



County Hall
Cardiff
CF10 4UW
Tel: (029) 2087 2000

Neuadd y Sir
Caerdydd
CF10 4UW
Ffôn: (029) 2087 2000

GOHEBIAETH YN DILYN CYFARFOD Y PWYLLGOR

Pwyllgor PWYLLGOR CRAFFU ADOLYGU POLISI A CHRAFFU PERFFORMIAD

Dyddiad ac amser y cyfarfod DYDD MERCHER, 3 HYDREF 2018, 4.30 PM

Gweler isod gohebiaeth anfon gan Gadeirydd y Pwyllgor ar ôl y cyfarfod , ynghyd ag unrhyw ymatebion a gafwyd

Am unrhyw fanylion pellach, cysylltwch â scrutinyviewpoints@caerdydd.gov.uk

10 **Gohebiaeth yn dilyn Cyfarfod y Pwyllgor** (*Tudalennau 3 - 16*)

Mae'r dudalen hon yn wag yn fwriadol

My Ref: T: Scrutiny/PRAP/comm papers/correspondence

Date: 10 October 2018

Councillor Chris Weaver,
Cabinet Member Finance, Modernisation and Performance,
Cardiff Council,
County Hall,
Cardiff
CF10 4UW



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Dear Chris,

Policy Review & Performance Scrutiny Committee: 3 October 2018

You once again kindly attended the Policy Review and Performance Scrutiny Committee to share the Wales Audit Office (WAO) Annual Improvement Report for the Council for 2017-18. The Members and I remain committed to maintaining strong links between internal Scrutiny and external Auditors as a way of ensuring the focus of the Committees work is appropriate. I am therefore passing on the following Member comments and observations captured during discussion at the Way Forward.

The Committee acknowledges that the Council's Cabinet and management have worked constructively with WAO over a number of years to positively address issues raised in the last Corporate Assessment. We note the Auditors determination, based on its own and relevant regulators programmes of work this year, that the Council is meeting its statutory requirements in relation to continuous improvement, and is likely to comply with the requirements of the Local Government Measure (2009) during 2018-19.

We note that fees charged for all inspection work throughout the year are currently £471,097, of which a significant proportion is for the external audit of the Council's accounts, and there is no opportunity for a lighter touch to ensure statutory compliance.

Further, we note that WAO's improvement assessment work is now high level in respect of performance, rather than a detailed review of performance indicators.

We acknowledge the Auditor takes a risk-based approach to work programming as WAO cannot cover everything, and will reference whether its previous recommendations have been addressed through follow up work.

The Committee understands there is a strong relationship between WAO and the Council's Audit Committee. However, as mentioned above, we consider it important that strong links are maintained between internal scrutiny and external audit. As such, the Committee is of the view that the organisation would benefit from improved interaction and greater sharing of information between the Audit Committee and the Council's five Scrutiny Committees. We feel it is important that the outcomes of WAO improvement reviews be notified to the relevant Scrutiny Committee Chair. As the main point of contact for WAO, we therefore request that the Chair of Audit be reminded of the opportunity to refer assessments and audit committee concerns for internal scrutiny for the benefit of the organisation.

Similarly, the WAO Forward Work Programme is an important point of reference for Scrutiny forward work programming, and should be easily accessible to the scrutiny function when issued to the Council.

In light of the above concerns, I am requesting that the Head of Democratic Services add a discussion on this matter to the next agenda of the Scrutiny Chairs Liaison Forum.

To recap, going forward the Committee is requesting that:

- The relationship between WAO, Audit Committee and the five Scrutiny Committees be further strengthened by a greater sharing of information and the referral of concerns between the Audit Committee and the Council's five Scrutiny Committees;
- The WAO Forward Work Programme be easily accessible to the scrutiny function, as an important point of reference for Scrutiny forward work programming; and
- The relationship between internal scrutiny and external auditors be discussed at the next Scrutiny Chairs Liaison Forum.

Once again, on behalf of the Committee, please pass my sincere thanks to all who attended PRAP Scrutiny Committee for consideration of the WAO Annual Improvement Report 2017-18 for Cardiff Council.

Yours sincerely,



COUNCILLOR DAVID WALKER
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Members of the Policy Review & Performance Scrutiny Committee
Sara-Jane Byrne, Wales Audit Office
Ian Phillips, Wales Audit Office
Samantha Clements, Wales Audit Office
Paul Orders, Chief Executive
Christine Salter, Corporate Director Resources
Joseph Reay, Head of Performance and Partnerships
Ian Allwood, Head of Finance
Gary Jones, Head of Democratic Services
Heather Warren, Cabinet Support Officer
Joanne Watkins, Cabinet Office Manager

Mae'r dudalen hon yn wag yn fwriadol

Fy Nghyf / My Ref: CM40421 www.caerdydd.gov.uk

Dyddiad Date: 2nd November 2018

CARDIFF
CAERDYDD

Cardiff,
CF10 4UW
Te 1
. 0
2 9 2087
2087
www.cardiff.gov.uk



County Hall

Councillor David Walker
County Hall
Atlantic Wharf
Cardiff
CF10 4UW

Annwyl/Dear Councillor David Walker
Prap - 3rd October - WAO Annual Improvement Report

Thank you for your recent enquiry dated 10th October regarding the above. I have looked at the issues you have raised and would respond as follows;

I support the idea of strong communication between the five Scrutiny Committees and the Audit Committee. I have asked officers to work with the respective Chairs of each of the six committees to build on existing measures in place.

I will ask the Council's Corporate Performance Team to ensure that the Wales Audit Office's developing work programme is shared with the Council's scrutiny function on an ongoing basis.

It is, of course, the prerogative of the Scrutiny Chairs' Liaison Forum to discuss any matter that is pertinent to its remit, but I would be supportive of a discussion at the group of the relationship between scrutiny and external audit. If you would find it helpful, I am sure the Head of Performance & Partnerships would be happy to attend for this item of the meeting's agenda, once scheduled.

I hope this clarifies the situation for you and if you have any further queries please do not hesitate to contact me.

Yn gywir .

GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.



Yours sincerely



Councillor I Y Cynghorydd Chris Weaver .
Cabinet Member for Finance, Modernisation & Performance
Aelod Cabnet dros Gyllid, Moderneiddjo a Pherfformiad

ATEBWCH 1 1 PLEASE REPLY TO •

Swyddfa Cymorth Y Cabinet / Cabinet Support Office, Ystafell / Room 518, Neuadd y Sir I County Hall
Glanfa'r Iwerydd / Atlantic Wharf , Caerdydd/Cardiff, CF10 41JW
Ffon / Tel: (029) 2087 2598

Date: 10 October 2018

Councillor Huw Thomas,
Leader
Cardiff Council,
County Hall,
Cardiff
CF10 4UW



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Dear Councillor Thomas,

Policy Review & Performance Scrutiny Committee: 3 October 2018

As Chair of the Policy Review and Performance Scrutiny Committee I wish to thank you for attending Committee to consider the WAO review of Scrutiny, *Fit for the Future?* On behalf of the Members, this letter captures the Committee's agreed comments and observations.

Current position

The Committee considers that the WAO was clear that scrutiny in Cardiff is well developed and there is a good platform on which to build. This was further illustrated by the attendance of senior Cabinet Members and managers for consideration of this item, a clear demonstration that the profile of scrutiny in Cardiff is high.

We note the scrutiny function's self-assessment since the Council received the outcome of its review has led to the development of an action plan to address the WAO proposals for improvement, and that the WAO consider this a positive response. The action plan will provide Members with an effective monitoring tool for the Committee to evaluate progress over time.

Impact

The Committee notes that the WAO consider the impact, and outcomes, of scrutiny are important, and there is an opportunity to innovate to deliver even greater impact.

We take on board the following steers:

- A task and finish approach is very much endorsed as having greater impact.
- Scrutiny Forward Work Programmes could be more detailed.
- There may be improvements to be made in the prioritisation of Scrutiny Forward Work Programmes.

During this Committee's 2018/19 work programming discussions Members prioritised that a task and finish group would review the existing impact of scrutiny in Cardiff, and how we can best capture the function's impact going forward, within a difficult financial context, with a view to illustrating scrutiny's invest to save potential for the Council and its governance.

Innovation

The Committee takes on board that to deliver greater impact the scrutiny function is encouraged to become more innovative in its activities. The following suggestions emerged from discussion that we endorse as good practice, and believe illustrates that the Council has already started innovating in its approach to scrutiny.

- The development of scrutiny stakeholder lists is important, and we urge thought is given to this.
- A trial is underway to bring young people into the heart of scrutiny with a Cardiff Youth Council representative invited to attend all meetings of the Children and Young Peoples Scrutiny Committee.

We were referred for innovative examples of scrutiny to the Centre for Public Scrutiny, scrutiny networks, and other councils. A particular example referred to by WAO was Lincolnshire County Council's work on dementia strategy, where sufferers were invited to contribute prior to a scrutiny meeting, and their views fed into the consideration via scrutiny members.

Webcasting

In respect of proposal for improvement P4, *The Council should publish final versions of scrutiny committee meeting minutes on its website in a more timely manner*, the

Committee considers that investing in more webcasting of scrutiny meetings may be preferable to shortening the turnaround for the publication of meeting minutes. However, we acknowledge there is a significant cost attached to increasing webcasting, and note that audio minutes might prove more affordable.

We understand there is a Welsh Government aspiration to increase democratic accessibility. The Environmental Scrutiny Committee is particularly keen to retain full webcasting coverage and continue the improvement in public engagement achieved in the past year. In view of the potential for increasing costs in financially challenging times, Members would urge that WAO colleagues make the point to Welsh Government that such an aspiration to increase webcasting will require funding.

Models & Resourcing

I invited the Scrutiny Chairs of all committees to attend for consideration of this item. Those present expressed a view that the current five Committee model of scrutiny within the Council's Constitution enables scrutiny agendas to be constrained to an appropriate length. We were pleased to hear that you endorse this as a good model to date, and that you believe that a strong scrutiny function can make a valuable input to the Councils decision-making process.

We are keen to establish WAO's view as to whether the routine monitoring of finance and performance currently performed by scrutiny committees would weaken internal governance should scrutiny committees commit resources to focussing primarily on task & finish inquiries into high risk issues.

The Committee noted that, whilst WAO would not commit to a view about the number of scrutiny committees and level of resource required to deliver effective internal challenge and governance, they were of the view that scrutiny does not need to be carried out in a formal committee environment. They would therefore encourage the examination of options for more informal structures of scrutiny. The Committee considers that the existing scrutiny model has been created on the

premise that Councillors are full-time, whereas many Cardiff Councillors are in employment.

Once again, on behalf of the Committee, please pass my sincere thanks to all who attended PRAP Scrutiny Committee for the consideration of the WAO review of Scrutiny, *Fit for the Future?* We look forward to your response.

Yours sincerely,



COUNCILLOR DAVID WALKER
CHAIR, POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE

cc Members of the Policy Review & Performance Scrutiny Committee
Councillor Chris Weaver, Cabinet Member, Finance, Modernisation & Performance
Councillor Ramesh Patel, Chair, Environmental Scrutiny Committee
Councillor Mary McGarry, Chair, Community & Adult Services Scrutiny Committee
Councillor Lee Bridgeman, Chair, Children & Young People Scrutiny Committee
Councillor Nigel Howells, Chair, Economy & Culture Scrutiny Committee
Paul Orders, Chief Executive
Christine Salter, Corporate Director Resources
Joseph Reay, Head of Performance & Partnerships
Gary Jones, Head of Democratic Services Sara-Jane
Byrne, Wales Audit Office
Ian Phillips, Wales Audit Office
Samantha Clements, Wales Audit Office
Principal Scrutiny Officers
Debi Said, Cabinet Support Officer
Joanne Watkins, Cabinet Office Manager

Date: 10 October 2018



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Councillor Chris Weaver,
Cabinet Member Finance, Modernisation and Performance,
Cardiff Council,
County Hall,
Cardiff
CF10 4UW

Dear Chris,

Policy Review & Performance Scrutiny Committee: 3 October 2018

Thank you for attending the Policy Review and Performance Scrutiny Committee last week, to facilitate pre-decision scrutiny of Cardiff's Annual Statutory Well-being Report 2017/18. We discussed the report at the Way Forward, following which the scrutiny Members agreed that I capture their views in a letter.

I pass on these observations within the context of the Annual Statutory Well-being Report 2017/18 reporting the Council's performance during 2017-18 against the Well-Being Objectives in its 2017-19 Corporate Plan. The Committee recognises you have used a wide range of evidence to self-assess each Well-being Objective as Good, Satisfactory or Unsatisfactory progress. We note the clear definitions of these three outcomes on page 12 of the Report, and that you have self-assessed your performance as Good in seven of the objectives, and Satisfactory in six objectives. However, we do have a few concerns we would ask that you factor into your conversation with the Cabinet.

This Committee has frequently aired concerns about the robustness of target setting, previously highlighting that the targets set appear, in some cases, to be lower than the previous outturn. We were therefore pleased the Committee's Performance Panel had an opportunity to feed into the target setting exercise for the 2017-19 Corporate Plan, at the suggestion of the Chief Executive. However, we note some targets for 2017-18 remain lower than the 2016-17 attainment. We therefore wish to re-iterate that to ensure credibility we feel tougher targets are required for some Performance

Indicators, and we would welcome an opportunity to engage with you as you set targets for the 2018-20 Corporate Plan.

Several Members consider that where self-assessment is recorded as Satisfactory¹ but the Performance Indicator (PI) suggests results have fallen, more contextual information may be required. We accept the Chief Executive's view that it is important to acknowledge achievements that are not always illustrated by PI's. Some Members considered greater narrative and consistency of self-assessment would provide a more robust assessment.

The Committee is of the view that when evaluating improvement it is important to measure success rates rather than statistics. For example, the Performance Indicator "*% of looked after children returned home from care during the year*" is assessed in the report as not having improved. Whilst the Council has set an increased target of 12% for 2017-18, not achieving this target may not reflect poor performance but an improvement in the service to looked after children, providing care where it is needed.

Some Members expressed a concern about the improvement trajectory of the Council. The Committee welcomed the Chief Executive's acknowledgement that, despite an overarching general improvement in the Council's macro performance that has improved its stability, he recognises there are areas of the organisation that would benefit from a stronger scrutiny focus and greater challenge going forward. Those services that have been risk assessed for review and ongoing internal scrutiny challenge are tackling sickness absence levels, delivery of the Corporate Landlord model, managing demand in Children's Services, and the Waste Management service. I will be signposting my scrutiny chair colleagues to these issues where appropriate.

Once again, on behalf of the Committee, please pass my sincere thanks to all who attended PRAP Scrutiny Committee for consideration of the Well-being Report 2017/18. I look forward to the Cabinet and Performance Team continuing co-

¹ Satisfactory progress: The evidence suggests good progress has been made in achieving the Well-Being Objective, with improvement observed across most of the key performance areas. However, there may be areas where performance is not as strong as it should be, and this helps to identify where more focus is needed.

operation with the Committee's Performance Panel in pursuit of appropriate internal improvement challenge.

Yours sincerely,

A handwritten signature in black ink that reads "David Walker". The signature is written in a cursive, flowing style.

**COUNCILLOR DAVID WALKER
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE**

cc Members of the Policy Review & Performance Scrutiny Committee
Paul Orders, Chief Executive
Christine Salter, Corporate Director, Resources
Joseph Reay, Head of Performance and Partnerships
Andrew Simms, Corporate Performance & Improvement Manager in Resources,
Heather Warren, Cabinet Support Officer
Joanne Watkins, Cabinet Office Manager

Mae'r dudalen hon yn wag yn fwriadol