



**Warwickshire County Council
Review of Communication with the Public and
Financial Accountability**

Interim Report – October 2010

Overview and Scrutiny Board



*Working for
Warwickshire*

Foreword

Councillor Tim Naylor – Chair of Task and Finish Group



Warwickshire County Council, like many public agencies is currently facing a particularly challenging time. The recession, reduced government funding and increasing demands for public services have all combined to result in a position whereby a radical rethink of which way we deliver those services, and how, is required.

This review, commissioned by the Council's Overview and Scrutiny Board, has two parts. Part one is a consideration of how we are to convey the messages of the hard times ahead to the people of Warwickshire and to our staff. Part two is an examination of financial accountability; how financial information is presented and the extent to which those in power are held to account for the decisions they make.

Early on we decided that given the rapidly evolving financial landscape we would focus initially on the way in which we communicate the message of hard times ahead to our stakeholders. This interim report relates only to that first part. Once we have finalised our recommendations on this part we will progress to the second.

In writing this report we have aimed to be concise in order to keep the messages immediate, as stark as possible and to encourage widest possible circulation. This could lead to ambiguity or interpretation but the appendices provide further explanation and definition of terms and acronyms.

I believe strongly that the recommendations of this task and finish group will, if implemented, prove helpful in navigating through these difficult times for all concerned.

Task and Finish Group Recommendations

Recommendation 1

That the Strategic Directors Leadership Team, Heads of Service, and staff working on **Transformation 2013** and all elected members be made aware of the CIPFA guidelines and key principles contained in its publication "Leading in Hard Times". (Listed in Section 3.4 below).

Recommendation 2

In relation to **Transformation 2013** the Leader of the Council should ensure that:

- Outputs and outcomes are made as clear as possible,
- Its relationship to the Corporate Business Plan is made clear,
- All members of the council have the opportunity to contribute to its development and implementation.

Recommendation 3

That by the end of December 2010 officers of the Partnership and Performance Unit map out all of the work currently being undertaken around **Transformation 2013** and that all members and senior officers be given the opportunity to be briefed on progress, outcomes and future plans.

Recommendation 4

That the relevant Portfolio Holder should report to the Overview and Scrutiny Board (or other appropriate member body) on how outcomes from **Transformation 2013** will be assessed. In addition the Portfolio Holder should report on what actions will be undertaken to address shortcomings.

Recommendation 5

That the Leader of the Council and Chief Executive take every opportunity to visit staff and attend public meetings to relay messages concerning **Transformation 2013**, the pressures we are facing in services and the opportunities that may present themselves.

Recommendation 6

That the Leader of the Council and the Chief Executive ensure that all elected members and senior officers are able to convey a single vision and message.

Recommendation 7

Managers should brief, face to face, employees on the changing financial climate and the proposals that are emerging to manage the challenges ahead. In doing so they should bear in mind absentees and hard to reach groups.

Recommendation 8

That those responsible for the Communication Strategy take account of the differing needs of stakeholders and use a variety of media.

Recommendation 9

When developing service and financial management processes, specific reference should be made to how all stakeholders will be consulted.

1.0 Introduction

- 1.1 At its meeting of 21st July 2010 the Overview and Scrutiny Board commissioned a number of in-depth scrutiny reviews including this Review of Communication with the Public and Financial Accountability. As its title suggests there are two elements to this review. Early on it was agreed that the most urgent aspect to it was that concerning communication with the public.
- 1.2 This report effectively marks the half way point of the review. It contains the task and finish group's findings, conclusions and recommendations on how the council should communicate with stakeholders and staff. Unlike most overview and scrutiny reviews that can take many weeks to complete the first part of the review has had to be completed very quickly. This is because decisions regarding service changes and cuts are being made or at least moved forwards all the time. The Government released its Comprehensive Spending Review results on 20th October, too late to be considered for this report. In early December 2010 the County Council will know the extent of the financial settlement. In the meantime the County Council is, through its "**Transformation 2013**" initiative looking at how it needs to reconfigure its services and trim its costs. It is clear that staff and stakeholders of the County Council are in for some hard times and for that reason it is important now to set out to everyone involved what the future may hold.

2.0 The Review Process

- 2.1 Having commissioned this review the Overview and Scrutiny Board designated Councillor Tim Naylor to Chair the task and finish group. Those members who make up the rest of the task and finish group are,

Councillor Carol Fox
Councillor Julie Jackson
Councillor Clive Rickhards
Councillor Angela Warner

- 2.2 The task and finish group met for the first time on 26th September 2010. At that meeting the terms of reference for the review were agreed. Prior to the meeting a considerable amount of work had been undertaken. This mainly entailed desk top research but also involved preliminary discussions with certain key officers of the County Council. The desk top research resulted in a briefing document being produced. (Available on request). This document highlighted a number of examples of guidance and good practice from around the World concerning the conveyance of bad news, communication and engagement with the public and the monitoring and reporting of financial matters. It was used as a primer for discussion prompting a number of early decisions regarding the extent of the review and the pace at which it needed to be done.
- 2.3 Having agreed the way forward the panel sat on a number of occasions meeting with key officers and members of the council. Witnesses were selected on the basis of their knowledge of communication and of the transforming landscape. Site visits and visits to other local authorities were considered but discounted as not appropriate for this review.

3.0 The Task and Finish Group's Findings

- 3.1 This section summarises the information considered by the task and finish group. It does not attempt to set out everything the group heard or repeat every discussion held. Rather it looks to highlight the main points which furnish the decision making process regarding conclusions and recommendations.
- 3.2 The task and finish group has been informed of the County Council's **Transformation 2013** programme (T2013). (See Appendix). This builds on the current Corporate Business Plan which sets out the vision and priorities for the Council. Cultural workstreams of T2013 are rich in aspiration and vision listing critical success factors by which its achievements will be measured. The group's perception is that notwithstanding the Corporate Business Plan based business workstreams T2013 has been developed almost exclusively by a limited number of elected Members and by senior officers. To date there has been little input from most members or by some key officers. T2013 is a major undertaking for the council involving officers in all

directorates looking at ways in which services can be reconfigured and costs reduced. Overall responsibility for the project rests with the Policy and Performance Unit which amongst other things is seeking to map all the T2013 activity. This is a major undertaking and reflects the challenges facing the council in terms of reorganising its services. Allied to Transformation 2013 is a “Script for Change”. This seeks to convey a single message from the council to staff and stakeholders on the need for service transformation driven by cuts in funding and an overall requirement to modernise. The first draft Script for Change was produced in July. At the time of writing this report, the Script for Change has yet to be finalised.

3.3 When the group first convened, it established that few local authorities had put in place arrangements for preparing their staff and other stakeholders for the future, but more and more are now appearing. One early exception was West Lothian Council. That council was running its “Tough Choices” campaign which sought not only to tell residents and staff that services may well be cut but also to invite suggestions as to how money could be saved. In order to convey the key message a four page newsletter was published. This was very much a one way communication channel. Subsequent to that initial announcement the views of stakeholders were sought regarding where resources could be saved. This resulted in a large number of responses and whilst most of these were constructive many of them reflected a degree of scepticism around the council’s motives. Another example is Redbridge which is using an interactive package from the IDeA. The group understand this is now being adapted for use by WCC.

3.4 Through the briefing document and other sources the group learned of ways in which difficult times can be managed. For example it learned from the Chartered Institute of Public Finance and Accountability (CIPFA) which has published “Leadership in Hard Times”. From CIPFA came seven principles that should be followed. These are,

1. Be pro-active and start early
2. Get people engaged
3. Respond to local needs and priorities
4. Recognise the “wicked” nature of the problem
5. Be open to a range of skills and techniques
6. Think creatively and act innovatively
7. Have a shared understanding of what “efficiency” means.

3.5 From these seven principles there emerge ten actions that leaders should be taking. These are,

1. Engage and communicate
2. Know where the costs are
3. Understand where values lie
4. Understand funding scenarios

5. Identify options for change
6. Build a version of how you will look
7. Create a balance portfolio of change projects
8. Implement effective financial and risk management
9. Build the capacity to change

3.6 As well as considering leadership in hard times the task and finish group found out about how change and bad news should be communicated. Bob Seldon in Australia has published several pieces on communicating change. Seldon states that there are eight basic rules that an organisation should adhere to when managing bad news. Amongst them are,

1. Ensure the Chief Executive Officer is the champion of communication and the champion communicator (For WCC read Chief Executive and Leader of the Council)
2. Match words and actions
3. Place emphasis on face to face communication
4. Design a communication strategy that
 - a. informs people not only of what is happening but why and how
 - b. is timely, not waiting to cross "T"s and dot "I"s
 - c. links the big picture and little picture
 - d. not tell people how they should feel about bad news
 - e. match the message to the medium
 - f. contains a feedback loop

3.7 Within Warwickshire County Council a considerable amount of work is being done to prepare for the tough financial decisions that lie ahead. The council's Human Resources Division has arranged for a series of generalised messages to be conveyed to staff. The challenge facing HR is that whilst reductions in staff are certain the precise extent of these will not be established until the council knows how much money the government will give it for next year. Regulations concerning consultation and redundancy notices complicate matters further and have prevented any definitive messages (good or bad) being conveyed to staff.

3.8 Regarding the media that are available to the County Council, the task and finish group has been briefed by members of the Communications Division. Local newspapers can provide a useful means of reaching communities. In addition the council makes extensive use of its intranet and internet. It is expected that messages concerning Transformation 2013 will be conveyed to staff via the intranet. However, only about one-third of staff has ready access to computers. For this reason it will be necessary to identify other means of relaying messages to them. The task and finish group learned that the council's website is being redesigned and will be made up of four separate but related websites in the future. Interactive features can be used on websites to allow people to begin to appreciate the challenges facing local authorities in

setting their budgets. An example of one of these can be found at the London Borough of Redbridge. (See the link below).

http://youchoose.yougov.com/redbridge?utm_source=Button_red&utm_medium=Link&utm_campaign=Conversation2010

- 3.9 The task and finish group learned about the use of forums on the internet and intranet. These can be a useful method of gathering intelligence regarding where people think services could be reduced or changed. However, the group also learned that if not managed carefully forums can be a cause of resentment as contributors fall out. An example of this that the group studied was the Government's "Spending Challenge". In this instance the forum had to be closed down when comments submitted became increasingly unpleasant. When the initiative was re-launched it simply invited the public to submit ideas rather than enter into an electronic discussion.
- 3.10 The group was particularly keen to learn of how the county council communicates with schools. It discovered that much was being done already to engage with school leaders. Headteachers' forums and governors' forums are briefed on the changing landscape whilst letters from the local authority to schools serve to ensure that they receive frequent updates. The group particularly noted that because schools buy in services (and most of them do) the relationship between them and the financial position of those sections of the council providing those services is vital. For this reason good communication is essential.

4.0 Conclusions and Recommendations

4.1 Conclusion 1

- 4.2 The task and finish group was impressed by CIPFA's document "Leading in Hard Times". These rely on a pro-active commonsense approach and are to be commended to leaders within this council.

Recommendation 1

That the Strategic Directors Leadership Team, Heads of Service, and staff working on **Transformation 2013** and all elected members be made aware of the CIPFA guidelines and key principles contained in its publication "Leading in Hard Times". (Listed in Section 3.4 above).

4.3 Conclusion 2

- 4.4 The task and finish group now appreciates the link between the current Corporate Business Plan (CBP) and T2013. The eight business workstreams of T2013 all derive from the CBP. Nevertheless the link between the CBP and T2013 has not been made as clear to members as perhaps it should have been. This has led to the erroneous belief

that whilst T2013 is strong on vision it has to date produced few if any positive outcomes. In order to address the situation more needs to be done to communicate the interrelationship between the CBP and T2103 and their outputs and outcomes. In addition to the above task and finish group members feel that they have not been permitted to engage in the Transformation 2013 process to an appropriate degree.

Recommendation 2

In relation to **Transformation 2013** the Leader of the Council should ensure that:

- Outputs and outcomes are made as clear as possible,
- Its relationship to the Corporate Business Plan is made clear,
- All members of the council have the opportunity to contribute to its development and implementation.

4.5 Conclusion 3

4.6 The task and finish group has gained the impression that the scale and importance of the T 2013 project has resulted in so many people being involved in it that there is a danger of duplication of effort or confusion around who is doing what.

Recommendation 3

That by the end of December 2010 officers of the Partnership and Performance Unit map out all of the work currently being undertaken around **Transformation 2013** and that all members and senior officers be given the opportunity to be briefed on progress, outcomes and future plans.

4.7 Conclusion 4

4.8 Members of the task and finish group have not seen any evidence of how the successful implementation of T 2013 will be monitored.

Recommendation 4

That the relevant Portfolio Holder should report to the Overview and Scrutiny Board (or other appropriate member body) on how outcomes from **Transformation 2013** will be assessed. In addition the Portfolio Holder should report on what actions will be undertaken to address shortcomings.

4.9 Conclusion 5

4.10 If T2013 is the means by which the Council is addressing these challenging times then more should be done to communicate this to officers and the public. The task and finish group has high expectations of the communication strategy currently being developed and has every confidence in those charged with creating it. However, senior members and officers have a major role to play in conveying messages and providing reassurance.

Recommendation 5

That the Leader of the Council and Chief Executive take every opportunity to visit staff and attend public meetings to relay messages concerning **Transformation 2013**, the pressures we are facing in services and the opportunities that may present themselves.

4.11 Conclusion 6

4.12 It is important that all the council's leaders convey the same message to their audience.

Recommendation 6

That the Leader of the Council and the Chief Executive ensure that all elected members and senior officers are able to convey a single vision and message.

4.13 Conclusion 7

4.14 The task and finish group is perfectly clear that given the importance of any messages regarding cuts they should be conveyed face to face whenever possible. It is not acceptable to hide behind paper briefings and e-mails when a personal message will be more effective. In addition it is not acceptable that people who are absent from briefings or who, for whatever reason, cannot easily access them are missed out. Every effort should be made to reach them as well.

Recommendation 7

Managers should brief, face to face, employees on the changing financial climate and the proposals that are emerging to manage the challenges ahead. In doing so they should bear in mind absentees and hard to reach groups.

4.15 Conclusion 8

4.16 The task and finish group has been impressed by the range of different media available to the council and its partners for communicating messages. It would encourage those responsible for managing communication to exploit these as much as possible.

Recommendation 8

That those responsible for the Communication Strategy take account of the differing needs of stakeholders and use a variety of media.

4.17 Conclusion 9

4.18 As a prelude to the second stage of this review the task and finish group is conscious of the need to consult and engage with as many people as possible when services are being developed and budgets agreed. To date it seems that attempts to engage with the public over these matters have been less than successful. However, new technologies and a growing awareness of the need to ensure that every penny counts mean that this is even more important.

Recommendation 9

When developing service and financial management processes, specific reference should be made to how all stakeholders will be consulted.

Review of Communication with the Public and Financial Accountability 2010 – Task and Finish Group

Transformation 2013 Programme Overview

Overview

In February 2010 Cabinet and SDLT developed 'Transformation 2013' – a document which sets out the vision and priorities for the Council along with some key areas of Transformation for the organisation over the term of the administration.

To realise the vision as articulated in Transformation 2013, a Transformation Group was brought together in May 2010 to drive the corporate transformation agenda forward. The group is chaired by David Carter and consists of: Monica Fogarty, Simon Robson, Tricia Morrison, Kate Nash, Sue Evans, John Betts, Ron Williamson, Elizabeth Featherstone, Martin Stott, Stephen Taylor (TaylorHaig) and Andrew Burns (TaylorHaig).

Components of Transformation 2013

Like all local authorities, the pressure on Warwickshire is to do more with less, whilst maintaining quality and standards of services. To do this, we need to address:

- the way we think and behave
- relationships with people and partners
- the challenge of commissioning
- specific service challenges
- our internal organisation
- implications for performance and leadership

Transformation 2013 Programme comprises of a series of interconnected change elements as set out below to address these areas:

1. Business Workstreams

Transformation 2013 identified a number of business areas that need to be addressed if we are to realise this vision. These are listed below for information along with the workstream leads.

- One Front Door and Localisation (David Carter)
- Narrowing the Gaps (Paul Galland)
- Skills (Paul Galland)
- Sub-Regional Working (Monica Fogarty/Paul Galland)
- Commissioning and Outsourcing (Dave Clarke)
- Fire and Rescue Service Change Management (Graeme Smith)
- The Role of Schools (Mark Gore)
- Performance (Tricia Morrison / Sue Evans)

2. Cultural Workstreams

A series of cultural workstreams have been developed to create the right environment in which the vision of T2013 can be realised. These are listed below along with details off the responsible lead officer and short summaries about what each workstream is working to achieve:

- **Cabinet & SDLT Development**
 - Workstream Lead – Stephen Taylor
 - **Critical Success Factors:**
 - Creating a leadership which has a clear guiding narrative; strong political and managerial leadership; organisational discipline; strategic intent; supporting partnerships; and an enabling culture.

- **Effective Partnerships**
 - Workstream Lead - Simon Robson & Kate Nash
 - **Critical Success Factors:**
 - A clear and consolidated way of working at the sub-regional level;
 - At least 3 shared services newly introduced within the next three years with a 20% return in investment over a 3 year period;
 - A fully functional and productive delivery chain (sub-region → Warwickshire Partnership → LSPs → Community Forums → citizens);
 - Delivery on SCS outcomes and the ‘rump’ of the LAA.

- **Script for Change / Communications**
 - Workstream Lead - Monica Fogarty / David Carter
 - **Critical Success Factors:**
 - To provide strategic direction for internal and external communications for the Transformation 2013 programme;
 - Organisational wide common approach to communications by co-coordinating and managing the authority’s key messages;
 - Undertake close partnership working to enhance proactive communication activity;
 - To increase the awareness and understanding amongst staff, members, the public and our partners, of the organisation’s vision, priorities and areas of focus over the next three years;
 - Ensure communication relating to transformation and change is planned in a clear and consistent way covering all key stakeholders;
 - Develop and establish structures for effective two way communication between the authority and its key audiences

- **People - Staff Engagement and Organisational Behaviour**
 - Workstream Lead – Sue Evans
 - **Critical Success Factors:**
 - If we can enhance engagement we can improve the culture and performance of individuals and teams and the organisation as a whole. Where we can achieve this we will notice positive attitudes and enthusiastic people everywhere. We will see better attendance records, more productivity and increased customer satisfaction. We will see increased % scores in Staff Survey, a strong team culture, better cross organisational working, increased creativity and ownership of issues and greater levels of personal responsibility.

- **Resources**
 - Workstream Lead - John Betts & Ron Williamson

- **Critical Success Factors – In 2013:**
 - The Corporate Business Plan and suite of supporting plans is the primary driver to articulate the Council's vision (and instigate change) rather than – as now- the budget process. As part of this, organisational redesign is disentangled from the budget process
 - The budget is a financial articulation of the corporate business plan (CBP), reflecting priorities within the context of the available resource envelope
 - The budget presents Members with options and choices
 - More generally, we have a more efficient resource allocation process that makes sure the right resources (finance, IT, buildings etc) are in the right place to deliver the Authority's priorities.
 - The resources functions add value to the organisation by supporting strategic decision-making processes (e.g. by providing high quality information and analysis around commissioning and outsourcing)

- **Organisational and Service Innovation**
 - Workstream Lead - Martin Stott & Elizabeth Featherstone
 - **Critical Success Factors:**
 - This work stream is not a “free for all” without boundaries. It is imperative that within WCC we are clear about where we need to get to (tight) but allow people the freedom to find their own way there (loose). This will be demonstrated through:
 - A shared vision, purpose and strategy
 - An organisational commitment to innovation that is articulated
 - Full ownership by the SMG and SDLT
 - Clear and firm prioritisation
 - Strategic approach (not short term thinking)
 - External citizen and customer focus
 - Focus on challenges of the future
 - Willingness to continually improve, even if there is no immediate need
 - A challenge to personal interest and self preservation
 - Not over management of new ideas
 - Acceptance that existing projects should stop if the business case is no longer strong
 - Innovation is part of the Performance and Review process
 - Sufficient skilful blue sky facilitation is available
 - Time and opportunities to develop new ideas
 - There is not a “fear of failure”

3. Directorate Transformational Activity and Savings Plans

Change Activity is already underway across the Adult and Children's Directorates to radically change the way in which they deliver services as well as generating savings. The Environment and Economy Directorate are also developing a Transformation Programme to change the way in which they deliver services and achieve savings. Clearly work is also underway across the Council to change the way in which we work to deliver savings necessary across all service areas. Together they are working towards the vision and priorities set out within Transformation 2013 whilst also delivering the necessary savings needed.

Communicating Change

A Transformation 2013 Communications Plan is currently in draft. The plan sets a clear strategic approach to communicating change activity underway across the organisation – both internally and externally.

The plan will ensure effective communication of the key messages by:

- By recognising that communications needs to work at all levels of the organisation
- By reinforcing the need for a clear vision from the 'top'.
- By bringing together the outcomes from consultation, engagement and communications
- The way in which we talk needs to demonstrate that we are really changing / listening.
- Ensuring the dialogue of communications is engaging in order to capture its audience (no council speak).
- 'Walk the talk' – making the leaders of the organisation visible.
- Making the IT work for us e.g. automatic opening of Intranet.
- Key ingredients of communicating the message includes:
 - Effective engagement
 - Behaviours of leaders
 - Consistency of message
 - Consistency in tone and urgency
 - Timing
 - Ownership
 - Leadership Integrity

The communications plan will address anyone who lives, works or travels in Warwickshire, but specifically targeting:

Internal	External
WCC Staff – Office based	Residents
WCC Staff – without intranet access	Service users
Schools	District and Borough Council staff
Elected Members	District and Borough elected members
Leadership Teams	All partner agencies including police, health, voluntary and community groups
	Media
	MPs / MEPs
	Business communities
	Sub regional partners
	Community organisations - including hard to reach communities
	Town and parish councils
	Government
	BME communities
	Inspectorates

**Transformation 2013 Programme Office
September 2011**