2018/19 was £51.9m, which is the highest level of expenditure since the WHQS programme began. This expenditure was funded from the £7.4m Major Repairs Allowance (MRA) received from the Welsh Government (WG), revenue contributions from the HRA of £16.9m, HRA balances of £4.6m and the remaining funding of £23m from borrowing. This is the first year that borrowing has been required to fund the WHQS programme.
- 5.48 85% of the housing stock has now received internal WHQS work and 71% has received external WHQS work. Full WHQS compliance has been achieved on 57% of properties, with 100% full compliance on target to be achieved by December 2020. As we head into the final stage of the WHQS programme we are anticipating a £261m total capital spend, of which circa 20% will be funded from the MRA (£52m), 22% from borrowing (£58m), and the remaining 58% (£151m) will have been funded directly from the HRA.
- 5.49 January 2019 saw The Right to Buy (Wales) Act abolished. During 2018/19 53 council homes were sold resulting in a useable (25%) capital receipt of £1.1m. This will be earmarked for supporting the Welsh Government's agenda of increasing affordable housing supply.

## **General Fund Capital Programme**

- 5.50 The General Fund Capital Programme for 2018/19 resulted in total targeted spend of £64.2m after including all in-year grant allocations and Section 106 monies. An amount of £37.6m remains unspent at the financial year-end, the majority of which represents slippage that will be carried forward into the 2019/20 financial year. The most significant areas of slippage relate to the Engineering Division £6.2m (of which £0.5m is Section 106 monies); Social Services £3.2m; Education £4.2m; Community & Leisure Services related schemes £2.1m (of which £0.3m is Section 106 monies); Land Reclamation £2.1m; Property Services £0.6m; Corporate Services £14.6m; Urban Renewal £1.7m; Public Protection £0.2m and Private Housing £2.7m.
- 5.51 The 2018/19 Capital Outturn Report will be prepared for the Policy & Resources Scrutiny Committee on the 1<sup>st</sup> October 2019.

## **General Usable Service Reserves**

- 5.52 As outlined in paragraph 5.3, after adjusting for earmarked reserves 50% of underspends are carried forward by Directorates and are available to meet the requirements of these service areas in subsequent financial years. The table below provides a summary of the reserves arising from cumulative Directorate underspends along with projected balances after taking account of the approved use of reserves in 2018/19 and the current approved use of reserves for 2019/20:-

<b>Service Area</b>	<b>Opening Balance (01/04/18) £m</b>	<b>In-Year Movement 2018/19 £m</b>	<b>Closing Balance (31/03/19) £m</b>	<b>Approved Use Of Reserves £m</b>	<b>Projected Balance (31/03/20) £m</b>
<b>Education &amp; Lifelong Learning</b>	<b>0.919</b>	<b>(0.349)</b>	<b>0.570</b>	<b>(0.071)</b>	<b>0.499</b>
<b>Social Services</b>	<b>1.875</b>	<b>0.453</b>	<b>2.328</b>	<b>0.00</b>	<b>2.328</b>
<b>Environment</b>	<b>0.733</b>	<b>(0.216)</b>	<b>0.517</b>	<b>(0.196)</b>	<b>0.321</b>
<b>Corporate Services</b>	<b>1.700</b>	<b>0.128</b>	<b>1.828</b>	<b>(0.018)</b>	<b>1.810</b>
<b>Totals: -</b>	<b>5.227</b>	<b>0.016</b>	<b>5.243</b>	<b>(0.285)</b>	<b>4.958</b>

5.53 The Policy & Resources Scrutiny Committee receives an annual report on usable reserves and the next report has been scheduled for the 14<sup>th</sup> January 2020.

## **Conclusion**

5.54 Despite the ongoing challenges faced by the Council the financial position has been well managed during the 2018/19 financial year. This will become much more difficult moving forward as further savings of circa £44m are anticipated for the four-year period 2020/21 to 2023/24.

## **6. ASSUMPTIONS**

6.1 Some accounting assumptions have been made in respect of sums payable and receivable at year-end in accordance with best accounting practice and guidance.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

7.1 The Provisional Outturn Report encompasses all the resources used by the Council to achieve its strategies.

7.2 Effective financial planning and maintaining expenditure within approved budgets support the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015: -

- A prosperous Wales.
- A resilient Wales.
- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.
- A Wales of vibrant culture and thriving Welsh Language.
- A globally responsible Wales.

## **8. WELL-BEING OF FUTURE GENERATIONS**

8.1 Effective financial planning and the management of expenditure within approved budgets are key elements in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

## **9. EQUALITIES IMPLICATIONS**

9.1 There are no direct equalities implications to this report in terms of the financial information being presented for 2018/19.

## **10. FINANCIAL IMPLICATIONS**

10.1 As detailed throughout the report.

## **11. PERSONNEL IMPLICATIONS**

11.1 There are no direct personnel implications arising from this report.



## 12. CONSULTATIONS

12.1 There are no consultation responses that have not been reflected in this report.

## 13. STATUTORY POWER

13.1 Local Government Act 1972.

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Consultees: Corporate Management Team  
Cllr Barbara Jones, Deputy Leader & Cabinet Member for Finance, Performance and Governance  
Mike Eedy, Finance Manager, Environment  
Andrew Southcombe, Finance Manager, Corporate Finance  
Jane Southcombe, Financial Services Manager, Education & Lifelong Learning  
Mike Jones, Interim Financial Services Manager, Social Services  
Lesley Allen, Principal Accountant, Housing  
Rob Tranter, Head of Legal Services & Monitoring Officer

Background Papers:

Stephen Harris (Ext. 3022) – Final Accounts working papers for 2018/19.

Appendices:

Appendix A - Provisional Outturn Summary 2018-19

Appendix B - Movement on General Fund

Gadewir y dudalen hon yn wag yn fwriadol

## PROVISIONAL OUTTURN 2018-19

## SUMMARY

SERVICE AREA	UNDERSPEND (OVERSPEND) £'000'S	TAKE TO GENERAL FUND £'000'S
Education & Lifelong Learning	(349)	0
Social Services	1,924	962
Communities	234	27
Corporate Services	1,660	158
Miscellaneous Finance	3,355	2,531
Council Tax Surplus	1,412	1,412
<b>TOTALS</b>	<b>8,236</b>	<b>5,090</b>

OTHER	UNDERSPEND (OVERSPEND) £'000'S	TAKE TO GENERAL FUND £'000'S
Housing Revenue Account (HRA)	5,461	N/A
Schools	(550)	N/A
<b>OVERALL TOTAL SURPLUS</b>	<b>13,147</b>	<b>5,090</b>

Service area surpluses are subject to a 50% take to General Fund balances after specific agreed earmarking of funds.

Miscellaneous Finance has been subject to specific previously agreed earmarking of funds prior to transfer to working balances.

Council Tax surpluses are transferred in total to General Fund balances.

School and HRA balances must be ring-fenced to those service areas.

Gadewir y dudalen hon yn wag yn fwriadol

**MOVEMENT ON GENERAL FUND**

	£000's	£000's
<b>Opening Balance 01/04/2018</b>		<b>13,200</b>
<b>Use of Funds as Previously Agreed by Council: -</b>		
MTFP Savings Delivery Fund	(1,800)	
Budget Strategy Contribution 2018/19	(1,400)	
<b>Total Funds Taken In-Year</b>		<b>(3,200)</b>
<b>Funds Transferred into General Fund: -</b>		
Social Services, - 50% of 2018/19 Underspend	962	
Communities – 50% of 2018/19 Underspend	27	
Corporate Services – 50% of 2018/19 Underspend	158	
Miscellaneous Finance – 2018/19 Underspend	2,531	
Council Tax Surplus 2018/19	1,412	
<b>Total General Fund Contribution 2018/19</b>		<b>5,090</b>
<b>Total In-Year Movement</b>		<b>1,890</b>
<b>Closing Balance 31/03/2019</b>		<b>15,090</b>
<b>2018/19 Commitments Previously Agreed by Council :-</b>		
2018/19 Council Tax Surplus to Support 2019/20 Budget	(1,050)	
		<b>(1,050)</b>
<b>Anticipated Closing Balance 31/03/2020</b>		<b>14,040</b>

Gadewir y dudalen hon yn wag yn fwriadol



## CABINET – 12TH JUNE 2019

**SUBJECT: FUTURE CAERPHILLY TRANSFORMATION STRATEGY -  
#TEAMCAERPHILLY – BETTER TOGETHER**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE  
SERVICES**

- 
- 1.1 The attached report and appended '*#TeamCaerphilly – Better Together*' Transformation Strategy was considered by the Policy and Resources Scrutiny Committee on 28th May 2019, prior to its presentation to Cabinet.
  - 1.2 Members were advised that the Transformation Strategy provides details of a new whole-authority operating model for the Council that examines how services are prioritised, how they can become more business efficient, explores opportunities for greater customer focus and digital delivery, considers alternative delivery models and opportunities to take a more commercial approach to service delivery.
  - 1.3 *#TeamCaerphilly – Better Together* has been developed in view of the significant challenges faced by the Authority and the need to establish a new way of thinking to deliver services to residents in the future. The Strategic Action Plan attached to the Strategy provides details of the forward work programme and activities to deliver on the key elements of the new operating model.
  - 1.4 Officers explained that the Strategy will support the successful delivery of outcomes, continue the provision of high quality, resilient, value for money services in an environment that will require new approaches and new skills, and build a new relationship with staff and communities. The Strategy recognises the Council's commitment to public services and the needs of citizens, whilst also demonstrating a commitment to explore commercial and investment opportunities to generate income that can be reinvested in services to help them remain resilient. The strategic programme of "whole-authority" work will be delivered through a number of key themes (set out in Section 5.8 of the report) to underpin this new operating model.
  - 1.5 In view of the need to ensure sufficient capacity to help drive forward the new approach, the report proposed the appointment of three Transformation Managers, initially on fixed-term contracts for a period of two years. The new ways of working will lead to efficiencies, savings and additional income to help the Authority deal with continuing financial challenges, and in that regard the posts should be seen as an 'invest to save' approach.
  - 1.6 Ms Lianne Dallimore (Unison) addressed the Scrutiny Committee in respect of the proposals, and explained that Unison welcomed the Strategy as a means to protecting livelihoods and services for communities during these challenging times, as well as the key aims to build a relationship with staff and explore different ways of working. Ms Dallimore expressed a need for the "culture book" being developed as part of the Strategy to emphasise a two-way relationship and to incorporate the expectations of employees in addition to the Council's own expectations of its staff already being included. Unison urged caution regarding the embracing of new digital technologies, were of the view that outsourcing should be avoided in all forms, and that the Council should have regards to the existing workloads of staff in its development of a corporate volunteering policy as part of the Transformation Strategy.

- 1.7 During the course of the ensuing discussion, Officers confirmed that the proposed fixed-term posts would be advertised both internally and externally to attract the highest possible calibre of candidates. A Member referred to queries on the report that he had emailed to the Interim Head of Business Improvement Services, the responses to which had subsequently been circulated to all Members of the Scrutiny Committee. Concerns were expressed regarding the cost of the fixed-term posts (£425k) and the effect on public perception in view of the savings needed to support the Medium-Term Financial Plan. It was also suggested that the Scrutiny Committee should have greater involvement in monitoring the success of the posts and the delivery of the Transformation Strategy, such as setting up a Task and Finish Group.
- 1.8 Officers emphasised the need for investment in order to drive forward the ambitious transformation programme, and reiterated the intention of the 'invest to save' approach for the posts. It was noted that progress against the Strategic Action Plan will be reviewed quarterly by the Corporate Management Team (in its capacity as the #TeamCaerphilly Project Board). Six-monthly progress reports will also be presented to Cabinet, and the Scrutiny Committee will receive an annual progress report. It was suggested that the Scrutiny Committee might wish to recommend that the six-monthly progress reports be brought for their consideration. Additionally, one-off investments to pump-prime the service changes required will be supported by robust businesses cases and subject to further Cabinet reports as they arise.
- 1.9 It was confirmed that the GMB union had also responded positively to the Transformation Strategy and no representation had been received from other unions. Discussion took place regarding the exploration of commercial and investment opportunities and Officers confirmed that specific proposals in these areas moving forward would be presented to the Scrutiny Committee prior to consideration by Cabinet. Members also discussed the high expectations associated with the new posts and the positive contribution and benefits that these appointments could make to the delivery of the Strategy. Officers confirmed that the success of the posts would be monitored and the contracts reviewed after the initial fixed-term period of two years.
- 1.10 Following consideration of the report and in noting the content of the Strategy and Strategic Action Plan, and in endorsing an additional recommendation for the six-monthly progress report to be brought to the Scrutiny Committee, the Policy and Resources Scrutiny Committee by the majority present (and in noting there was 1 against) recommended to Cabinet that:-
- (i) the content of the Strategy and Strategic Action Plan as appended to the report be noted;
  - (ii) £425k be set aside to fund three fixed-term posts for an initial 2 years, to provide the additional capacity required to support the delivery of the Strategy;
  - (iii) the £425K for the proposed three fixed-term posts be funded from the £1.8m earmarked reserve approved by Council on 31<sup>st</sup> July 2018, which was established to provide funding for one-off costs associated with delivering savings to support the Medium Term Financial Plan;
  - (iv) the six-monthly progress reports on the Transformation Strategy be brought to the Policy and Resources Scrutiny Committee ahead of consideration by Cabinet.
- 1.11 Cabinet are asked to consider the report and the above recommendations.
- 1.12 Cabinet are advised that attached at Appendix A is the amended Transformation Strategy which reflects minor changes to the graphics.



Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix A Updated Transformation Strategy

Appendix B Report to Policy and Resources Scrutiny Committee on 28th May 2019 -  
Agenda Item 8

Gadewir y dudalen hon yn wag yn fwriadol

# #TeamCaerphilly BETTER TOGETHER

A new “whole-authority” operating model to ensure a resilient Caerphilly County Borough for the future



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# 1 FOREWORD

Our core purpose is to support sustainable and resilient communities across the County Borough. For the last few years we have managed the tension between reduced funding and the growing demands for services. The disparity continues to increase, and to thrive within this new environment, demands a new way of thinking. We are a strong, resilient Council with a detailed knowledge of our people and place, so we are well placed to rise to the challenge and seize the opportunities our journey of transformation will bring.

We need to be assured that we are providing services that meet the diverse needs of our people, which are sustainable, efficient and effective with the full support of our communities. We must also find our place within an ever more complex set of relationships which are now needed between the public and private sectors, community and place. We provide over 800 services to the citizens of Caerphilly and there are many demands placed upon them: -

- The financial challenge and the need to deliver more with less;
- Our ageing population who want to be able to live in their own homes whilst managing complex health needs;
- Our varied communities and the gap we have between poverty and prosperity underlying the need for high quality jobs and an attractive local environment;
- Climate change and increasing energy costs, which demands a focussed approach to green energy; and finally
- The fast pace of digital technology, which can offer so many opportunities to change the services we provide and how we work with our communities.

A simple response to these challenges might be to reduce service provision and staff numbers - an approach we are trying to resist. Our current organisational operating model is described as "traditional", but it has served us well. However, we now have to stretch ourselves, to think about the future and how our County Borough will look in the next decade and beyond.

The challenge is big but the opportunities to re-purpose and re-shape the Council and the County Borough are even greater!

Our transformation journey must happen at scale and at pace, and our core principle that underpins this movement is a Council that has a **Social Heart and a Commercial Head**.

We must be bold and brave. We must be able to anticipate future opportunities and be ready to make the most of them. We need to ensure we are ready for the challenges facing us.

This 'whole organisation' new operating model is being launched as **#TeamCaerphilly - Better Together**. It has a clear purpose: *"to create capacity and foresight to develop solutions to some of the County Borough's biggest challenges, ensuring the Council understands and responds to the changing needs and priorities of our communities"*.

The programme takes us initially to our first key milestone of 2022 (to coincide with the current administration) and then beyond. It will consider everything we do and how we will do it in the future.

Real impact can only be made if we are all working towards the same objectives together and this is where the power of **#TeamCaerphilly** will really work. We all love and cherish our County Borough and we all have an equal role to play in shaping it - whether you are an individual, a business, a school, a community group, a Councillor, or Council official - we each have a vested interest in making our people and place successful.

This is our collective call to action and we're confident that through working together as **#TeamCaerphilly**, we have a real opportunity to thrive.



**Cllr David Poole**  
Leader

**Christina Harry**  
Interim Chief Executive

# 2 INTRODUCTION

The authority is embarking on a major transformation programme to examine how services are prioritised, how they can become more business efficient, to explore opportunities for greater customer focus and digital delivery and to consider alternative delivery models and seek out commercial opportunities.

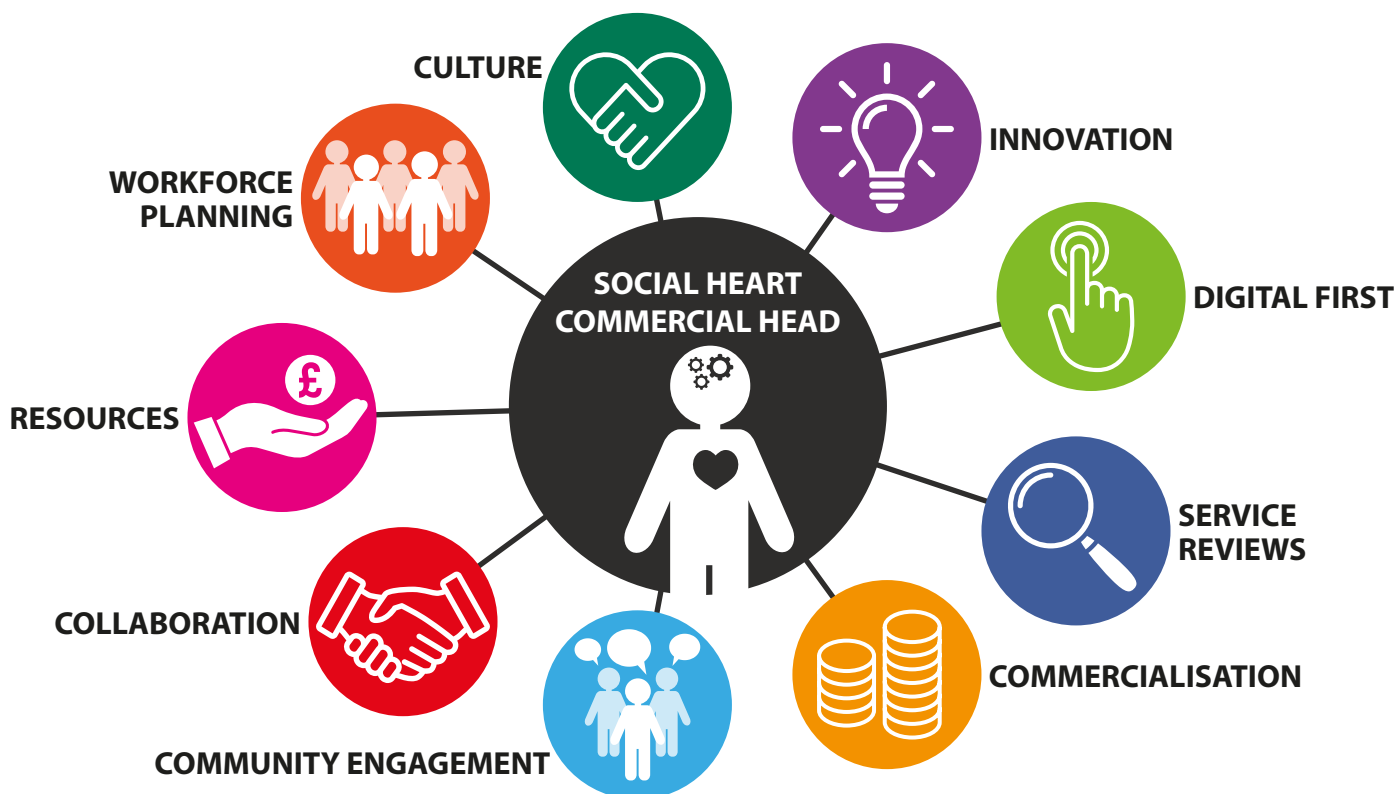
To enable us to continue providing high quality value for money services in an environment that will require new approaches and new skills, we will also need to build a new relationship with our staff and our communities.

This ambitious programme of change articulates the combined vision of the Cabinet and the Corporate Leadership Team and has been developed over the last 12 months. In making this Strategy a reality, courageous political and officer leadership will be essential to ensure that we successfully deliver the outcomes that we are aiming to achieve.

Our transformation strategy **#TeamCaerphilly - Better Together** is multifaceted and is based on a range of key components that will underpin everything that we do and will be fully embedded into our new operating model (see diagram below).

The outcomes we aim to achieve are: -

- To have strong working relationships with our communities and partners to maximise the use of our collective resources to ensure a resilient county borough for the future.
- To embed a new operating model that will encourage innovative approaches to service delivery and ensure that we are making the best use of our resources.
- To help close the gap between poverty and prosperity through improving educational attainment and stimulating the local economy to create high quality jobs.



- To make Caerphilly County Borough a better place to live, work and visit.

The case for change is well understood. Since the 2008/09 financial year the Council has cut over £100 million from its budget due to the ongoing programme of austerity and further savings totalling circa £44 million are anticipated for the four-year period 2020/21 to 2023/24.

This, coupled with the rising demands associated with an ageing population, helping people with complex health needs to remain in their own homes, the gap between poverty and prosperity, climate change and digital advancement, demands a new approach that enables us to deliver “more with less”.

To date the Council has responded to the financial challenge with limited impact on front-line services. However, in planning for the future of the County Borough we know that the needs of our communities are changing and that the demographic profile of our population is shifting. For example, by 2036 the number of people living in the County Borough over the age of 85 will increase by 119%.

We know that future jobs, skills, employment and education will be underpinned by technology. The Cardiff Capital Region City Deal will provide the most important opportunity for stimulating the local economy for generations to come. Employment leads to prosperity and equality of opportunity.

We have a duty to be globally responsible in everything we do and we must deliver our services in an efficient, effective and sustainable way.

Our partners are operating in similarly challenging environments and we need to maximise our collective abilities through working in collaboration across the public, voluntary and community sectors.

We are redefining our vision and values as an organisation. Our operating principles will need to change to meet our vision for the future. We are developing a new set of values and our staff have been actively engaged in this

exciting opportunity for positive change. We will help them with this through new support and development practices.

We have identified the key local authority projects that will increase our resilience and we will deliver these through robust programme management. Our recently adopted *Sport and Active Recreation Strategy* is a good example of our future approach - consolidating and supporting viable services into the future.

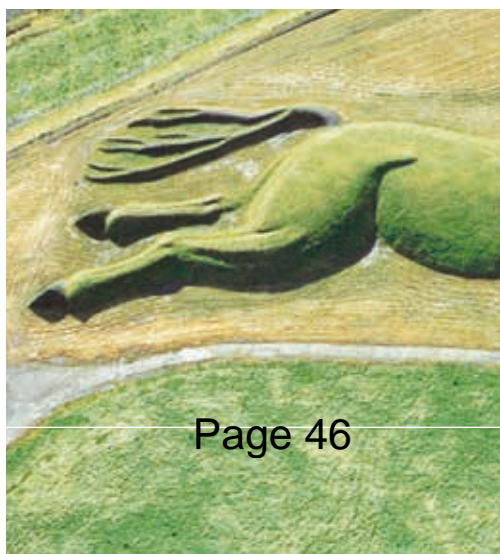
The Council is committed to protecting vulnerable people and providing services as equitably as possible across the whole of the county borough. However, we must be more commercially minded in our approaches to service provision and look for opportunities to increase income that can be reinvested in services.

The way in which we interact and engage with our communities must be more meaningful and integrated fully into our strategies, so our current approach will need to change. We have to manage the expectations of our communities and we must develop a mutual understanding that we simply cannot deliver services in the same ways that we always have. We will listen carefully to the views of our communities in shaping future services and we will explain the rationale behind any decisions made.

Tough choices will need to be made and we will need to prioritise essential services. We will be open and honest in how we make these choices and we want our communities and staff to be part of the discussion.

Our staff are a dedicated and valued resource and we will ensure that we support and equip them with the required skills and competencies they will need to ensure the successful delivery of the new operating model that will underpin this transformation programme.

# 3 OUR VISION AND PURPOSE





The Council's current Cabinet will lead the administration until the next local government elections in May 2022. The Cabinet launched a set of commitments to the organisation, to staff and to communities early on in its tenure, which are incorporated into the Council's Corporate Plan 2018-2023.

**The Cabinet commitments are: -**

- We will always do our best to protect jobs and services within the current challenging financial climate.
- We will build on Caerphilly County Borough Council's reputation as an innovative, high performing local authority.
- We will ensure we have an engaged and motivated workforce.
- We will always strive to ensure Caerphilly County Borough Council delivers value for money in everything it does.
- We will help protect the most vulnerable people in our society and make safeguarding a key priority.
- We will always welcome feedback and consider the views of residents, staff and other key stakeholders.
- We will be open, honest and transparent in everything we do.

These commitments will be an integral element of the emerging service transformation programme, and future changes to service delivery models will also need to align with the 6 Well-being Objectives set out in the Corporate Plan 2018-2023, namely: -

- Improve education opportunities for all.
- Enable employment.
- Address the supply, condition and sustainability of homes throughout the County Borough and provide advice, assistance or support to help improve people's health and well-being.
- Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment.
- Creating a County Borough that supports a healthy lifestyle in accordance with the

sustainable development principle in the Wellbeing of Future Generations Act.

- Support citizens to remain independent and improve their well-being.

Our Well-being Objectives are reflected in, and support, those of our partners on the Caerphilly Public Services Board. Across the public and voluntary sector we are working in collaboration to secure the well-being of our future generations.

The new operating model has a clear purpose - *"to create capacity and foresight to develop solutions to some of the County Borough's biggest challenges, ensuring the Council understands and responds to the changing needs and priorities of our communities"*.

The real strength and impact of the new approach set out in our transformation strategy will only be realised if we are all collectively working towards the same aims and objectives. We have approximately 9,000 staff across the Council and we serve approximately 180,000 residents. We have a significant business community located across the County Borough, 86 schools and many community groups.

'Working Together for the Good of All' has been the authority's mission statement since it was created in 1996. This concept is still relevant, but is now mainly used in a civic context.

We are all very proud of our County Borough and each of us has an equal role to play in helping shape it. It is this collective approach that we wish to harness and reinforce through our new delivery approach as **#TeamCaerphilly - Better Together**.

Our new approach will reflect the 'team ethos' that we will instil throughout the organisation and indeed the wider County Borough and our communities.

# 4 OUR NEW OPERATING MODEL

**#TeamCaerphilly - Better Together** is a strategic programme of “whole-authority” transformational change delivered through a new operating model for the way that we provide services.

We will need to move away from traditional models of service delivery, embrace change, be prepared to innovate and take well managed risks. We will also need to modernise through harnessing emerging technologies and fully engaging with our workforce and communities.

At the core of this programme of change will be our new mantra of **Social Heart and Commercial Head**. This recognises our commitment to public service and the needs of our citizens, but also demonstrates a commitment to explore commercial and investment opportunities, where appropriate, to generate income that can be reinvested in services to help them remain resilient.

This strategic programme of “whole-authority” work will be delivered through the following key themes: - (see diagram below)

These key themes will underpin the new operating model for the Council and alongside this over the next 3 years we will begin to re-shape our communities across the County Borough through an integrated, but focused programme of transformation, which will include: -

- The completion of a £261m physical improvement programme to our housing stock by 2020, through the delivery of the Welsh Housing Quality Standard (WHQS). Using Phase 2 of the emergent WHQS programme we will continue to invest in our existing housing stock to provide high quality, energy efficient, affordable homes for life. This will be further enhanced with an exciting and innovative new build programme.



- Implementing the Shared Ambitions Strategy to raise standards and ensure our learners are healthy, confident, proud and ambitious and can benefit from high quality educational opportunities, settings and experiences.
- The commencement of the second phase of the 21st Century schools programme, providing £110m of new educational facilities.
- Delivering the Council's emerging Digital Strategy by opening the Digital Front Door and introducing a wide ranging digital transformation programme that transforms every aspect of service delivery.
- The provision of a new Children's Centre, which will be a "state of the art" centre of excellence providing respite care and therapeutic services for our vulnerable children and their families.
- Continuing the delivery of the Sports and Active Recreation Strategy, providing a sustainable approach to leisure and physical activity provision.

- The introduction of an integrated "one-stop shop" public service offer located within the heart of our communities, through the provision of strategically located integrated hubs, enhancing our engagement and service offer to the public.
- An exciting programme of economic, social and environmental investments to enable inclusive growth and opportunity across the County Borough, that aligns and positions us firmly with the City Region's economic ambitions. This will also include maximising our Green energy credentials through effective and innovative use of our assets.
- Making best use of our financial resources through a managed "risk-based" investment approach to enable delivery of the programme.

Robust governance and programme management arrangements will be established to ensure that key milestones are agreed to support the successful delivery of these key strategic projects.



# 5 CREATING THE RIGHT ORGANISATIONAL CULTURE

Our new ways of working will require a resetting of our culture and effective, purposeful political and officer leadership to drive the ambitious change agenda forward. Employees and Elected Members at all levels need to understand why the organisation is changing, and they will also need to embrace a culture that will help shape the way the Council delivers in the future. They are the key enablers and the success of our transformational journey is dependent on the 'buy in' and support from our workforce.

It is important that every employee understands where they fit within their own service areas and within the wider organisation. Each service area is developing their own purpose statements, that will help staff at all levels better understand the key role they play in the **#TeamCaerphilly** ethos.

A new **#TeamCaerphilly** Culture Book is in the process of being developed, and this will include purpose statements for each Directorate, along with details of key priorities for service areas.

This Culture Book will be made available in both digital and printed formats, and will also include details of the values and behaviours that we will encourage in our staff to support the culture that we will need to deliver our new operating model.

Whilst there is an implied set of **values and behaviours** that staff are expected to observe (as outlined in the Council's Code of Conduct), we do not have a 'user friendly' reference tool which outlines the day-to-day values and behaviours that the Council expects from its employees in the workplace.

The Culture Book will be an a key reference source for staff, as well as being a useful management tool to be used during staff inductions, 1-2-1 meetings and performance development reviews etc.

Following a series of Staff Roadshows in 2018, staff told us the type of environment they wanted to work in and what was important to them: -



We will honour this in our interactions with our staff. Communication of the vision for the authority and the values and behaviours that we share will be key to transforming the authority, and this will be captured in our Culture Book.

We have already shared a new set of values and behaviours with our staff at various internal engagement events, and these will now be fully embedded into our new operating model: -

- **Innovative:** We will empower staff to develop innovative and creative responses to challenges faced within a safe culture of mutual respect.
- **United and Connected:** We share a vision that serves the common good; we will actively collaborate and engage in healthy internal communication.
- **Trusted:** We will act credibly, reliably, and will foster, support and maintain positive relationships.
- **Resilient:** We will build teams that are able to rise to the challenges we face and adapt to any adverse conditions.
- **Open and Transparent:** We will communicate openly, share information, listen and appreciate other perspectives, give prompt feedback and learn from our mistakes.

These values and behaviours complement our already adopted Customer Service Standards, which are that **we will always be:** -



### WELCOMING...

Providing a courteous, positive and lasting impact.



### PASSIONATE...

In our aim to change things for the better.



### DEPENDABLE...

Building long term relationships on trust and transparency.



### FAIR...

We will always strive to do the right thing.



### IN TOUCH...

Interactive and diverse in our communication.

## KEY ACTIONS

Culture Book to be finalised, approved and formally launched with staff

## TIMESCALE

30th November 2019

# 6 ENCOURAGING AND SUPPORTING INNOVATION

We need to challenge existing service models and embrace emerging technologies to increase efficiency and secure value for money.

We will need to learn from best practice nationally and internationally and be prepared to take well managed risks.

We will undertake extensive research to identify successful innovative service delivery models, and alongside this staff will be encouraged to explore alternative ways of providing services through a **Licence to Innovate**.

If staff have good ideas they will be asked to check them against the following criteria: -

- *Is it something we are able to do?*
- *Have the potential risks been considered?*
- *Do we have the money to do it?*
- *Is it the right thing to do for our businesses and/ or our communities?*

**If these criteria are met then staff will have a "Licence to Innovate".**

Full details of the "Licence to Innovate" initiative will be launched at Staff Roadshows that are scheduled to take place during the Autumn.

We will also recognise staff commitment and will introduce a recognition scheme; Striving for Excellence. Often good work goes unnoticed, we want to take the time needed to breathe, look around, and reward the efforts of our workforce.

We want our staff to make suggestions, trial new approaches and contribute to transforming the authority through the Licence to Innovate.

We will recognise, acknowledge and support ideas that drive forward innovation for **#TeamCaerphilly**.

Our new staff mantra will be: - **BE BOLD! BE BRAVE! BE BRILLIANT!**



## KEY ACTIONS

Licence to Innovate initiative to be launched

Striving for Excellence staff recognition scheme to be launched

## TIMESCALE

During staff roadshows (Autumn 2019)

During staff roadshows (Autumn 2019)

# 7 EMBRACING NEW TECHNOLOGIES - “DIGITAL FIRST”

We will need to embrace new technologies to modernise the way that we work, streamline processes, improve workflow and drive out efficiencies.

We will explore opportunities for automation wherever appropriate and will aim to improve the customer experience in interactions with the Council.

During 2018 the Cabinet approved one-off funding of £600k for investment in new technologies and a Customer and Digital Strategy and Strategic Action Plan has been developed which is available on the Council’s website.

The Council will embrace digital as a culture, rather than just technology. We will adopt a learning ethos which will allow us to be open and learn from our mistakes, challenging the status quo to bring about real value public services for our citizens.

It is our aim to keep pace with the growing expectations from the customer for sustainable, effective public services.

Caerphilly will become a Digital Organisation, with clear leadership that will cultivate a “can do” attitude to support all of our stakeholders.

Our Customer and Digital Strategy will be a living programme; flexible, adaptable and alive to the changing environment; modular in nature so that it is easy to review and updated annually in line with developments in the digital landscape.

Our approach will be continuous improvement to bring about real change, and to improve the lives of those who live and work within the County Borough. Where appropriate our interactions with our customers and wider stakeholders will be digital by default.



KEY ACTIONS	TIMESCALE
Customer and Digital Strategy to be approved by Cabinet	12th June 2019
Progress against key actions in the Customer and Digital Strategy to be regularly reported to and monitored by the Digital Leadership Group	Frequency to be agreed

# 8 ESTABLISHING A STRUCTURED PROGRAMME OF SERVICE REVIEWS

We will introduce a structured programme of service reviews that will evaluate the services that we provide and ensure that they remain relevant, and are provided in the most effective and efficient ways to ensure that value for money is being achieved.

The service reviews will also provide an opportunity to generate financial savings and will consider the following as a minimum: -

- *The objectives of each service review.*
- *What is the service being delivered and why do we do it?*
- *Why do we deliver the service in the way that we do?*
- *Who is the service delivered to and does it add value?*
- *What outcomes are being achieved and are*

*they good enough?*

- *What is the current cost of delivery?*
- *How do costs compare with other providers?*
- *How can the service be delivered with less resource?*
- *What are the other options for delivering the service?*
- *Is there potential to eliminate waste and duplication?*
- *Can processes be automated to deliver savings and efficiencies?*
- *Are there opportunities to work with citizens, communities and the third sector to promote further engagement in shared local delivery?*
- *Are there commercial opportunities to generate additional income?*





A consistent approach to service reviews will be adopted, and a service directory will be prepared to provide an evidence base to help identify those services that will be prioritised for review in the early years of the Council's transformation programme.

The programme of service reviews will allow our senior officers, staff and Elected Members to meaningfully engage with decisions about future delivery, aligned to our Medium-Term Financial Plan. To support this we will ensure that our central services (Finance, Human Resources, Procurement, IT Services and Business Improvement) are actively supporting, enabling and challenging programme delivery and performance outcomes.

Where we are considering service changes we will engage fully with our communities, to ensure that their views are part of the decision-making process.

We will define service standards following each review so everyone is clear of what we will deliver and what (if applicable) others will do.

Service Review pilots are currently being undertaken in the Catering Service and the Building Cleaning Service and the learning from these will inform the structured approach that we will adopt moving forward.

KEY ACTIONS	TIMESCALE
Service Review pilots in Catering and Building Cleaning to be completed	31st July 2019
Service Directory to be completed	30th September 2019
Consistent methodology for Service Reviews to be adopted	30th September 2019
Structured programme of Service Reviews to be agreed and implemented	Cabinet approval by 31st October 2019

# 9 ADOPTING A COMMERCIAL APPROACH

Central to our whole-authority programme of transformational change is our new mantra of **Social Heart and Commercial Head**. This recognises our commitment to public service and the needs of our citizens, but also demonstrates our desire to explore commercial opportunities where appropriate, to generate additional income to reinvest in services to help them remain resilient.

The Council provides 'cradle to grave' services to local residents. It supports local enterprise and investment, educates our young people, protects vulnerable people, and is the steward of our environment and infrastructure. Social justice and fairness are at the centre of everything we do.

However, this is a new era for local government, and whilst we will be maintaining our focus

on our customers and essential services, we will need to seek out innovation, find alternative ways of delivering services and adopt a more commercial approach to Council business. We will find and articulate the right balance between our public sector ethos and commercial practices.

As a large local authority we have been able to protect services to a greater extent than many other local authorities in Wales. However, we are on the cusp of a new era for the County Borough and our operating practices must alter so that we can deliver what is needed for our residents and, particularly, our future generations.

The Council must be more commercial and will seek opportunities to generate additional income, and explore investment opportunities



to achieve returns that can help secure future service delivery. We are not considering the largescale outsourcing of services, but will instead focus on a more business-like approach to take advantage of commercial opportunities for the services that we provide.

We will develop a new Commercial and Investment Strategy to create new economic and social networks to recycle economic benefit back to delivering quality services to our communities i.e. Profit for Purpose. This will require new thinking and may be the most challenging aspect of our transformation strategy.

Adopting an entrepreneurial approach will require different skills and attitudes, and we must change our culture to increase our resilience. To facilitate this we will foster and embed an innovative and commercial culture, through a commercial development programme across the Council.

We will also seek nominations for a Cabinet Member to be the Council's Commercial Champion and establish a Commercial Panel that will consider commercial opportunities.

This new thinking will take us beyond income generation into the marketing of our services. The Council, and the professionalism of our staff, are a trusted brand that we will explore as part of the **#TeamCaerphilly** transformation programme. As part of this process we will look at potential trading vehicles that will provide the appropriate platform for us to trade with other public sector organisations and beyond.

Our commercial approach will also involve a review of our current Treasury Management Strategy. This will focus on exploring prudent investment opportunities beyond our traditional approaches, to improve returns that can then be reinvested in services to help them remain resilient.

KEY ACTIONS	TIMESCALE
Nominate a Cabinet Member as the Council's Commercial Champion	12th June 2019
Commercial and Investment Strategy to be drafted and approved by Cabinet	Cabinet approval by 31st October 2019
Establish a Commercial Panel	30th November 2019
Undertake a review of the Council's portfolio of investments	31st December 2019
Explore potential trading vehicles that would allow us to trade with other public sector organisations and beyond	31st March 2020

# 10 ENGAGING AND WORKING WITH OUR COMMUNITIES

Our **#TeamCaerphilly** transformation programme is about reshaping the Council for the future. We must do things differently to protect the services that are required and valued.

We must also acknowledge that the organisation will undoubtedly be smaller and will deliver fewer services, and may deliver its remaining services in a different way.

We want to do this in a considered way, which understands need, considers our communities, plans for what we must deliver, and supports our staff in helping us to do this.

Effective communication and engagement is fundamental to the transformation agenda, and we will achieve this with our communities through the *Caerphilly Conversation*.

We must be open and honest with our communities in order to manage expectations; we want our communities to play a key part in this transformation journey and we want to do this with the support of our residents.

It is important that our communities understand and support the path we have taken; they too will be concerned about services for future generations. We are confident that we have a common understanding that we must look to the future, while upholding our social principles, in order to protect and future-proof our services.

We have already committed to the National Principles for Public Engagement in Wales, and we would like to extend the level of community involvement in our shared aims. We will use the best practice of the International Association of Public Participation to Inform, Consult, Involve, Collaborate and Empower our communities. We will develop a Consultation and Engagement Framework to support this.

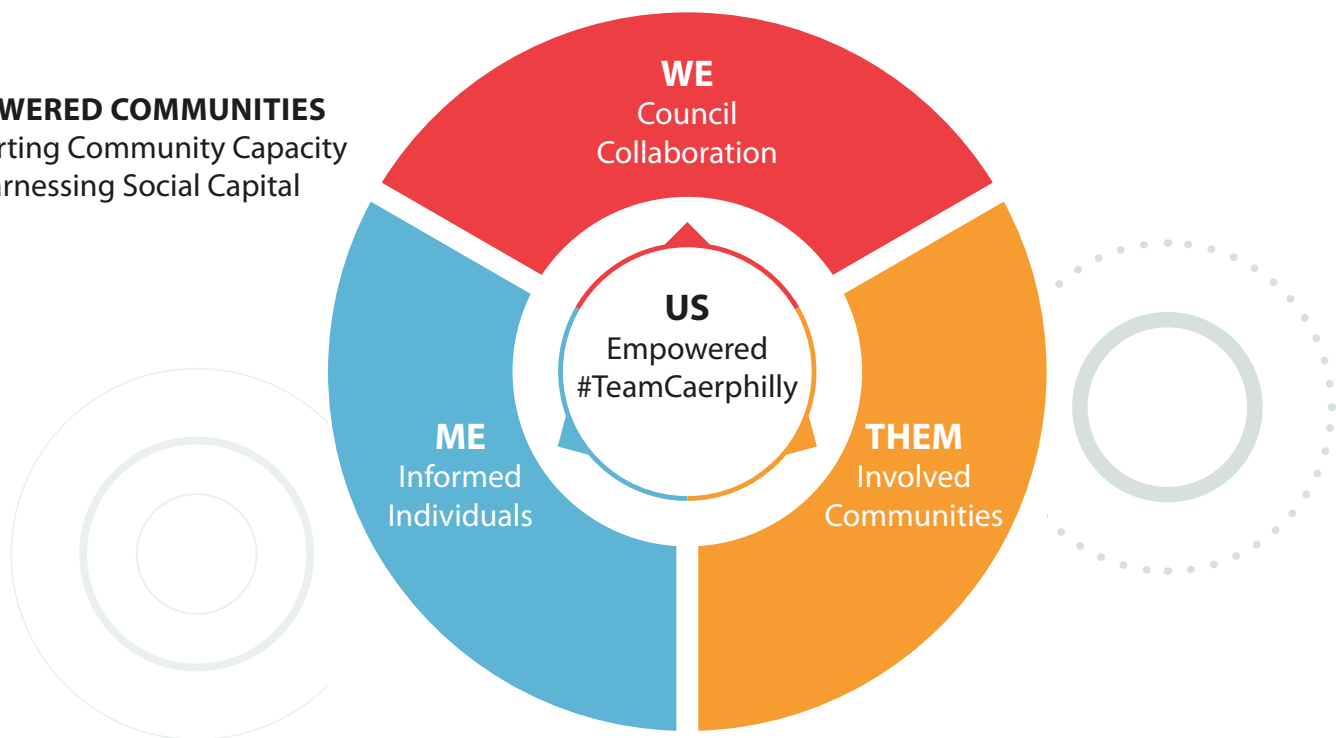
We currently deliver a wide range of discretionary services which our communities have become accustomed to. If we are going to continue to deliver some of these discretionary services in the future (i.e. the things that we don't legally have to do), we will need the help of communities and the voluntary sector to support us in delivering them.

The role of empowered, resilient communities in this transformation journey cannot be underestimated. Whilst these are difficult times, it is also an opportunity to embrace change and develop new ways of delivering Council services, with the support of our communities for the benefit of all.

The South Wales area has a unique sense of community that is not present in many other parts of the UK. It is our social capital; we look out for each other. The **#TeamCaerphilly** ethos must be such that, regardless of who we are - Councillors, staff, residents, the business community, partners, young people etc. - we all have a part to play in doing our bit for the good of our area.

We will work with our communities to encourage them to continue the good practices they already have i.e. practices such as recycling more, not dropping litter, volunteering in their local area, supporting grassroots sport, taking part in environmental clean ups etc. We can all do our bit for Caerphilly County Borough, empowered communities are vital in transforming the County Borough.

**EMPOWERED COMMUNITIES**  
Supporting Community Capacity  
and Harnessing Social Capital



To support this, our transformation strategy will include the principle of encouraging our staff to volunteer to work in the community. Corporate Volunteering is common in the private sector and increasingly so in the public sector. Our staff are passionate public servants, most of who live in the County Borough, who have grown up here, and have families here. They care about the area as much as others in our community. We want to explore the potential to release some of our staff capital

into our communities.

We will also look at the assets we hold and where there is a strong case to do so, we will consider releasing assets for social and community purposes. We will develop a Community Asset Transfer Policy that will be an important part of this new approach, by equipping and empowering our communities to take direct ownership of service delivery where appropriate.

KEY ACTIONS	TIMESCALE
Corporate Volunteering Policy to be developed and initially piloted in one service area	31st December 2019
Community Asset Transfer Policy to be finalised and approved by Cabinet	31st December 2019
Develop a Consultation and Engagement Framework to support empowered communities to come on this journey with us	31st December 2019

# 11

## ACTIVELY SEEKING OPPORTUNITIES FOR COLLABORATION

As part of the transformation programme we will build on existing collaborative frameworks. We will also explore the potential for new collaborative opportunities with other public sector bodies, where there are tangible benefits for our communities and/or the opportunity to reduce costs.

There will be particular emphasis on new opportunities that will help services remain resilient and where there are sound business cases to support proposals to collaborate.

Our approach will be twofold. There may be instances where there is a strong case to collaborate where others will lead; but we will also take well managed risks and seek out opportunities where we feel the council should be the Partner of Choice.

We will also consider how we can share assets with our public sector partners to maximise efficiencies and to explore the development of Community Hubs, which would provide one-stop shops where services from a range of partners can be provided from single locations.

The Council is currently working with the Aneurin Bevan University Local Health Board and Heddli Gwent Police to develop proposals for Community Hubs across the County Borough.



### KEY ACTIONS

### TIMESCALE

Explore potential new collaborative opportunities where the Council can be the Partner of Choice

30th November 2019

Report to be prepared outlining proposals for the development of Community Hubs across the County Borough

31st December 2019



# 12 RESOURCES AND CAPACITY

The scale of the financial challenge facing the Council has already been clearly set out in this Strategy. To meet this challenge the Cabinet has agreed a set of revised *Medium-Term Financial Plan (MTFP) Savings Principles*, which are as follows: -

- We will seek to protect services for the most vulnerable whilst continuing to evaluate all other services.
- We will limit the impact of cuts on front-line services where we can whilst continuing to reduce expenditure and explore opportunities to generate new sources of income.
- We will adopt a longer-term approach to financial planning that considers the impact on future generations.
- We will need to accept that we will not be able to maintain existing levels of service but will introduce more innovative ways of working through the use of emerging technologies.
- We will engage with our communities to understand their needs and explore options to deliver some services through collaboration, partnerships, community trusts etc. to ensure that communities remain resilient and sustainable in the longer-term.

The **#TeamCaerphilly - Better Together** Transformation Strategy aligns with these principles, and developing new ways of working will be a key element in ensuring that the Council remains financially resilient moving forward.

As the various elements of the Strategy are further developed there will be a need for one-off investments to pump-prime the service changes required. Investments will need to be supported by robust business cases clearly demonstrating how the funding will lead to service efficiencies and savings.

There will also be a need to ensure that we have sufficient capacity within the Council to drive forward the ambitious transformation programme to a successful delivery. We will harness the range of skills and experience within our workforce and create opportunities for staff to lead and be involved in various workstreams that will ensure successful delivery of the programme.

The Council's Corporate Policy Unit will be the central point of co-ordination and administration of the transformation programme. Furthermore, the Performance Management Unit has worked with Directorate Management Teams in recent months to introduce a new approach to service planning and performance management. This has resulted in the introduction of new Directorate Performance Assessments, which are designed to provide a 'single source of the truth' and will give insight into the how each Directorate is performing, as well as highlighting any actions that are being taken to drive improvement.

The Corporate Policy Unit will also have a key role to play in terms of researching innovative best practice and sharing this across the Council.

Whilst we will maximise the use of existing staff, there will be a requirement to establish some additional capacity to help drive forward our new approach at pace. It is therefore proposed to appoint three Transformation Managers initially on fixed-term contracts for a period of two years. The individual portfolios for these managers will be:-

- Innovation
- Commercial Investment
- Workforce planning



As we move forward there may be a need for further staffing capacity as the various elements of the new operating model are further developed. However, it is anticipated that this will be on an 'invest to save' basis as

new ways of working will deliver sustainable savings year-on-year.

## KEY ACTIONS

## TIMESCALE

Cabinet approval to be sought to appoint three Transformation Managers initially on fixed-term contracts for a period of two years

Cabinet approval on 12th June 2019

Embed the new Direct Performance Assessments across the Council

Quarterly reporting from June 2019 onwards



# 13 ENSURING THAT WE HAVE A WORKFORCE THAT IS FIT FOR THE FUTURE

Our staff are our most important resource. We have a committed and dedicated workforce that provides excellent services to our communities on a daily basis.

Local government can be a challenging environment in which to work, but the satisfaction of providing good quality local services is rewarding. Our staff are the backbone on which we are able to deliver to a consistent high quality. In return for the commitment of our staff the authority is committed to their development and support.

We expect certain behaviours of our staff, and in return they expect to work in an environment that nurtures their development and provides them with the support they need to do their jobs more effectively, and that recognises the contribution they make.

We have excellent work life balance policies, including a generous flexible working scheme. We have recently adopted a set of agile working principles which will not only be of value to staff, but will also provide the potential to rationalise buildings through new ways of working.

The emerging transformation programme will mean that we will need to change the ways in which we support staff to deliver services. The relationship between staff and their managers will need to be supportive and based on a continuous conversation. Staff will need to be equipped with the right skills to underpin the new ways of working and in some cases staff will need to be retrained to undertake different roles in the Council.

We will review our Staff Appraisal Process and introduce a new Workforce Development Strategy: Better Together, a key component of which will be a robust training and development programme, including leadership and management development, to ensure that we have the right mix of skills and abilities to meet the needs of the Council in the future.



KEY ACTIONS	TIMESCALE
Performance Development Review process to be reviewed	30th September 2019
Workforce Development Strategy: Better Together to be finalised and approved by Cabinet	31st January 2020

# 14 PROGRAMME MANAGEMENT ARRANGEMENTS

Effective programme management arrangements will be an essential requirement to ensure successful delivery of the Transformation Strategy. The key elements will be the following: -

## **Programme Sponsor (Chief Executive)**

To be accountable for the programme, lead the business change and provide top level endorsement of the rational and objectives of the programme.

## **Sponsoring Group (Leadership Team)**

To provide senior level commitment and support for the programme, as well as championing implementation within their respective service areas.

## **Senior Responsible Officer (Head of Business Improvement Services)**

To take day-to-day responsibility for overseeing the implementation of the programme, and ensuring appropriate governance and reporting arrangements are established to monitor the delivery of key actions.

## **Project Board (Corporate Management Team)**

To provide strategic oversight for the programme and support the Senior Responsible Officer in driving and monitoring overall implementation.

The Terms of Reference for the Project Board will be formally signed-off by the Board at its inaugural meeting in July 2019.

## **Programme Co-ordination/Administration**

The Corporate Policy Unit will be the central point of co-ordination and administration for the transformation programme.

Progress against the **#TeamCaerphilly Strategic Action Plan** will be reviewed on a quarterly basis by the Corporate Management Team, in its capacity as the **#TeamCaerphilly Project Board**.

Six-monthly progress reports will also be presented to Cabinet, and the Policy and Resources Scrutiny Committee will receive an annual progress report.

The strategic actions of the transformation programme will also be incorporated into Directorate Performance Assessments, to ensure that there is detailed review and monitoring at Directorate level, with any emerging issues being escalated to the Project Board.



### **KEY ACTIONS**

Terms of Reference for the Project Board to be agreed and formally signed-off

### **TIMESCALE**

July 2019

# 15 THE #TEAMCAERPHILLY STRATEGIC ACTION PLAN

Some of this Transformation Strategy is already in progress.

The **#TeamCaerphilly Strategic Action Plan** attached as Appendix 1 will help us manage the transformation journey, and will allow us to demonstrate our progress.

As the initial high-level strategic actions are brought to fruition, a range of further specific actions, key milestones and measures will emerge. The overarching Strategic Action Plan will be regularly updated to reflect these changes.

We will encourage feedback on the Action Plan and any constructive ideas and suggestions to help us achieve the scale and pace of change that is required.



KEY ACTIONS	TIMESCALE
<p>Progress reports on the Strategic Action Plan to be presented to: -</p> <ul style="list-style-type: none"> <li>• the Project Board on a quarterly basis;</li> <li>• Cabinet on a six-monthly basis; and</li> <li>• the Policy &amp; Resources Scrutiny Committee on an annual basis</li> </ul>	<p>Timescales as shown in 'Key Actions'</p>
<p>Key actions in the Strategic Action Plan to be incorporated into Directorate Performance Assessments</p>	<p>Quarterly</p>

# 16 HOW TO FIND OUT MORE

Visit the Caerphilly County Borough Council website [www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)

For more information on this Strategy, please contact us on **01443 811365**, or e-mail us [policyteam@caerphilly.gov.uk](mailto:policyteam@caerphilly.gov.uk)



# THE #TEAMCAERPHILLY STRATEGIC ACTION PLAN

No.	ACTION	POLITICAL/OFFICER LEADS		TIMESCALE
<b>CREATING THE RIGHT ORGANISATIONAL CULTURE (SECTION 5): -</b>				
1.	Culture Book to be finalised, approved and formally launched with staff	Leader	Chief Executive	30th November 2019
<b>ENCOURAGING AND SUPPORTING INNOVATION (SECTION 6): -</b>				
2.	Licence to Innovate initiative to be launched	Leader	Chief Executive	During Staff Roadshows (Autumn 2019)
3.	Striving for Excellence staff recognition scheme to be launched	Leader	Chief Executive	During Staff Roadshows (Autumn 2019)
<b>EMBRACING NEW TECHNOLOGIES – “DIGITAL FIRST” (SECTION 7): -</b>				
4.	Customer and Digital Strategy to be approved by Cabinet.	Cabinet Member for Corporate Services	Head of Customer and Digital Services	12th June 2019
5.	Progress against key actions in the Customer and Digital Strategy to be regularly reported to and monitored by the Digital Leadership Group	Cabinet Member for Corporate Services	Head of Customer and Digital Services	Frequency to be agreed
<b>ESTABLISHING A STRUCTURED PROGRAMME OF SERVICE REVIEWS (SECTION 8): -</b>				
6.	Service Review pilots in Catering and Building Cleaning to be completed	Cabinet Member for Environment and Public Protection	Head of Business Improvement Services	31st July 2019
7.	Service Directory to be completed	Leader	Chief Executive	30th September 2019

No.	ACTION	POLITICAL/OFFICER LEADS		TIMESCALE
8.	Consistent methodology for Service Reviews to be adopted	Cabinet Member for Finance, Performance & Governance	Head of Business Improvement Services	30th September 2019
9.	Structured programme of Service Reviews to be agreed	Cabinet	Head of Business Improvement Services	Cabinet approval by 31st October 2019
<b>ADOPTING A MORE COMMERCIAL APPROACH (SECTION 9): -</b>				
10.	Nominate a Cabinet Member as the Council's "Commercial Champion"	Cabinet	Head of Business Improvement Services	12th June 2019
11.	Commercial and Investment Strategy to be drafted and approved by Cabinet	Leader	Chief Executive	Cabinet approval by 31st October 2019
12.	Establish a Commercial Panel	Cabinet	Head of Business Improvement Services	30th November 2019
13.	Undertake a review of the Council's portfolio of investments	Leader and Cabinet Member for Finance, Performance & Governance	Chief Executive and Section 151 Officer	31st December 2019
14.	Explore potential trading vehicles that would allow us to trade with other public sector organisations and beyond	Leader and Cabinet Member for Finance, Performance & Governance	Chief Executive, Section 151 Officer and Head of Legal Services	31st March 2020
<b>ENGAGING AND WORKING WITH OUR COMMUNITIES (SECTION 10): -</b>				
15.	Corporate Volunteering Policy to be developed and initially piloted in one service area	Cabinet Member for Social Care and Wellbeing	Head of Business Improvement Services	31st December 2019
16.	Community Asset Transfer Policy to be finalised and approved by Cabinet	Cabinet Member for Homes and Places	Head of Business Improvement Services	31st December 2019

No.	ACTION	POLITICAL/OFFICER LEADS		TIMESCALE
17.	Develop a Consultation and Engagement Framework to support empowered communities to come on this journey with us	Leader and Cabinet Member for Finance, Performance & Governance	Chief Executive	31st December 2019
<b>ACTIVELY SEEKING OPPORTUNITIES FOR COLLABORATION (SECTION 11): -</b>				
18.	Explore potential new collaborative opportunities where the Council can be the Partner of Choice	Cabinet	Leadership Team	30th November 2019
19.	Report to be prepared outlining proposals for the development of Community Hubs across the County Borough	Cabinet Member for Social Care and Wellbeing	Corporate Director for Social Services and Housing	31st December 2019
<b>RESOURCES AND CAPACITY (SECTION 12): -</b>				
20.	Cabinet approval to be sought to appoint three Transformation Managers initially on fixed-term contracts for a period of two years	Cabinet	Head of Business Improvement Services	Cabinet approval on 12th June 2019
21.	Embed the new Direct Performance Assessments across the Council	Cabinet Member for Finance, Performance & Governance	Head of Business Improvement Services	Quarterly reporting from June 2019 onwards
<b>ENSURING THAT WE HAVE A WORKFORCE THAT IS FIT FOR THE FUTURE (SECTION 13): -</b>				
22.	Performance Development Review process to be reviewed	Cabinet Member for Corporate Services	Head of People Services	30th September 2019
23.	Workforce Development Strategy: Better Together to be finalised and approved by Cabinet	Cabinet Member for Corporate Services	Head of People Services	31st January 2020
No.	ACTION	POLITICAL/OFFICER LEADS		TIMESCALE

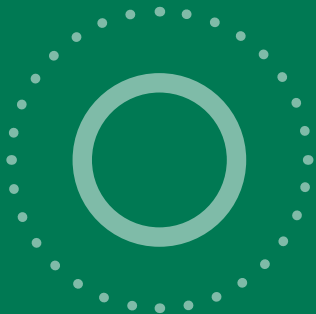


**PROGRAMME MANAGEMENT ARRANGEMENTS (SECTION 14): -**

24.	Terms of Reference for the Project Board to be agreed and formally signed-off	Leader	Project Board	July 2019
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**THE #TEAMCAERPHILLY STRATEGIC ACTION PLAN (SECTION 15): -**

25.	Progress reports on the Strategic Action Plan to be presented to: - <ul style="list-style-type: none"> <li>• The Project Board on a quarterly basis</li> <li>• Cabinet on a six monthly basis</li> <li>• Policy &amp; Resources Scrutiny Committee on an annual basis</li> </ul>	Cabinet Member for Finance, Performance & Governance	Head of Business Improvement Services	Timescales as shown in 'Action'
26.	Key actions in the Strategic Action Plan to be incorporated into Directorate Performance Assessments	Cabinet Member for Finance, Performance & Governance	Head of Business Improvement Services	Quarterly







## POLICY AND RESOURCES SCRUTINY COMMITTEE – 28TH MAY 2019

**SUBJECT: FUTURE CAERPHILLY TRANSFORMATION STRATEGY –  
#TEAMCAERPHILLY – BETTER TOGETHER**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

### 1. PURPOSE OF REPORT

- 1.1 To present the Scrutiny Committee with the draft Future Caerphilly Transformation Strategy, **#TeamCaerphilly – Better Together**.
- 1.2 To seek the views of Members on the draft Strategy and associated Strategic Action Plan prior to its consideration by Cabinet on the 12<sup>th</sup> June 2019.

### 2. SUMMARY

- 2.1 The Council's **#TeamCaerphilly – Better Together** Transformation Strategy is attached at Appendix 1.
- 2.2 The Strategy sets out details of a new 'whole organisation' operating model, which has the following clear purpose: -
 

*"To create capacity and foresight to develop solutions to some of the County Borough's biggest challenges, ensuring the Council understands and responds to the changing needs and priorities of our communities".*
- 2.3 The Strategic Action Plan attached to the Strategy provides details of a forward work plan and activities to deliver on the key elements of the new operating model.

### 3. RECOMMENDATIONS

- 3.1 Members of the Scrutiny Committee are asked: -
  - 3.1.1 To consider and comment upon the content of the Strategy and Strategic Action Plan prior to its consideration by Cabinet on the 12<sup>th</sup> June 2019.
  - 3.1.2 To support a recommendation to Cabinet that £425k be set aside to fund 3 fixed-term posts for an initial period of 2 years, to provide the additional capacity required to support the delivery of the Strategy.
  - 3.1.3 To support a recommendation to Cabinet that the £425k for the proposed 3 fixed-term posts should be funded from the £1.8m earmarked reserve approved by Council on the 31<sup>st</sup> July 2018, which was established to provide funding for one-off costs associated with delivering savings to support the Medium-Term Financial Plan (MTFP).

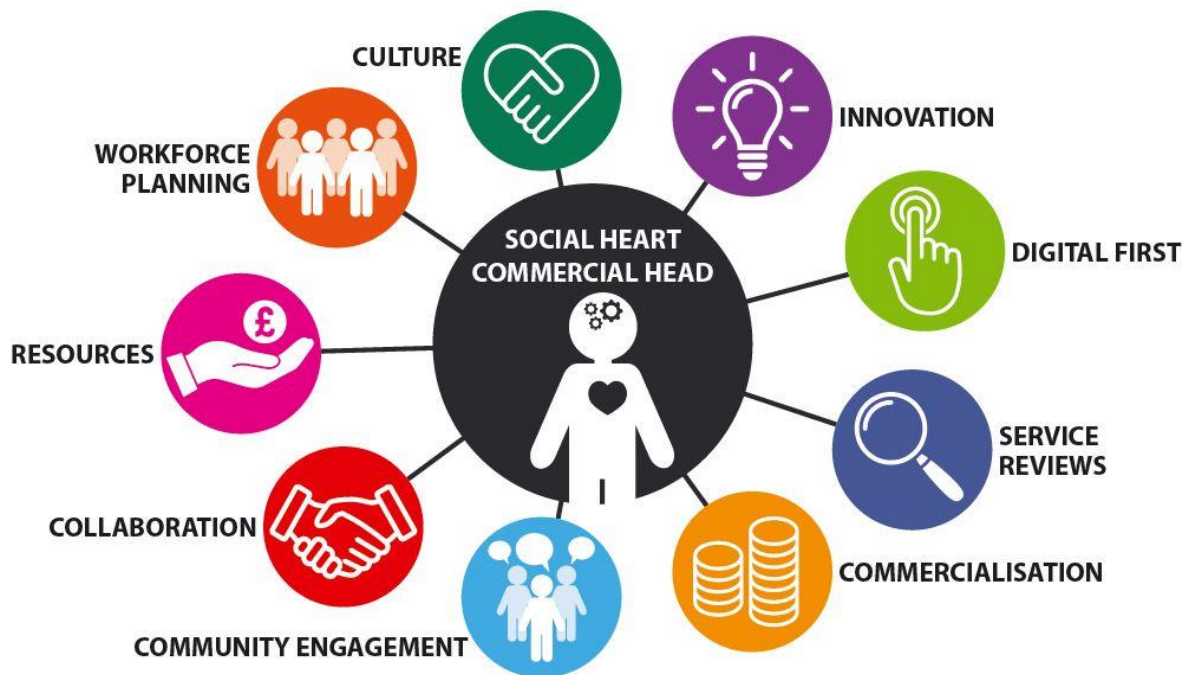
#### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that the views of the Scrutiny Committee are considered prior to the **#TeamCaerphilly – Better Together** Transformation Strategy being presented to Cabinet.

#### 5. THE REPORT

- 5.1 Our core purpose is to support sustainable and resilient communities across the County Borough. For the last few years we have managed the tension between reduced funding and the growing demands for services. The disparity continues to increase, and to thrive within this new environment, demands a new way of thinking. We are a strong, resilient Council with a detailed knowledge of our people and place, so we are well placed to rise to the challenge and seize the opportunities our journey of transformation will bring.
- 5.2 We provide over 800 services to the citizens of Caerphilly and there are many demands placed upon them: -
- The financial challenge and the need to deliver more with less;
  - Our ageing population who want to be able to live in their own homes whilst managing complex health needs;
  - Our varied communities and the gap we have between poverty and prosperity, underlying the need for high quality jobs and an attractive local environment;
  - Climate change and increasing energy costs, which demands a focussed approach to green energy; and finally
  - The fast pace of digital technology, which can offer so many opportunities to change the services we provide and how we work with our communities.
- 5.3 A simple response to these challenges might be to reduce service provision and staff numbers; an approach we wish to resist. Our current organisational operating model is described as “traditional”, but it has served us well. However, we now have to stretch ourselves, to think about the future and how our County Borough will look in the next decade and beyond.
- 5.4 The authority is embarking on a major transformation programme to examine how services are prioritised, how they can become more business efficient, to explore opportunities for greater customer focus and digital delivery, and to consider alternative delivery models and seek out commercial opportunities.
- 5.5 To make this ambitious programme of change a reality, courageous political and officer leadership will be essential to ensure that we successfully deliver the outcomes that we are aiming to achieve. Furthermore, to enable us to continue providing high quality value for money services in an environment that will require new approaches and new skills, we will also need to build a new relationship with our staff and our communities.
- 5.6 The Transformation Strategy **#TeamCaerphilly – Better Together** is attached as Appendix 1 and articulates the combined vision of the Cabinet and the Corporate Leadership Team that has been developed over the last 12 months.
- 5.7 The Strategy is multi-faceted and at the core of this programme of change will be our new mantra of *Social Heart and Commercial Head*. This recognises our commitment to public service and the needs of our citizens, but also demonstrates a commitment to explore commercial and investment opportunities, where appropriate, to generate income that can be reinvested in services to help them remain resilient.

5.8 The strategic programme of “whole-authority” work will be delivered through the following key themes, which will underpin the new operating model of the Council: -



5.9 Underpinning this model of delivery will be an integrated programme of social, economic and environmental regeneration projects that will begin to reshape the County Borough. These are: -

- The completion of a £261m physical improvement programme to our housing stock by 2020, through the delivery of the Welsh Housing Quality Standard (WHQS). Using Phase 2 of the emergent WHQS programme we will continue to invest in our existing housing stock to provide high quality, energy efficient, affordable homes for life. This will be further enhanced with an exciting and innovative new build programme
- Implementing the Shared Ambitions Strategy to raise standards and ensure our learners are healthy, confident, proud and ambitious and can benefit from high quality educational opportunities, settings and experiences.
- The commencement of the second phase of the 21st Century schools programme, providing £110m of new educational facilities.
- Delivering the Council’s emerging Digital Strategy by opening the Digital Front Door and introducing a wide ranging digital transformation programme that transforms every aspect of service delivery.
- The provision of a new Children’s Centre, which will be a “state of the art” centre of excellence providing respite care and therapeutic services for our vulnerable children and their families.
- Continuing the delivery of the Sports and Active Recreation Strategy, providing a sustainable approach to leisure and physical activity provision.
- The introduction of an integrated “one-stop shop” public service offer located within the heart of our communities, through the provision of strategically located integrated hubs, enhancing our engagement and service offer to the public.

- An exciting programme of economic, social and environmental investments to enable inclusive growth and opportunity across the County Borough, that aligns and positions us firmly with the City Region's economic ambitions. This will also include maximising our Green energy credentials through effective and innovative use of our assets.
- Making best use of our financial resources through a managed "risk-based" investment approach to enable delivery of the programme.

5.10 Through this cohesive, whole-authority programme we are aiming: -

- To have strong working relationships with our communities and partners to maximise the use of our collective resources to ensure a resilient County Borough for the future.
- To embed a new operating model that will encourage innovative approaches to service delivery and ensure that we are making the best use of our resources.
- To help close the gap between poverty and prosperity through improving educational attainment and stimulating the local economy to create high quality jobs.
- To make Caerphilly County Borough a better place to live, work and visit.

5.11 There will be a need to ensure that we have sufficient capacity within the Council to drive forward the ambitious transformation programme to achieve successful delivery. We will harness the range of skills and experience within our workforce and create opportunities for staff to lead and be involved in various workstreams.

5.12 Whilst we will maximise the use of existing staff, there will be a requirement to establish some additional capacity to help drive forward our new approach at pace. It is therefore proposed to appoint three Transformation Managers; initially on fixed-term contracts for a period of two years. The individual portfolios for these Managers will be: -

- Innovation
- Commercial Investment
- Workforce Planning

5.13 The new ways of working will lead to efficiencies, savings and additional income that will help us deal with the continuing financial challenge that we face. In that regard the proposed investment in the three fixed-term posts should be seen as an 'invest to save' approach. If we do not create the capacity and embed the new ways of working then we will inevitably revert to a 'salami slicing' approach to achieving financial savings.

5.14 Effective communication and engagement will form a key part in the implementation of the **#TeamCaerphilly – Better Together** Strategy as it is vitally important that all our stakeholders (internal and external) are aware of this exciting new approach and get the chance to fully engage with the process to help shape our services in the future.

5.15 If Cabinet are minded to approve the Strategy, the first phase of communication will focus on 'launch' activity to raise initial awareness about the new approach. The main aim initially will be to signpost people to further information about the Strategy, which will be hosted on the CCBC website.

5.16 This will be done using a mix of digital and traditional communication channels to reach as many stakeholders as possible across the County Borough. A short video will be produced and the Council's popular social media channels will be fully utilised. The June edition of Newline will include a prominent feature about the new Strategy and this will be delivered to every home in the County Borough. Information will also be issued to the local media outlets.

- 5.17 A significant amount of internal communication will be required to ensure that staff at all levels across the organisation are fully briefed and engaged in the process. Video blogs, newsletters, briefing notes and Intranet information will be made available to employees and Elected Members to coincide with the launch activity. We will also be arranging a new series of Staff Roadshows during the autumn.
- 5.18 Looking further ahead, this work will form a key part of the Council's 'Caerphilly Conversation' campaign as we seek to engage with all sections of the community in our journey of transformation moving forward.
- 5.19 We will also ensure that effective feedback mechanisms are in place to enable us to update our residents, staff and other stakeholders and maintain a two way flow of communication throughout the process.
- 5.20 The Strategic Action Plan for **#TeamCaerphilly – Better Together** is appended to the Strategy document and identifies both political and officer leads for the key actions that will help us manage the transformation journey, and will allow us to monitor and demonstrate our progress.
- 5.21 As the initial high-level strategic actions are brought to fruition, a range of further specific actions, key milestones and measures will emerge. The overarching Strategic Action Plan will be regularly updated to reflect these changes.
- 5.22 Progress against the Strategic Action Plan will be reviewed on a quarterly basis by the Corporate Management Team, in its capacity as the **#TeamCaerphilly Project Board**.
- 5.23 Members will note that six-monthly progress reports will also be presented to Cabinet, and the Policy and Resources Scrutiny Committee will receive an annual progress report.

## **Conclusion**

- 5.24 With reducing budgets, mounting demand pressures, and commitments to localism, place-shaping and focussing more upon the needs of citizens; our current operating model is no longer fit-for-purpose.
- 5.25 The **#TeamCaerphilly – Better Together** Transformation Strategy sets out details of a new 'whole-authority' operating model to meet the significant challenges that lie ahead, and to ensure a resilient Caerphilly County Borough for the future.
- 5.26 The challenge is big but the opportunities to repurpose and reshape the Council and the County Borough are even greater!
- 5.27 This is our collective 'call to action' and we're confident that through working together as **#TeamCaerphilly**, we have a real opportunity to thrive.

## **6. ASSUMPTIONS**

- 6.1 It is assumed that the Council will continue to face significant financial and service challenges as we move forward and the 'business as usual' approach is no longer appropriate. This underpins the need for the programme of change in the **#TeamCaerphilly – Better Together** Transformation Strategy.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The **#TeamCaerphilly - Better Together** Transformation Strategy introduces a new operating model for the local authority. For this reason it supports whole-authority delivery.

## 7.2 Corporate Plan 2018-2023: -

The Strategy, and associated Strategic Action Plan, supports the delivery of the Corporate Well-being Objectives in the Corporate Plan 2018-2023: -

**Objective 1** - Improve education opportunities for all.

**Objective 2** - Enabling employment.

**Objective 3** - Address the availability, condition and sustainability of homes throughout the County Borough and provide advice, assistance or support to help improve people's well-being.

**Objective 4** - Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment

**Objective 5** - Creating a County Borough that supports a healthy lifestyle in accordance with the sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015.

**Objective 6** - Support citizens to remain independent and improve their well-being.

## 8. WELL-BEING OF FUTURE GENERATIONS

8.1 The **#Team Caerphilly – Better Together** Transformation Strategy will assist the authority in its duties as a public body under the Well-being of Future Generations (Wales) Act 2015 to contribute to the well-being goals for Wales: -

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh Language
- A globally responsible Wales

8.2 Delivery of the Strategy is dependent on using the sustainable development principle within the new operating models: -

- **Long Term** – The Strategy will enable the authority to meet its long-term aims and secure sustainable services. Its approach takes a long-term view of assessing all services to ensure their fitness for the future.
- **Prevention** – Taking a commercial approach will allow reinvestment in services and will enable us to protect delivery that may be at risk of further budget cuts.
- **Integration** – Working with communities will support a shared understanding of community well-being; releasing our staff capacity and considering the use of our assets for community purposes are part of our contribution to **#TeamCaerphilly**, in which we expect communities to play their part.
- **Collaboration** – The Strategy sets out a strategic approach to collaboration that maximises opportunities and outcomes.
- **Involvement** – We support greater engagement with communities and will support our staff to be more innovative in finding solutions to problems.



## 9. EQUALITIES IMPLICATIONS

- 9.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential unlawful discrimination and/or low level or minor negative impact has been identified; therefore a full EIA has not been carried out.

## 10. FINANCIAL IMPLICATIONS

- 10.1 The “*#TeamCaerphilly – Better Together*” Transformation Strategy aligns with the Cabinet's Medium-Term Financial Plan (MTFP) savings principles, and the new operating model will be a key element in ensuring that the Council remains financially resilient moving forward.
- 10.2 Whilst we will maximise the use of existing staff, there will be a requirement to establish some additional capacity to help drive forward our new approach at pace. It is therefore proposed to appoint three Transformation Managers; initially on fixed-term contracts for a period of two years. The individual portfolios for these Managers will be: -
- Innovation
  - Commercial Investment
  - Workforce Planning
- 10.3 The total cost of the proposed 3 fixed-term posts for a period of two years will be £425k. It is recommended that this should be funded from the £1.8m earmarked reserve approved by Council on the 31st July 2018, which was established to provide funding for one-off costs associated with delivering savings to support the Medium-Term Financial Plan (MTFP).
- 10.4 As the various elements of the Strategy are further developed there will be a need for one-off investments to pump-prime the service changes required. Investments will need to be supported by robust business cases, clearly demonstrating how the funding will lead to service efficiencies and savings. These additional investments will be subject to further Cabinet reports as they arise.

## 11. PERSONNEL IMPLICATIONS

- 11.1 Apart from creating the required capacity to drive forward the ambitious transformation programme at pace there are no other direct personnel implications at this stage.

## 12. CONSULTATIONS

- 12.1 All consultation responses have been reflected in this report.

## 13. STATUTORY POWER

- 13.1 The Local Government Acts 1998 and 2003.

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Consultees: Leader and Cabinet Members  
Corporate Management Team  
Heads of Service and Management Network  
Cllr J Pritchard, Chair of P&R Scrutiny Committee  
Cllr G Kirby, Vice-Chair of P&R Scrutiny Committee  
Cllr C Mann, Leader, Plaid Group  
Cllr K Etheridge, Leader, Independent Group  
Lianne Dallimore, Unison  
Kelly Andrews and Neil Funnell, GMB

Background Papers:

Cabinet Report (27/06/18) - Provisional Outturn for 2017/18

Council Report (31/07/18) - Financial Statements 2017/18

Appendices:

Appendix 1 – Future Caerphilly Transformation Strategy – ***“#TeamCaerphilly – Better Together”***



## CABINET – 12TH JUNE 2019

**SUBJECT: CUSTOMER AND DIGITAL STRATEGY AND STRATEGIC ACTION PLAN**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

- 
- 1.1 The attached report, which outlined the draft Customer and Digital Strategy and associated Strategic Action Plan for Caerphilly CBC, and which sought the views of Members on its content, was considered by the Policy and Resources Scrutiny Committee on 28th May 2019, ahead of its presentation to Cabinet for endorsement.
  - 1.2 By way of an interactive digital interface that will be made available on the Council's website and will be continually updated, the Scrutiny Committee were referred to the key sections of the Strategy as appended to the report. Members were advised that the Strategy sets out a proposed vision for "Investing in our Future by Opening the Digital Front Door". The Strategy includes a number of guiding principles and a narrative for #DigitalCaerphilly, including connectivity with customers and staff via this "Digital Front Door", helping and supporting business by driving innovative solutions, will embrace the wider Welsh agenda by adhering to digital principles and development of digital service standards, and will connect internally with a digital culture to promote and support the use of modern day technology. The Action Plan attached to the Strategy sets out a forward work plan and activities to deliver on the Key Objectives of the Strategy, and the Strategy will set the scene for future direction of travel for the service and the Council.
  - 1.3 It was explained that the Strategy will put the customer at the heart of service delivery, whilst also continuing to support traditional customer service and a personal approach. Officers emphasised that the Strategy will not take away existing customer services but rather, is intended to enhance these services. It was noted that it is important for the Council to retain its ability to direct its own resources to the successful delivery of this strategy, and whilst this by no means closes the door on future collaborations of ICT and digital provision, will allow the Council to focus on the tasks at hand at a key time in its transformation journey. Although Cabinet has approved the setting aside of £600k to fund some of the key initial investments to support the Strategy, it is anticipated that further investment will be required moving forward and will be subject to further Cabinet reports as matters progress.
  - 1.4 Discussion took place regarding the possible impact of the Strategy on customer interaction, and Officers emphasised that the new Abavus Customer Portal being launched as part of the Strategy will not take away the existing face to face service preferred by some customers. Rather, this will create more avenues to contact the Council and will offer greater flexibility for residents, particularly those who prefer to contact the Council in the evenings. It was explained that the system will rely on help points and an automation service outside of office hours, and will be set up in such a way as to reduce repetitive tasks for staff in daytime hours.

- 1.5 In response to a Member's query, it was confirmed that the system will not replace staff and will offer support for back office staff and allow them to be retrained to concentrate on other customer services areas. It was also confirmed that Unison welcomed the potential to allow repetitive tasks to be eliminated and allow for the retraining and reskilling of staff. Members noted that the new Abavus system will offer ease of use and provide directionality to where it is needed, and that several staff from Customer First and IT Services with the relevant knowledge base have been deployed to work on the new Strategy in order to maximise its potential.
- 1.6 The Scrutiny Committee were pleased to note the enthusiasm of Officers involved in the development and delivery of the Strategy and asked that their thanks to the relevant staff be placed on record.
- 1.7 Following consideration of the report and in noting its contents, the Policy and Resources Scrutiny Committee unanimously recommended to Cabinet that the Customer and Digital Strategy and Strategic Action Plan as appended to the report be endorsed.
- 1.8 Cabinet are asked to consider the report and the above recommendation.

Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix A Report to Policy and Resources Scrutiny Committee on 28th May 2019 –  
Agenda Item 9



## **POLICY AND RESOURCES SCRUTINY COMMITTEE – 28TH MAY 2019**

**SUBJECT: CUSTOMER AND DIGITAL STRATEGY AND STRATEGIC ACTION PLAN**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

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### **1. PURPOSE OF REPORT**

- 1.1 To present to Members of the Scrutiny Committee the draft Customer & Digital Strategy and associated Strategic Action Plan for Caerphilly CBC.
- 1.2 To seek the views from the Committee's Members on the draft Customer & Digital Strategy and associated Strategic Action Plan prior to submitting and presenting the information to Cabinet for endorsement.

### **2. SUMMARY**

- 2.1 The Council's Customer & Digital Strategy ('the Strategy') is attached at Appendix 1 and the associated Strategic Action Plan ('the Action Plan') is attached at Appendix 2.
- 2.2 The Strategy sets out a proposed vision "Investing in our Future by Opening the Digital Front Door".
- 2.3 The Strategy includes a number of guiding principles and a narrative for #DigitalCaerphilly.
  - Caerphilly will connect with its Customers and staff via the "Digital Front Door"
  - Provide help and support to business by driving innovative solutions.
  - Embrace the wider Welsh agenda by adhering to digital principles and development of digital service standards.
  - Connect internally with a digital culture which will promote and support the use of modern day technology.
- 2.4 The Action Plan attached to the Strategy sets out a forward work plan and activities to deliver on the Key Objectives of the Strategy.
- 2.5 The Strategy sets the scene for future direction of travel for the service and the Council.

### **3. RECOMMENDATIONS**

- 3.1 Members of the Scrutiny Committee are asked to consider and comment on the content of the Strategy and the Action Plan prior to submitting and presenting the information before its onward submission to Cabinet for endorsement.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 To ensure that the views of the Scrutiny Committee Members are considered prior to the Strategy being submitted and presented to Cabinet.

#### **5. THE REPORT**

- 5.1 The appended Strategy has been under development since October 2018. Staff and key Officers have been instrumental in its development.
- 5.2 The proposed vision within the Strategy is described as follows: “Investing in our Future by Opening the Digital Front Door”.
- 5.3 A set of strategic themes and guiding principles have been developed with the aim of transforming the Council and the way it delivers services to internal and external Customers.
- 5.4 The Strategy is an ambitious transformation programme, which will require senior executive leadership and scrutiny to remain engaged. It is proposed to introduce a Digital Leadership Group to oversee the implementation of the Strategy and the deployment of appropriate technology and systems within the Council. The Corporate Director for Education & Corporate Services will chair the group in order to challenge the Councils approach to digital.
- 5.5 In recognising the importance of Digital transformation, we also recognise the need to maintain an inclusive approach to customer interaction and provide equal access to all citizens. We will ensure that where we have digital services there will be face to face provision available should the customer wish to use it.
- 5.6 Members of the Digital Leadership Group are yet to be confirmed, however, it is envisaged that the Cabinet Member for Corporate Services will sit on the group along with the Head of Customer and Digital Services. Other representatives will be requested once the terms of reference are defined in draft.
- 5.7 #DigitalCaerphilly, sets out how we will embrace modern technology which is the approach that the Council intends to take in everything it will do to improve outcomes and customer service delivery.
- 5.8 The Strategy has 6 strategic themes which supports the Council’s Wellbeing objectives and the wider Welsh agenda.
- Public Service by design
  - Leadership
  - Service Standards
  - Staffing, skills and development
  - Spend control
  - Timetable for change.
- 5.9 As a key Strategy for the Council there is a need for a flexible approach, therefore the Strategy and Action Plan will ensure we keep abreast of the evolving world of “digital” with our “how to find out more” page being continuously updated. It is envisaged that the primary source for the Strategy will be electronic, however, paper copies can be made available upon request.

#### **Conclusion**

- 5.10 The Strategy and Action Plan sets out the Council’s plans for the delivery of its Customer and Digital Services. It is a bold and ambitious Strategy that puts the Customer at the heart of everything we do. It will provide the basis for embracing new technologies and innovation as we deliver citizen centric services.

- 5.11 With such a bold and ambitious Strategy the future delivery model for Customer & Digital Services must be established.
- 5.12 Over recent years the Council has explored a range of opportunities for developing and enhancing its ICT and Digital provision. Some of these have been through internal changes and some have been through collaborations with other local authorities.
- 5.13 As the Council begins the next phase of its transformational journey, it is considered vitally important that the ability to direct its own resources to the successful delivery of this Strategy is retained by the Council.
- 5.14 This by no means closes the door on future collaborations of ICT and digital provisions, but it does allow the Council to focus on the tasks in hand at a key time in the Council's transformation journey. Opportunities to collaborate will continue to be explored, indeed, opportunities may ultimately arise from aspects of the Strategy itself.
- 5.15 It is worth highlighting the fact that Customer and Digital Services contributed almost £420k to the Council's savings requirement for the 2018/19 financial year with a further £451k of savings also identified and approved for 2019/20.
- 5.16 While the service looks to achieve further savings over coming years, it should also be noted that the tools and structures are now very much in place to enable other Council functions to reduce expenditure and improve both productivity and the customer experience.

## **6. ASSUMPTIONS**

- 6.1 All details within the report, strategy document and action plan are reflective of issues and technology as of May 2019. All financial information is reflective of costs in 2018/19. These may increase or decrease through the duration of the strategy. Any fluctuations in costs associated with the implementation of the strategy which is outside pre-established budget will be subject to the necessary approval process in line with the Authority's governance policy.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The Strategy is aligned to the Councils Corporate plan and 6 well-being objectives by providing a gateway to Council services and supporting citizen centric services. The Strategy will encourage and support communities to interact and use online solutions to deliver the services they require.

## **8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 The Strategy is aligned to the Wellbeing of future Generations (Wales) Act 2015 as it sets out to improve the social, economic, environmental and cultural wellbeing of the people of Wales. The adoption of the Strategy will provide a long term joined up approach to the delivery of public services.
- 8.2 The Wellbeing and Future Generations Act calls for a massive step change in how organisations such as ourselves plan and deliver public services. Digital transformation will also require a different mind-set. Our Strategy is focused on "user need" and improved service delivery therefore providing opportunities for a prosperous and resilient Wales. Providing an equal opportunities to Council services which are safe and well connected.

## **9. EQUALITIES IMPLICATIONS**

### **9.1** The Strategy supports:

Strategic Equality Objective 4-Improving Communication Access  
Strategic Equality Objective 5- Inclusive Engagement and Participation  
Strategic Equality Objective 6- Compliance with the Welsh Language Standards

### **9.2** An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. There are no identified negative impacts on the target equality groups. The completed EIA is attached at Appendix 3.

## **10. FINANCIAL IMPLICATIONS**

### **10.1** During the 2018/19 financial year Cabinet has already approved the setting aside of £600k to fund some of the key initial investments to support the Strategy. However, it is anticipated that further investments will be required moving forward and these will be subject to further Cabinet reports as matters progress.

## **11. PERSONNEL IMPLICATIONS**

### **11.1** Currently there are no personnel implications to the adoption of the Strategy. Any changes that emerge beyond its adoption will be reported as required in line with corporate policies.

## **12. CONSULTATIONS**

### **12.1** This report has been sent to the Consultees listed below and all comments received are reflected in this report.

## **13. STATUTORY POWER**

### **13.1** The Local Government Acts 1998 and 2003.

Author: Elizabeth Lucas, Head of Customer & Digital Services, [lucasej@caerphilly.gov.uk](mailto:lucasej@caerphilly.gov.uk)  
Consultees: Cllr, Colin Gordon, Cabinet Member for Corporate Services  
Cabinet Members  
Christina Harrhy, Interim Chief Executive  
Corporate Management Team (CMT)  
All Heads of Service.  
Customer & Digital Services – Management team  
Councillor James Pritchard – Chair of P&R Scrutiny  
Councillor Gez Kirby – Vice Chair of P&R Scrutiny

#### Appendices:

Appendix 1 Customer and Digital Services Strategy ('the Strategy')  
Appendix 2 Draft Customer and Digital Services Strategy Action Plan ('the Action Plan')  
Appendix 3 Completed EIA



# Caerphilly County Borough Council

# CUSTOMER AND DIGITAL STRATEGY

## Investing in our Digital Future

Connecting technology and knowledge to deliver excellent customer experience and opportunities through digital transformation.

# 2019-2023



# CONTENTS

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# 1 FOREWORD

**As the council's Cabinet Member for Corporate Services, I'm delighted to be associated with this bold and ambitious strategy that will help transform the way we deliver digital services in the future.**

Caerphilly council wants to be an innovative, forward looking local authority and we are committed to modernising our approach to service delivery, therefore our customer experience is of vital importance.

We also recognise that we need to take an inclusive approach to ensure that we provide equal access to our services for all sections of the community. Developing our digital offering to create a positive customer experience must be tempered with options of alternative service options for those who are not able or are yet to develop the ability to transact and communicate in a digital way.

Our digital transformation must start with a step change in our understanding and appreciation of the customer experience. Our customer is at the heart of everything that we do and we will be brave in embracing new technologies and innovation to deliver citizen centric services.

We will also embrace an agile, iterative approach to our work. Embracing digital as a core culture for the whole organisation, rather than just technology.



We will be bold in our approach, we will explore innovation and, if necessary, we will learn from our mistakes to ensure continuous improvement in delivering Digital Services that work for everyone within our communities.

**Cllr Colin Gordon**  
*Cabinet Member for Corporate Services*

# 2 INTRODUCTION

**In adopting this strategy the Council will set out its vision for developing and managing its interface with customers and its digital environment.**

The Council will embrace digital as a culture rather than just technology. We will adopt a learning ethos which will allow us to be open and learn from our mistakes, challenging the status quo to bring about real value public services to our customers.

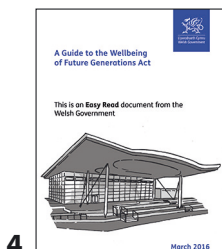
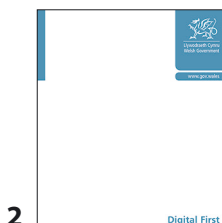
It is our aim to keep pace with the growing expectations from the Customer for sustainable, effective Public Services.

Caerphilly will become a Digital Organisation, with clear Leadership that will cultivate a “can do” attitude to support all of our stakeholders.

Digital in Caerphilly will be seen as a whole system approach which is stakeholder led so that we improve the customer experience and outcome of public services.

This strategy will evolve so that it continues to support national strategies and legislation such as:

1. Digital Vision for Wales
2. The Wales Digital First
3. The Digital Action Plan
4. The Future Generations Act
5. Cymraeg 2050 strategy



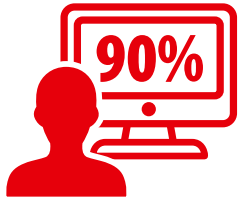
It will reflect on the System Reboot report from Lee Waters AM to ensure that the Council is at the forefront of Digital Transformation in Wales. Our Customer and Digital Strategy needs to be a living programme, flexible, adaptable and alive to the changing environment; modular in nature so that it is easy to review and update annually in line with developments in the Digital landscape. Our approach will be continuous improvement to bring about real change and to improve the lives of those who live and work within our borough. Where appropriate our interactions with our customers and wider stakeholders will be Digital by default.

The Council is committed to ensuring it achieves value for money from its Customer and Digital services. It also recognises the value of using Digital tools to support its wider Cultural, Social, Economic and Environmental objectives, in ways that offer real long-term benefits to the community it serves.

The Strategy will build on the Council’s success to meet the overarching Well-being objectives, our customer charter and our service standards.

- <https://gov.wales/docs/det/publications/111116dwexecutivesummaryen.pdf>
- <https://gov.wales/docs/det/publications/150421-digital-first-en.pdf>
- <https://gov.wales/docs/det/publications/171020-digital-action-plan-17-20-en.pdf>
- <https://gov.wales/docs/dsjlg/publications/160401-wfg-easy-read-en.pdf>
- <https://gov.wales/docs/dcells/publications/170711-welsh-language-strategy-eng.pdf>

# 3 CAERPHELLY CUSTOMERS AT THE HEART OF OUR BUSINESS



**90%** of jobs nationally require digital skills to some degree.



**16k** followers of the Council's Twitter account.



**73%** percentage of Welsh internet users who bought things online in the last 4 weeks.

**26%** of Welsh children use electronic devices for at least 2 hours on a weekday.



Overall take up of digital online public services in Wales could be as low as **18%**



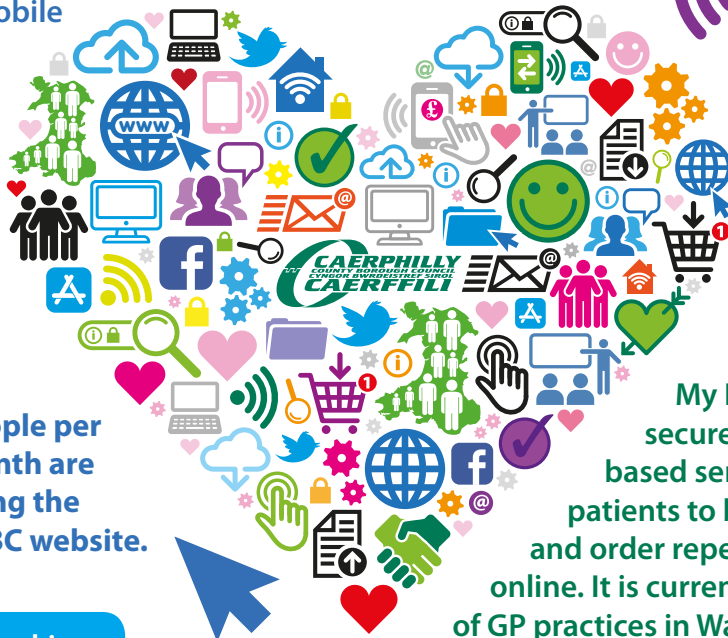
**73%** of people accessing the CCBC website are using a mobile or tablet device.

**20k** followers of the Council's Facebook page.



**110+**

**Citizen Digital Exclusion level for CCBC - 9.** Scale of 1-9 where 9 is highest likelihood of exclusion.



**110+** services which can be transacted online within the Caerphilly county borough.



**100k+** people per month are using the CCBC website.

My Health Online is a secure NHS Wales web-based service which enables patients to book appointments and order repeat prescriptions online. It is currently installed in **89%** of GP practices in Wales.

**79%** of the working age population who use the internet and are in employment visited public service websites, compared with **71%** of working age people who were economically inactive and **67%** who were unemployed.



**6.5k** Caerphilly Schools use 6.5k tablets and 12k computers.



**85%** of households in Wales access the internet. This has grown by **8%** in 7 years.



**22%** percentage of CCBC residents who pay their council tax manually with cash.



**2,161**

**2,161** WIFI access points across Caerphilly county borough.

During a year the CCBC website has **189k** views of job adverts **34k** council tax payments **37k** planning application views **30k** bin collection day views.

# 4 OUR VISION

Investing in  
our future by  
opening the  
digital front door.



# 5 OUR LEADERSHIP

## Leader



Cllr Dave Poole

## Chief Executive



Christina Harray

## Cabinet



Cllr Sean Morgan



Cllr Barbara Jones



Cllr Colin Gordon



Cllr Eluned Stenner



Cllr Nigel George



Cllr Lisa Phipps



Cllr Carl Cuss



Cllr Philippa Marsden

## Corporate Management Team



Richard Edmunds



Dave Street



Mark S Williams

## Head of Customer & Digital Services



Liz Lucas

## Customer & Digital Management Team



Ian Evans



Ruth Betty



Gwyn Williams

**Customer and Digital Services within Caerphilly County Borough Council will have a Senior Executive Leadership. The Corporate Director for Education & Corporate Services will chair a Digital Leadership Group formed from the Council's leadership Team.**

The Director for Education and Corporate Services will represent the Customer and Digital Services Management Team.

The Head of Customer and Digital Services will head the service and lead the transformation agenda.

The Council will embrace Collaboration when there is a compelling reason to do so.

We will strive to be the "best connected" Welsh Authority, delivering high-level customer services, technology driven educational opportunities and enabling internal council services.

Technology will be embraced to support and change links and strengthen our communities, which includes business.

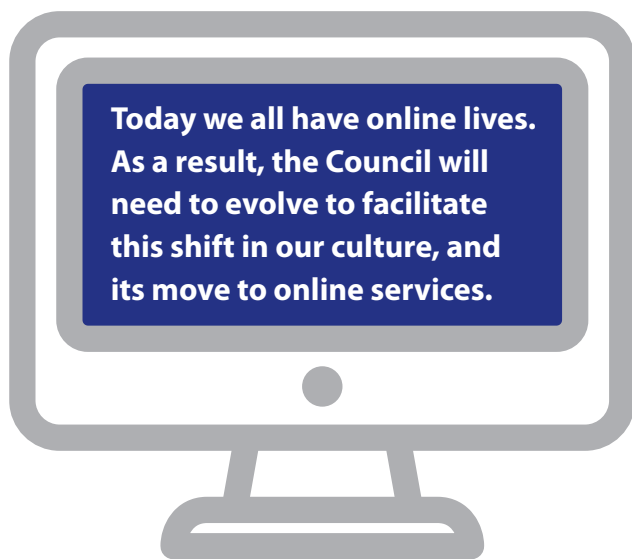
# 6 DIGITAL CAERPHILLY



**It has been reported that Wales is riding high on a Digital Wave.**

Caerphilly will become connected to:

- **The Citizen through the Digital front door**
- **Business by driving innovative solutions**
- **Public Bodies by adherence to Digital Principles and Service Standards**
- **Internally connected via a digital culture which promote the use of technology**



The Council will increase the opportunities for communities to interact and use online solutions to deliver and develop local services.

### **Using technology innovation to support vulnerable people more effectively.**

Identifying and using data to improve all our services, have the ability to predict the services for the future, and use our data effectively to solve problems.



**Protecting our data, information and services by the development of excellence in Cyber Security and Information management.**



### **To enable the transformation of how people work productively and drive efficiency savings internally.**

Put the citizens of Caerphilly at the heart of our business. Ensure that our digital solutions do not exclude sections of our communities through our approach.



### **The Council will use our digital solutions to enable, enhance and connect - offering greater opportunities to the citizens of Caerphilly and Wales as a whole.**

The Council will invest in its digital infrastructure, solutions and skills to enable this strategy.





# Investing in our digital future

# 7 OUR STRATEGIC PRINCIPLES

## STRATEGIC THEME

### PUBLIC SERVICE DESIGN

The Customer experience will come first in all that we aspire to do. It will be our aspiration to deliver an exceptional experience to all our customers through a range of different channels. Our customers and staff will be at the heart of our business. The approach to service will be Welcoming, providing a courteous, positive and lasting impact. Passionate in our aim to change our service for the better. Dependable by building long term relationships based on trust and transparency. We will strive to do the right thing and be fair in our approach. We will remain in touch being interactive and diverse in our communications. Our policies and systems will be citizen centric.

## PRINCIPLES

- Customers are to be at the heart of our business
- Our policies and systems will be citizen centric
- Adopt a user first approach to delivery



### LEADERSHIP

We will become a Digital Organisation through strong leadership. Our Culture will be shaped to embrace digital as the way of doing things not just about technology. We will adapt a multi discipline teams approach so that we see digital as a whole system issue. We will challenge our supply chains to bring innovation and value for money. We will protect our citizens privacy and security.

- Appoint a digital leader for Caerphilly County Borough Council
- Agree Customer and Digital Standard monitor process
- Develop Digital Leadership Group
- Lead a culture of Digital by default
- Promote the Customer and Digital strategy and adopt the correct level of security and privacy of Data
- Support the Welsh Agenda

## STRATEGIC THEME

## PRINCIPLES

### SERVICE STANDARDS

Developing modern, fit-for-purpose technology that will be used to ensure efficiency whilst reducing our impact on the environment. We will develop a set of Digital service standards that will put the customer at the heart of our Business.

- Develop and embed Customer Service Standards. Ensure these are sustained through the lifetime of the Strategy
- Develop and embed Digital Service Standards. Ensure these are sustained through the lifetime of the Strategy
- Support the Welsh agenda

### STAFFING, SKILLS AND DEVELOPMENT

Create value through our workforce by understanding exciting talent and future talent. We will invest in our people to deliver the very best Digital Authority.

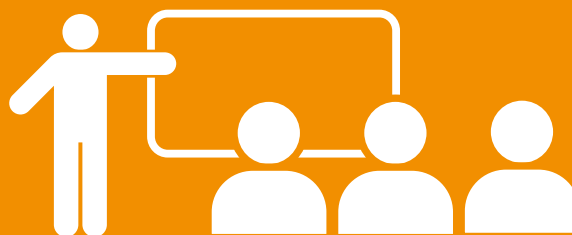


- Assess the skills required and develop a gap analysis
- Assess the capabilities required and develop a gap analysis
- Support the Welsh agenda
- Develop a pool of experts to support the Council on the delivery of Digital services
- Develop a people strategy

### SPEND CONTROL

Our Digital Service will align with our digital principles and service standard. The Governance and Leadership will be overseen by the Digital Leadership Group. All future spend will be evaluated against our standards and endorsed by the Digital leadership Group. There will be a review of all ICT systems and infrastructure to ensure we eradicate duplication.

- Complete infrastructure review for corporate and schools
- Complete system and budget review
- Develop Digital capabilities of our Partners and Supply Chains



### TIMETABLE FOR CHANGE

The Council will have a clear plan which will focus on the short term, within 18 months, the medium 3 years and longer term 5 years.

- Agree the strategy
- Agree the forward work plan



# HOW TO FIND OUT MORE

- Visit the Caerphilly County Borough Council website at **[www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)**
- To access the action plan which supports this strategy go to **[www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Procurement-strategies-and-plans.aspx](http://www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Procurement-strategies-and-plans.aspx)**
- For more information on this Strategy phone **01443 863161** or email **[procurement@caerphilly.gov.uk](mailto:procurement@caerphilly.gov.uk)**  
Elizabeth Lucas, Head of Customer and Digital Services  
Phone: **01443 863160**  
Email: **[lucasej@caerphilly.gov.uk](mailto:lucasej@caerphilly.gov.uk)**
- Caerphilly Customer Services: Service Standards  
**[www.caerphilly.gov.uk/My-Council/Complaints-and-feedback/Customer-Services-Standards](http://www.caerphilly.gov.uk/My-Council/Complaints-and-feedback/Customer-Services-Standards)**
- Welsh Government  
Educational Digital Guidance for Schools  
**<https://gov.wales/education-digital-guidance>**
- Key Performance Indicators  
**[www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)**



Caerphilly County Borough Council

# Digital Action Plan

2019 -2023

## Investing in our Digital Future

Connecting technology and knowledge to deliver excellent customer experience and opportunities through digital transformation.

TRAFODAETH CAERFFILI  
THE CAERPHILLY CONVERSATION



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## 1. Introduction

The Caerphilly Council Digital Strategy has been published and can be found [www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Procurement-strategies-and-plans.aspx](http://www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Procurement-strategies-and-plans.aspx)

The strategy gives us our vision and strategic principles for a **#Digital Caerphilly**.

Supporting this strategy a series of more detailed actions have been developed and they are contained within this document. The Customer and Digital Services action plan will be a living document that will be updated and amended as the Service and Council transforms. The action plan will be reviewed on a regular basis via the Directorate performance assessment every quarter.

These actions will be delivered by the Caerphilly Customer and Digital Services team, and monitored and assured by the Caerphilly Digital Leadership Group. A set of Key Performance indicators will be developed over the life time of the strategy to ensure we continuously improve. These will be categorized into groups of indicators and reported on

Our vision being:

*“Investing in our future by opening the digital front door”*

## 2. Digital Action Plan

### Strategic Theme – Public Service Design

The Customer experience will come first in all that we aspire to do. It will be our aspiration to deliver an exceptional experience to all our customer through a range of different channels. Our customers and staff will be at the heart of our business. The approach to service will be welcoming, providing a courteous, positive and lasting impact. Passionate in our aim to change our service for the better. Dependable by building long term relationships based on trust and transparency. We will strive to do the right thing and be fair in our approach. We will remain in touch being interactive and diverse in our communications. Our policies and systems will be citizen centric.

Ref	Key Principles	What we want to achieve	What has already been done?	What needs to be done? How will we achieve it?	What is the desired impact?	When/Who	Measurements
PS D1	Customers are to be at the heart of our business	The Council will encourage its communities to interact and use online solutions to deliver and develop local services	Implementation of new digital platform for citizen transactions. My Council Services, includes citizen identity, a unified interface and standard consistent platform	Customer standards to be integrated into job descriptions and performance reviews.	Connected to our citizens through the digital front door with an increased trend of customer satisfaction	<b>When</b> Ongoing through lifetime of the strategy 2019-2021	KPI – Group 1 Customer satisfaction
			The Caerphilly Customer Charter has been implemented. Customer and digital services will adopt this charter in its customer service	The Customer Service Standards need to be embraced by all CCBC employees	Easy, user friendly interaction. With resolution at first point of contact.	<b>Who</b> Customer and Digital service team	
			Customer Service standards have been approved by Cabinet and launched across the Authority.	Customer service standards to be integrated within job descriptions and	Improved and consistent approach to customer services delivery and customer satisfaction		



				employee performance reviews.			
PS D2	<b>Our policies and systems will be citizen centric</b>	<p>Digital projects will have a positive impact on the customer experience.</p> <p>Whether we are delivering changes to customer facing processes or behind the scenes we will ensure that the current standard of customer experience is maintained or improved</p> <p>Develop formal customer and stakeholder engagement (internal, business, supplier, citizen ) to ensure we have insight, intelligence and feedback on our digital strategy and services</p>	Investment in new digital platforms to support self-service and 24 hour on line services (currently on a phased implementation programme)	<p>Full implementation of:</p> <p>Scan Station The provision of software to enable customers to provide the Council documented evidence where required using self-service or supported service scanning solutions.</p> <p>My Council Services via the Abavus platform. The provision of a customer portal to enable online service delivery tailored to individual preferences. To give the ability for customers to have a holistic view of their online interactions.</p> <p>Capita 360 payments platform. The delivering of integrated payment</p>	<p>Improved accessibility and Customer Satisfaction.</p> <p>Overall transformation of back office support services to release resource to the front line of delivery.</p> <p>Ability for Customers to interact and make payments 24hours a day 365 days of the year.</p>	<p><b>When</b> Projects to start April 2019. Full implementation over the next two years.</p> <p><b>Who</b> Return on investment audit to be maintained by Head of Service – Customer and Digital Services.</p> <p>Strategic lead Digital Leadership Group.</p>	<p>KPI – Group 1 Customer Satisfaction</p> <p>KPI – Group 2 Channel shift</p> <p>KPI – Group 3 Return on investment</p>

				<p>function providing a quick and seamless payment experience</p> <p>Implementation of Thoughtonomy, an intelligent automation platform</p>	<p>Streamline back office functions and prioritization and release of resource to the front line of delivery.</p> <p>Ensure we deliver services that are important to us and our customers in an appropriate manner. Contribute to the Medium term financial plan through better resource allocation.</p>		
PS D3	<p><b>Adopt a user first approach to delivery</b></p>	<p>To deliver easy to use, efficient and attractive digital services that customers will choose to use. We refer to this as making our services “Digital by Default”</p> <p>We will design digital services so that the widest group of customers will be able to use them.</p>	<p>Online process for requesting resident and visitor parking permits as part of the Civil Enforcement initiative live. The process can be accessed in Customer service centres for those who choose not to interact digitally.</p>	<p>As listed above</p> <p>Ensure we maintain and evolve fit for purpose alternatives to on line digital services</p>	<p>Deployment of systems which supports the use both internally and externally, across various channels. Accessible 24 hours a day/365 days per year.</p> <p>To keep pace with the growing expectations from the Customer for</p>	<p><b>When -</b> Throughout the lifetime of the strategy starting April 2019</p> <p><b>Who – Strategic lead</b> Cabinet, Corporate</p>	<p>KPI – Group 1 Customer Satisfaction</p> <p>KPI – Group 2 Channel shift</p> <p>KPI – Group 3 Return on investment</p>

		<p>We will always ensure that there is an alternative solution for customers who are unable to use digital solutions</p> <p>Where appropriate we will share data across the organisation in support of improved service delivery.</p> <p>Ensure we engage with business through innovative solutions</p>	<p>Contact Centre and alternative face to face service provisions are available</p> <p>Supplier portal and end to end eProcurement</p>	<p>Develop authority wide data analytics policy and tools to support decision making. (ability to make decisions based on facts and data)</p> <p>Develop interactive business solutions</p>	<p>Sustainable, effective Public Services.</p> <p>Alternative service provision for those who need it. Inclusive authority.</p> <p>Allow business to work with the Authority in a streamline manner</p>	<p>Management team. <b>Operational Digital</b> leadership group and Customer and Digital Services team</p> <p><b>When:</b> during period 2019/20 <b>Who:</b> Procurement and Information Manager</p>	<p>KPI – Group 3 Return on investment</p> <p>Strategy implementation review. Yearly</p>
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# Strategic Theme – Leadership

We will become a Digital Organisation through strong leadership. Our Culture will be shaped to embrace digital as the way of doing things not just about technology. We will adapt a multi discipline teams approach so that we see digital as a whole system issue. We will challenge our supply chains to bring innovation and value for money.

We will protect our citizen’s privacy and security.

Ref	Key Principles	What we want to achieve	What has already been done?	What needs to be done? How will we achieve it?	What is the desired impact?	When/Who	Measurements
L1	<b>Appoint a digital leader for Caerphilly County Borough Council</b>	<p>We wish to achieve an innovative progressive Authority with a modern approach to business and Customer Services</p> <p>Commitment to breakdown the silos within the Council to develop flexi work flows and delivery teams</p>	Cabinet Member for Corporate Services has Customer and Digital responsibility within his portfolio and will act as the Digital lead	<p>Identify a Digital Champion within Cabinet – to ensure all members embrace the Digital approach set out within the strategy and work in a digital way.</p> <p>Formulate a Digital Leadership Team. Obtain representation from each of the Directorates. The Corporate Director for Education &amp; Corporate Services will chair</p> <p>Deployment of relevant technology to support cross functional working – such as Thoughtonomy and Abavus</p>	<p>Clear leadership and a development of a culture within the authority to embrace problem solving through innovation and appropriate technology.</p> <p>Continuous improvement through embracing change as a positive whereby technology is part of a solution not the totality.</p>	<p><b>When</b> - June 2019 <b>Who</b> - Cabinet and Corporate Management team</p>	KPI – Group 3 Return on investment

		Explore opportunities to work on a regional and national basis. Embrace collaboration on digital initiative and opportunities in the Cardiff Region City Deal.	Head of Service sits on the Cardiff region City Deal digital group.	Agreed strategy/policy for collaborative working	<p>The Council to be seen as leaders in Digital transformation and Service modernization.</p> <p>Ensuring value for money service solutions. All new deployments to demonstrate return on investment and contribution to MTFP</p> <p>Collaborative Council</p>	<p><b>When</b> – Within 12 months starting June 2019</p> <p><b>Who</b> - Cabinet and Corporate Management team</p>	
L2	<b>Develop Digital Leadership Group</b>	<p>Clear Leadership of Customer and Digital services within the Council</p> <p>Organisation transformation within the customer and digital</p>		Establishment of the Digital Leadership Team, Corporate Director for Education & Corporate Services will chair, Develop Terms of Reference for the group	<p>Corporate approach to Customer and Digital service delivery</p> <p>Rationalisation of products and services to support the</p>	<p><b>When</b>- June 19</p> <p><b>Who</b> – Director Education and Customer Services</p>	Strategy implementation review. Yearly

		services and business improvement functions			transformation programme and MTFP		
L3	<b>Agree Customer and Digital standards monitoring process</b>	Development of a Digital Culture to support digital services teams to promote flexibility, agility and leadership	Customer Service standard approved by Cabinet and currently in the process of being embedded into the organisation	Develop core set of Digital Service standards that will support the business transformation.  Obtain approval of Digital Standards by Cabinet.  Ensure Customer and Digital standards implementation is measured as part of the Performance monitoring framework	Standardization of Customer Service throughout the organisation.  Standardization of Digital Service standards throughout the Organisation.	<b>When</b> – Within 12 months starting June 2019 <b>Who</b> - Cabinet and Corporate Management team	KPI – Group 1 Customer Satisfaction  KPI – Group 2 Channel shift  KPI – Group 3 Return on investment
L4	<b>Lead a culture of Digital by default.</b>	Focus on the culture of our digital services teams to promote flexibility, agility, leadership, confidence and support of our people.		People development programme developed to enable required skills, behaviours, leadership and responsibilities in the customer and digital services teams	People obtaining the correct support. An improving organisation whereby we embrace a culture of trying new things and growing in ability.  Part of Caerphilly transformation programme	<b>When</b> – Within 12 months starting June 2019 <b>Who</b> - Cabinet and Corporate Management team	Strategy implementation review. Yearly
L5	<b>Promote the Customer and Digital strategy and adopt the correct level of</b>	Confidence from our customers and all other stakeholders that we “the Authority” understand the value of our data assets and that	ISO270001:2013 Public Services Network compliance Cyber Essentials Cyber Essentials Plus Payment Card Industry standards	Independent checks on our security readiness are performed annually by external organisation.	Protecting our data, information and services	<b>When</b> – throughout the lifetime of Strategy (to keep up with new	KPI – Group 4 Information Governance and Security

**security and privacy of Data.**

they feel is secure and used in an appropriate manner

Look to integrate our customer data wherever possible to avoid data islands and to encourage data sharing whilst ensuring compliance with data protection legislation.

We will implement standards around our

Privacy notices outline which functions will share personal data together with lawful basis, to ensure legal compliance and transparency. Wales Accord on sharing Personal Information (WASPI) facilities sharing of personal data across organisations where appropriate.

We use the National Cyber Security Centre recommendations as a baseline for our security readiness.

ISO27001:2013 audits are performed bi-annually by external organisation.

Monthly checks are performed across the infrastructure monthly using accredited security monitoring tools.

Raise confidence of staff in sharing data when appropriate via training/coaching. Data protection impact assessments whenever new technology is implemented or new initiative are proposed

Promote more “tell us once” services across the Authority.

Stakeholders trust Council to manage personal information appropriately. Stakeholders do not have to resubmit the same information to multiple service areas. Any requests to restrict or limit data use within the Council are recognised and handled in line with law

Cyber Crime coming forward)  
**Who –** Procurement and Information Manager supported by Information Governance Officer and Security Officer

**When –** throughout the lifetime of Strategy  
**Who –** Procurement and Information Manager supported by Information Governance Officer

data to support its creation, use, quality, how it is handled and timely disposal when it is no longer needed to reduce risks and comply with the Section 46 Statutory Code of Practice under the Freedom of Information Act.

We will ensure compliance with information rights legislation such as Data Protection and Freedom of Information

We will use data to improve performance reporting, corrective action, prediction/capacity management, and enhanced decision making.

Policies on records management, information risk management and data protection in place, together with associated guidance and training.

Training for all staff on responsibilities as well as clear guidance and processes available.

Predictive analytics and examples from NESTA report\* communicated to CMT as part of presentation on making better use of Council's data. CMT supportive.

Expand methods of training and awareness raising e.g. eLearning and embed standards into working practice, including automatically via digital solutions where possible, address records backlogs

Continue training and awareness raising. Scrutinise new proposals and audit existing work processes.

Develop skills in predictive analytics

Data information will be proactively created, managed and used to support services. Minimal data stored in physical locations and electronics systems by correct implementations of retention periods.

Data Protection Impact Assessments will be undertaken as early as possible whenever there is a new proposal. Information will be well managed so it is easy to locate for an information request.

Services actively use Council data to inform service delivery.

**When:** Throughout the lifetime of the strategy  
**Who:** Information Governance Officer supported by Digital Services



		<p>We will look to share appropriate data through open data techniques to enable new opportunities for others to access, analyse and develop innovation by the use of our data.</p>	<p>Publication of datasets online to satisfy FOI requirements.          Contribution to City Deal Open Data initiative.          Information Asset Registers document all our information, so we can assess what is suitable for proactive publication.          Corporate file plan developed that can be used to structure network drives open by default (permissions in sub-folders as necessary) (similar to WG practice).</p>	<p>Restructure network drives and address records backlogs to facilitate internal re-use through relevant data retention policies.</p> <p>Utilise Information Asset Registers to identify datasets that could be proactively published, working in conjunction with City Deal Open Data group.</p>	<p>All Council information open by default, to foster internal re-use. Council datasets proactively published externally, to benefit local economy.</p>		
L6	<p><b>Support the Welsh Agenda.</b></p>	<p>Caerphilly County Borough Council seen as a leader in Wales and support excellence in Customer and Digital Services</p> <p>Deliver customer centric services.</p> <p>Where appropriate align actions to the Future Generations Act.</p>	<p>Head of Service is an active member of Socitm and Cardiff region City Deal Digital Group.</p>	<p>Continue to develop relationships and support the Welsh agenda which appropriate to Caerphilly County Borough Council</p>	<p>Fit for Purpose Customer and Digital Services that is appropriate for wider Collaboration with Local Authorities and public sector in general</p> <p>To support national strategies and legislation such as:          Digital Vision for Wales          The Wales Digital First          The Digital Action Plan</p>	<p><b>When</b> – Throughout the lifetime of the strategy starting June 2019</p> <p><b>Who</b> - Cabinet and Corporate Management team</p>	<p>Strategy implementation review. Yearly</p>

\*<https://www.nesta.org.uk/report/wise-council-insights-from-the-cutting-edge-of-data-driven-local-government/>

# Strategic Theme – Service Standards

Developing modern, fit-for-purpose technology that will be used to ensure efficiency whilst reducing our impact on the environment. We will develop a set of Digital service standards that will put the customer at the heart of our Business.

Ref	Key Principles	What we want to achieve	What has already been done?	What needs to be done? How will we achieve it?	What is the desired impact?	When/Who	Measurements
SS1	Develop and embed Customer Service Standards. Ensure these are sustained through the lifetime of the Strategy	Standard approach to Customer Services throughout the Council	Standards approved by Cabinet and currently being embedded into the organisation	Incorporate standards in to relevant HR policies where possible	A standard approach and good outcomes for the Customer	<b>When:</b> Through the lifetime of the Strategy. Agreed by Cabinet 2018 <b>Who:</b> Customer and Digital Services management team	KPI – Group 1 Customer satisfaction
SS2	<b>Develop and embed Digital Service Standards. Ensure these are sustained through the lifetime of the Strategy</b>	Standard approach to Digital Services Ensure the workforce has the appropriate technology to fulfil its role and deliver high quality service.  Development of a Digital Culture to support digital services teams to promote flexibility, agility and leadership		Develop core set of Digital Services standard that will support the business transformation.  Obtain approval of Digital Standards by Cabinet.  Ensure Customer and Digital standards implementation is measured as part of the Performance monitoring framework	Increasingly agile workforce creating an environment of trust where empowerment improves effectiveness.  Increased number of “hot desks” and shared accommodation.	<b>When:</b> Through the lifetime of the Strategy. <b>Who:</b> Customer and Digital Services management team	KPI – Group 1 Customer Satisfaction  Strategy implementation review. Yearly

				Provide education materials that will promote the Digital Service Standard.			
SS3	<b>Support the Welsh agenda</b>	<p>Deliver customer centric services.</p> <p>Where appropriate align actions to the Future Generations Act.</p>		<p>Deployment of tools such as Abavus, Thoughtonomy, O365 and other public sector applications which will support the Welsh Agenda.</p> <p>Ensure senior staff are fully engaged with the Welsh Agenda.</p>	More collaborative organisation which has the ability to engage and interact in a collaborative manner with all public services.	<p><b>When:</b> Lifetime of the Strategy as the Welsh agenda develops</p> <p><b>Who:</b> Head of Customer &amp; Digital Services</p>	<p>KPI – Group 1 Customer Satisfaction</p> <p>KPI – Group 2 Channel shift</p> <p>KPI – Group 3 Return on investment</p> <p>KPI – Group 4 Information Governance and Security</p> <p>Strategy implementation review. Yearly</p>

# Strategic Theme – Staffing, Skills and Development

Create value through our workforce by understanding exciting talent and future talent. We will invest in our people to deliver the very best Digital Authority.

Ref	Key Principles	What we want to achieve	What has already been done?	What needs to be done? How will we achieve it?	What is the desired impact?	When/Who	Measurements
SSD1	<b>Assess the skills required and develop a gap analysis</b>	A modern, flexible and innovative workforce that is supporting the authority's digital transformation	<p>Draft agile working principles in place.</p> <p>Draft Strategy developing through the governance process.</p> <p>Draft report on implementation of O365</p> <p>Draft report on products and applications for future use.</p>	<p>Development of user profile. Identify the profile for each role across the Authority to define technology requirements.</p> <p>Undertake review of products/applications in use now and proposal for the future. Undertake a skills audit which will identify skills gap.</p> <p>Develop training plan for skills development on key applications</p> <p>Agile working principles embedded</p> <p>Development of device strategy</p> <p>Development of digital self-help and learning</p>	<p>Continuous improvement and learning of our staff with a core digital culture.</p> <p>To develop a learning ethos which will allow us to be open and learn from our mistakes</p> <p>Service areas see the benefit of skilled workforce.</p> <p>Workforce confident to engage with citizens through technology.</p>	<p>Currently in development to be completed in 19/20 financial year</p> <p>Customer and Digital management team.</p> <p>All Heads of Services</p>	KPI – Group 5 Training & Development

				modules to support users.			
SSD2	<b>Assess the capabilities required and develop a gap analysis</b>	Work to improve levels of digital skills, digital culture and inclusion		<p>Develop digital skills and culture programme with a focus on digital adoption to focus on both authority and wider citizen skill development. To be co-ordinated across other stakeholders within public sector and wider organisations</p> <p>Review of digital tools that can be made available to citizens to support inclusion (e.g. devices in libraries, self-scan)</p>	<p>Develop a scorecard of current inclusion levels (both within the authority and with citizens) and measure trends.</p> <p>Trained and confident staff, increase range of customers and staff embracing digital services.</p> <p>Reduction in digital exclusion across communities where there is limited access to technology or accessibility issues.</p>	<p><b>When:</b> Lifetime of the Strategy</p> <p><b>Who:</b> Regeneration Social Services Education</p>	
SSD3	<b>Support the Welsh agenda</b>	Excellence in Digital across the Welsh Public Sector	Head of Customer & Digital currently engaged with regional and national working groups	More joined up approach across Wales	Shared resource, centres of excellence and collaborative council	<p><b>When:</b> Lifetime of the Strategy as the Welsh agenda develops</p> <p><b>Who:</b> Digital Leadership Group</p>	KPI – Group 5 Training & Development
SSD4	<b>Develop a pool of experts to support</b>	Team/Taskforce to support transformation		Development of the Core Team and deployment in to service reviews.	Digital transformation of the Authority and	<p><b>When:</b> Lifetime of the Strategy as the</p>	KPI – Group 3 Return on investment

	<p><b>the Council on the delivery of Digital services</b></p>	<p>agenda and service reviews</p>			<p>return on investment on key applications.</p> <p>Develop new technologies that will showcase the possibilities available.</p> <p>Create team to promote strategy through delivery of technology.</p>	<p>2022 transformation agenda progresses</p> <p><b>Who:</b> Head of Customer &amp; Digital Services and Interim Head of Business Improvement Services</p>	<p>Strategy implementation review. Yearly</p>
<p>SSD5 Page 117</p>	<p><b>Develop a workforce strategy</b></p>	<p>A working environment where staff feel secure with digital transformation</p>		<p>Development of the Workforce Strategy with appropriate policies to work in a digital way</p>	<p>Confident workforce in the digital age</p>	<p><b>When:</b> By January 2020 - Lifetime of the Strategy</p> <p><b>Who:</b> Head of People Services</p>	<p>Strategy implementation review. Yearly</p>

# Strategic Theme – Spend Control

Our Digital Service will align with our digital principles and service standard. The Governance and Leadership will be over seen by the Digital Leadership Group. All future spend will be evaluated against our standards and authorized by the Digital leadership Group. There will be a review of all ICT systems and infrastructure to ensure we irradiate duplication.

Ref	Key Principles	What we want to achieve	What has already been done?	What needs to be done? How will we achieve it?	What is the desired impact?	When/Who	Measurements
SC1	<b>Complete infrastructure review for corporate and schools</b>	Robust infrastructure in Corporate services and Schools with adequate funding model to support future resilience.  A infrastructure which allows collaboration and innovation	Limited investment  On premise service        WG created digital standards for schools.	Review current infrastructure and make recommendations to Cabinet.  Inventory comparison with manufacturer's support schedules to define roadmap for change.  Evaluate the best options of delivery in terms of on premise or cloud base technology.  School proposals to reflect WG digital standards.  Development of school and corporate infrastructure strategies.	Fit for purpose, cost effective and sustainable infrastructure in corporate and schools environment  Resilient and cost effective infrastructure providing best applications to the Customer.  Innovative technology and collaborative authority  Fit for purpose and funded appropriately digital applications and infrastructure within schools	<b>When:</b> During 2019/20 <b>Who:</b> Digital Manager   <b>When:</b> Lifetime of Strategy <b>Who:</b> Digital Manager	Strategy implementation review. Yearly  KPI – Group 3 Return on investment



SC2	<b>Complete system/application and budget review</b>	<p>System/application Rationalisation programme which will support the best technology.</p> <p>We aim to use Cloud-based solutions wherever possible in order to reduce our reliance on physical hardware that must be maintained, repaired and replaced individual assessments will be made when evaluating new requirement and we expect to have a hybrid solution to allow flexibility</p>	Development of Systems contracts register.	Develop a programme focused on reducing the portfolio of digital solutions/applications, supported and governed by the digital leadership group. Delivering proactive management of the digital estate, working collaboratively to find the right mixture of solutions and functionality.	<p>Measure and reduce the digital portfolio of solutions</p> <p>Ensure true value is obtained from the digital estate.</p> <p>Ensure we allow innovation</p>	<p>Procurement and Information Manager/Digital Manager</p> <p>Report to be established prior to March 2020</p>	<p>Strategy implementation review. Yearly</p> <p>KPI – Group 3 Return on investment</p>
SC3	<b>Develop digital capabilities of our partners and supply chains.</b>	Create an environment where transactions delivered via standard technology.	Initial contract review	Streamline of applications in use within the Authority. Support training and development to the supply chain and partners	Increased digital transactions with partners providing greater effectiveness and efficiencies.	<p><b>When:</b> By 2020/21</p> <p><b>Who:</b> Procurement &amp; Information Manager</p>	<p>KPI – Group 3 Return on investment</p> <p>Strategy implementation review. Yearly</p>

# Strategic Theme – Timetable for Change

The Council will have a clear plan which will focus on the short term, within 18 months the medium 3 years and longer term 5 years.

Ref	Key Principles	What we want to achieve	What has already been done?	What needs to be done? How will we achieve it?	What is the desired impact?	When/Who	Measurements
TFC 1	<b>Agree the proposed Customer and Digital Strategy</b>	Fit for purpose, customer and digital function which will enable the organisation to modernise and become more effective and efficient.	Customer and Digital Strategy in draft.	Governance framework to be followed. PDM – TBC P & R Scrutiny – 28 <sup>th</sup> May 2019 Cabinet – 12 <sup>th</sup> June 2019	Better outcomes for our customers and stakeholders	<b>When:</b> Start June 2019 <b>Who:</b> Head of Customer and Digital Services	Strategy implementation review. Yearly
TFC 2	<b>Agree the proposed Action Plan 2019 - 2023</b>	Fit for purpose, customer and digital function which will enable the organisation to modernise and become more effective and efficient.	Customer and Digital Strategy in draft.	Governance framework to be followed. PDM – TBC P & R Scrutiny – 28 <sup>th</sup> May 2019 Cabinet – 12 <sup>th</sup> June 2019	Better outcomes for our customers and stakeholders	<b>When:</b> Start June 2019 <b>Who:</b> Head of Customer and Digital Services	Strategy implementation review. Yearly

### 3. How to find out more

Visit the Caerphilly County Borough Council Website at: - [www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)

To access the Customer and Digital Services Strategy document: -  
[www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Procurement-strategies-and-plans.aspx](http://www.caerphilly.gov.uk/My-Council/Strategies,-plans-and-policies/Procurement-strategies-and-plans.aspx)

For more information on this Strategy then you can telephone us on 01443 863161, or email us at [procurement@caerphilly.gov.uk](mailto:procurement@caerphilly.gov.uk) or contact the Head of Customer & Digital Services on:-

Elizabeth Lucas, Head of Customer & Digital Services  
Tel: 01443 863160 or Email: [lucasej@caerphilly.gov.uk](mailto:lucasej@caerphilly.gov.uk)

Caerphilly Customer Services Service Standards: -  
[www.caerphilly.gov.uk/mycouncil/complaints-and-feedback/customerservicestandards](http://www.caerphilly.gov.uk/mycouncil/complaints-and-feedback/customerservicestandards).

Welsh Government Educational Digital Guidance for Schools:  
<http://gov.wales/education-digital-guidance>

Key performance indicators: - [www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)

# EQUALITY IMPACT ASSESSMENT FORM

October 2018

## THE COUNCIL'S EQUALITIES STATEMENT

This Council recognises that people have different needs, requirements and goals and we will work actively against all forms of discrimination by promoting good relations and mutual respect within and between our communities, residents, elected members, job applicants and workforce.

We will also work to create equal access for everyone to our services, irrespective of ethnic origin, sex, age, marital status, sexual orientation, disability, gender reassignment, religious beliefs or non-belief, use of Welsh language, BSL or other languages, nationality, responsibility for any dependents or any other reason which cannot be shown to be justified.

The Council is required to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

The Act explains that having due regard for advancing equality involves:

- removing or minimising disadvantages experienced by people due to their protected characteristics
- taking steps to meet the needs of people from protected groups where these are different from the needs of other people
- encouraging people with protected characteristics to participate in public life or in other activities where their participation is disproportionately low.

The protected characteristics are:

- |                                  |                                  |
|----------------------------------|----------------------------------|
| • Age                            | • Race                           |
| • Disability                     | • Religion, Belief or Non-Belief |
| • Gender Re-assignment           | • Sex                            |
| • Marriage and Civil Partnership | • Sexual Orientation             |
| • Pregnancy and Maternity        | • Welsh Language*                |

\* The Welsh language is not identified as a protected characteristic under the Equality Act 2010, however in Wales we also have to treat Welsh and English on an equal basis as well as promoting and facilitating the use of the Welsh language.

Further advice on completing impact assessments can be found on the equalities pages of Corporate Policy Unit Portal.

## THE EQUALITY IMPACT ASSESSMENT

<b>NAME OF NEW OR REVISED PROPOSAL*</b>	Customer & Digital Strategy
<b>DIRECTORATE</b>	Education & Corporate Services
<b>SERVICE AREA</b>	Customer & Digital Services
<b>CONTACT OFFICER</b>	Liz Lucas Head of Customer & Digital Services
<b>DATE FOR NEXT REVIEW OR REVISION</b>	Yearly in line with Service Review

**\*Throughout this Equalities Impact Assessment Form, ‘proposal’ is used to refer to what is being assessed, and therefore includes policies, strategies, functions, procedures, practices, initiatives, projects and savings proposals.**

The aim of an Equality Impact Assessment (EIA) is to ensure that Equalities and Welsh Language issues have been proactively considered throughout the decision making processes governing work undertaken by every service area in the Council as well as work done at a corporate level.

The Council’s work across Equalities, Welsh Language and Human Rights is covered in more detail through the [Equalities and Welsh Language Objectives and Action Plan 2016-2020](#).

When carrying out an EIA you should consider both the positive and negative consequences of your proposals. If a project is designed for a specific group e.g. disabled people, you also need to think about what potential effects it could have on other areas e.g. young people with a disability, BME people with a disability.

There are a number of supporting guidance documents available on the [Corporate Policy and Business Support Portal](#) and the Council’s Equalities and Welsh Language team can provide advice as the EIA is being developed. Please note that the team does not write EIAs on behalf of service areas, the support offered is in the form of advice, suggestions and in effect, quality control.

Contact [equalities@caerphilly.gov.uk](mailto:equalities@caerphilly.gov.uk) for assistance.

# PURPOSE OF THE PROPOSAL

1

## **What is the proposal intended to achieve?**

*(Please give a brief description and outline the purpose of the new or updated proposal by way of introduction.)*

In adopting the Customer & Digital Strategy the Council will set out its vision for developing and managing its interface with customers, staff and its digital environment.

The Council will embrace digital as a culture rather than just technology. We will adopt a learning ethos which will allow us to be open and learn from our mistakes, challenging the status quo to bring about real value public services to our customers.

It is our aim to keep pace with the growing expectations from the Customer for sustainable, effective Public Services.

Caerphilly will become a Digital Organisation, with clear Leadership and support for a culture of “can do” to supporting all of our stakeholders.

Digital in Caerphilly will be seen as a whole system approach which is stakeholder led so that we improve the customer and staff experience and the outcome of public services.

This Digital strategy will be evolving so that it continues to support national strategies and legislation such as:

- Digital Vision for Wales
- Digital First: Delivering Welsh Public Services Online
- The Welsh Government Digital Action Plan
- The Well-being of Future Generations Act
- Towards a Million Welsh Speakers: Cymraeg 2050 Strategy
- The Equality Act

It will reflect on the System Reboot report from Lee Waters AM to ensure that the Council is at the forefront of Digital Transformation in Wales. Our Digital Strategy needs to be a living programme, flexible, adaptable and alive to the changing environment; modular in nature so that it is easy to review and update annually in line with developments in the Digital landscape. Our approach will be continuous improvement to bring about real change and to improve the lives of those who live and work within our borough. Where appropriate our interactions with our customers and wider stakeholders will be Digital by default.

The Council is committed to ensuring it achieves value for money from its Customer and Digital services. It also recognises the value of using Digital tools to support its wider Cultural, Social, Economic and Environmental objectives, in ways that offer real long-term benefits to the community it serves.

The Strategy will build on the Council's success to meet the overarching Well-being objectives, our customer charter and our service standards.

	The overall Customer and Digital vision is ‘investing in our future by opening the digital front door’.
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<b>2</b>	<b>Who are the service users affected by the proposal?</b> <i>(Who will be affected by the delivery of this proposal? e.g. staff members, the public generally, or specific sections of the public i.e. youth groups, carers, road users, people using country parks, people on benefits etc. Are there any data gaps?)</i>  The Customer & Digital Strategy will affect CCBC employees, partners, residents, visitors, and businesses and suppliers within the County Borough and beyond. It will affect anyone who wishes to access the Council and its services.
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## IMPACT ON THE PUBLIC AND STAFF

<b>3</b>	<b>Does the proposal ensure that everyone has an equal access to all the services available or proposed, or benefits equally from the proposed changes, or does not lose out in greater or more severe ways due to the proposals?</b> <i>(What has been done to examine whether or not these groups have equal access to the service, or whether they need to receive the service in a different way from other people?)</i>  Developing our digital offering to create the best customer and staff experience possible will be supported with options of alternative service delivery channels for those who are not able or are yet to develop the ability to transact and communicate in a digital way. Our aim is to have an inclusive approach with equal access to services.  The strategy also supports the development of a bilingual offering to digital service delivery ensuring that compliance to the Welsh Language standards are further strengthened.  This will ensure that everyone has equal access to services by adding to the digital offering in addition to existing services and access channels.
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<b>4</b>	<b>Is your proposal going to affect any people or groups of people with protected characteristics?</b> <i>(Has the service delivery been examined to assess if there is any indirect effect on any groups? Could the consequences of the policy or savings proposal differ dependent upon people's protected characteristics?)</i>	
<b>Protected Characteristic</b>	<b>Positive, Negative, Neutral</b>	<b>What will the impact be? If the impact is negative how can it be mitigated?</b>
<b>Age</b>	<b>Neutral</b>	<p>We will deliver services that are designed digitally as a default standard.</p> <p>These services will be in addition to existing services and access channels.</p> <p>Research shows that the vast majority of our customers can access digital services (96% at the last Household survey).</p> <p>We provide free internet access at libraries.</p>
<b>Disability</b>	<b>Neutral</b>	
<b>Gender Reassignment</b>	<b>Neutral</b>	
<b>Marriage &amp; Civil Partnership</b>	<b>Neutral</b>	
<b>Pregnancy and Maternity</b>	<b>Neutral</b>	
<b>Race</b>	<b>Neutral</b>	
<b>Religion &amp; Belief</b>	<b>Neutral</b>	
<b>Sex</b>	<b>Neutral</b>	
<b>Sexual Orientation</b>	<b>Neutral</b>	

<b>5</b>	<p><b>In line with the requirements of the Welsh Language Standards. (No.1) Regulations 2015, please note below what effects, if any (whether positive or adverse), the proposal would have on opportunities for persons to use the Welsh language, and treating the Welsh language no less favourably than the English language.</b></p> <p><i>(The specific Policy Making Standards requirements are Standard numbers 88, 89, 90, 91, 92 and 93. The full detail of each Standard is available on the Corporate Policy Unit Portal. Although it is important that what is outlined in the proposal is available in Welsh and English, please consider wider impacts on Welsh speakers.)</i></p> <p>The strategy will be available in a bilingual format</p> <p>Where chosen to do so the digital offering will increase the provision of services in the medium of Welsh.</p> <p>The digital offering is in addition to existing services and access channels.</p>
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## INFORMATION COLLECTION

<b>6</b>	<p><b>Please outline any evidence and / or research you have collected which supports the proposal? This can include an analysis of service users.</b> <i>(Is this service effectively engaging with all its potential users or is there higher or lower participation of uptake by one or more protected characteristic groups? If so, what has been done to address any difference in take up of the service? Does any savings proposal include an analysis of those affected?)</i></p> <p>The proposed strategy adds to existing services and will provide our customers with additional choice in the way in which they interact with us.</p> <p>Users from protected characteristic groups who may be unable to access digital services will still be able to interact with us through existing channels.</p>
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## CONSULTATION

<b>7</b>	<p><b>Please outline the consultation / engagement process and outline any key findings.</b> <i>(Include method of consultation, objectives and target audience. What steps have been taken to ensure that people from various groups have been consulted during the development of this proposal? Have you referred to the Equalities Consultation and Monitoring Guidance?)</i></p> <p>The proposed strategy adds to existing access channel and, once approved, will be communicated to people wishing to access our services.</p> <p>The 2017 Household Survey shows that 96% of our residents can access services via the internet either through a computer or smartphone. The strategy will allow people to interact with us through technology.</p> <p>The strategy will support existing access channels and therefore adds additional services. No consultation is proposed.</p>
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## MONITORING AND REVIEW

<b>8</b>	<p><b>How will the proposal be monitored?</b> <i>(What monitoring process has been set up to assess the extent that the service is being used by all sections of the community, or that the savings proposals are achieving the intended outcomes with no adverse impact? Are comments or complaints systems set up to record issues by Equalities category to be able analyse responses from particular groups?)</i></p> <p>Customer usage data will be collected and analysed to understand the take up of new services</p> <p>The strategy is part of the authority's transformation programme and will be monitored as part of this.</p>
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<b>9</b>	<p><b>How will the monitoring be evaluated?</b>  <i>(What methods will be used to ensure that the needs of all sections of the community are being met?)</i></p> <p>Monitoring will be evaluated as part of service planning processes.</p>
<b>10</b>	<p><b>Have any support / guidance / training requirements been identified?</b>  <i>(Has the EIA or consultation process shown a need for awareness raising amongst staff, or identified the need for Equalities or Welsh Language training of some sort?)</i></p> <p>No additional support requirement identified. Plans already exist to support Welsh language customer services.</p>
<b>11</b>	<p><b>If any adverse impact has been identified, please outline any mitigation action.</b></p> <p>None as the strategy is promoting the addition of digital services to extend the current offering.</p>
<b>12</b>	<p><b>What wider use will you make of this Equality Impact Assessment?</b>  <i>(What use will you make of this document i.e. as a consultation response, appendix to approval reports, publicity etc. in addition to the mandatory action shown below?)</i></p> <p><b>This EIA will be appended to all reports for decision</b></p>

<b>13</b>	<p><b>An equality impact assessment may have four possible outcomes, through more than one may apply to a single proposal. Please indicate the relevant outcome(s) of the impact assessment below.</b></p> <p style="text-align: right;"><b>Please tick as appropriate:</b></p> <p><b>No major change</b> – the impact assessment demonstrated that the proposal was robust; there was no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. <input checked="" type="checkbox"/></p> <p><b>Adjust the proposal</b> – the impact assessment identified potential problems or missed opportunities. The proposal was adjusted to remove barriers or better promote equality. <input type="checkbox"/></p> <p><b>Continue the proposal</b> – the impact assessment identified the potential problems or missed opportunities to promote equality. The justification(s) for continuing with it have been clearly set out. (The justification must be included in the impact assessment and must be in line with the duty to have due regard. Compelling reasons will be needed for the most important relevant proposals.) <input type="checkbox"/></p> <p><b>Stop and remove the proposal</b> – the impact assessment identified actual or potential unlawful discrimination. The proposal was stopped and removed, or changed. <input type="checkbox"/></p>
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<b>Completed by:</b>	Elizabeth Lucas
<b>Date:</b>	16/04/2019
<b>Position:</b>	Head of Customer & Digital Services
<b>Name of Head of Service:</b>	Elizabeth Lucas





## CABINET – 12TH JUNE 2019

**SUBJECT: PRINCIPLES ON IMPLEMENTATION OF MICROSOFT OFFICE 365**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

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- 1.1 The attached report, which outlined the principles on implementation of the Office 365 solution for Caerphilly County Borough Council, was considered by the Policy and Resources Scrutiny Committee on 28th May 2019, ahead of its presentation to Cabinet.
  - 1.2 Members were advised that in line with the Council's Customer and Digital Strategy, the Authority has been investigating the implementation of the latest version of the Microsoft Office 365 (O365) suite of tools. These tools offer an extended suite of productivity and collaboration tools over the current Microsoft Office suite, and will assist with everyday challenges and barriers that officials have in working effectively, efficiently and collaboratively in the current systems environment. The new product range will support the proposed Customer and Digital Strategy and the wider transformation strategy, and will be Cloud-based to maximise storage opportunities.
  - 1.3 The Scrutiny Committee were directed to the financial implications as set out in the report, and it was explained that whilst these costs appear significant, there is no option to continue with the current Microsoft offering and pricing model. The licenses are currently funded from the PC replacement fund and based on equal migration of the workforce to O365 over the next 18 months, the costs will increase by £13.58k in 2019/20 with a further increase of £172.5k in 2020/21. Other licenses and providers are available but the license cost and cost of change would be both significant and limiting. At the end of this Microsoft agreement (2020), the Council will enter into a new agreement which will fix the unit costs for the following three years and is estimated to be £720k per annum, which is approximately 20% increase on 2020 costs. Members were asked to note that the public sector across Wales has experienced price increase of between 50%-60% on their Microsoft licensing when moving to O365 in recent years. The financial implications of this migration to O365 will be kept under close revision during the implementation process and the additional funding required will be factored into the budget setting process for the 2020/21 and 2021/22 financial years.
  - 1.4 The Scrutiny Committee discussed the report and level of costs involved, and sought assurances that all alternative options had been explored. Officers explained that whilst the price increase is substantial, a like for like service is not being procured and the existing product can no longer be purchased. Although there are alternatives to Office 365, Caerphilly would be a standalone local authority in terms of Information Technology if they did not proceed with this product, and should the Council not adopt Office 365, this would remove their ability to collaborate across the public sector. It was explained that the cost of changing to another supplier would be excessive and all staff would have to be retrained in the use of an alternative system. Members were referred to the benefits of the new product and the huge suite of tools available, which will allow for new functions such as collaboration on shared documents and remove the need for a number of existing software packages. Additionally, the product will reduce the need to purchase new servers, as data will be stored in the Cloud system, and accessibility across devices will be enhanced. Assurances were

given that all avenues have been thoroughly examined and that the proposals offer access to a whole host of new services to complement the Council's Transformation Strategy and the Customer and Digital Strategy.

- 1.5 In response to Members' queries, it was confirmed that the new Office 365 product will allow the Council to utilise its staff in alternative ways moving forward, and also that the security offered by Microsoft's Cloud service is extremely reliable.
- 1.6 Following consideration of the report and in noting its contents, the Policy and Resources Scrutiny Committee unanimously recommended to Cabinet that the Office 365 solution for Caerphilly County Borough Council as set out in the report be implemented.
- 1.7 Cabinet are asked to consider the report and the above recommendation.

Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix A Report to Policy and Resources Scrutiny Committee on 28th May 2019 –  
Agenda Item 10



## **POLICY AND RESOURCES SCRUTINY COMMITTEE – 28TH MAY 2019**

**SUBJECT: PRINCIPLES ON IMPLEMENTATION OF O365**

**REPORT BY: CORPORATE DIRECTOR EDUCATION & CORPORATE SERVICES**

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### **1. PURPOSE OF REPORT**

- 1.1 To present to the Committee the principles on implementation of the Office 365 solution for Caerphilly. To seek the views of Members on the principles before its onward submission to Cabinet.

### **2. SUMMARY**

- 2.1 In line with the Council's Customer & Digital Strategy, we have been investigating the implementation of the latest version of the Microsoft Office 365 (O365) suite of tools.
- 2.2 These tools offer an extended suite of productivity and collaboration tools over the current Microsoft Office suite. The committee will be familiar with tools such as Word, Excel, PowerPoint and Outlook. O365 supplements these tools with further tools to manage team collaboration, digital teleconferencing and team planning. We believe these tools will assist with everyday challenges and barriers that officials have in working effectively, efficiently and collaboratively in the current systems environment. The introduction of the new product range will support the proposed Customer and Digital Strategy and the wider transformation strategy.
- 2.3 The implementation of this suite of tools will need to be formally managed with a focus on both activation of the technology solutions and also ensuring adoption of these solutions by officers across the Council. This will need to include showing the benefits of new ways of working that the tools will enable. There are many scenarios where we believe these benefits will show themselves – for example in co-authoring and document collaboration, team and cross departmental collaboration, structured to knowledge management, enabling further mobility and agile working, and running more effective meetings. There will also be benefits for the IT organisation in both cost reduction and simplification through rationalisation of products across the Authority.
- 2.4 The move of Microsoft to a subscription based licensing model reflects the current trends of software vendors and necessitates the implementation of O365. The changes in Microsoft licensing restricts the purchase of perpetual licenses, removing previously agreed Governmental discounts for such licenses.

### **3. RECOMMENDATIONS**

- 3.1 Members of the Scrutiny Committee are asked to consider and comment on the proposed principles on the implementation of O365 prior to its submission to Cabinet for endorsement. The principles are within Appendix 1.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 To ensure that the views of the Scrutiny Committee are considered prior to the proposed principles on implementation of O365 being presented to Cabinet.
- 4.2 The continued use of familiar applications such as Outlook, Word and Excel to aid productivity across the Authority combined with the introduction of new applications to support an agile workforce through collaboration, effective team working and accessibility to information.

#### **5. THE REPORT**

- 5.1 The appended principles has been under development since January 2019. Staff and key Officers have been instrumental in its development.
- 5.2 The principles attempt to outline our key principles on the following topics:
- Reason for selecting O365
  - Acquisition approach
  - Implementation and activation approach
  - Adoption and skills development approach
  - Financial plan
- 5.3 The project to implement this suite of tools will be significant and require careful management to ensure the successful implantation of the new technology alongside ensuring the new tools are used by the Council, and they get value from them.
- 5.4 Alongside the implementation of O365 there will be separate projects to review client devices and profile our customers; the outcome of these three activities will define appropriate tools for each role within the Business creating a seamless set of technologies that will become an enabler for greater efficiency and effectiveness.

#### **Conclusion**

- 5.5 The principles on the implementation of O365 attached in Appendix 1 sets out the Council's approach to the implementation of this pivotal suite of tools. These tools will provide the basis for embracing new ways of working, efficiency, mobile working, and collaboration within the Council that in turn will be used to enhance the delivery of citizen centric services.

#### **6. ASSUMPTIONS**

- 6.1 All details within the report are reflective of costings as of May 2019 and within budget 2018/19. Due to the nature of goods and services being procured, costings may increase or decrease depending on market fluctuation. Any fluctuations in costs associated with the implementation of the proposal within the report and outside pre-established budget will be subject to the necessary approval process in line with the Financial Regulations.

#### **7. LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The strategy is aligned to the Councils Corporate plan and 6 well-being objectives by providing a gateway to Council services and supporting citizen centric services. The tools will encourage and support communities to interact and use online solutions to deliver services they require.



## **8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 The principles are aligned to the Wellbeing of future Generations (Wales) Act 2015 as it sets out to improve the social, economic, environmental and cultural wellbeing of the people of Wales. The adoption of the tools will enable a platform to provide an enhanced approach to the delivery of public services.

The Wellbeing and Future Generations Act calls for a massive step change in how organisation such as ourselves plan and deliver public services. Digital transformation will also require a different mind-set. Our proposed strategy is focused on "user need" and improved service delivery therefore providing opportunities for a prosperous and resilient Wales. Providing an equal opportunities to Council services which are safe and well connected.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified, therefore a full EIA has not been carried out.

- 9.2 The completed EIA is attached at Appendix 2.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The existing Microsoft agreement will end in December 2020 and under Microsoft's licensing model we will need to move to O365 if we are to continue using Microsoft Office products and benefit from the many other collaborative and business tools available under the O365 suite. It is proposed that we move on a phased approach to O365 in readiness for this date ensuring our workforce have the confidence and knowledge to utilise the tools available.
- 10.2 Unfortunately there is not an option to remain as is with the current Microsoft offering & pricing model.
- 10.3 The Microsoft licences are currently funded from the PC replacement fund and the costs in the 2018/19 financial year was £424,823.80. Based on equal migration of the workforce to O365 over the next 18 months, the costs will increase by £13,580.00 in 2019/20 with a further increase of £172,543.00 expected in 2020/21. These projected increases are based on E3 licences. Other licenses and providers are available but these are more expensive than our current proposal.
- 10.4 At the end of this Microsoft agreement (2020) we will enter into a new agreement which will fix the unit costs for the following three years. It is currently estimated that our annual costs will increase in Dec 2020 to £720,142.30 which is approximately 20% increase on 2020 costs. It should be noted that the public sector across Wales has experienced price increase of between 50-60% on their Microsoft licensing when moving to O365 in recent years.
- 10.5 The financial implications of the migration to O365 will be kept under close revision during the implementation period and the additional funding required will be factored into the budget selecting process for 2020/21 and 2021/22 financial years.

## **11. PERSONNEL IMPLICATIONS**

- 11.1 Currently there are no personnel implications to the adoption of these new tools, other than the new digital skills that may be required and will be addressed within the project. The tools will enable new ways of working and these new mechanisms may require alternative processes and procedures to be in place which may have personnel implications. Any changes will be reported as required in line with corporate policies.

## **12. CONSULTATIONS**

- 12.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

## **13. STATUTORY POWER**

- 13.1 The Local Government Acts 1998 and 2003.

Author: Elizabeth Lucas, Head of Customer & Digital Services, [lucasej@caerphilly.gov.uk](mailto:lucasej@caerphilly.gov.uk)  
Consultees: Cllr, Colin Gordon, Cabinet Member for Corporate Services  
Cabinet Members (through PDM)  
Christina HARRY, Interim Chief Executive  
Corporate Management Team (CMT)  
All Heads of service.  
Customer & Digital Services – Management team  
Councillor James Pritchard – Chair of P&R Scrutiny  
Councillor Gez Kirby – Vice Chair of P&R Scrutiny

### Appendices:

- Appendix 1 Principles on Implementation of O365  
Appendix 2 Equality Impact Assessment Form

## **APPENDIX 1 - PRINCIPLES ON IMPLEMENTATION OF O365**

### **1. REASON FOR SELECTING O365**

- 1.1 Caerphilly is a long term user of the Microsoft Office suite of tools and have been satisfied with their applicability to core office scenarios around document creation, management, delivery, email, and other core functions.
- 1.2 The O365 suite of tools is the latest cloud based iteration of this suite of tools and includes the following advantages:

#### **Deliver familiar Office apps across mobile, web and PC**

- Desktop versions of Office applications on PC or Mac
- Web versions of Microsoft Word, PowerPoint, Excel, and OneNote
- Best-in-class mobile apps optimized for mobile phones and tablets
- Co-authoring in real-time or offline with rich reconciliation tools
- Easily store, share and access your files from all your devices

#### **Introduce new ways to work with experiences like Microsoft Teams**

- Microsoft Teams, a digital team hub that brings conversations, content, and apps together in one place
- Integrated video storage for teams and organisations
- Video broadcasting capabilities (curated or live) to connect your workforce
- Enterprise social networks to promote a culture of openness, feedback and diversity
- Vibrant company portals that inform and engage

#### **Amplify human ingenuity with AI-powered tools**

- Tools to augment human creativity with ink, text, voice, 3D, and virtual reality
- Ask questions using natural language to surface insights from data sets and visualizations
- Cognitive services to set up custom workflows to organize images, trigger notifications, or invoke processes
- Speech recognition that automatically adapts based on presented content with live captions and subtitles
- Discover behaviour patterns with insights that can improve productivity and engagement

#### **Trust that your data is secure and compliant**

- Industry-leading privacy and compliance offerings
- Support for cloud, hybrid, and on-premise deployments
- Protection that spans across users, devices, apps and data –1<sup>st</sup> party or 3<sup>rd</sup> party
- AI-powered security to identify known and unknown threats in your environment
- Customer data is only used to provide agreed upon services and if you leave the data is removed

- 1.3 Other office tools are available and our analysis and comparison was based on the Google G Suite. Our conclusions are:
- Fewer training costs and quicker adoption rates due to the familiarity of the Microsoft software.
  - The O365 suite of tools offer a wider grouping of functionality in a better integrated environment.
  - The success and popularity of the O365 solution provides more integration options across other public sector organisations, partners, and suppliers.

- O365 has security advantages in areas such as identity and access management, information protection, threat protection, security management, and accessibility and inclusiveness.

1.4 Office 365 is available in several options, offering increased functionality and more applications with higher license versions. Microsoft also offer the Microsoft 365 (M365) suite which includes all those applications in the O365 suite plus the Windows operating system and security functionality to protect the Business. The M365 options will reflect the O365 options ensuring like for like through the licensing models.

## **2. IMPLEMENTATION AND ACTIVATION APPROACH**

2.1 The project will be managed by Digital Services and will feed into the transformation programme. Digital Services will deliver O365 based on the customer profile of the Business role. There are a number of interdependencies for the implantation of O365 and some of these are listed in 5.4 of this report however consideration also needs to be given to the impact on internet connectivity as O365 is cloud based. The implementation will be complex and culturally challenging, the implementation will therefore be completed by December 2020.

2.2 The O365 suite of applications is vast and talking to our colleagues across the public sector (including neighbouring Unitary Authorities and Higher Education) it is imperative to define those applications that will be implemented initially, providing the solutions without guidance and support will quickly create an environment which is difficult to work in, manage and benefit from the collaborative tools available. Once such an environment is created it will be difficult to change, trying to return to day zero will not achieve a suitable environment, it is therefore necessary to start with a clear objective and sound guidance.

It is proposed that the familiar applications such as Outlook, Word, PowerPoint and Excel are initiated to continue familiarity and create confidence, alongside these applications the collaborative tool of Teams will also be initiated. Guidelines on the use of Teams will be delivered as part of the implementation, this will give direction and create the experience needed to grow confidence in the new way of working.

2.3 The understanding of the different roles across the Business will be paramount to delivering the appropriate technology and tools to create a climate of can do and facilitate improved effectiveness. The output from the customer profile project will hold valid, current information regarding our customers, these can then be grouped to create personas or roles, which will define the tools required to deliver the appropriate services.

2.4 There will be several key stages to the project:

2.4.1 Project Group. The success of the project will be achieved through a dedicated internal team with external assistance if required, regular project updates and management through the Digital Leadership Team. The reporting structure, alongside resource allocations needs to be defined in this stage.

2.4.2 Pilot Stage. Creation of guidelines for the pilot groups and development of these guidelines following experiences of the pilot groups. The pilot groups will consist of a technical and several functionality pilots. The technical pilot will engage Digital Services who will configure and test known customisations and check for technical compatibility and reliability. The functionality pilots will engage customers who will operate the applications and provide feedback to the project team.

2.4.3 Business Roles. This stage will analyse the results of the customer profiling and device review and agree a set of technologies that will become an enabler for the role.

- 2.4.4 Delivery Schedule. Development of an implementation schedule across the Business for O365. It will be necessary to develop our training provision, realising that there is not one fit for all, offering different channels for the provision of training material.
- 2.4.5 Communication Strategy. The definition of a clear communication strategy and identification of a communication champion. The communication channels and style will need to be agreed, incorporating project updates, successes and frequently asked questions. This stage will need to define the project reporting line. It will be important to state which applications will be in first stage of implementation and ideas of when other applications will be introduced to the Business.
- 2.4.6 Implementation. Implementation of O365 across the Authority as defined in the schedule, at pre-defined points update guidelines and lessons learnt in readiness for next group, feeding into communication strategy. As part of the implementation activities, "Digital Champions" will be identified who will work closely with the project team to support colleagues and develop the O365 suite over time.
- 2.4.7 Phase 1 review. Once O365 has been rolled out across the Business it will be critical to have a full review of the project, identifying what went well and not so well and defining lessons learnt for subsequent stages.
- 2.5 We are working closely with Microsoft and benefiting from their experience in such migrations; it is our intention to take full advantage of Microsoft's capabilities in similar such projects and will be looking to Microsoft's technical and "Fast track" teams for assistance. We have worked with a Microsoft partner to assist in the initial configurations and to transfer their appropriate skills and knowledge to our internal teams.
- 2.6 The move to O365 will allow us to move our email and documents into the Microsoft cloud, allowing those servers in the Data Centre currently providing these services to be redeployed within the on-premise infrastructure. As a pre-requisite to this move it will be essential that staff perform appropriate housekeeping on the information held in line with data retention policies and General Data Protection Regulation. O365 will provide tools to easily search for information across documents and email that have been moved into the Microsoft cloud.
- 2.7 To create an environment that integrates fully with the Corporate network, Digital Services will enable access to O365 through the use of your standard network profile and password; to protect our Officers and the Authority this is only allowed from the secure Caerphilly CBC network. Access will be available from outside of the Caerphilly CBC network but to protect the Authority in these circumstances another form of authentication will be required in addition to your usual network identification and password, this multi factor authentication is an optional service in O365 but is included in the M365.
- 2.8 The move to a more agile workforce to increase effectiveness, improve efficiencies and support the asset management strategy will increase the number of mobile devices in use throughout the Authority. To protect the Authority against threats from cyber criminals and breaches in GDPR it will be necessary to manage these devices accordingly. The M365 suite will allow such management and the option to rationalise solutions will be achievable through this suite of applications. Careful consideration is needed to facilitate appropriate use of the device whilst offering necessary protection to the Authority.

### 3. ADOPTION AND SKILLS DEVELOPMENT APPROACH

- 3.1 The implementation of the O365 suite will require a widespread cultural change throughout the Business to achieve the benefits of the solution. As the interoperability of O365, agile working and customer profiles merge into a programme of works there will be a requirement to review some of the policies currently in use, and possibly to develop new procedures and policies.

Some policies that may need to be reviewed or created are:

- Those supporting agile and home working
  - Definition of working times
  - Supported devices for roles
  - Acceptable use of Authority supplied equipment
  - Information management
  - Information security
  - Freedom of Information
  - General Data Protection Regulation
  - Health and safety
  - Those supporting the use of social media
- 3.2 The customer profile will allow identification of the skills gap across the Authority, which will enable a programme of training to be developed to bridge the skills gap and facilitate greater use of the functionality in each application to drive the effectiveness and creativity across the Business. These profiles will be updated bi-annually and help to develop a workforce that will embrace change and be confident to use the technology to deliver efficient services.
- 3.3 It will be crucial to the implementation that Customer and Digital Services are able to support customers as they move to, and embrace, O365. The technology pilot will facilitate knowledge and combined with various channels of training and greater usage will create the experience in Digital Services to support the Business. The IT Service desk will be critical to this support and will be included from the start of the project as a key member of the support service.
- 3.4 Customer and Digital Services will be the first full service area migrated to O365, and will lead by example, it will be important however to have the project driven from the top within the Authority and a senior manager as Sponsor will promote and support the adoption of the technology. This approach combined with the elevation of Digital Champions across the Business will create empowerment and ownership by the Business, ultimately delivering better usage of the applications. Our Digital Champions will have regular interaction with the project team and feed into the decision making process for the programme of works.
- 3.5 Developing various training channels will allow Customers to choose the medium that compliments their training preferences, not everyone enjoys classroom based training, we live in a multimedia world and our training delivery will develop to reflect this. Where possible we will utilise the training materials from Microsoft that is available through O365.
- 3.6 Communication will be critical to delivering a successful project, and Digital Services will create a communication strategy to announce O365, how it can benefit the Business and where support can be obtained to benefit from the new technologies. The strategy will communicate to the Business at all levels, clarifying the benefits of the technology and where possible providing examples to stimulate creativity. The communication strategy will consider different options to deliver the messages and information regarding the project.
- 3.7 Cultural change will be embraced by some who will push the boundaries of the new technology and in doing so improve their service delivery, these achievements should be acknowledged and where appropriate used as examples of good practice. Understanding

how we embrace technology and use it to benefit our services will be core to the acceptance of the changes across the Authority.

There may however be some pockets of reluctance to the new technologies and it will be important that these groups are shown the benefits that can be achieved, and this will be best shown by real life examples. We will need to work with these groups and engage with them to alleviate any concerns they may have and where necessary help to develop the technology for their group. Digital Services will work with the Sponsor and Digital Champion in such circumstances

#### **4. FINANCIAL PLAN**

- 4.1 The existing Microsoft agreement will end in December 2020 and under Microsoft's licensing model we will need to move to O365 if we are to continue using Microsoft Office products and benefit from the many other collaborative and business tools available under the O365 suite. It is proposed that we move to O365 in readiness for this date ensuring our workforce have the confidence and knowledge to utilise the tools available.
- 4.2 The existing Microsoft agreement will end in December 2020 and under Microsoft's licensing model we will need to move to O365 if we are to continue using Microsoft Office products and benefit from the many other collaborative and business tools available under the O365 suite. It is proposed that we move on a phased approach to O365 in readiness for this date ensuring our workforce have the confidence and knowledge to utilise the tools available.
- 4.3 Unfortunately there is not an option to remain as is with the current Microsoft offering & pricing model.
- 4.4 The Microsoft licences are currently funded from the PC replacement fund and the costs in the 2018/19 financial year was £424,823.80. Based on equal migration of the workforce to O365 over the next 18 months, the costs will increase by £13,580.00 in 2019/20 with a further increase of £172,543.00 expected in 2020/21. These projected increases are based on E3 licences. Other licenses and providers are available but these are more expensive than our current proposal.
- 4.5 At the end of this Microsoft agreement (2020) we will enter into a new agreement which will fix the unit costs for the following three years. It is currently estimated that our annual costs will increase in Dec 2020 to £720,142.30 which is approximately 20% increase on 2020 costs. It should be noted that the public sector across Wales has experienced price increase of between 50-60% on their Microsoft licensing when moving to O365 in recent years.
- 4.6 The financial implications of the migration to O365 will be kept under close revision during the implementation period and the additional funding required will be factored into the budget selecting process for 2020/21 and 2021/22 financial years.

# EQUALITY IMPACT ASSESSMENT FORM

October 2018

## THE COUNCIL'S EQUALITIES STATEMENT

This Council recognises that people have different needs, requirements and goals and we will work actively against all forms of discrimination by promoting good relations and mutual respect within and between our communities, residents, elected members, job applicants and workforce.

We will also work to create equal access for everyone to our services, irrespective of ethnic origin, sex, age, marital status, sexual orientation, disability, gender reassignment, religious beliefs or non-belief, use of Welsh language, BSL or other languages, nationality, responsibility for any dependents or any other reason which cannot be shown to be justified.

The Council is required to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

The Act explains that having due regard for advancing equality involves:

- removing or minimising disadvantages experienced by people due to their protected characteristics
- taking steps to meet the needs of people from protected groups where these are different from the needs of other people
- encouraging people with protected characteristics to participate in public life or in other activities where their participation is disproportionately low.

The protected characteristics are:

- |                                  |                                  |
|----------------------------------|----------------------------------|
| • Age                            | • Race                           |
| • Disability                     | • Religion, Belief or Non-Belief |
| • Gender Re-assignment           | • Sex                            |
| • Marriage and Civil Partnership | • Sexual Orientation             |
| • Pregnancy and Maternity        | • Welsh Language*                |

\* The Welsh language is not identified as a protected characteristic under the Equality Act 2010, however in Wales we also have to treat Welsh and English on an equal basis as well as promoting and facilitating the use of the Welsh language.

Further advice on completing impact assessments can be found on the equalities pages of Corporate Policy Unit Portal.



## THE EQUALITY IMPACT ASSESSMENT

<b>NAME OF NEW OR REVISED PROPOSAL*</b>	Microsoft Office 365
<b>DIRECTORATE</b>	Education & Corporate Services
<b>SERVICE AREA</b>	Customer & Digital Services
<b>CONTACT OFFICER</b>	Liz Lucas Head of Customer & Digital Services Gwyn Williams Digital Manager
<b>DATE FOR NEXT REVIEW OR REVISION</b>	Yearly in line with Service Review

**\*Throughout this Equalities Impact Assessment Form, ‘proposal’ is used to refer to what is being assessed, and therefore includes policies, strategies, functions, procedures, practices, initiatives, projects and savings proposals.**

The aim of an Equality Impact Assessment (EIA) is to ensure that Equalities and Welsh Language issues have been proactively considered throughout the decision making processes governing work undertaken by every service area in the Council as well as work done at a corporate level.

The Council’s work across Equalities, Welsh Language and Human Rights is covered in more detail through the [Equalities and Welsh Language Objectives and Action Plan 2016-2020](#).

When carrying out an EIA you should consider both the positive and negative consequences of your proposals. If a project is designed for a specific group e.g. disabled people, you also need to think about what potential effects it could have on other areas e.g. young people with a disability, BME people with a disability.

There are a number of supporting guidance documents available on the [Corporate Policy and Business Support Portal](#) and the Council’s Equalities and Welsh Language team can provide advice as the EIA is being developed. Please note that the team does not write EIAs on behalf of service areas, the support offered is in the form of advice, suggestions and in effect, quality control.

Contact [equalities@caerphilly.gov.uk](mailto:equalities@caerphilly.gov.uk) for assistance.

## PURPOSE OF THE PROPOSAL

<b>1</b>	<b>What is the proposal intended to achieve?</b> <i>(Please give a brief description and outline the purpose of the new or updated proposal by way of introduction.)</i>  The migration of Microsoft Office products from on premise solutions to cloud based solutions, this will include, over time, the introduction of new technologies. The move to cloud solutions will support the Authority's agile strategy and asset rationalisation programme.
<b>2</b>	<b>Who are the service users affected by the proposal?</b> <i>(Who will be affected by the delivery of this proposal? e.g. staff members, the public generally, or specific sections of the public i.e. youth groups, carers, road users, people using country parks, people on benefits etc. Are there any data gaps?)</i>  Those staff who currently have access to Microsoft Office products.

## IMPACT ON THE PUBLIC AND STAFF

<b>3</b>	<b>Does the proposal ensure that everyone has an equal access to all the services available or proposed, or benefits equally from the proposed changes, or does not lose out in greater or more severe ways due to the proposals?</b> <i>(What has been done to examine whether or not these groups have equal access to the service, or whether they need to receive the service in a different way from other people?)</i>  Access to the products will continue in the same way.
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<b>4</b>	<b>Is your proposal going to affect any people or groups of people with protected characteristics?</b> <i>(Has the service delivery been examined to assess if there is any indirect effect on any groups? Could the consequences of the policy or savings proposal differ dependent upon people's protected characteristics?)</i>	
<b>Protected Characteristic</b>	<b>Positive, Negative, Neutral</b>	<b>What will the impact be? If the impact is negative how can it be mitigated?</b>
Age	Neutral	None
Disability	Neutral	
Gender Reassignment	Neutral	
Marriage & Civil Partnership	Neutral	
Pregnancy and Maternity	Neutral	
Race	Neutral	
Religion & Belief	Neutral	
Sex	Neutral	
Sexual Orientation	Neutral	

<b>5</b>	<b>In line with the requirements of the Welsh Language Standards. (No.1) Regulations 2015, please note below what effects, if any (whether positive or adverse), the proposal would have on opportunities for persons to use the Welsh language, and treating the Welsh language no less favourably than the English language.</b> <i>(The specific Policy Making Standards requirements are Standard numbers 88, 89, 90, 91, 92 and 93. The full detail of each Standard is available on the Corporate Policy Unit Portal. Although it is important that what is outlined in the proposal is available in Welsh and English, please consider wider impacts on Welsh speakers.)</i>	
	None	

## INFORMATION COLLECTION

<b>6</b>	<p><b>Please outline any evidence and / or research you have collected which supports the proposal? This can include an analysis of service users.</b> <i>(Is this service effectively engaging with all its potential users or is there higher or lower participation of uptake by one or more protected characteristic groups? If so, what has been done to address any difference in take up of the service? Does any savings proposal include an analysis of those affected?)</i></p> <p>The service will be available to all staff who currently use Microsoft Office products. Actions Required: staff profiling will be performed to ensure that each staff member has access to the appropriate products.</p>
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## CONSULTATION

<b>7</b>	<p><b>Please outline the consultation / engagement process and outline any key findings.</b> <i>(Include method of consultation, objectives and target audience. What steps have been taken to ensure that people from various groups have been consulted during the development of this proposal? Have you referred to the Equalities Consultation and Monitoring Guidance?)</i></p> <p>No consultation has taken place at the moment as the products will replace those currently in operation and accessibility will not be affected. Actions required: review consultation requirements following pilot phases.</p>
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## MONITORING AND REVIEW

<b>8</b>	<p><b>How will the proposal be monitored?</b> <i>(What monitoring process has been set up to assess the extent that the service is being used by all sections of the community, or that the savings proposals are achieving the intended outcomes with no adverse impact? Are comments or complaints systems set up to record issues by Equalities category to be able analyse responses from particular groups?)</i></p> <p>Through pilot groups feedback, and engagement with staff before, during and after migration to new service. Actions Required: Formal communications and feedback during the project.</p>
<b>9</b>	<p><b>How will the monitoring be evaluated?</b> <i>(What methods will be used to ensure that the needs of all sections of the community are being met?)</i></p> <p>Continuation of accessibility to Microsoft Office products by staff.</p>

<b>10</b>	<p><b>Have any support / guidance / training requirements been identified?</b>  <i>(Has the EIA or consultation process shown a need for awareness raising amongst staff, or identified the need for Equalities or Welsh Language training of some sort?)</i></p> <p>Training has been developed to assist staff in the migration process and support will be available following migration.</p>
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<b>11</b>	<p><b>If any adverse impact has been identified, please outline any mitigation action.</b></p> <p>None</p>
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<b>12</b>	<p><b>What wider use will you make of this Equality Impact Assessment?</b>  <i>(What use will you make of this document i.e. as a consultation response, appendix to approval reports, publicity etc. in addition to the mandatory action shown below?)</i></p> <p>This EIA will be appended to all reports for decision</p>
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<b>13</b>	<p><b>An equality impact assessment may have four possible outcomes, through more than one may apply to a single proposal. Please indicate the relevant outcome(s) of the impact assessment below.</b></p> <p style="text-align: right;"><b>Please tick as appropriate:</b></p> <p><b>No major change</b> – the impact assessment demonstrated that the proposal was robust; there was no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. <input checked="" type="checkbox"/></p> <p><b>Adjust the proposal</b> – the impact assessment identified potential problems or missed opportunities. The proposal was adjusted to remove barriers or better promote equality. <input type="checkbox"/></p> <p><b>Continue the proposal</b> – the impact assessment identified the potential problems or missed opportunities to promote equality. The justification(s) for continuing with it have been clearly set out. (The justification must be included in the impact assessment and must be in line with the duty to have due regard. Compelling reasons will be needed for the most important relevant proposals.) <input type="checkbox"/></p> <p><b>Stop and remove the proposal</b> – the impact assessment identified actual or potential unlawful discrimination. The proposal was stopped and removed, or changed. <input type="checkbox"/></p>
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<b>Completed by:</b>	Gwyn Williams
<b>Date:</b>	20/05/2019
<b>Position:</b>	Digital Manager
<b>Name of Head of Service:</b>	Elizabeth Lucas