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PRESENTATIONS

Committee POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

Date and Time of Meeting WEDNESDAY, 15 FEBRUARY 2017, 10.00 AM

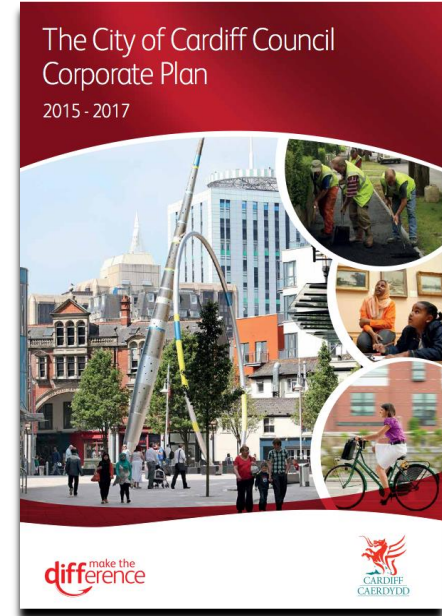
Please see attached the Presentation(s) provided at the Committee Meeting

8 **Presentations** (*Pages 1 - 52*)

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Draft Corporate Plan 2017-19

Policy Review and
Performance Committee
15th February 2017




11.11.17

CORPORATE PLAN

- Sets out the **priorities for the organisation**
- Developed in **tandem with the budget.**
- Responds to the Local Government (Wales) Measure 2009 & the Wellbeing of Future Generations Act
- Concerned with improvement in the short – medium term

The City of Cardiff Council
Corporate Plan
2017 - 2019



DRAFT

Mae'r ddogfen hon ar gael yn Gymraeg hefyd /
This document is also available in Welsh

difference make the
CARDIFF CALDWELL

Hierarchy of Plans

- Cardiff has aligned **Corporate and Partnership** planning
- **What Matters & Liveable City Report:** City Strategy and City Performance (*outcomes*)
- **Corporate Plan:** Council Strategy and Council Performance (*objectives & outputs which contribute to outcomes*)
- **Local Well-being Plan:** Published May 2018. Council strategy will lead city strategy, responding to local need.



Structure

- **What is the Corporate Plan?**
- **The Planning and Policy Framework** (requirements of the new Well-being of Future Generation Act etc.)

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Shaping the Plan

- **The 4 priorities:**
 - Why is it a priority
 - What's the context
 - What do we want to achieve (Well-being Objective)
 - How will we achieve it (commitments)
 - How will we measure progress

Emerging Requirements of the Corporate Plan

- Well-being of Future Generations Act sets out **new Policy & Planning Framework**, including:
 - Well-being objectives
 - 5 Ways of Working
- **Changing performance landscape**
- Introduction to Corporate Plan **sets out Legislative Requirements**, which we will continue to review

Progress against 2016/18 plan

Of the 60 commitments in last year's corporate plan:

- **12 delivered** e.g. increase no. of courses for priority learners in Communities 1st areas
- **9 rolled-over** e.g. deliver the Corporate Parenting Strategy
- **9 removed** e.g. where new strategy has been published and commitments superseded in line with new direction e.g. Cardiff 2020, Housing strategy
- **30 updated** - still relevant but amended to provide the necessary focus e.g. develop City Deal has become Deliver City Deal

Commitments for 2017/19

37 new commitments for 2017/19:

- Directorate **response to self-assessment** which reviewed services through WFG Act lens
 - *Expanded the remit of Priority 3 to ensure a clear focus on inclusive growth*
 - *Ensured we are delivering well-being and sustainability in line with WFG Act*
- **New strategies** such as Cardiff 2020 and Housing Strategy which provide a sharper focus in areas such as homelessness and education
- **Response to the Liveable City Report** findings, e.g.
 - *Develop a Resilience Strategy (addressing clean air, zero carbon renewal fuels, energy retro-fitting and solar projects) by March 2018*

Better education
and skills for all

Priority 1: Better education and skills for all

Wellbeing objectives:

- Every Cardiff school is a great school
- Looked after children in Cardiff achieve their full potential
- People are supported into work and education

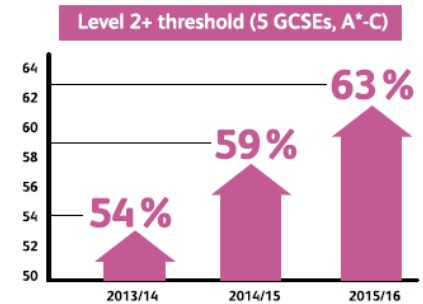
Page 8
Main changes:

- A number of commitments reworded for strategic alignment and consistency with Cardiff 2020
- Commitments for Adult Community Learning & Into Work Advisory Service now combined

How the objectives contribute to well-being goals:

Prosperous	Resilient	Equal	Healthy	Cohesive Communities	Vibrant Culture & Thriving Welsh Language	Globally Responsible

In secondary schools at the end of Key Stage 4:



For the first time, this indicator is in the top 25% in terms of performance



Priority 2: Supporting Vulnerable People

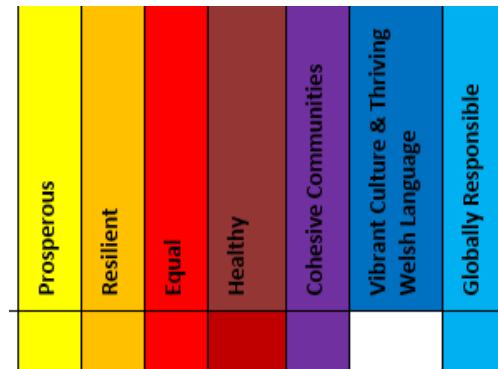
Wellbeing objectives:

- People at risk in Cardiff are safeguarded
- People in Cardiff have access to good quality housing
- People in Cardiff are supported to live independently

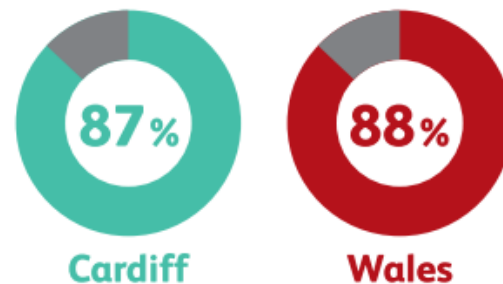
Main changes:

- Housing commitments updated to reflect new housing strategy
- Commitments added in response to new Violence Against Women Act
- Strengthening of safeguarding to reflect our responsibilities in this area

How the objectives contribute to well-being goals:



87% of required visits to looked after children took place in 2015/16, only one percentage point behind the average for Wales



Information is shown to the nearest whole number - 2015-16

Priority 3: Creating more jobs and better jobs

An economy
that benefits all
our citizens

Wellbeing objectives:

- Cardiff has more and better paid jobs
- Cardiff has a high quality city environment where population growth and transport needs are managed sustainably
- All young people in Cardiff make a successful transition into employment, education or training
- Ensure high quality and sustainable provision of culture, leisure and public spaces in the city

How the objectives contribute to well-being goals:

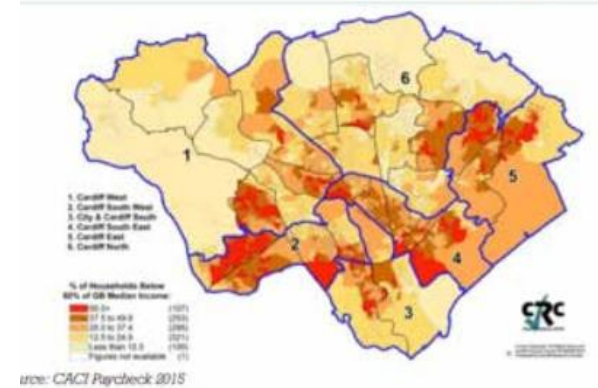
Prosperous	Resilient	Equal	Healthy	Cohesive Communities	Vibrant Culture & Thriving Welsh Language	Globally Responsible

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Main changes:

- Focus on inclusive growth – achieving social value through procurement & promoting the Living Wage to employers
- Response to WFG Act:
 - Managing growth sustainably
 - Providing for culture, leisure & well-being
 - Ensuring environmental sustainability

Welsh Index of Multiple Deprivation (WIMD)



Working together to transform services

Priority 4: Working together to transform services

Wellbeing objectives:

- Communities and partners are involved in the redesign, development and delivery of local public services.
- Cardiff Council will have good governance arrangements and improved performance in key areas.
- Transform our services to make them more accessible, more flexible and more efficient.

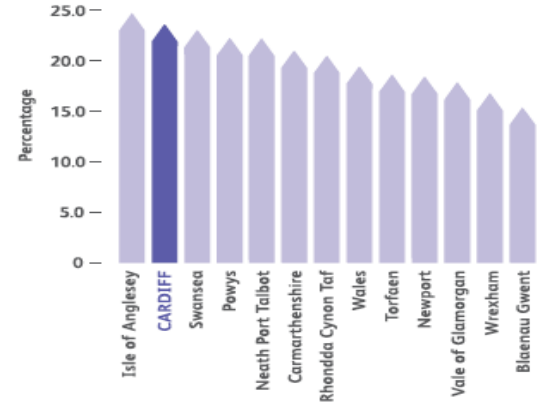
How the objectives contribute to well-being goals:

Prosperous	Resilient	Equal	Healthy	Cohesive Communities	Vibrant Culture & Thriving Welsh Language	Globally Responsible

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Main changes:

- Continue to improve service delivery e.g. digitalisation, green fleet etc.
- Respond to legislation – WFG Act & workforce skills, involving communities in service design

Percentage that Agree they Can Influence their Local Area



Performance and Target Setting

Appendix provides information on:

Page 12

- Performance over time,
- Relative performance (national comparators)
- Targets and Outturn for current Financial Year
- Target moving Forward
- Basic trend analysis

Peer review

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“The Plan is a comprehensive document that covers what the Plan is, how it was developed, what the Council's priorities are, what it is going to do to achieve these priorities and how it will measure its success”

Rod Alcott, External Challenge Adviser

Engagement & Communication

- **Corporate Plan**
 - Technical Stakeholders / Legal Requirements
- **Community Facing Version**
 - Easy to read, Short, Communicates key issues
- **Plan on One Page**
 - Shares issues with Staff
- **Video**

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> The City of Cardiff Council
Our Corporate Plan on a page, 2015-2017

make the difference

Delivering our vision of becoming
Europe's most liveable capital city

> Message by the Leader of the Council

The Corporate Plan is the Council's business plan. It sets out what we'll do, how we'll do it, and how we'll monitor progress. The Council is facing the twin challenges of having much less funding and more people needing our support. This plan will be our roadmap for rising to these challenges, for delivering great public services and achieving our vision of making Cardiff Europe's most liveable capital city.

Chris
Chris Jones
Leader - The City of Cardiff Council

> Our Priorities

Reducing budgets and increasing demand for services means that we will have to be clear about the areas that are most important to the people of Cardiff. The plan therefore sets out our 4 priorities for the Cardiff program.

- Better education and skills for all
- Supporting vulnerable people
- Creating more jobs and better-paid jobs
- Working together to transform services

> Our Values:

We'll deliver public services and develop our city in a way which puts the needs of the people of Cardiff first. In doing so, we'll be guided by our strong public service values: of being open, being fair, and of working together.

- Open**
We are open and honest about the difficult choices we face, and allow people to have their say on what's important to them and their communities.
- Fair**
We champion fairness, recognising this with all relevant and realistic priority services for those who most need them.
- Together**
We work with our communities and partners across the city to deliver the best outcomes for the people of Cardiff.

For more information visit: www.cardiff.gov.uk/CorporatePlan

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Scrutiny Committee

February 2017

Cabinet Draft Budget Proposal 2017/18

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Presentation Overview Summarising Report



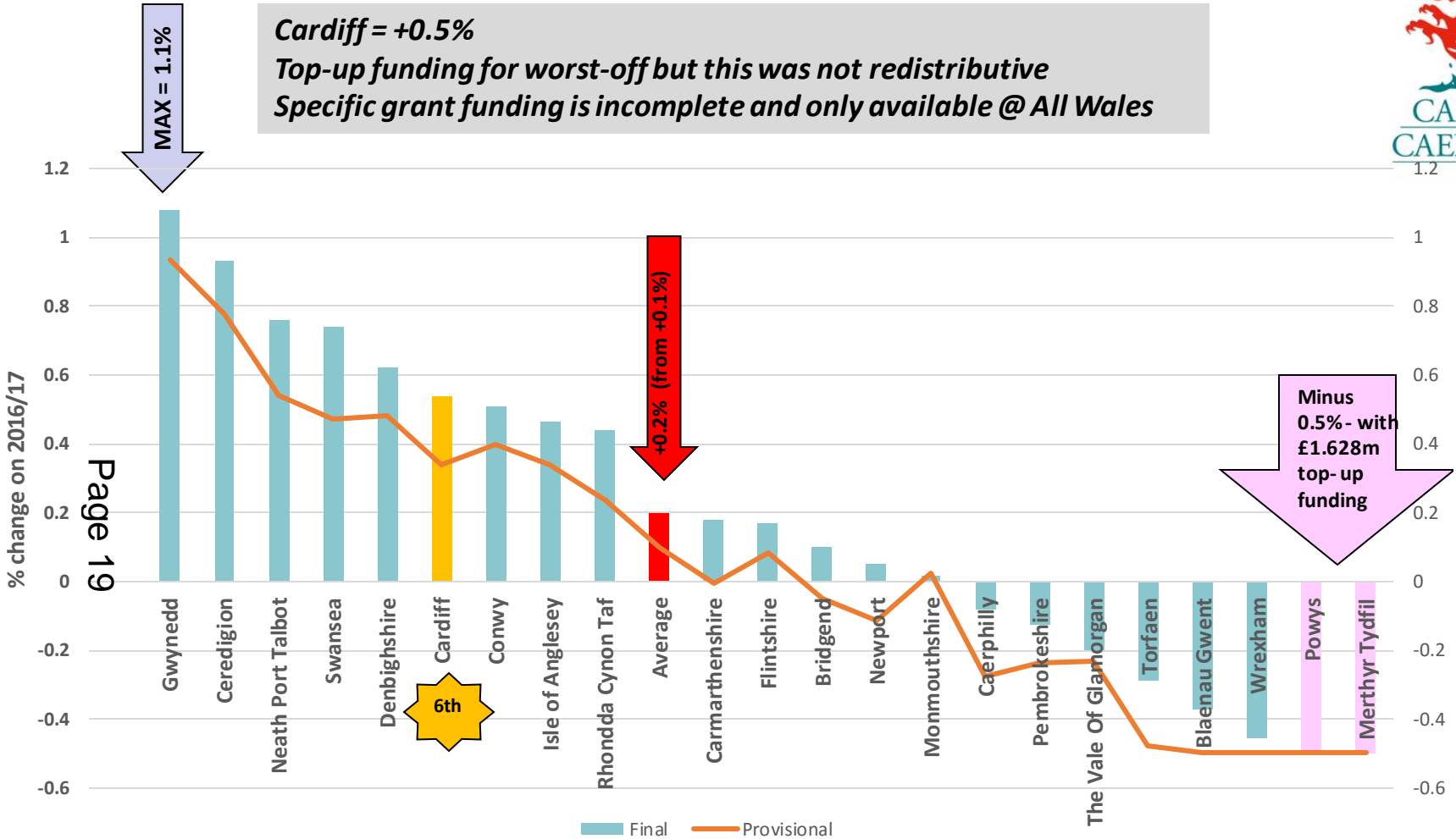
- Final Settlement
- Consultation and Post Consultation Updates
- Draft Revenue Budget
- Medium Term Outlook
- Draft Capital Programme

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Settlement Overview - Wales



Cardiff = +0.5%
Top-up funding for worst-off but this was not redistributive
Specific grant funding is incomplete and only available @ All Wales



- +£10m for Dom Care "separate" - TBC**
- +£10m for rate relief - "separate" - TBC**
- 4 Transfers In
1 Transfer Out**
- 3 new responsibilities**
- No Schools Protection**
- No figures beyond 2017/18**

Final Settlement - Cardiff



Analysis of Cardiff's 0.5% Settlement Increase - £2.298m Cash

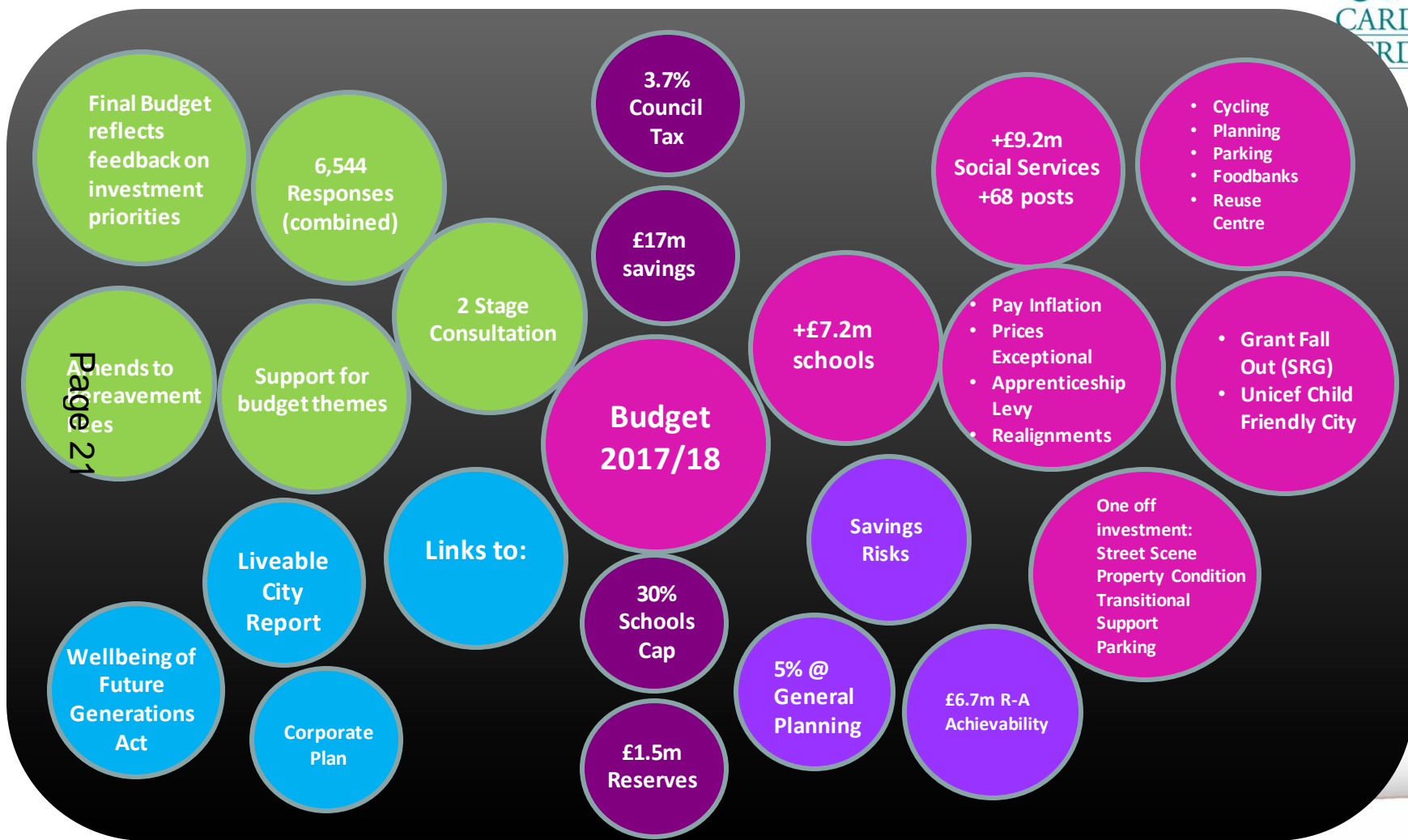
■ True Additional Cash - £294,000 ■ New Responsibilities - £1.278m
■ Tax Base Adj - £620,000 ■ Transfers Out* - £106,000



- Cardiff's 0.5% increase implies cash of +£2.3m
- This reduces to £294,000 when differentiating year on year factors are taken into account (above)
- Additional Specific Grants - with no visibility on the £10m additional Social Services funding, Cardiff has assumed a share in line with the Social Services IBA - £850,000
- The Council has a £4m Financial Resilience Mechanism (FRM) for release if funding is worse than expected
- Release will not be required in 2017/18 and it is therefore available for one off investment

* This sum relates to the transfer out of funding but the Council has retained the responsibility.

Overview of the Revenue Budget

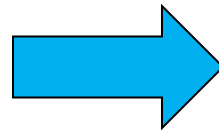


Consultation

Two Stage Consultation	
Ask Cardiff	Budget Specific
General Themes	Detailed Proposals
Eight Weeks	Five Weeks
4,024 Responses	2,520 Responses



Firstly technical changes to take account of final settlement, emerging pressures and most recent price information – details at Appendix 14 of Budget Report



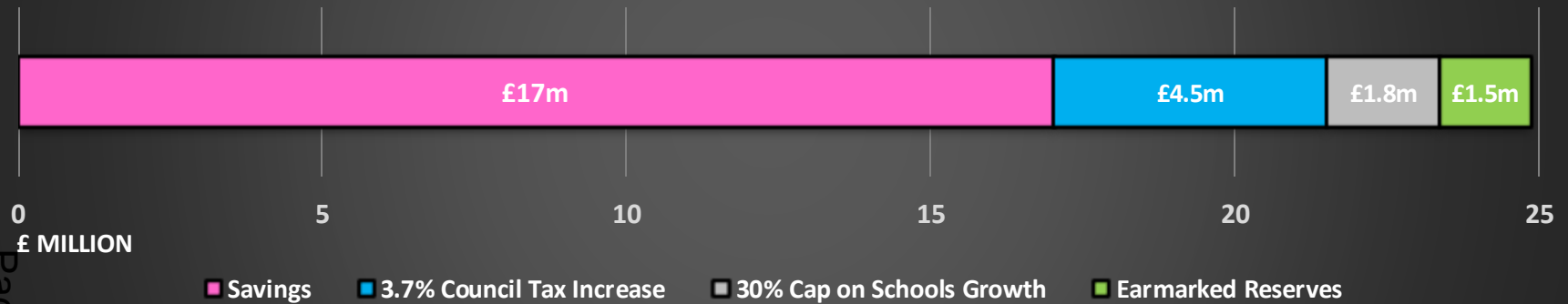
Summary of Post Consultation Changes	£000
Funding	(1,325)
New Specific Grant Funding Stream	(850)
Technical Updates	(1,131)
Emerging Issues	3,072
Savings Amendments	234
Net Overall Impact	0

- **Secondly** in drafting the final Budget Proposal Cabinet took account of consultation feedback
- There was significant support for key budget assumptions and themes via the consultation
- Changes have been made to final proposal to reflect specific comments – e.g. removal of the charge for child burial and cremation
- The Council's FRM has been invested in a way that support priorities identified during the consultation period, including highways improvement and street scene

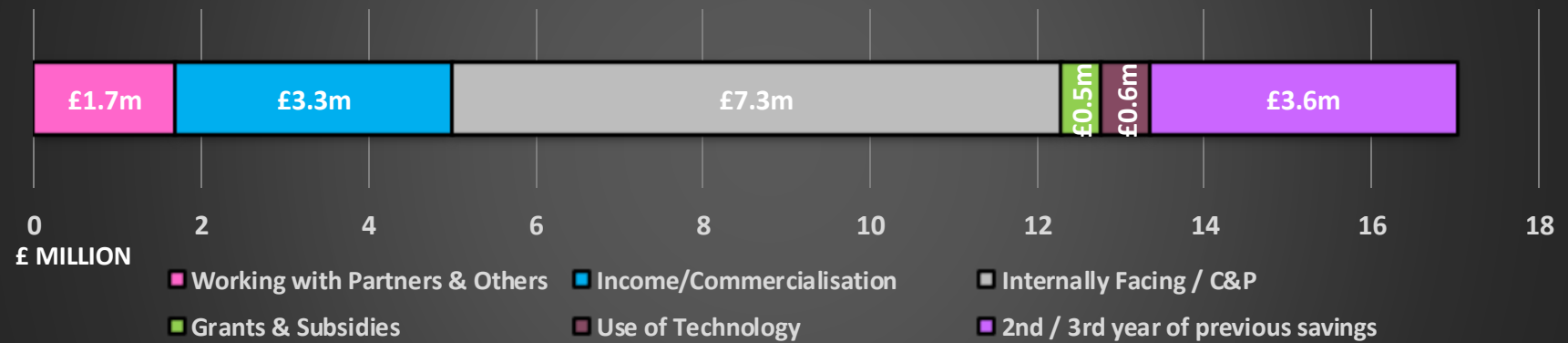
Draft Budget – Solution to 2017/18 Budget Gap



Solution to £25m Budget Gap - per Cabinet Draft Proposal



Breakdown of £17m Savings by Theme



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2017/18 Savings Themes



Theme	Description
Working with Partners and Others	Considering the way in which we work alongside the public, partner organisations and others. There are opportunities to explore new operating models and alternative delivery arrangements, join up services and consider the sharing of assets and the use of multi-agency teams.
Income/ Commercialisation	Identifying how the Council can make better use of its assets and how to offer its services to the public, third sector, or private sector organisations. Examples include opportunities in respect of income generation (in both existing markets and the exploration of new markets) and alternative delivery arrangements.
Internally Facing / C&P	Reviewing internal business processes, covering the need to realign services downwards in non-front line areas, through business process efficiencies and reductions to more closely reflect available resources. Ensuring that we secure value on all our contracts.
Review of Grants & Subsidies	Reviewing those services which are either subsidised by the Council, or those for which a grant is currently given to an outside organisation in order to provide the service. Examples may include exploring the possibility of private corporate sponsorship of events.
Use of Technology	Understanding the ways in which we can make better use of technology, in our internal functions as well as continuing the shift to online services, customer focus and enabling technology, encouraging people who are able to use digital services to do so.
Second/Third Year of Proposals	Considers those proposals where additional savings are planned beyond the financial year in which it was originally proposed.

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Revenue Budget 2017/18



		£000
Required	2016/17 Restated Base Budget	578,846
	New Responsibilities	1,278
	Employee Costs	2,916
	Demographic Pressures (inc schools)	4,610
	Commitments	840
	Directorate Expenditure & Income Realignments (net)	2,699
	Special Inflation	2,507
	Schools Non Pupil Number Growth (net of 30% Cap)	4,565
Total Resources Required		598,261
Available	AEF	428,217
	Council Tax (at nil increase)	151,655
	Use of Reserves	1,500
	Total Resources Available	581,372
Balancing	Shortfall Before Pressures and Savings	16,889
	ADD New Directorate Pressures	4,638
	LESS Savings	(17,007)
	Net Amount to be raised from Council Tax (NET)	4,520

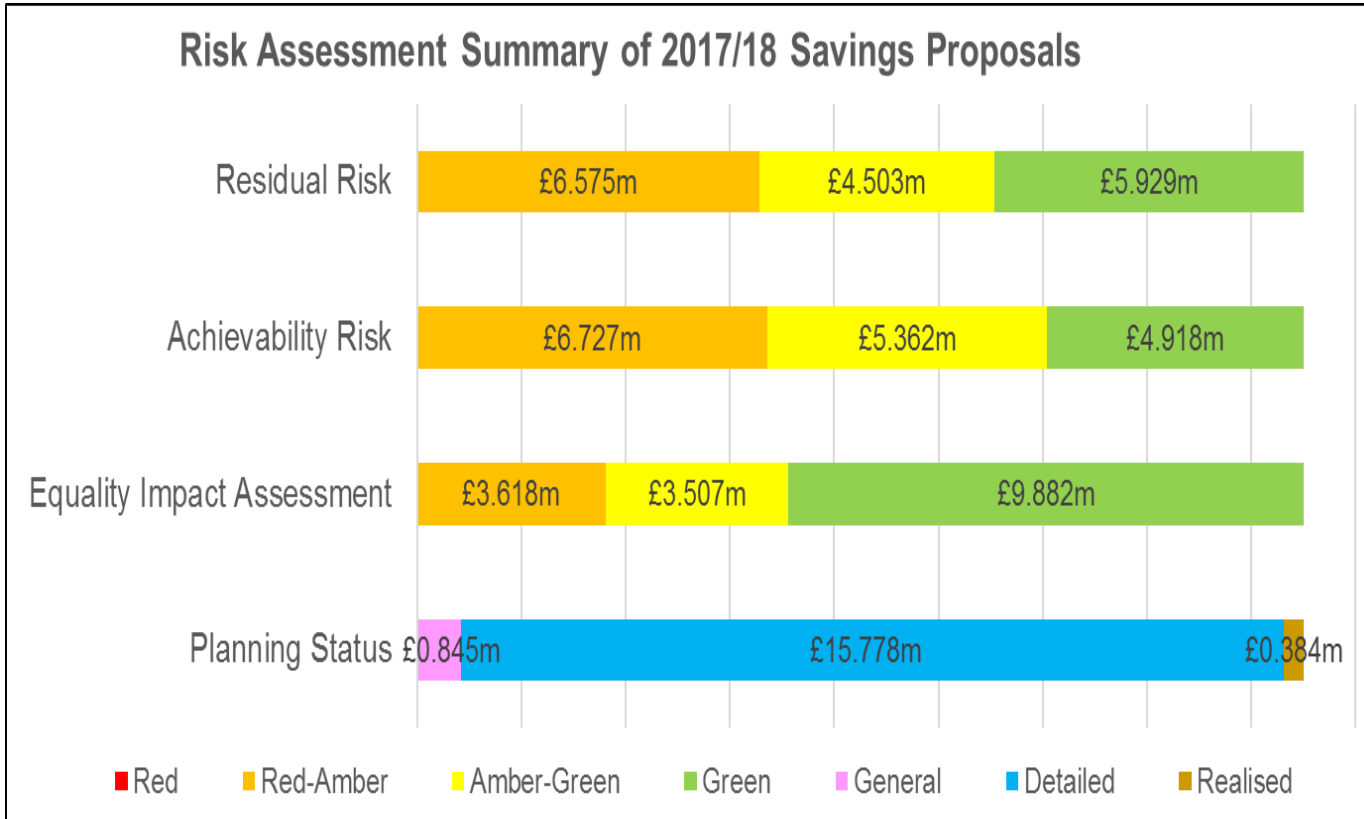


- This is a 3.7% Council Tax Increase
- It is net of impact on CTRS budget

Risk Assessment Summary of Savings Proposals



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Employee Implications of Revenue Budget



	Voluntary Redundancy fte	Vacant fte	Redeployment Fte	New Posts fte	Net Change fte
City Operations	0	0	0	10.0	10.0
Communities, Housing & Customer Service	0	0	(8.0)	11.0	3.0
Economic Development	0	0	(3.4)	4.0	0.6
Education	0	0	(10.0)	0.6	(9.4)
Governance & Legal	0	0	0	3.0	3.0
Resources	(3.0)	(10.5)	0	1.0	(12.5)
Social Services	0	(6.0)	(3.0)	67.8	58.8
	(3.0)	(16.5)	(24.4)	97.4	53.5

Use of Financial Resilience Mechanism in 2017/18



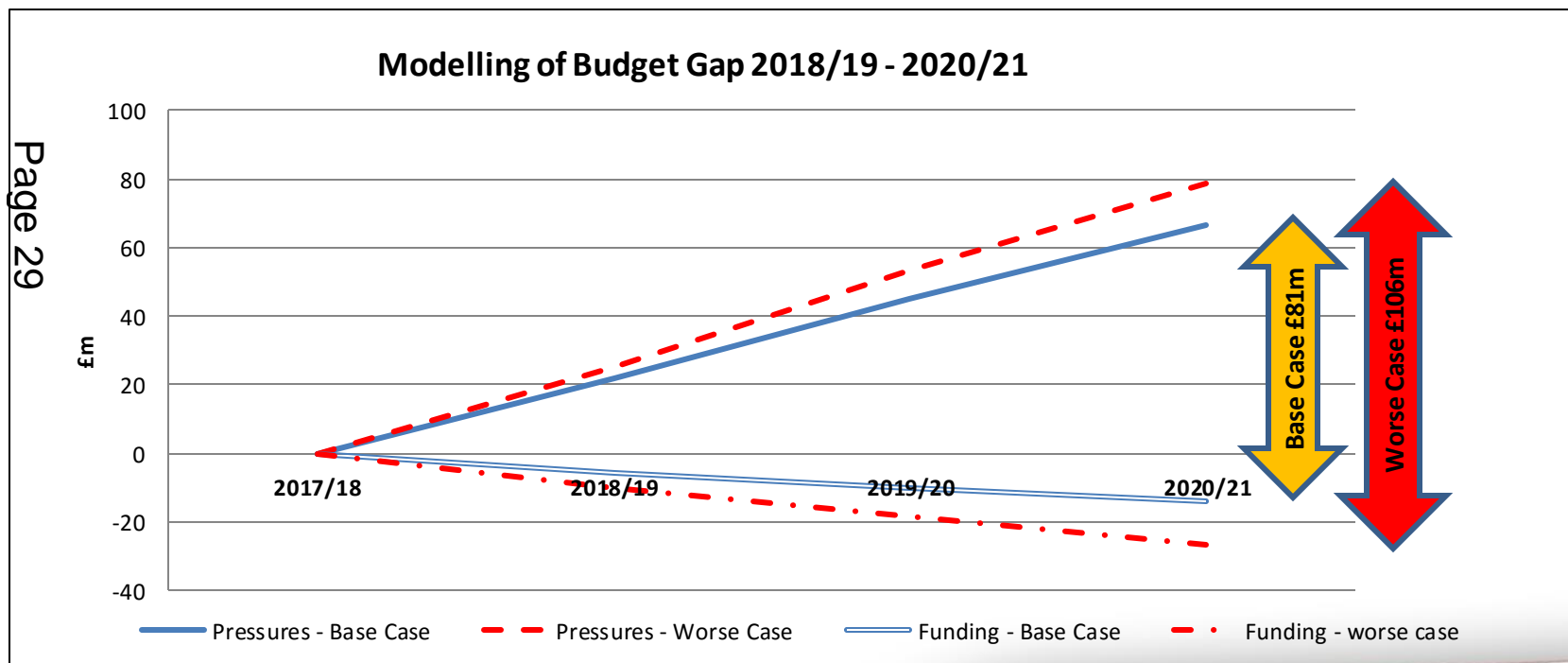
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Use of Financial Resilience Mechanism in 2017/18	Total £000
Visible Street Scene Services	1,710
Property Condition	1,000
Transitional Arrangements (grant fall out) etc.)	660
City Centre Enforcement	290
Parking Strategy	340
TOTAL	4,000

Medium Term Outlook - Cardiff



Scenario	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
Base Case	27,379	27,457	26,071	80,907
Worse Case	35,059	37,029	33,736	105,824



Addressing the Medium Term Gap



	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
Budget Gap	27,379	27,457	26,071	80,907

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Addressing the Medium Term Gap				
Council Tax (3.7% = 2017/18 level)	4,686	4,860	5,040	14,586
Earmarked Reserves	1,500			1,500
Cap on Schools (Growth 30%)	1,494	1,979	1,348	4,821
Savings*	19,699	20,618	19,683	60,000
TOTAL	27,379	27,457	26,071	80,907

** Savings will be revisited over the Spring – further review of the Base Budget*

Capital Programme Development 2017/18 – 2021/22



- Capital expenditure is money spent on an asset being purchased or created that will last for a number of years e.g. schools, buildings and highway infrastructure.
- Page 31 Five year Capital Programme previously set for the period 2016/17 to 2020/21
- The 2017/18 Budget will update the Capital Programme and move it on to 2021/22

Indicative Capital Programme



5 Year Capital Programme includes:-

- Annual Sums
- Ongoing Capital Schemes
- New Capital Schemes
- Capital Schemes funded from Grants Bids/Contributions (assumptions, even for 2017/18 due to uncertainty of allocations)
- Existing/New Schemes Funded on Assumption of Revenue Savings, Revenue Income or Other Sources of Income (Invest to Save)
- Public Housing (HRA) programme

WG Settlement - Capital 2017/18



- General Fund Capital Allocation
 - £13.531m for 2017/18
 - Decrease of 35% since 2010/11.
- Public Housing Major Repairs Allowance Grant - £9.6m (subject to WG approval of business plan)
- WG grants subject to annual bid process – no certainty for 2017/18 or beyond
- Where capital expenditure is incurred without resource to pay for it, this results in the need to borrow
 - Interest & debt repayment costs impact on Revenue Budget

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Capital Programme 2017/18 – 2021/22

Affordability of borrowing to fund capital



Key Messages:

- Council Budget Strategy Report – “As the Council realigns itself strategically to lower funding levels it will need to consider the level of debt and potential financial resilience issues that may be a consequence of increasing borrowing.”
- Council Budget Strategy Report – “Capital financing costs as a percentage of controllable revenue budgets are increasing. This clearly limits the scope for additional borrowing in future years and reduces the Council’s overall flexibility when making decisions on the allocation of its revenue resources”
- Borrowing is a long term commitment to the revenue budget – Must be Prudent / Sustainable / Affordable now as well as long term
- Wellbeing and Future Generations Act
- Strategic Long Term Commitments we will need to fund in addition
 - Cardiff City Region City Deal
 - 21st Century Schools Band B from 2019/20
 - Current projects such as Transport Interchange and City Centre Public Realm assumed to be funded by capital receipts and external funding

Draft General Fund Capital Programme - Summary



Capital Programme	2017/18*	2018/19 Indicative	2019/20 Indicative	2020/21 Indicative	2021/22 Indicative	Total
	£000	£000	£000	£000	£000	£000
Annual Sums Expenditure	21,405	14,367	14,192	14,192	13,832	77,988
Ongoing schemes	33,053	38,248	1,285	1,876	243	74,705
New Capital Schemes / Annual Sums	2,942	3,135	2,015	1,715	1,715	11,522
Schemes Funded by External Grants and Contributions	22,684	15,615	285	0	0	38,584
Invest to Save Schemes – Borrowing to be repaid from revenue savings / income	32,960	9,672	500	500	500	44,132
Total General Fund Programme	113,044	81,037	18,277	18,283	16,290	246,931

*Includes estimate of slippage into 2017/18, subject to final outturn 2016/17

Draft Public Housing (HRA) Capital Programme - Summary

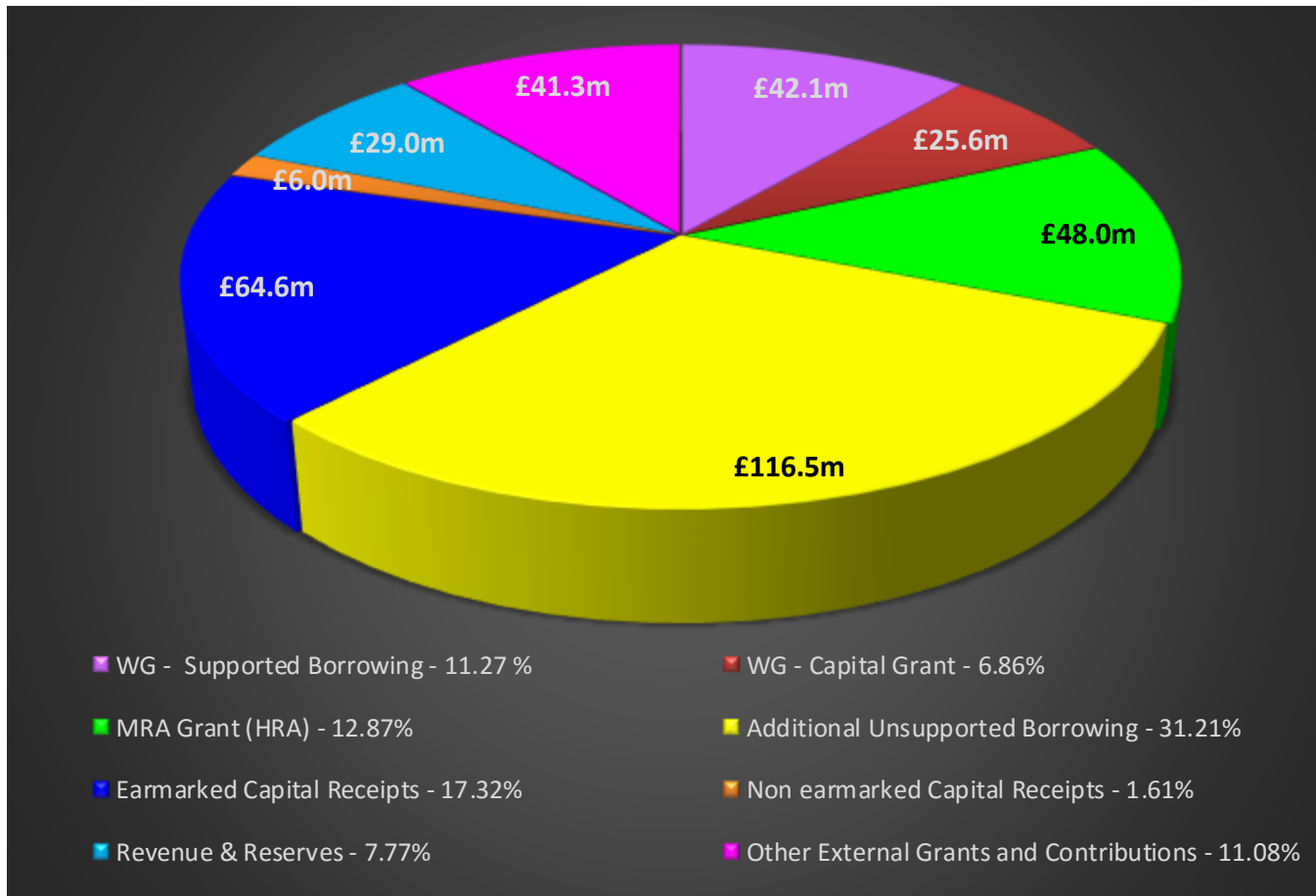


Capital Programme	2017/18*	2018/19 Indicative	2019/20 Indicative	2020/21 Indicative	2021/22 Indicative	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Regeneration and Area Improvement Strategies	4,500	3,400	3,400	3,150	2,400	16,850
External and Internal Improvements to Buildings	14,250	13,100	12,290	10,300	10,150	60,090
New Build Council Housing / Acquisitions	8,500	12,150	6,400	2,400	7,100	36,550
Hub Developments	355	300	0	0	0	655
Disabled Facilities Service	2,300	2,300	2,300	2,300	2,300	11,500
Modernising ICT to Improve Business Processes	100	100	100	100	100	500
Total Public Housing Programme	30,005	31,350	24,490	18,250	22,050	126,145

Capital Programme Expenditure – 5 Years = £373m



Reliance on Borrowing and Earmarked Receipts – almost 50%



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Excludes Schemes we must do – City Deal/Band B Schools

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RESOURCES DIRECTORATE

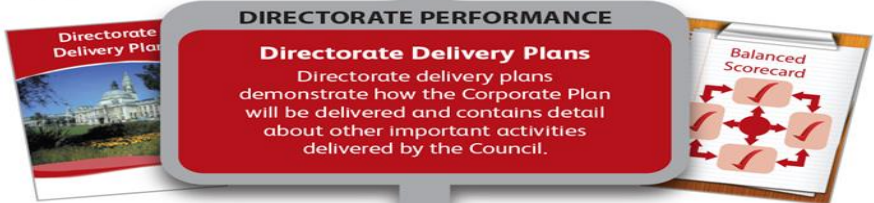
BUDGET 2017/18

**POLICY REVIEW & PERFORMANCE
SCRUTINY COMMITTEE**

15 FEBRUARY 2017

difference make the | **wahaniaeth** gwnewch





Corporate Plan Priorities



- Better education and skills for all
- Supporting vulnerable people
- An economy that benefits all our citizens
- Working together to transform services

The Resources Directorate needs to support all priorities but is especially involved in activities to transform services

Areas of Service

- Finance
- Commissioning & Procurement
- Human Resources
- ICT
- Enterprise Architecture
- Corporate Health & Safety
- Organisational Development
- Policy & Partnerships (not part of committee remit)

Scale of Operations



2017/18 Base Budget	£18.112m
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Number of employees	571 fte
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Savings Proposals for 2017/18



2017/18 Savings	£000
Income & Commercialisation	246
Internally Facing	750
Grants and Subsidies	20*
Technology	252
TOTAL	1,268

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* Considered by Economy and Culture Scrutiny Committee

Income/Commercialisation



Line	Proposal	£000
58	Enterprise Architecture – new funding model	120
59	Cardiff Academy	46
60	C&P trading company	70
61	Information Governance	10

Internally facing / C&P



Line	Proposal	£000
62, 63	Staff reductions in Finance	105
65	ICT	35
67	OD	172
68	HR	52
70	Cabinet and Policy Team	27
64	External telephony spend	50
66	External ICT spend	204
69	Fall-out of payments for HRPS system	100
71	Efficiency savings in Emergency Management	5

Technology



Line	Proposal	£000
73	Automation of forms, e-billing and transactional website	154
74	Process changes in business support	98

Employee Implications of Budget



	Post Deletions fte	Post Creations fte
Automation of forms etc	1.5	
Business process changes	4.0	
Review of functions in Accountancy	2.0	
Review of structure in OD	3.0	
Review of functions in HR	2.0	
Reduction in Cabinet and Policy Team	1.0	
Support for Trainee Placement Programme		1.0
	13.5	1.0
Net reduction of 13.5 fte through deletion of 10.5 vacant posts and 3.0 voluntary redundancies		

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Supported Financial Pressure



	£000
Funding to support 20 trainee placements of six month duration together with a co-ordinator post	230

Capital Schemes in 2017/18



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Scheme	£000
ICT Refresh - To refresh failing/non compliant hardware	400
Technology projects - Investment to enable business process improvements	871

Corporate Plan Commitments 2017/19



- Work with major contractors and providers to deliver increased social value through Council contracts by creating opportunities for apprenticeships, work placements and employment with a focus on reducing long term economic inactivity.
- Make Cardiff a Living Wage City by encouraging suppliers contractors and providers to pay their staff the Living Wage.
- Increase provision of apprenticeships, traineeships and work placements for young people and work based training enabling them to develop appropriate skills, knowledge and experience.
- Implement new Performance Management Strategy across the organisation to support the Council's continued improvement.
- Further reduce sickness absence by March 2018 through continued monitoring, compliance and support for employees and managers.

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Corporate Plan Commitments 2017/19



- Implement refreshed Personal Performance and Development Review scheme by March 2018 to improve staff performance.
- Further develop the Medium Term to inform the annual budget setting process, ensuring robust decision making which is sustainable in the longer term.
- Implement the workforce strategy to develop and appropriately skill the workforce to meet the changing needs of the Council.
- Achieve the Silver level of the Corporate Health Standard by March 2018 to promote and support the health and wellbeing of employees.

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