Meeting of:	**CORPORATE OVERVIEW AND SCRUTINY COMMITTEE**
Date of Meeting:	**7 SEPTEMBER 2026**
Report Title:	**CORPORATE TRANSFORMATION GOVERNANCE AND OPERATING MODEL**
Report Owner / Responsible Chief Officer / Cabinet Member	**CORPORATE DIRECTOR – FINANCE AND TRANSFORMATION**
Responsible Officer:	**DANIEL TAYLOR, HEAD OF TRANSFORMATION AND DIGITAL**
Policy Framework and Procedure Rules:	**Corporate Plan, Medium Term Financial Strategy, the emerging Bridgend 2040 Transformation Strategy, the Constitution and Scheme of Delegation of Functions.**
Executive Summary:	**This report presents the Corporate Transformation Governance and Operating Model endorsed by Corporate Management Team (CMT) for the Committee's consideration before the proposal proceeds to Cabinet. The model is intended to strengthen corporate governance of transformation.** **The proposed Transformation Board is expressly advisory and oversight-focused: all formal decisions will remain with Cabinet, Council, Corporate Management Team, statutory officers or other authorised bodies and officers in accordance with the Constitution, Scheme of Delegation of Functions and Financial Procedure Rules. The Committee is recommended to consider whether the proposed arrangements provide sufficient clarity, proportionality, accountability and independent visibility, and to make any recommendations it considers appropriate.**

1. Purpose of Report

1.1 To present the Corporate Transformation Governance and Operating Model to the Corporate Overview and Scrutiny Committee (COSC) for consideration before reporting to Cabinet for approval.

1.2 The proposal is being brought to COSC because it establishes new corporate arrangements for Member oversight, governance and assurance across a significant portfolio of organisational change.

1.3 The Committee is asked to consider whether the proposal provides an effective model for strengthening and improving corporate governance of transformation activities and investment of time and resources on such work.

1.4 The Committee's observations and comments will inform the final proposal to Cabinet.

2. Background

2.1 The Council is delivering an increasing volume of significant service change, major programmes and enabling work informed by the Corporate Plan, the Medium Term Financial Strategy, service demand and complexity, and other drivers.

2.2 While many transformation projects and programmes have effective local governance arrangements, the Council lacks a corporate view of and means to govern the overall portfolio of transformation work, through which to oversee and manage priorities, cumulative risks and dependencies, and direct scarce organisational capacity towards the work of greatest value.

2.3 The model proposed helps address the gap identified through the Panel Performance Assessment (PPA), which found that the Council should strengthen its strategic and corporate capacity to manage and deliver transformation, maintain or improve performance and measure impact.

2.4 The initial proposition was tested with the Leader, the Cabinet Member for Finance and Transformation, the Chief Executive, Corporate Directors, Heads of Service, Transformation and ICT Group Managers and selected officers. The overall response was very positive. The testing and subsequent advice strengthened the proposal by clarifying the Transformation Board's role and composition and the respective roles of Corporate Management Team (CMT), the Transformation Portfolio Office (TPO) and Senior Responsible Officers (SROs).

3. Current situation / proposal

3.1 The proposal is to establish a single, connected governance and operating model for significant transformation across the Council. Its purpose is to provide a corporate view of the overall portfolio so that priorities, risks, dependencies, capacity and benefits can be managed more consistently, while retaining service ownership and proportionate governance for individual initiatives. For strategic grouping and reporting, the portfolio will be organised around the three Bridgend 2040 outcome areas: People, Place and Prosperity. Information will be captured once and reused across project, programme, portfolio, performance and Member reporting wherever possible.

3.2 For the purposes of this model, transformation means deliberate, coordinated change to services, systems, operating models or ways of working that is intended to create measurable value for residents and communities. This definition distinguishes transformation from routine service delivery and minor improvement activity and will guide which initiatives are considered for inclusion in the corporate transformation portfolio.

Governance structure, roles and authority

3.3 A Transformation Board will be established as an advisory and oversight forum, chaired by the Leader. Its core membership will comprise three other Cabinet Members, both opposition Group Leaders and the Chief Executive, with the Monitoring Officer attending in an advisory capacity. Relevant SROs will report to the Board and specialist officers attend as required. The Head of Transformation and Digital will support its operation and, through the TPO, connect it to portfolio assurance.

3.4 The Board will provide political oversight, strategic direction, assurance and constructive challenge. It will not manage the portfolio or programmes, approve business cases, allocate budgets, commission expenditure or exercise delegated powers. Formal decisions will remain with Cabinet, Council, CMT, statutory officers and other authorised bodies or officers in accordance with the Constitution, Scheme of Delegation of Functions and Financial Procedure Rules. Any Board advice or recommendation requiring formal action would proceed through the appropriate constitutional route.

3.5 CMT will act as the corporate portfolio board: prioritising the portfolio; overseeing strategic risks; managing dependencies and capacity; receiving SRO highlight reports; and deciding matters within existing officer responsibilities and delegations.

3.6 Scrutiny will continue to receive reports on significant transformation activity and periodic visibility of the corporate portfolio.

3.7 SROs will be Corporate Directors or Heads of Service and will remain accountable for delivery. Existing programme and project boards will remain, progressively adopting proportionate common minimum standards.

Transformation Portfolio Office and the Bridgend Way

3.8 Led by the Head of Transformation and Digital the TPO will be the Council's centre for portfolio management, transformation standards, insight and proportionate assurance. It will support CMT, connect SROs and delivery boards with CMT and the Transformation Board, but will not own service outcomes or replace delivery teams.

3.9 The TPO will develop and maintain the Council's corporate method for managing change, the 'Bridgend Way'. Covering portfolio entry, project and programme disciplines, practical tools, delivery and assurance standards, benefits transition and evaluation, its requirements will be tiered by strategic significance, cost, benefit, risk, complexity, scope and organisational exposure.

3.10 The TPO will coordinate governance papers for the model, produce and quality-assure highlight and portfolio reports, maintain the portfolio, strategic risk register and challenge programme and project reporting. A detailed report on the ‘Bridgend Way’ will be presented back to COSC, subject to Cabinet approval of this model.

3.11 Working with the Council’s Corporate Performance Team, the TPO will ensure that performance evidence informs potential priorities and realised benefits transfer into business-as-usual arrangements. With Finance, it will support viability assessment, proportionate financial modelling and analysis of affordability and financial performance across initiatives and the portfolio.

Assurance and performance

3.12 CMT will decide what enters the portfolio and how corporate change capacity is deployed, based on proportionate evidence of viability, strategic fit, anticipated value, affordability, risk and organisational capacity.

3.13 Portfolio performance will combine relevant corporate and service indicators with controls for time, cost, scope, quality, risk, dependencies, capacity and readiness. Value measures will include financial and non-financial benefits, cost avoidance, productivity, resident and service outcomes, whole-life cost and cost-benefit ratio where appropriate.

3.14 The TPO will provide CMT and the Transformation Board with management assurance on delivery confidence and portfolio control, independent of day-to-day delivery. This will complement, not replace, internal or external audit, Scrutiny, statutory officer advice, technical assurance or the role of the Governance and Audit Committee.

3.15 SROs and delivery governance will own benefits plans during delivery. At transition or closure, continuing benefits will pass formally to named business-as-usual owners.

Implementation and reporting

3.16 Subject to Cabinet approval, implementation will begin immediately and be phased, with the governance structure intended to be operational from October 2026. The Terms of Reference and membership of the Transformation Board will be finalised, a Council-wide stocktake will establish the initial transformation portfolio and pipeline, the TPO will be established and the cycle of meetings scheduled.

3.17 CMT will meet monthly and the Transformation Board every six weeks, with frequency and flow reviewed after six months.

3.18 CMT reporting will focus on portfolio health, decisions, interventions, risks, dependencies, affordability, capacity, benefits and SRO accountability. The Transformation Board will receive a concise strategic overview, exceptions, barriers, major benefits and a focused deep dive. The TPO will organise and quality-assure papers, reusing existing reporting wherever possible, while periodic scrutiny reports will provide independent visibility of portfolio health, material risks, financials and delivery confidence.

3.19 After six months, the Head of Transformation and Digital will review the model and report to CMT, the Transformation Board and COSC. Success will mean improved corporate visibility, prioritisation, reporting, escalation, delivery confidence, benefits discipline and management of cumulative risk and capacity, without disproportionate bureaucracy.

Matters for COSC's consideration

3.20 The Committee is invited to consider whether the model:

- addresses the PPA findings and current limitations in corporate governance of transformation
- clearly separates advisory oversight from formal decision-making
- defines key roles and accountabilities, including where material risks require additional resources or formal Member decisions
- adequately manages both current fragmentation and the implementation and operating risks of the new model
- will provide scrutiny with timely and useful information.

Risks, ownership and escalation

3.21 Without a consistent corporate portfolio approach, significant change may continue to be considered mainly project by project, limiting visibility of cumulative cost, risk, dependencies and capacity; weakening comparison of priorities; and allowing inconsistent business cases, controls and reporting. It also increases the risk of duplication, uncoordinated change and unaffordable commitments.

3.22 Principal implementation risks are insufficient capacity or pace, an incomplete stocktake, inconsistent adoption of the Bridgend Way, duplication of effective local governance and unnecessary bureaucracy. Mitigations include phased implementation, proportionate tiering, reuse of existing information, engagement with services and boards, clear terms of reference and the six-month review.

3.23 Risk ownership will remain with the accountable officer or body. A response requiring formal approval, additional budget or another formal decision will proceed through the appropriate constitutional route.

3.24 At the meeting of COSC on 7 September 2026, the Head of Transformation and Digital will provide Members with a presentation outlining the proposed Model.

4. Equality implications (including Socio-economic Duty and Welsh Language)

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

5. Wellbeing of Future Generations implications and connection to Corporate Wellbeing Objectives

5.1 The proposal supports the sustainable development principle by improving how the Council chooses, shapes and oversees significant change. Its contribution against each of the five ways of working is set out below:

5.1.1 **Long term:** The model will help the Council look beyond immediate pressures when deciding where to focus its transformation effort. Bringing significant change into one portfolio will provide a clearer view of future demand, financial sustainability, organisational capacity and the lasting benefits and consequences of decisions.

5.1.2 **Prevention:** A more connected and integrated approach to considering transformation work will support more proactive preventative work.

5.1.3 **Integration:** The model will help the Council consider transformation activity as a whole and understand how proposed changes affect different services, communities and well-being outcomes. This should reduce isolated decision-making and help align change with the Council's wider objectives and commitments.

5.1.4 **Collaboration:** Significant change often depends on different services, professional disciplines and partner organisations working together. The model will provide a clearer basis for that shared effort, while retaining clear responsibility for decisions and delivery.

5.1.5 **Involvement:** The governance model will expect individual transformation initiatives to involve residents, service users, staff, Members and other stakeholders in ways appropriate to the change, so that proposals are informed by the people who use, deliver or are affected by services.

5.2 Taken together, these arrangements will support the Council's well-being objectives and corporate priorities by helping it direct limited capacity towards change that delivers better and more sustainable outcomes for People, Place and Prosperity.

6. Climate Change and Nature Implications

6.1 The establishment of the governance model has no significant direct climate or nature implications. It will, however, provide a more consistent route for considering decarbonisation, climate resilience, biodiversity and wider environmental effects when transformation initiatives enter the portfolio and as they are developed, delivered and evaluated.

6.2 Individual initiatives will remain responsible for completing any proportionate environmental assessment required and for identifying relevant benefits, adverse effects and mitigations.

7. Safeguarding and Corporate Parent Implications

7.1 The establishment of the governance model does not directly change safeguarding services, responsibilities or procedures. The Council's duty to safeguard and promote the well-being of children, young people and adults at risk, and to ensure effective safeguarding practice across Council and commissioned services, will continue to apply to all transformation activity.

8. Financial Implications

8.1 A total of £1.6 million of recurrent Digital and Transformation revenue funding was approved by Council in February 2026 as part of the Medium Term Financial Strategy 2026-27 to 2029-30.

8.2 The TPO will be supported by the Head of Transformation and Digital, dedicated portfolio capacity and relevant existing corporate functions. There is a plan for recruitment to the proposed roles to support the wider transformation, digital, data and delivery capacity.

8.3 The timely establishment of sufficient TPO and wider delivery capacity is a key dependency for the proposed model. Once the deployment proposal is agreed, appointments and commissioning will proceed through the Council's normal workforce, procurement and delegated decision-making arrangements.

9. Recommendations

9.1 The Corporate Overview and Scrutiny Committee is recommended to:

a) consider the proposed Corporate Transformation Governance and Operating Model and the assurance it provides in relation to portfolio visibility, prioritisation, delivery, risk, capacity and benefits realisation;

b) provide observations on the design and planned phased implementation of the model, including the matters identified at paragraph 3.20;

c) note that the Transformation Board will be advisory and oversight-focused only, and that all formal decisions will remain with the proper constitutional bodies and authorised officers;

d) make any recommendations it considers appropriate for consideration before the proposal is presented to Cabinet for approval.

Background documents

None.