

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

6 DECEMBER 2017

Present: County Councillor Walker (Chairperson).
County Councillors Berman, Bowen-Thomson, Boyle, Cunnah,
Mackie and McKerlich.

101 : APOLOGIES FOR ABSENCE

Councillor Jim Murphy sent his apologies for this meeting.

In addition, it was noted that Councillor Frank Jacobsen had stepped down from the Committee. The vacancy would be filled at the January Council meeting.

102 : DECLARATIONS OF INTEREST

There were no declarations of interests.

103 : DELIVERING CAPITAL AMBITION & CORPORATE PLAN 2018-19

This Committee at its meeting on 15 November (Min No 98) received a progress update and presentation from the Leader on the plans for Delivering Capital Ambition. This item provides an opportunity for the Committee to undertake a pre-decision scrutiny, and have a first look at the Cabinet proposals for delivering the policy aspirations in more detail, and to scrutinise the process for development of the 2018/19 Corporate Plan, and how these two important strategic plans will be aligned. In attendance at the meeting for this item were the Leader of the Council, Councillor Paul Orders, the Chief Executive, Paul Orders, Corporate Director Resources, Christine Salter, Head of Performance & Partnerships, Joseph Reay and Head of Cabinet Office, Dylan Owen.

The Chair invited the Leader, Councillor Huw Thomas, to make an opening statement in which he welcomed the important input of this Scrutiny Committee; set out the approach in delivering the administration's priorities in the Capital Ambition; ensuring change by tackling old ways of working; embedding the Council's policy and performance framework; work to agree targets with the Cabinet Performance and Delivery Group; and the importance of viewing the Corporate Plan in tandem with the budget settings process so that resources are aligned.

The Chairperson invited questions and comments from the Committee. The following key issues and observations were made: -

- Members reinforced the importance of strong alignments between the ambition narrative and quantifiable performance outcomes and the importance of the new change programme dovetailing into ambitions and objectives. Members noted that the Leader was confident that the mechanisms for achieving these alignments are in place and that the Corporate Plan will clearly state the objectives, actions, targets and measures to deliver Capital Ambition.
- The Committee indicated that it would be looking for strong links between the Well-being Plan, the four-year Capital Ambition programme and the Corporate Plan. The Committee would monitor during the period of this work plan;

- Councillors welcomed the proposal for fundamental service reviews and noted there had been in depth analysis of services and external factors, prior to selecting priority areas for review.
- The Committee noted the creation of the Cabinet Performance and Delivery Group, and would welcome a strong link to this new group, to consolidate and support governance arrangements going forward.
- The Committee sought assurance that there had been some tangible action on the City Deal, and clear governance arrangements.
- The Committee was keen to see the setting by all ten Councils of a business plan identifying how the current aspirations will be prioritised and achieved. Members were pleased to receive confirmation from the Leader on the tangible progress being made on the semiconductor project.
- The Committee stressed the importance that organisational culture embraces digitalisation ambitions.
- Councillors were keen that management and staff continued to work together to ensure the citizen remain at the centre of the redesign of Council services. The consistency of customer service delivery organisational-wide was very important.
- The Committee took on board the Leader's view that changing citizen and neighbourhood cultures was also important, and that the 'Total Street' approach was considered to encourage this community and council partnership approach to improving neighbourhoods.
- Councillors once again stressed the importance for this administration to break down directorate silos to support the delivery of seamless council services. The Committee noted that managers understand the benefits of joined up frontline services and that a more open span of management control was being encouraged. It was felt that the example of the 'Total Street' where the organisation is taking steps to align all street scene services will be the test of how effectively Capital Ambition is delivered.
- The Committee has some concerns as to where the Council sits on Welsh Government's programme for local government reform in the shape of regional collaboration on shared services, and supports the view that it is important the Council retain control of key services.
- The Committee would welcome sight of the workforce development toolkit, when it undertakes scrutiny of this topic in March 2018.
- The Committee noted that the Capital Ambition places communities' front and centre with a focus on inequalities, particularly of health and opportunity. However the Committee reminded the Leader that all communities have needs and stressed the importance that Capital Ambition works for the whole City.
- Councillors were very appreciative of the Cabinet's inclusive approach to scrutiny engagement with these important strategic plans whilst in their development stages, and welcomed the Leader's offer of a target setting session for the Corporate Plan 2018-19 with the Chairs of all scrutiny committees in January 2018.

At the conclusion of the meeting the Committee discussed the evidence received and observations made.

RESOLVED – That

1. The Chairperson of the Policy Review and Performance Scrutiny Committee to write on behalf of the Committee to the Leader to thank him and the Officers for

attending and participating the meeting and set out the feedback made by the Committee;

2. The Committee scrutinise the draft Corporate Plan 2018-19 at its meeting 17 January 2018;
3. The Chair with the Principal Scrutiny Officer be requested to discuss with the Leader and officers how the Committee can link in with the new Cabinet Performance and Delivery Group to consolidate performance governance arrangements and avoid duplication going forward;
4. The Principal Scrutiny Officer be requested to arrange a Corporate Plan 2018 -19 target setting scrutiny session later in January with the Committee's new Performance Panel and include the Chairs of all Scrutiny Committees.

104 : BUDGET MONITORING 2017-18 - MONTH 6

The Committee received the Budget Monitoring 2017 – 2018 as at Month 6. The Chairperson welcomed the Cabinet Member for Finance, Modernisation and Performance, Councillor Weaver, Corporate Director Resources, Christine Salter and Head of Finance, Ian Allwood.

The Cabinet Member for Finance, Modernisation and Performance made a statement drawing on the key areas and actions being taken to ensure that the overall financial position will be a balanced position by the end of the financial year. The position had improved since the Month 4 report however more needed to be done to address overspends in key directorates and if necessary adjustments made for future years.

The Chair indicated that the Committee may consider following this scrutiny the need to undertake deep dives in more detail specific areas of the budget and these can be programed into the forward plan. This may involve joint committee scrutiny if appropriate.

The Chairperson invited questions and comments from the Committee. The following key issues and observations were made: -

- Concerns were focussed on the overall savings shortfall of £1.782 million, and unrealistic savings proposals.
- Councillors re-iterated their concerns that the achievement of a balanced position at this stage in the budget year is frequently a result of management action in holding staff vacancies. The Committee was strongly against an approach of making staff vacancies central to budget savings as this would have a significant impact if many posts remain vacant.
- Councillors took the view that the projection of a balanced budget at month 6 would only be achieved at a cost and that there would remain unachieved saving targets being met by other means. The Committee did accept that Directorates have been set stretching income targets, and that the transformation of services and the empowerment of staff to be entrepreneurial carries risks, but assurances were sought that savings were rigorously assessed by Directorates and Senior Management when they are proposed and taken through the budget setting process.

- The Committee noted for example that Children's Services had a £782,000 shortfall on savings carried forward from the 2016/17 budget year, relating to external placements for looked after children which was impacting on the overall deficit. The Committee was therefore wondering whether the budget actually reflected the real costs of the service, or whether a significant realignment of the budget is needed. The Committee noted that the Children and Young People' Scrutiny Committee were currently undertaking a task and finish inquiry on out of county placements which we would inform the 2018/19 budget planning.
- The Committee was concerned at the implications for the Council's budget of the Welsh Government possible reduction in its 3 year rolling budget for the Cardiff Harbour Authority.
- The Committee noted during its consideration of Delivering Capital Ambition earlier in the meeting, that the semi-conductor project is considered a tangible outcome of the Cardiff Capital Region City Deal. Councillors were reassured that providing a short-term bridging loan to secure significant private sector investment in the region until a business plan is in place, is a temporary cash flow solution, and there will be no cost obligation to the Council.
- The Committee noted that there is no limit to the level of external debt the Council can enter into provided it is for the projects and with sound business cases. Councillors would be interested in how many projects the Council has provided seed corn capital and how Cardiff will benefit from those projects.

At the conclusion of the meeting the Committee discussed the evidence received and observations made.

RESOLVED – That the Chairperson of the Policy Review and Performance Scrutiny Committee to write on behalf of the Committee to the Cabinet Member, Finance, Modernisation and Performance welcoming the assessment that at Month 6 of the 2017/18 Budget a balanced budget was projected, but also setting out the committees observations and concerns for response.

105 : COMMITTEE BUSINESS UPDATE

- (a) The Committee had received and noted the email correspondence with the Public Service Board following the 15 November meeting.
- (b) The Committee received a verbal update from the Principal Scrutiny Officer on the three Task and Finish Groups which had met in the previous three weeks.
 - Managing the Estate under a Corporate Landlord Model - (Councillors Boyle (Chair), Mackie, Murphy and McKerlich).
A context setting evidence session and a further meeting had taken place with evidence being sought on work of Facilities Management; Schools position and the maintenance backlog.
 - Customer Leadership - (Councillors Bowen-Thompson, Berman, Cunnah and Walker (Chair)).
The Task Group continues to gather evidence, and received a very interesting presentation from Admiral, with a second presentation at its meeting on 12 December from British Gas. This meeting will be held at Wilcox House.
 - Performance Panel (Councillors Boyle, Bowen-Thompson, Murphy, Mackie, McKerlich and Walker (Chair)). The Task Group had met with the Head of Performance and his team, to gain a better understanding of the Council's

Performance Framework. The Panel has been offered a session in late January to consider draft targets in the Plan. The Panel will concentrate on areas where there are challenges - Sickness Absence and Recycling

106 : DATE OF NEXT MEETING

Wednesday 17th January 2018, commencing at 4.30pm.

(The meeting closed at 18.45)

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