

**CABINET: DYDD IAU, 12 GORFFENAF 2018 at 2.00 PM**

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Cynhelir Cyfarfod Cabinet yn Ystafell Bwyllgor 4 yn Neuadd y Sir ddydd Iau  
12 Gorffennaf 2018 am 2pm.

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**A G E N D A**

**Plant a Theuluoedd**

- 1 Darparu Gwasanaethau Seibiant Byr Caerdydd yn Nhŷ Ty Storrie (*Tudalennau 3 - 32*)

**Strydoedd Glân, Ailgyrchu a'r Amgylchedd**

- 2 Polisi Peryglon Ffordd Galwedigaethol (*Tudalennau 33 - 92*)

**Diwylliant a Hamdden**

- 3 Gorchmynion Diogelu Mannau Cyhoeddus - Rheolaeth Cŵn (*Tudalennau 93 - 142*)

**Addysg, Cyflogaeth a Sgiliau**

- 4 Rhaglen Band B Cyngor Caerdydd yr 21ain ganrif: Capasiti a Llywodraethu. (*Tudalennau 143 - 182*)
- 5 School Organisation Planning - The Provision of English Medium Primary School Places in the Llanrumney Area (*Tudalennau 183 - 224*)

**Cyllid, Moderneiddio a Pherfformiad**

- 6 Uchelgais Ddigidol Cyngor Caerdydd (*Tudalennau 225 - 260*)
- 7 Strategaeth ar y Gyllideb & y Tymor Canolig (*Tudalennau 261 - 306*)
- 8 Strategaeth a Pholisi Rheoli Risg & Sefyllfa Chwarter 4 2017/18 (*Tudalennau 307 - 378*)

**Buddsoddi a Datblygu**

- 9 Rheoli Ystâd Eiddo Amhreswyl y Cyngor - Croesawu Model Landlord Corfforaethol (*Tudalennau 379 - 572*)

## **Gofal Cymdeithasol, Iechyd a Lles & Plant a Theuluoedd**

- 10 Fframwaith Adrodd Blynyddol y Cyngor - Adroddiad Gwasanaethau Cymdeithasol Awdurdod Lleol 2017/18 (*Tudalennau 573 - 668*)

## **Cynllunio Strategol a Thrafnidiaeth**

- 11 Ardaloedd Cadwraeth Llandaf a Heol Caerdydd: diddymu hawliau datblygu a ganiateir ar gyfer dymchwel yn rhannol y ffiniau blaen (*Tudalennau 669 - 684*)

## **PAUL ORDERS**

Chief Executive

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

**CARDIFF COUNCIL  
CYNGOR CAERDYDD****CABINET MEETING: 12 JULY 2018**

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**THE PROVISION OF CARDIFF SHORT BREAK SERVICES  
AT TY STORRIE****CHILDREN & FAMILIES (COUNCILLOR GRAHAM HINCHEY)****AGENDA ITEM: 1**

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**Reason for this Report**

1. To inform Cabinet of the current position in relation to the Cardiff Short Breaks Service at Ty Storrie.
2. To request Cabinet approval to end the current arrangements for the delivery of service at Ty Storrie and to integrate the short break service within Cardiff Council direct provision.

**Background**

3. Cardiff Council currently owns two children's homes. Those children's homes are Crosslands and Ty Storrie.
4. Cardiff Council is the registered provider of Crosslands and the home has an exceptional track record and is highly regarded by the Council and regulators.
5. Action for Children is the current registered provider of Cardiff Short Breaks at Ty Storrie. The home is registered with CIW to provide overnight short stays for up to 8 disabled children and young people at any one time. The service is available to children who are assessed as being in need of Care and Support and have a Social Worker based in the Child Health and Disability teams. The service aims to provide respite to families most in need of a break from caring. In addition the service is designed to support children to achieve individual outcomes by supporting young people to develop social, communication, self-care skills and expand their social networks during their short break stay.
6. The service has been provided by the incumbent provider since the inception of the service in approximately 1997. The service was originally provided from a residential property owned by the provider but funded by the Council on Rhydypenau Road. In August 2011 it was relocated to the bespoke new build Ty Storrie on the site of the new Ty Gwyn School on Vincent Road. The Ty Storrie building is owned, fitted

out, furnished and maintained by Cardiff Council in accordance with the terms of a property and maintenance agreement between the two organisations. The service provider occupies the building under the terms of a licence associated with the service delivery contract.

7. The original plan was for 4 of the beds to be used to deliver Cardiff Short Breaks to children identified via Cardiff Children's Services (and potentially more in the future), and for Cardiff and Vale University Health Board nurses to use 4 of the beds a few nights per week. It was expected that a partnership delivery arrangement between Cardiff Council and Cardiff and Vale University Health Board (CVUHB) would be ready for implementation by 2010/11. However, discussions with The Care and Social Services Inspectorate Wales (CSSIW), at the time identified the need to further clarify registration requirements. As a result, it was decided that it was not appropriate to tender the Cardiff Short Breaks Service at that time. The existing service provider was actively involved in alignment of the service within regulatory requirements, and as such a necessary partner in planning the future service.
8. A single invitation to tender for the service was issued to Action for Children in 2011. The contract with Action for Children commenced on the 22 March 2012 and was extended in accordance with the original terms and conditions until the 13th of June 2013. The contact was further extended until December 2014 and since this time.
9. Action for Children have continued to deliver the service on behalf of the Council out of contract. The Council and the provider have been "holding over" on the same terms and conditions as previously, and this will continue until either party changes or ends the arrangement.

## **Issues**

10. The building has been underutilised since opening. Service levels for the service have been between 1 and 5 children per night, depending on the ability to match children and the preferences of parents. Plans to integrate services would have addressed this issue by adding children requiring nursing to the service.
11. These issues have now been addressed to the UHB's satisfaction. However during the last quarter of 2017/18 Children's Services were informed that the needs of Cardiff and Vale University Health Board (CVUHB) have changed over time, both in terms of increased need and complexity of young people. Their needs can no longer be met by the proposed integrated service.
12. There have also been some concerns about some aspects of the service provided at Ty Storrie resulting in the issuing of a non-compliance notice in March 2017 placed on the provider by the regulator CIW following an inspection.

13. The provider fully cooperated with the Council to address areas of development outlined in the resulting improvement plan and progress was made in a timely and satisfactory way. A follow up inspection was undertaken by the regulator in August 2017 and it confirmed that areas of non-compliance had been successfully addressed and improvements were noted in the Inspector's October 2017 report.
14. However despite the provider's hard work to address concerns it has continued to experience on-going staffing issues which have impacted on the stability of the service.

### **Proposal to Bring the Service In-house**

15. An option appraisal has been undertaken in respect of the future arrangements for delivering the service (**Appendix A**). The three options considered were: do nothing / direct award to existing provider, full tender, or bring the service in house.
16. Under Cardiff Council's Contract Standing Orders and Procurement Rules, 'before any external procurement is considered, it is important to ensure that no existing in-house provision exists for the Goods, Services or Works required. In-house services must be used unless the procuring service area and the in-house services provider agree otherwise'.
17. The People and Communities Directorate already operates Crosslands Children's Home. Given the proven track record of operating Crosslands and the fact that the Council owns the Ty Storrie building, it makes sense to aspire towards greater alignment of Cardiff Short Break with Crosslands. Crosslands provides quality care and value for money and it is therefore believed Children's Services has the capability to do similar in respect of Ty Storrie.
18. Key benefits related to delivering the service in-house are:
  - Streamlining of activity, responsibilities and accountability through the service's appointed manager and it's Responsible Individual.
  - Direct governance and quality assurance, including direct professional supervision of the service manager, management of referrals, Regulation 73 quality of care visits (previously called Regulation 32 visits prior to the change in regulations), Council performance systems, recruitment processes and Human Resources processes.
  - A single record systems for short break and social work staff, which will enable professionals to have real time access to information which impacts on care or planning.
  - Access to training & development opportunities and public sector terms and conditions for new staff are expected to reduce staff turnover and strengthen recruitment and retention arrangements to promote a stable and appropriately qualified staff team.

- Achieving better management of building related issues given that the registered provider will also be the owner of the building.
  - A competitive tender process and potential transfer of services will take significantly longer than a direct transfer of provision to the Council since a tender will take additional time to complete.
19. Continuity of service for children will be maintained since it is expected that staff currently employed by the current provider will transfer to the Local Authority under the Transfer of Undertakings (Protection of Employment) (TUPE) arrangements. Whilst there is currently a vacancy for a manager of the service, it is expected that recruitment to the post will be progressed by the Council following the decision being made to bring the service in-house.
20. Should the proposal be agreed the council will be in a stronger position to review the model of care and address the issues of underutilisation of the building by exploring additional options.

### **Registration**

21. The Council will need to complete its own application to the CIW to register the service that will be delivered when the arrangement with Action for Children comes to an end.
22. The Council will need to complete a Statement of purpose to support its application and in the first instance will largely align with that of the previous provider to ensure continuity for families during the transition phase.
23. Upon transfer the Council will inherit the responsibilities of delivering the service within the regulatory requirements and will be able to initiate planning to develop and improve the services within the terms of its registration and by varying the statement of purpose over time.

### **The Need to Deliver Prudent Services / Resources**

24. Under the current arrangements, the Council makes a contract payment to the current provider for the provision of the short breaks service and as owner of Ty Storrie, the Council also maintains its own property and equipment budgets.
25. Separately, the UHB makes a direct contribution of £34,029 towards the provision, and in addition to its direct payment to the provider, the UHB also makes a contribution to the Council.
26. Consideration has been given to the potential costs of a Council run service, should it be brought in house. In considering the costs of an in-house option, account has been taken of differing pay grades and terms and conditions that would apply to the staff once they are employed by

the Council. Initial costs are likely to be lower as staff transfer on existing pay scales under TUPE.

27. Taking all available information into account, it is considered that an in-house service could be accommodated within the current funding levels from all sources.
28. It is worth noting that a management fee applies to most social care services contracted by the Council. Delivering the service in-house would support a re-investment of this resource into direct service delivery.

### **Consultation**

29. The proposal does not involve a local issue. The proposal does not require the carrying out of consultation under statute or at law or by reason of some promise or undertaking previously given by or on behalf of the Authority.
30. It is a statutory requirement to provide short breaks services to disabled children and young people with assessed needs. This proposal does not seek to change amounts of delivery of service to this group, but does seek to change the delivery mechanism of the service.
31. Members of the Corporate Parenting Advisory Committee are aware of the service and the recent issues it has faced. They will continue to receive and discuss monthly Regulation 73 Quality of Care Reports for this service (previously received as Regulation 32 reports prior to the change in regulations).
32. Any changes in service design, funding decisions and change in priorities is likely to generate interest from parents, professionals, member of the Federation of Special Schools on site and Elected Members whose constituents have an interest in the delivery of services for disabled children. However, this proposal seeks to bring the existing service in-house in the first instance, with little change to the operational arrangements at that time. It is anticipated that a review of the model of care and the operational arrangements for delivering the service will be undertaken post transfer if the Cabinet is minded to agree the proposal and this will be subject to a specific consultation exercise with all key stakeholders.
33. Parents were have been written to, informing them that the Council is considering options for the future of Ty Storrie with in-house being the preferred option (**Appendix B**).

### **Reason for Recommendations**

34. There is no longer a clear rationale for the service to be delivered externally nor a compelling reason why the contract should be awarded to the current provider. The benefits of delivering in-house are outlined in this report.

35. There are some benefits associated with commissioning the service externally which the Council will not be able to replicate in exactly the same way, however the difficulties of the current arrangement and need for high quality consistent service delivery have proved to outweigh the benefits.
36. The proposal to end the current contract and apply for the Council to become the registered provider of Ty Storrie aims to better align the Council's level of control with its ultimate level of responsibility.
37. It is intended that the service will sit within the Specialist Service portfolio of Children's Services and as a result will benefit from greater alignment with other regulated services. Links to the multi-agency Disability Futures programme will support development within the wider partnership context.
38. The Council has the necessary leadership, expertise, and support structures to successfully develop a high quality management and staff team to deliver Ty Storrie. There is therefore a positive outlook to bringing the service in-house.

### **Financial Implications**

39. The report seeks agreement, in principle, to the proposed transfer of the current externally commissioned children's Short Breaks service to an in-house team.
40. The Council currently commissions a short breaks service from an external provider (Action for Children) at a cost of £409,172 per annum. As the Council owns the property, Ty Storrie, from which the service is delivered, it also maintains separate property (facilities management) and equipment budgets totalling £64,070 in relation to the facility. It is also known that Cardiff and Vale UHB also makes a direct contribution of £34,029 towards the running cost of the service. Overall funding for the service, therefore, currently amounts to £507,271.
41. Consideration has been given, in consultation with Financial Services, to the potential costs of an in-house option, taking account of a proposed staffing structure based on Council pay scales, existing non-staff costs, the removal of the provider management fee and TUPE. Taking account of these factors, it is considered that an existing in-house service could be operated within the current funding level for the service. It is assumed property (facility management) costs will remain neutral.
42. Although, it is indicated that the in-house service could be run within the existing funding level, the budget available is effectively £50,000 below this figure. This reflects a budget saving proposal (£50,000) put forward by Social Services in 2017/18, in relation to the integration of services delivered from Ty Storrie, via a partnership agreement between CVUHB and Cardiff Council. Given the wider issues relating to the service, the partnership agreement with CVUHB cannot be progressed and this



saving cannot therefore be realised in the short term. This is, therefore, an ongoing issue that the Directorate will need to address.

43. As indicated in the report, in addition, to its direct payment to the provider, the UHB also makes a contribution of £100,000 to the Council, towards the contract payment the Council makes in respect of the service. The ongoing provision of this contribution from the UHB is currently the subject of separate discussion. Although, it is considered that the proposal to bring the service in-house would not adversely affect any decision over this element of funding, efforts should continue to secure this funding element for the service. The withdrawal of this funding would potentially cause a significant funding issue for the Directorate.
44. Whilst, the report notes the operational issues that support an in-house, as opposed to an externally commissioned, option it is essential that service delivery costs are kept to a minimum in order to ensure value for money for the Council.

### **Legal Implications**

45. The proposal sought, put simply, is to transfer the delivery of the Short Break Respite services at Ty Storrie to the Council's in-house team.
46. By way of background, the incumbent provider has been delivering these services at Ty Storrie for a number of years. A formal contract governing the provision of the services expired in December 2014 ("the 2014 contract"). That said, Action for Children has continued to deliver the services at Ty Storrie in consideration of the contract payment and accordingly there is a contractual relationship in place between the parties. Arguably, in the absence of a written agreement, the terms and conditions of the written contract continue to apply and it is understood that both parties have continued with their respective contractual obligations under the 2014 contract. With regards to terminating the existing contractual relationship, any such written notice period should be both proportionate and reasonable having regard to the nature of the services and all material factors.
47. The proposal does raise TUPE issues – please refer to the HR implications set out in the report.
48. It is noted from the body of the report that the Directorate intends to carry out further consultation upon the proposed transfer of the services to the Council's in-house team. Consultation gives rise to the legitimate expectation that due regard should be had to the outcome of any such consultation and in this regard it is noted that the delegation of authority sought for the Corporate Director is caveated upon that basis.

### **Equality Duty**

49. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010. Pursuant to these legal

duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a). Age, (b) Gender reassignment (c) Sex (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h)Sexual orientation (i) Religion or belief – including lack of belief.

50. The report identifies that an Equality Impact Assessment has been carried out and is appended at **Appendix C**. The purpose of the Equality Impact Assessment is to ensure that the Council has understood the potential impacts of the proposal in terms of equality so that it can ensure that it is making proportionate and rational decisions having due regard to its public sector equality duty. The decision maker must have due regard to the Equality Impact Assessment in making its decision.
51. The decision maker should also have regard when making its decision to the Council's wider obligations under the Social Services and Wellbeing (Wales) Act 2014 and The Wellbeing of Future Generations (Wales) Act 2015. In brief both acts make provision with regards promoting/improving wellbeing.

### **HR Implications**

52. There has been Trade Union consultation on the information held within this report. Feedback from the consultation which took place on the 2<sup>nd</sup> of July 2018 was positive. They were supportive of the proposal and agreed that it would enable Children's Services to have more control over the quality of the provision and future developments. As stated in the report there are staff which will transfer to the Council from the current provider under the Transfer of Undertakings (Protection of Employment) Regulations 2006. The Council will abide by this legislation as it is set down and ensure that all consultation requirements are met.

### **RECOMMENDATIONS**

Cabinet is recommended to:-

1. Agree, in principle, to the proposed transfer of the provision of the Short Break services to the Council's in-house team, as detailed in the body of the report, subject to the outcome of further consultation with relevant stakeholders, including service users; and
2. Should recommendation 1 be approved, delegate authority to the Corporate Director People and Communities in consultation with the Cabinet Member for Children and Families, the Section 151 Officer and the Director of Law and Governance, to attend to all substantive matters to give effect to the proposal (provided that the Directorate has taken account of the outcome of the further consultation referred under recommendation 1) including (without limitation):-

- (i) Liaising with the incumbent provider to agree a mutually agreeable date to terminate the existing contractual arrangements and to transfer the delivery of the Short Break service to the Council's in-house team;
- (ii) Deal with all associated matters, including (without limitation) the registration of the Ty Storrie property and the termination of the existing licence arrangements.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>SARAH MCGILL</b> CORPORATE DIRECTOR PEOPLE & COMMUNITIES
	<b>6 July 2018</b>

*The following appendices are attached:*

- Appendix A - Options Appraisal
- Appendix B - Letter to parents
- Appendix C - Equalities Impact Assessment

*The following background papers have been taken into account:*

- Officer Decision Report: Interim contract arrangements relating to the provision of Short Break Services at Ty Storrie (dated 4th of June 2013)
- Officer Decision Report: Extension to the contract relating to the provision of Short Break Services at Ty Storrie (dated 2nd of December 2013)

Mae'r dudalen hon yn wag yn fwriadol

## **THE PROVISION OF CARDIFF SHORT BREAK SERVICES AT TY STORRIE**

### **Option Appraisal**

The purpose of this options appraisal is to inform a decision to secure a future provider of the Cardiff Short Break Service at Ty Storrie. The document is an appendix to the Cabinet report presented by the Director of People and Communities to the 12 July Cabinet meeting.

The Cardiff Short Breaks service has been provided by the incumbent provider since the inception of the service in approximately 1997. Two single invitations to tender and associated contracts have been issued in recent years. Those contracts were in place during 2012-2013 and 2013-14. Since December 2014, the incumbent provider has continued to deliver the service on behalf of the Council out of contract.

Whilst those contracts and the period since were intended to provide an opportunity to resolve outstanding issues and secure future arrangements, the contexts has now significantly changed. Details are provided in Background section of the Cabinet Report.

Three options are considered below:

1. Do nothing / direct award to existing provider
2. Full tender
3. Bring the service in house

#### **Option 1: Do nothing / direct award to existing provider**

##### **Benefits**

- Parents and families know what to expect from this service and are familiar with its staff.
- A pre-agreed price. Control over spend is with the provider, with risks associated with overspend held with the provider.

- Shared learning across a network of UK wide services.
- Staff provide cover across a number of similar provider owned provisions.
- The provider has access to third sector fundraising opportunities and volunteers for tasks such as painting and decorating or gardening.
- The provider would be responsible for registering the home and designating the responsible Individual to comply with regulatory requirements.
- The provider would be responsible for managing staffing issues.

### Risks

- There is no longer justification for this option. Previous justification was reliant upon the implementation of an integrated model to include children who have complex health needs and require nursing care. That model is no longer progressing.
- It will not comply with the Contract Standing Orders and Procurement Rule which state:  
*'before any external procurement is considered, it is important to ensure that no existing in-house provision exists for the Goods, Services or Works required. In-house services must be used unless the procuring service area and the in-house services provider agree otherwise'.*
- There have been quality issues with the service. Whilst the provider has worked hard to address concerns, staffing issues remain.
- Risks associated with poor performance are only partially delegated as Children's Services remain responsible for monitoring.
- This option remains highly resource intensive for Social Services Team Manager, Operational Managers, plus range of other Council staff involved in monitoring and performance management.
- A contract arrangement is inflexible in meeting the bespoke and changing needs of children and young people and in responding to emergency placements.
- Duplication of activity associated with resource functions (H&S, finance etc).
- Duplication of activity associated with the building because of the building ownership and maintenance arrangements.

### Costs

- Under current arrangements and based on evidence from recent years, the incumbent provider is likely to exceed their budget and incur a financial loss.
- The provider charges a management fee which detracts from the amount that is available for direct service delivery.
- Non-staffing costs appear expensive compared to Council costs.
- Staffing costs have been high due to the circumstances of the service in the last year.
- Staff salary rates of the incumbent provider appear lower than those of the Council.

### Option 2: Full tender

#### Benefits

- Competitive process that may drive down overall costs and provide other social value / benefit opportunities.
- Open and transparent.
- A pre-agreed price. Control over spend is with the provider, with risks associated with overspend held with the provider.
- Permanent staff will transfer to the new provider under TUPE. Those staff will remain familiar faces to children and families using the service.
- A new provider may have access to third sector fundraising opportunities and volunteers for tasks such as painting and decorating or gardening.
- The provider would be responsible for registering the home and designating the responsible Individual to comply with regulatory requirements.
- The provider would be responsible for managing staffing issues.

#### Risks

- This option is not a favoured option within the Contract Standing Orders and Procurement Rule which state:

*'before any external procurement is considered, it is important to ensure that no existing in-house provision exists for the Goods, Services or Works required. In-house services must be used unless the procuring service area and the in-house services provider agree otherwise.'*

- Length of time a tender will take will cause considerable delay in improvement.

- Going out to full tender will also require significant officer time to administer the process.
- It is not known how many, what quality or how experienced the providers who will apply will be.
- Children's Services will remain responsible for monitoring.
- Is likely to remain highly resource intensive for Social Services Team Manager, Operational Managers, plus range of other Council staff involved in monitoring and performance management.
- A contract arrangement is inflexible in meeting the bespoke and changing needs of children and young people and in responding to emergency placements.
- Duplication of activity associated with resource functions (H&S, finance etc).
- Duplication of activity associated with the building because of the building ownership and maintenance arrangements.

### **Costs**

- The tender will either specify a price or a service level. There is a risk that either the price will be higher or the service level will be lower. However a new provider might be more competitive and able to provide a higher service level or lower price.
- The provider will charge a management fee.
- Staffing and non-staffing costs will not be known until tenders are returned.

### **Option 3: Bring service in house**

#### **Benefits**

- Cardiff Council's Contract Standing Orders and Procurement Rules state:  
*'before any external procurement is considered, it is important to ensure that no existing in-house provision exists for the Goods, Services or Works required. In-house services must be used unless the procuring service area and the in-house services provider agree otherwise.'*
- Under the Regulation and Inspection of Social Care (Wales) Act 2016 (RISCA) there is an opportunity for Cardiff Council to re-structure the registration of its services. It makes sense for both of the Council's regulated children's homes to



fall under the leadership of the same senior manager (Responsible Individual) and the same registered provider.

- The Council's People and Communities Directorate already operates Crosslands Children's Home as a highly successful and well regarded service. Crosslands provides quality care and value for money and it is therefore believed Children's Services has the capability to do similar in respect of Ty Storrie.
- This option will enable alignment of Cardiff Short Breaks with Crosslands.
- Direct governance. The greatest level of control, oversight and quality assurance, including direct professional supervision of the service manager, management of referrals, Regulation 73 quality of care visits, Council performance systems, recruitment processes and Human Resources processes.
- It will be possible to streamline activity, responsibilities and accountability through the service's appointed manager and it's Responsible Individual.
- The registered provider also being the owner of the building makes sense in achieving better management of building related issues and will reduce duplication.
- Lowest management resource burden – The Responsible Individual will be fully responsible i.e. no need to review and challenge provider's monitoring information, no monitoring meetings, Social Services Team Manager decision making no longer required in relation to the building budget.
- Access to training & development opportunities and public sector terms and conditions for new staff are expected to reduce staff turnover and strengthen recruitment and retention arrangements to promote a stable and appropriately qualified staff team.
- Permanent staff will transfer under TUPE. Those staff will remain familiar faces to children and families using the service.
- No management fee. This will mitigate the risk of higher staffing costs, set up costs, and making the necessary improvements to the service.
- The greatest control and understanding of spend.
- The ability to amalgamate the service area's furniture and equipment budget with the service budget to provide greater flexibility in meeting the needs of the service.
- Flexibility of model and practice to meet emerging need, since Social Services will not be tied to a contract.

- A single record systems for short break and social work staff, which will enable professionals to have real time access to information which impacts on care or planning.
- Opportunity to review the model of care and address the issues of underutilisation of the building by exploring additional options.
- Retains potential to go back out to the market in the future if that becomes desirable.
- Recruitment and retention of staff likely to be more successful on Council terms and Conditions.

### **Risks**

- Higher staffing costs than contracted provider.
- Staff transferring in under TUPE will have a different salary to those staff recruited into the service by the Council and this could cause initial disharmony in the team as others are recruited on the Council's salary scales.
- The Council will be responsible for managing existing and new attendance and wellbeing issues.
- Future restructure and capacity to complete this may be required to fully align the service structure with the Council's existing Children's Home portfolio.

### **Costs**

- The current service level (or higher) can be delivered within the existing resource envelope.
- No management fee will be paid to an external organisation. The whole budget will be spent on delivering the service, or resourcing any subsequent restructure which may be required.
- Council non-staffing costs appear less than the incumbent provider.
- Council staff salary scales tend to be higher than commissioned providers.
- The Council has a track record of good staff retention, has robust attendance and wellbeing policies and is thought to be an attractive employer. Improved staff retention and reduced staffing issues will reduce the need to use agency staff and is likely to reduce the risk of any overspend on staffing costs.
- Financial risks can be best managed by the Council directly employing the Manager of the service.

Dear parent / carer

**Re: Ty Storrie – Cardiff Short Breaks Service**

I am writing to keep you informed of recent discussions that Cardiff Council has been having about the delivery of short breaks services for disabled children at Ty Storrie.

As you are aware the Council currently has an arrangement with Action for Children to provide this service to you on our behalf and we meet with them regularly to ensure good quality delivery of services that meet your needs.

Cardiff Council have been working more closely with Action for Children over the last 18 months to enable them to improve service delivery to you and your children.

Cardiff Council is now considering all options to support sustained improvements in service delivery and best use of the Ty Storrie building. These options will be detailed in a report that will be put before Cabinet on **12<sup>th</sup> July 2018**.

A copy of the Cabinet report will be available on the Council website at [www.cardiff.gov.uk](http://www.cardiff.gov.uk) from **Friday 6<sup>th</sup> July**, should you wish to access this. The Cabinet meeting is open to members of the public to observe and details of the time and venue for the meeting will also be published on the website should you wish to attend. We will write to you again following this meeting to communicate the outcome and to inform you of next steps.

We want to reassure you that any changes in who delivers this service won't change your child's access to Ty Storrie and the service you currently receive. Above all we wish to maintain continuity of service for you and your child. However, we expect that by making changes we can further improve the services you receive and sustain these over time, to enable your child to continue to have positive stays that support you and your family to receive a much needed break.

Once a decision has been made regarding the delivery method for Ty Storrie, we will arrange to meet with you and other families who receive the service, to ensure that you are involved in the next steps for developing this much valued service.

If you have any queries or want to discuss this further then please feel free to contact your social worker directly, or myself on [SWoelk@cardiff.gov.uk](mailto:SWoelk@cardiff.gov.uk)

Yours sincerely

Sarah Woelk  
**Operational Manager Targeted Services  
Cardiff Council**

**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.



Mae'r dudalen hon yn wag yn fwriadol

Equality Impact Assessment  
Corporate Assessment Template



Appendix C

<b>Policy/Strategy/Project/Procedure/Service/Function Title:</b> Ending Contract Arrangements with Action for Children in providing Short Breaks for Cardiff and securing new arrangements through an in-house provision
<b>New/Existing/Updating/Amending:</b> New

<b>Who is responsible for developing and implementing the Policy/Strategy/Project/Procedure/Service/Function?</b>	
Name: Angela Bourge	Job Title: OM – Strategy Resources and Planning
Service Team: Children’s Services	Service Area: Social Services
Assessment Date: 05/05/2018	

**1. What are the objectives of the Policy/Strategy/Project/ Procedure/ Service/Function?**

<p>The proposal is to end the current contract arrangements with Action for Children for the delivery of the Cardiff Short Breaks Service based at Ty Storrie Childrens Home.</p> <p>This will include the following</p> <ul style="list-style-type: none"> <li>• Terminating the contract with Action for Children</li> <li>• Council Registration of the children’s home with Social Care Wales</li> <li>• Transitioning the service and staff team into the council</li> <li>• Providing a residential short breaks service to disabled children who meet the access criteria so that families have respite which minimises the risk of family breakdown.</li> </ul>
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**2. Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]**

<p>Cardiff Short Breaks services is currently delivered by Action for Children within Ty Storrie, a 2 storey building situated on the Western Learning Campus in West Cardiff, Ely.</p> <p>Action for Children have held the contract for delivering this service for over 13 years. The service moved from a residential area in Cyncoed to the Ty Storrie, purpose built home in 2011 and therefore contract arrangements were put in place to ensure a smooth transition of services.</p> <p>An interim contract was in place up to December 2013, with the expectation that new</p>
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# CARDIFF COUNCIL

## Equality Impact Assessment Corporate Assessment Template

arrangements could be put in place in partnership with the UHB for the delivery of an integrated service from this date.

However, a number of tasks required completion before integration could be taken forward, which contributed in the further significant delay of contract arrangements.

The service is now in a position, where integration with the UHB for children with profound health care needs is no longer viable.

Delivery of the service from Cardiff Council will require a transfer of the staff team to ensure continued service delivery and compliance with the Transfer of Undertakings (Protection of Employment) regulations (TUPE).

Further information can be found within the Officer Decision Report and subsequent Appendices.

### 3 Assess Impact on the Protected Characteristics

#### 3.1 Age

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative/]** on younger/older people?

	Yes	No	N/A
Up to 18 years	X		
18 - 65 years	X		
Over 65 years	X		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

#### **Service Delivery**

The short breaks services is currently only offered to children and young people up to the age of 18 years, leaving the service on their 18<sup>th</sup> Birthday.

The service is and will continue to be offered to those assessed to be in need by the Child Health and Disability Teams (CHAD) in Cardiff Social Services. The core objective of the change of service provider is to positively improve the quality of the service provided to young people.

Young people in need of care and support after their 18<sup>th</sup> birthday are transferred to Adult Social Services assessment and case management teams shortly before the young persons' 18<sup>th</sup> birthday. They will therefore not be affected by this change.

#### **Staffing**

The staff team at Ty Storrie are adults (aged 18+). They will continue to enjoy the same terms and conditions of employment with the Council as they currently have with their

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

outgoing employer. TUPE legally protects them against change/harmonisation for an indefinite period. New employees (employed after the transfer) who fill any vacancies which arise will be subject to Council terms and conditions which are considered better than those of the outgoing employer.

**What action(s) can you take to address the differential impact?**

Any differential impact will be positive.

The service will only be accessed via an assessment of care and support needs undertaken by social workers within the CHAD teams, with a panel decision required to progress a referral.

This will ensure that the service continues to be prioritised for those children and families who need it most, with other services continuing to be available to families and children to provide care and support.

**3.2 Disability**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment	<b>X</b>		
Physical Impairment	<b>X</b>		
Visual Impairment	<b>X</b>		
Learning Disability	<b>X</b>		
Long-Standing Illness or Health Condition		<b>X</b>	
Mental Health	<b>X</b>		
Substance Misuse			<b>X</b>
Other	<b>X</b>		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

The decision will have a positive impact on children with disabilities and additional needs, since the change is intended to improve the quality of the service they receive. The service is predominantly providing support to children and young people with learning disabilities and co-morbid conditions. A smaller number of children access the service who have physical and medical needs, including epilepsy and feeding needs. The service is not available for children and young people with mental health conditions only. However, a number of children and young people with learning disabilities with associated mental health conditions could be supported by the service. These eligibility criteria will not change during the transfer of the service between providers.

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

The service is not able to meet the needs of those individuals with significant and complex medical support which require the oversight of nurses and are assessed as continuing care.

This retains the current service offer, with these children continuing to access services directly from Cardiff and Vale UHB

**What action(s) can you take to address the differential impact?**

The differential impact is a positive one and will therefore not need to be addressed.

Opportunities to allow Cardiff and Vale of Glamorgan University Health Board to use the building to deliver a stand-alone service independently of the Council service will be considered in parallel with the new service specification process, but do not form part of the service which is being transferred between providers.

**3.3 Gender Reassignment**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
<b>Transgender People</b> (People who are proposing to undergo, are undergoing, or have undergone a process [or part of a process] to reassign their sex by changing physiological or other attributes of sex)			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

This activity will have neither a positive or negative impact on this group of people.

**What action(s) can you take to address the differential impact?**

N/A

**3.4. Marriage and Civil Partnership**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage			X
Civil Partnership			X



**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

This activity will have neither a positive or negative impact on this group of people.

The respite service is available to families, via an assessment conducted by a social worker within the CHAD teams. There are a mix of families who access the service with differing family circumstances.

Respite allocation may be for a number of factors. It should not be assumed that dual parent households are more resilient and therefore less likely to require respite services. In the same way, single parent households should not be assumed to have less resilience.

The assessment process undertaken takes into account a number of factors including the impact of caring for their disabled child in order to assess the need for respite.

It is this assessment process only that determines the need for a service, and not marital status.

**What action(s) can you take to address the differential impact?**

All assessments will continue to be completed by qualified social workers and requests for short breaks respite is made via a panel with authorisation from a Team Manager.

**3.5 Pregnancy and Maternity**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy			X
Maternity			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

This activity will have neither a positive or negative impact on this group of people.

For those families who have a child accessing the service, there may be flexibilities in delivery of respite as and when required. However, this is on an assessed needs basis and should not be seen as a standard service offer within the specification of the service. This approach will be maintained upon transfer.

Staff who are pregnant or on maternity leave at time of transfer may be impacted in that they could be away from the service at the point of transfer and any associated induction training

## CARDIFF COUNCIL

### Equality Impact Assessment Corporate Assessment Template

**What action(s) can you take to address the differential impact?**

Staff transferring to the council under TUPE arrangements who are pregnant or on maternity leave will have to be automatically included in transfer arrangements to avoid any negative differential impact. Arrangements for induction will need to be made upon their return to work.

#### 3.6 Race

Will this Policy/Strategy/Project//Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White			X
Mixed / Multiple Ethnic Groups			X
Asian / Asian British			X
Black / African / Caribbean / Black British			X
Other Ethnic Groups			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

This activity will have neither a positive or negative impact on this group of people.

Statistics of children in education, indicate that there are a higher number of children from BME backgrounds represented in Cardiff special schools.

This is reflected in the children and families who receive services from Ty Storrie, with a mix of children from a variety of ethnic groups, including welsh.

The service already caters for the individual needs of children regardless of ethnicity or cultural need, and has a healthy approach to celebrating diversity, in addition to ensuring that children's health care needs are fully met. This will continue after the transfer to the Council.

**What action(s) can you take to address the differential impact?**

Ensure that Ty Storrie staff become fully aware of training and development opportunities that exist within the Council to ensure that all cultural needs continue to be recognised and met within the delivery of a short breaks service.

Awareness raising in relation to Council equalities policies and procedures.

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**3.7 Religion, Belief or Non-Belief**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist			X
Christian			X
Hindu			X
Humanist			X
Jewish			X
Muslim			X
Sikh			X
Other			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

This activity will have neither a positive or negative impact on this group of people.

**What action(s) can you take to address the differential impact?**

N/A

**3.8 Sex**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on men and/or women?

	Yes	No	N/A
Men			X
Women			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Research indicates that there is a higher prevalence of disability amongst males, particularly Autism. This is reflected in the current provision of Cardiff Short Breaks with 21 boys and 7 girls out (of a total 28 children) receiving services. However the decision to change providers will have neither a positive or negative impact on this group of people, since the respite service is only available to families, via an assessment of need conducted by a social worker.

It is this assessment process only that determines the need for a service, and not gender of the child. This process will not change. The balance of males to females may change over time, but would reflect need rather than constraints of the service.

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

<b>What action(s) can you take to address the differential impact?</b>
N/A

**3.9 Sexual Orientation**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
Bisexual			X
Gay Men			X
Gay Women/Lesbians			X
Heterosexual/Straight			X

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
This activity will have neither a positive or negative impact on this group of people.
<b>What action(s) can you take to address the differential impact?</b>
N/A

**3.10 Welsh Language**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on Welsh Language?

	Yes	No	N/A
Welsh Language	X		

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
Cardiff Short Breaks is a service predominantly for children with learning disabilities, who are from a wide range of ethnic groups, including welsh.
Welsh culture is and will continue to be embedded within the opportunities to celebrate diversity within the delivery of the service, and information regarding the service is available both in Welsh and English in compliance with the Welsh Language Standards.
Given the complex range of additional needs of the children accessing the service, spoken or written language may not always be present in the delivery of services.

## CARDIFF COUNCIL

### Equality Impact Assessment Corporate Assessment Template

Children communicate using gestures and symbols, with some children unable to respond to either English or Welsh directions.

Communication is therefore, simplified and adapted to suit the individual child alongside the wishes of the family.

The Council is subject to the statutory Welsh Language Standards and the Welsh Government's framework for the delivery of Welsh Language Services in Social Care (More than Just Words) as are the Council's commissioned providers. This includes requirements to make an active offer, communicate with all members of the public (including parents and others) in their chosen language and ensure that reception services and public display materials are bilingual, among other standards. The service will have access to higher levels of specialist support in implementing these requirements as an in-house service compared to a commissioned provider. This includes support from the Council's Bilingual Cardiff team and Social Services Welsh Language coordinators.

#### **What action(s) can you take to address the differential impact?**

The impact will be positive.

There is and will continue to be an active Welsh offer within the service for staff. Staff will continue to be supported as Welsh learners, and have access to the Council's Welsh language courses

Continued awareness of Welsh Culture within the service within the approach of celebrating diversity.

#### **4. Consultation and Engagement**

What arrangements have been made to consult/engage with the various Equalities Groups?

Families have been engaged with at 2 major points.

2016/17 – Engagement with families pre-integrated service delivery

In readiness for integration, families in receipt of services, and those waiting for a service attended an engagement event at Ty Gwyn School.

Approximately 12 families attended all with children of varying need

The purpose of this engagement was to seek the views of existing families of children attending Ty Storrie on the integration of new children to the service, with complex medical conditions.

The outcome of this engagement was positive. Families felt confident to articulate their

## CARDIFF COUNCIL

### Equality Impact Assessment Corporate Assessment Template

wishes for flexibility in accessing a short break, better options for accessing the service, and self-funding options for families who are in a position to purchase more support. Families were complementary of the service and the staff, although several families experienced frustration relating to poor communication.

2017-18 – Engagement session – general support services

This session was focussed on the general support available to families, particularly within the school holidays. Questions were not specifically related to Ty Storrie, but where mentioned, issues were noted.

Some parents felt that the Ty Storrie Building would be an ideal venue for additional activities when the building was closed to short breaks.

One parent not in receipt of services expressed undocumented concern about how services were delivered from Ty Storrie based on the experiences of a parent friend. One parent had recently raised a complaint due to cancelation of stays impacting on their families respite provision.

One parent noted the ongoing changes in staffing at the service which they had found hard as a family.

No formal engagement or consultation has taken place to support the proposal to end contractual arrangements with Action for Children and deliver Cardiff Short Breaks Services from Cardiff Council due to the sensitive nature of the decision.

It would be expected that once a decision has been formalised, engagement sessions with families and staff groups would take place to ensure the transfer of arrangements in a way that does not disrupt service delivery for these vulnerable children and families.

#### 5. Summary of Actions [Listed in the Sections above]

Groups	Actions
Age	<b>Clarification of the ages of children that the service will deliver to within regulatory requirements. Currently 6 – 18<sup>th</sup> Birthday</b>
Disability	<b>Clarity of service specification to outline those groups which the service will cater for, and alternative service delivery options.</b>
Gender Reassignment	<b>None</b>
Marriage & Civil Partnership	<b>None</b>
Pregnancy & Maternity	<b>None</b>
Race	<b>Training and development to ensure cultural needs</b>

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

	<b>assessment and celebration of diversity</b>
Religion/Belief	<b>None</b>
Sex	<b>Ongoing monitoring of service delivery</b>
Sexual Orientation	<b>None</b>
Welsh Language	<b>Support to welsh learning staff. Monitoring of the service to ensure compliance with the Welsh language standards.</b>
Generic Over-Arching [applicable to all the above groups]	<b>Further engagement with families and staff groups at point where decision is confirmed to ensure a smooth and successful transition of ownership.</b>

**6. Further Action**

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

**7. Authorisation**

The Template should be completed by the Lead Officer of the identified Policy/Strategy/Project/Function and approved by the appropriate Manager in each Service Area.

Completed By : Eve Williams	Date: 04.06.2018
Designation: Integrated Operational Change Manager	
Approved By:	
Designation:	
Service Area:	

7.1 On completion of this Assessment, please ensure that the Form is posted on your Directorate's Page on CIS - *Council Wide/Management Systems/Equality Impact Assessments* - so that there is a record of all assessments undertaken in the Council.

For further information or assistance, please contact the Citizen Focus Team on 029 2087 3059 or email [citizenfocus@cardiff.gov.uk](mailto:citizenfocus@cardiff.gov.uk)

Mae'r dudalen hon yn wag yn fwriadol



**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**OCCUPATIONAL ROAD RISK POLICY**

**CLEAN STREETS, RECYCLING & ENVIRONMENT  
(COUNCILLOR MICHAEL MICHAEL)**

**AGENDA ITEM: 2**

**Reasons for this Report**

1. To seek Cabinet approval of the proposed Occupational Road Risk Policy for the Council.

**Background**

2. The Administration's vision statement 'Capital Ambition' sets out the corporate objective to modernise and integrate Council services. One of the drivers for achieving this change is to make sure our public services are delivered efficiently, effectively, sustainably and safely in the face of the rising demand and reducing budgets. How the Council manages its extensive fleet of vehicles and associated driving operations is a key provision that underpins front-line service delivery and supports the city's ambitions in terms of the Clean Air Strategy.
3. The Council operates, on a daily basis, a fleet of over 700 vehicles and plant with vehicles ranging from a variety of cars (including 20 pool cars), vans and minibuses to specialist fleet such as refuse collection vehicles and cherry pickers for street lighting. In parallel, a significant 'Grey Fleet' of vehicles is in operation, that is, vehicles that belong and are used by Council employees for Council business purposes.
4. As part of its fleet of vehicles and plant, the Council currently operates 85 Large Goods Vehicles for the delivery of its Waste, Highways, Street Lighting, Parks, Green Spaces, Burial services and Library services. To operate Large Goods Vehicles the operator must apply and be granted a Goods Vehicle Operators Licence. This is issued to the organisation by the Traffic Commissioner after satisfying a series of requirements.
5. As the Council has to hold an Operators Licence, the operations of all its relevant fleet and drivers must also satisfy the stipulated requirements. Failure to demonstrate compliance carries the risk of losing the Operators Licence which would significantly inhibit the Council's ability to complete a

number of other statutory services, such as those of the Highways Authority or Waste Collection Authority.

## Issues

6. A review of the Operators Licence requirements has identified a number of areas for improvement. In response, a Working Group was established with the objective of drafting an Occupational Road Risk Policy for the Council to put in place appropriate standards to minimise the risks to employees and others arising from its use of motor vehicles. The Working Group comprised representative officers from Service Areas across the Council and Union representatives from GMB, Unite and Unison. Trade Unions Representatives in respect to schools did not form part of the Working Group as the policy is not automatically applicable to schools. Matters relating to schools are covered later in the report.
7. The Working Group has prepared an Occupational Road Risk Policy for the Council and this is enclosed in Appendix 1.
8. The stated purpose of this Policy is to help clarify Council responsibilities and provide guidance to the Council in discharging its respective duties. It aims to support the Council's workforce, its Directors, Assistant Directors, Operational Managers, Managers and Supervisors, anyone with line management or supervisory responsibility and Drivers in delivering high standards of safety, reducing and dealing with risks associated with driving at work activities. It is important to note that it applies to all Council employees, Agency Workers, Contracted Persons and Elected Members who are authorised to drive for Council work purposes. It covers the use of Council owned, leased or hired vehicles, including pool cars, and also the use of private cars when being used for Council work purposes, whether mileage payments are claimed or not (Grey Fleet).
9. A key part of the Policy is Section 4 which sets out the responsibilities in respect to the day to day operation of vehicle operations for the different hierarchical roles: Chief Executive; Directors/Assistant Directors; Operational Managers; Managers/Supervisors and Drivers. It also sets out the responsibilities of the Transport Manager who is required to 'effectively and continuously' manage the vehicle operations of the Council (that is, effectively manage on a day to day basis the transport operations of the Council). This is a statutory and corporate wide role that is required for the Council to attain and retain its Operators Licence. The role carries personal responsibility and liability. For this reason, the stated responsibilities of the Transport Manager include taking appropriate action(s) in respect of Drivers/vehicles managed by Directorates to ensure compliance with legislative requirements (which include the Council's Operators Licence). Such intervention might be required, for example, where a Directorate Manager has not appropriately dealt with a regulatory non-compliance issue following an accident or incident.
10. The other key sections of the Policy cover: Vehicle Management Information systems (e.g. vehicle trackers); Training; Legislative Requirements; Insurance and Accident Reporting, and Driver Administration and Recruitment.

## **Implementation**

11. It is intended that this Policy be implemented with effect from 1 September 2018. To assist with its effective implementation, it is proposed that all managers that have responsibility for vehicles and drivers complete an on-line training module, similar to that used for the implementation of the Attendance and Wellbeing Policy. Front-line drivers will be required to attend a 'tool box' briefing on the requirements of the Policy and their associated responsibilities. It is intended that this training be completed within 6 months of implementation of the Policy. In addition, it proposed that Elected Members be provided with a briefing paper identifying how the policy will affect them in undertaking their day to day duties.
12. It is proposed that the Policy be reviewed after 12 months and thereafter as required in the light of operational experience and/or change in legislative requirements.

## **Governance**

13. As identified in the Central Transport Services Update report considered by Cabinet on 5 July 2018, new governance arrangements for the management of the Central Transport Services and fleet management are being established to provide additional safeguards to ensure the Service Areas are fully involved and aligned on decision making. This comprises a new forum of relevant Cabinet Members and senior officers to review key decisions prior to presentation to Cabinet. The implementation of this Policy will be overseen by these new governance arrangements.

## **Schools**

14. As the proposed Policy relates to health and safety matters, it is automatically applicable to maintained schools. It is recommended that the proposed Policy be adopted by non-maintained schools.
15. Further consideration also needs to be given to the maintenance of school vehicles including minibuses. At the present time, schools are required to insure their vehicles through the Council's motor insurance policy. However, unlike the Council's core fleet, schools do not have to have their vehicles inspected, MOT'd and serviced through the Council's Central Transport Service. This presents the Council with a risk as any non-compliance regarding the minibuses could affect the status of its Operators Licence. It is proposed that this issue be subject to further review so that appropriate arrangements are agreed, established and documented to ensure that school vehicles are operated and maintained as required by legislative requirements and that transparency is provided to satisfy the Council's Operators Licence requirements.

## **Consultation**

16. The Trade Unions have been formally consulted on this Policy through the Trade Union Partnership meetings.

## **Reasons for Recommendations**

17. To ensure that the Council has the necessary arrangements in place to effectively manage and minimise the risks arising from the use of motor vehicles for Council business purposes.

## **Legal Implications**

18. The report recommends the approval and implementation of an Occupation Road Risk Policy and does not raise any direct legal implications.
19. In considering this matter regard should be had, amongst other matters, to:
  - (i) The Councils' duties under the Wellbeing of Future Generations (Wales) Act 2015, and;
  - (ii) Public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: a. Age; b. Gender reassignment; c. Sex; d. Race – including ethnic or national origin, colour or nationality; e. Disability; f. Pregnancy and maternity; g. Marriage and civil partnership; h. Sexual orientation; i. Religion or belief – including lack of belief. It is understood that an equalities impact assessment has been undertaken and is attached to this report for members consideration.

## **Finance Implications**

20. No direct financial implications are expected from the implementation of the Occupational Road risk policy. The Council's Insurance section has supported the development of the policy and having a formal policy in place will provide a positive demonstration to the Councils insurers of how the Council is managing its motor risks.

## **Human Resources Implications**

21. The new policy will require communication to all employees and managers in order that everyone is aware of their responsibilities. Particular emphasis should be on employees to whom the definition 'driver' applies.
22. The Trade Unions have been consulted on the policy through trade union partnership meetings. For schools further consultation would be required at Education SAJC.
23. Cardiff Academy is currently developing on-line training modules to support the mandatory training requirements of the policy.

## RECOMMENDATIONS

Cabinet is recommended to approve the Occupation Road Risk Policy (appendix 1) and authorise implementation so as to take effect on 1 September 2018.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>ANDREW GREGORY</b> <b>Director of Planning, Transport &amp; Environment</b>
	<b>6 July 2018</b>

*The following appendices are attached*

Appendix 1 – Occupational Road Risk Policy  
Appendix 2 – Statutory Screening tool  
Appendix 3 - Equality Impact Assessment

*The following Background documents have been taken into account*

Central Transport Service Update – Report considered by Cabinet on 5 July 2018

Mae'r dudalen hon yn wag yn fwriadol



Appendix 1

**Cardiff Council**  
**Occupational Road Risk Policy**  
**June 2018**

## Contents

1.0	Introduction .....	2
2.0	Scope of Policy .....	3
3.0	Purpose of the Policy .....	5
4.0	Key Organisational Responsibilities .....	7
5.0	Vehicle Management Information Systems (VMI Systems) .....	16
6.0	Training Protocol .....	17
7.0	Legislative Requirements.....	20
8.0	Insurance and Accident Reporting.....	22
9.0	Driver Administration and Recruitment .....	27
	Appendix 1 – Training Matrix .....	32



## 1.0 Introduction

Cardiff Council is committed to establishing, maintaining and promoting high standards of the management of health and safety to minimise the risks to employees and others, arising from the use of motor vehicles.

The aim of this policy is to raise awareness of occupational road risks within the Council and to reduce the associated risks to employees, Elected Members, the public, and the Council to an acceptable level.

More than a quarter of all road traffic incidents may involve somebody who is driving as part of their work at the time (Department for Transport figures). The Council recognises that its operation of its motor fleet of both commercial vehicles and cars, together with the necessity to use private vehicles for business journeys, presents risks to employees, Elected Members, the public and to the Council itself. Road travel involves a risk of injury and/or material loss and, in the worst case, death. It is therefore essential that foreseeable risks are properly managed to reduce as far as possible the chances of such injuries and damage occurring.

This Policy applies to all Council employees, Agency Workers, Contracted Persons and Elected Members, who are authorised to drive for Council work purposes.

**Paul Orders**  
**Chief Executive**  
**May 2018**

## 2.0 Scope of Policy

This Policy aims to support the Council's workforce, its Directors, Assistant Directors, Operational Managers, Managers and Supervisors, anyone with line management or supervisory responsibility and Drivers in delivering high standards of safety, reducing and dealing with risks associated with driving at work activities. It applies to the following categories of vehicles:

- Owned, Fleet and Leased Vehicles
- Hired or Contract Hired Vehicles
- Demonstration Vehicles
- Pool Cars
- Grey Fleet Usage

This Policy is also supported by:-

- Drivers' Handbook
- Risk Management Policies
- Relevant Health and Safety Policies
- Relevant Terms and Conditions of Employment of employees
- The Management of Health and Safety Regulations 1999
- Policy on use of hand-held Mobile phones – 1.CM.028
- Data Protection Policy
- Disciplinary Policy and Procedure

This Policy applies to all Council employees, Agency Workers, Contracted Persons and Elected Members who are authorised to drive for Council work purposes.

It includes the use of Council owned, leased or hired vehicles, including pool cars, and also the use of private cars when being used for Council work purposes, whether mileage payments are claimed or not (Grey Fleet).

The Council has a duty of care to all those who need to travel while on duty for the Council.

Driving from home to the place of work is deemed to be commuting and is not covered by this Policy. However, the Policy covers travelling direct to work from home when in a Council vehicle, including recall to work travel.

In respect of grey fleet usage, reference should be made to Health & Safety Guidance - Occupational Driving Use of Private Vehicles for Business Purposes (ref: 4.CM.271).

### 3.0 Purpose of the Policy

The purpose of this Policy is to help clarify Council responsibilities and provide guidance to the Council in discharging its respective duties. Whilst this Policy highlights the relevant part of the Law, it is not a substitute for it.

It is the responsibility of the Council for ensuring that all its legal requirements are carried out. An infringement of any driving related legal regulations may result in the scrutiny of the Councils Operator's Licence, together with endorsement or disqualification of a Driver's licence with possible loss of employment and/or disciplinary action being taken against the Driver.

To ensure there is no miss-interpretation of the Policy, the term Council "Driver" encompasses all employees, Agency Workers, Contracted Persons and Elected Members who are authorised to drive for Council work purposes.

It includes the use of Council owned, leased or hired vehicles, including pool cars, and also the use of private cars when being used for Council work purposes, whether mileage payments are claimed or not.

Approximately 30% of all fatal road crashes involve people who are at work. Not managing Occupational Road Risk well can have a number of effects on the Council, including:

- Loss of employees, absenteeism because of injuries, and less productivity
- Loss of, or damage to, vehicles and other property
- Increased insurance costs, e.g. vehicle repairs and replacements
- Compensation claims and motor insurance premiums
- Action by the enforcing authorities, e.g. the HSE or the Police

This Policy reinforces and introduces features specific to driving whilst at work, such as:

- Driving-related risk assessments
- Verification of legal entitlement to drive
- Assessing suitability of vehicles used at work
- Checking of key documents
- Use of mobile phones and communication radios

- Safe and fuel efficient driving
- Improving the efficiency of services that are reliant on fleet for delivery
- Repudiating false allegations and claims against Drivers

These features are designed with the safety of Drivers, passengers and other road users in mind and to make sure that managers and Drivers remain aware of key issues.

The UK Government has set a target to reduce road traffic accidents by 2020, and part of this initiative is aimed at people who drive Council owned/leased/hired vehicles as part of their work. The Council has responded by developing this Occupational Road Risk Policy to help Drivers and anyone with line management or supervisory responsibility to be more aware of, and thereby reduce, the risks associated with driving.

The Policy will be reviewed in 12 months, following implementation, and thereafter in the light of operational experience or changes to legislation.

## 4.0 Key Organisational Responsibilities

### 4.1 Discharging Council Duties

In recognition of the Council's legal and moral obligations for ensuring Driver safety, the Council actively seeks to take all reasonably practical measures to ensure safe system of work are provided to those undertaking driving activities as part of their employment.

As an extension to this obligation, the Council aims to provide a systematic and planned approach to road safety through a process of continuous improvement with the overall objective of achieving the highest standards of occupational road safety.

In discharging these duties, the Authority will ensure that:

- Verification of Legal Entitlement to Drive (see Section 9.1);
- All Drivers prior to driving Council owned/leased/hired vehicles (excluding pool cars) on Council business will undergo a robust Driving Assessment, and any recommendation resulting will be implemented and documented;
- A register of successfully assessed Drivers will be kept and only those Drivers on this register will be authorised to drive Council vehicles up to their assessed category (this excludes pool car and grey fleet drivers);
- Following successful assessment and licence check, the Driver's details are entered onto the Authority's Drivers' Register, and a Drivers' handbook is provided to Drivers with all relevant information given;
- Work related driving activities are risk assessed with the objectives of reducing road traffic accidents to the lowest level reasonable practicable;
- Fleet vehicles used in the course of Council activities are appropriately maintained and fit for purpose;
- Arrangements are put in place to ensure the reporting, recording and investigating of all accidents and incidents from work related driving. This will include the use of vehicle management systems as appropriate, (e.g. vehicles tracking systems, vehicle camera systems, digital tachographs, etc,);

- Adequate arrangements are in place to identify and implement remedial actions following road traffic accidents, and
- Arrangements are in place to ensure that all documents supporting this Policy are available to Directors, Assistant Directors, Operational Managers, Managers, Supervisors and Drivers.

## 4.2 Chief Executive

The Chief Executive has overall responsibility for ensuring that:

- The Occupational Road Risk Policy is implemented corporately with the responsibility for the implementation within each Directorate delegated to the appropriate Director/Assistant Director/Head of Service;
- Adequate resources are made available to ensure the Occupational Road Risk Policy is implemented effectively;
- The nominated Transport Manager who is the Council's Goods Vehicle Operator Licence Holder has the appropriate level of authority and resource to discharge his mandatory function to ensure the vehicle fleet is operated in compliance with the terms of the licence issued by the Traffic Commissioner;
- Periodic reviews of safety performance are completed and results are used to highlight specific areas that require improvement;
- A register of authorised vehicles users is kept up to date, and
- A Privacy Impact Assessment (PIA) is developed with assistance from the Council's Senior Information Risk Owner (SIRO) to cover any privacy impacts of this Policy. The PIA must be updated when new uses of personal data are considered, and recommendations properly carried out.

### 4.3 Directors, Assistant Directors/Heads of Service

Directors, Assistant Directors and Heads of Service are responsible for ensuring that the standards contained in the Occupational Road Risk Policy and supporting documents are implemented effectively within their areas of responsibility. In so doing they will ensure:

- Operational Managers, Managers and Supervisors are fully aware of their roles and responsibilities in managing Occupational Road Risk and the required training is completed;
- Training as required by this Policy is completed in a timely manner;
- Adequate resources are made available to ensure that the Occupational Road Risk Policy is implemented effectively;
- The SIRO is provided with all necessary information for the completion, and updating as required, of Privacy Impact Assessments relevant to Vehicle Management Information systems referred to by this Policy.

### 4.4 Transport Manager

The Transport Manager is responsible for provision of systems and procedures including subsequent audits with regards to all aspects the transport operations which are required for the Directorates to manage their Drivers. In particular, the Transport Manager is responsible for:

- Efficiently and effectively managing the transport activities of the Council;
- Ensuring the procurement, management and disposal of all vehicles operated by the Council is carried out effectively;
- Ensuring that these vehicles are fit for purpose, meet the requirements specified by the Directorate, are roadworthy, licensed and comply with the relevant transport regulations that govern the transport industry in the UK;
- Organising the repair and maintenance of these vehicles without impacting the Directorate operation;
- Tyre management;
- Assisting Directorates in ensuring that all Drivers who drive vehicles for work purposes are appropriately trained;
- Providing robust Vehicle Inspection and Defect Procedure;



- Providing Driver Hour (including mobile worker) Management Systems, allowing directorates to proactively manage Driver hours;
- Ensuring all Driver training and assessment provided reflects the operational needs of the Directorate and health and safety requirements of equipment use;
- On request, provide guidance for all aspects of vehicle and transport safety including assistance with accident investigation;
- Alerting Directorate Managers on updated Industry guidance with the necessary assistance to development and implement change, and
- When necessary, implement appropriate action(s) in respect of Drivers/vehicles managed by Directorates to ensure compliance with legislative requirements.

## 4.5 Operational Managers

Operational Managers have a responsibility for ensuring the Health and Safety of their employees and will ensure:

- Appropriate Health and Safety Management arrangements are implemented within their own area of control in managing Occupational Road Risk;
- Drivers have the required licences and qualifications, and have received the necessary training to drive Council vehicles;
- That the Health and Safety arrangements comply with the Occupational Road Risk Policy and other associated Council requirements;
- Work related driving risks to employees and others are identified, assessed and recorded and that suitable controls to reduce or eliminate risk are implemented;
- Managers and Supervisors complete the training required for this Policy in a timely manner;
- Drivers are provided with sufficient information, instruction, training and supervision on procedures established to minimise risk associated with work related driving activities;
- Employees are referred to Occupational Health and/or HR for advice on fitness for work when a they declare a health problem;
- All accident and incidents concerned with work related driving activities are reported, recorded, investigated and monitored in

accordance with relevant Council's policies to ensure that health and safety arrangements remain relevant and effective and that appropriate support is provided to any employee who has been involved in and/or injured in a work related driving incident;

- Thorough investigations are carried out immediately following notification from the employee that they have been involved in any road traffic accident or the commitment of any road traffic offence. If required, an investigation in accordance with the Council's Disciplinary Policy/Procedure will then be undertaken. *The Operational Manager/Service Manager will notify the Transport Manager of the investigatory process and outcome of the investigation to enable effective liaison with the Traffic Commissioner/DVSA in the event that the regulatory body requests the relevant information;*
- Drivers have been instructed to report medical conditions, which affect their ability to drive to the Driver and Vehicle Licensing Agency (DVLA);
- That managing Road Safety Performance is included as a Personal Performance objective of Managers and Supervisors and for other employees where driving is a core part of their activity;
- That their Drivers are listed on the Drivers Register and are therefore authorised to drive Council vehicles;
- Procedures are in place to ensure all employees, Agency Workers and Contracted Persons required to drive vehicles on Council business complete, on appointment and thereafter as directed under Section 9.1, the Driver Assessment and Authorisation to Drive form (4.C.477);
- That driving of private vehicles for work purposes is included in the risk assessment process and that employees are made aware of relevant Codes of Guidance and in particular, this and the Driver Handbook, and
- That Council vehicles are operated safely and in accordance with health and safety and road transport legislation.

## 4.6 Manager/Supervisor Responsibilities

Managers and Supervisors have the day to day responsibility for the safe operation of vehicles under their control and are required to ensure that:-

- Drivers comply with their responsibilities;
- Drivers “sign” for the receipt of the Driver Handbook;
- Where vehicles are not taken home, Drivers sign for the collection and return of vehicle keys on a daily basis;
- Risk Assessments relevant to the management of occupational road risk are kept up to date and regularly reviewed;
- Ensure vehicle changes, change of use, movement between Directorates/Directorates are communicated to CTS, so any changes can be to the vehicle database and tracker reporting;
- Drivers do not use, operate, drive or carry a passenger in any vehicle or plant whilst they are under the influence of drugs or alcohol, including substance abuse, and, if an issue arises, it will be dealt with in accordance with the Council’s Alcohol and Drug Misuse Policy;
- In Adult and Childrens’ Services where the Council’s clients are being transported who are under the influence of drugs or alcohol, appropriate risk assessments shall be in place;
- Speed limits and traffic routes in depots and on the public highway are complied with;
- Reversing activities are kept to a minimum and, where risk assessment specify, ensure Reverse Assistants are used before any manoeuvre is undertaken;
- All Driver records including the Driver Vehicle Check, Defect Reports and manual weighbridge tickets are accurately maintained and lost books reported;
- Accurate records are maintained of the names of Drivers driving Council vehicles for all hours of vehicle operations. Where the Driver of a vehicle changes during a working period, the new Driver must complete a new Driver Vehicle Check and Defect Report and record the time the Driver was changed. This process must be completed each time the Driver changes;
- Drivers undertake mandatory daily vehicle inspection including a post shift inspection before using or after using vehicles or plant on site or on a public highway;
- All incidents are fully investigated with the Driver and reported using the appropriate Council processes and procedures;

- Appropriate action is taken following notification by an employee of any driving conviction, loss of licence or use of medication, which may affect their ability to drive safely;
- Specialist vehicles are used in strict accordance with manufacturers operating instructions and training provided;
- All new Drivers (including Agency Drivers) complete the required Induction Processes and Procedures prior to undertaking any driving duties for the Council;
- Before commencing the training of any existing employee to drive Council vehicles, ensure that the requirements of paragraph 6.5 of this Policy are complied with, and
- All employees, Agency Workers and Contracted Persons that drive for Council work purposes complete the Driver Assessment and Authorisation to Drive form (4.C.477) upon appointment and thereafter as directed under Section 9.1.

## 4.7 Drivers

Drivers must be competent and capable of doing their work in a way that is safe for them and other people, this includes understanding they are accountable for the vehicles they drive and subsequent actions. Drivers are responsible for:

- Ensuring they have a current driving licence for the vehicle to be driven and business class insurance for any private vehicle;
- Ensuring that their Driver Qualification Card (DQC) card (where required) is valid;
- Ensuring that any load or passengers in the vehicle they are driving are being carried for the purpose of Council business only;
- Where appropriate, undertaking Driver evaluation tests ;
- Notifying their line manager of any driving conviction, loss of licence, illness or use of medication which may affect their ability to drive safely;
- Reporting any endorsable Fixed Penalty Notices incurred;
- Satisfying the eyesight requirements set out in the Highway Code complying with Road Traffic Rules and Regulations (including the Highway Code);
- Ensuring that they are medically fit to drive;
- Ensuring that they are not under the influence of alcohol, drugs or other substances;

- Complying with the Highway Code and all driving related legislation including tachograph requirements, speed limits, vehicle weight restrictions, reporting accidents, mobile phones, smoking etc.;
- Not using a mobile telephone or communication radio whilst driving;
- Maintaining their private vehicle in a roadworthy condition, if it is used for work purposes;
- If using a Council owned or leased vehicle, notifying the Central Transport Service of any defect via the vehicle's Defect Report (Form CVM/SF/07). Please note that the Driver Vehicle Check and Defect Report should also be used on a daily basis when no defects are present or, where applicable, the in-cab devices, in order to record that the required vehicle checks have been completed;
- Using a Digital Tachograph Unit (where fitted to the vehicle they are driving) for the purpose of recording their driving hours (exceptions will apply if the activity being undertaken falls out of scope of the EU Drivers Hours Rules);
- For vehicles of 3.5 tonne or more, ensuring that they commence a continuous break (45 minutes for LGV Drivers operating under EU hours, 30 minutes for LGV Drivers operating under British Domestic Hours rules) within 4.5 hours of the commencement of their working period;
- For vehicles less than 3.5 tonne, ensuring that they take a 30 minute break after 4 hours continuous driving and, if not continuous, a break of 30 minutes after a maximum of 6 hours working time;
- Ensuring on long journeys they take a 15 minute break at least every 2 hours;
- Not continuing with a journey if they feel unwell or too tired to drive safely;
- Making sure they are conversant with the advice contained in the Work Related Driving Policy – Guidance – Driver Assessment and Authorisation to Drive (5.C.178) and the Driver Handbook;
- Paying any fines imposed by relevant Enforcement Authorities in respect of offences committed whilst they were driving/responsible for a Council vehicle (e.g. speeding fines/parking fines/fines imposed in respect of other Highway Code offences) - please see Section 8.6 – Managing Drivers with Fixed Penalties;
- Completing the Driver Assessment and Authorisation to Drive form (4.C.477) upon appointment and thereafter as directed under Section 9.1, and
- Completing all records, etc. in clear and legible handwriting

**All Drivers who drive vehicles on behalf of the Council, either their own vehicle or a vehicle owned/hired by Council will be expected to drive safely, courteously and within the law.**

## 5.0 Vehicle Management Information Systems (VMI Systems)

As explained within this Occupational Road Risk Policy, arrangements are proposed to ensure the reporting, recording and investigating of all accidents and incidents from work related driving. In addition the Council needs to ensure that its vehicles are used safely, efficiently and effectively. Consequently, the Authority will install and utilise Vehicle Management Information (VMI) systems on its vehicle fleet which will be the subject of specific policies covering their use.

VMI systems may include:-

- Vehicle Tracking Devices;
- CCTV/external Vehicle Camera Systems;
- Digital Tachographs.

This list is not exhaustive.

These systems have essential benefits in protecting employee safety, protecting the security of the vehicle fleet and defending illegitimate claims against the Authority, as well as helping to ensure the Council can comply with its duties under s.172 of the Road Traffic Act and also the Health and Safety at Work Act.

Clearly, as there is a privacy element to use of these systems, a Privacy Impact Assessment is required for each individual system taking account of the ICO's Employment Practices Code. Prior to the procurement and installation of such systems the Information Governance and Risk Team will be consulted to ensure appropriate control measures are in place to satisfy existing privacy laws and looking ahead to the 'privacy-by-design' aspect of new data protection legislation which applies from May 2018.

Employees will be informed by their Directorate Service Area what Vehicle Management Information technology is being implemented and what their data could be used for.

## 6.0 Training Protocol

Before a new Driver can start work as a Driver for the Council, their suitability to drive must be assessed, and the correct authorisation form (4.C.477 – Work Related Driving Policy Authorisation to Drive) must be completed. Drivers will be assessed in the type of vehicle they will be driving for work purposes.

To pass the assessment, the Driver will need to demonstrate good awareness of work place safety and competence in driving the vehicle and any additional machinery / procedures encountered in the vehicles operation.

Assessors will provide documented and constructive feedback to the Directorate with any recommendations for further training prior to the Driver commencing work. The assessment will initiate the Drivers Record with the applicable risk rating applied.

The Council Driver Assessment will be based on the Health and Safety Executives Driver Ability Assessment and carried out in line with the type of vehicle and work environment in which the Driver operates – multiple assessments may be required for different vehicle type's e.g. mechanical brush and RCV.

For new Drivers who will only use their own car or pool car for Council work purposes, the suitability to drive assessment is not required, but the Authorisation to Drive form (4.C.477) must be completed.

### 6.1 Driver

All Drivers, prior to being included on the Drivers' Register, will undertake a full comprehensive driving assessment. During this assessment, a Risk Level is added to each Driver. This is based on any endorsable traffic offences relevant to their driving licence, disclosed medical conditions and driving style at the time of the assessment.

Where Drivers are deemed to be high risk, they will not be added to the Drivers' Register until further Driver Training has been completed, and the corporately appointed Driver/Trainer Assessor is satisfied that the level of driving is of a sufficient standard to be added to the Drivers' Register.

Drivers who drive vehicles in excess of 3.5 Tonne GVW are required to undertake legislative Driver Certificate of Professional Competence (CPC) Training. Drivers



who do not hold a valid Driver Qualification Card (DQC) are not permitted to drive vehicles over 3.5 tonne GVW. In addition, Toolbox Talks (“on the job” talks/advice) are provided to Drivers by individual services (where service needs deem this necessary) and by the Transport Manager/Driver Trainer- Assessor where areas of concern are identified.

## 6.2 Driver CPC (Certificate of Professional Competence)

Any Council Driver that is required to use any vehicle over 3,500kg or with 9 seats or more must hold a valid Driver Qualification Card (DQC) unless an exemption applies. Any queries regarding exemptions should be referred to the Transport Manager.

CTS is responsible for arranging the Councils Driver CPC Training and Directorates are responsible for enabling the Driver to attend Driver CPC Training.

The Driver is responsible for ensuring their DQC is valid.

On completion of the initial qualification new Drivers will receive a DQC. To retain the DQC, Drivers must complete a further 35 hours of periodic training every 5 years.

Drivers can check how many hours of Driver Certificate of Professional Competence (CPC) periodic training has been completed and can also create a temporary password for the Council to log in and view your record.

This can be done via <https://www.gov.uk/check-your-driver-cpc-periodic-training-hours>

**The Driver must always carry their Driver Qualification Card while driving a large goods vehicle or an in scope passenger-carrying vehicle professionally. CTS will carry out spot checks to ensure Drivers are compliant.**

## 6.3 Manager/Supervisor Training

It is a mandatory requirement that all Directors, Assistant Directors, Operational Managers, Managers and Supervisors will complete appropriate training so that they have all necessary knowledge and skills to satisfactorily discharge their responsibilities in relation to occupational road risk.

Appropriate training modules have been designed for the different categories of management to reflect the occupational road risk requirements in respect to their responsibilities and day to day role.

For existing employees, this training must be completed within 6 months of the implementation of this Policy. For new employees, the training must be arranged as part of the induction process and completed within 3 months of the start of their employment.

## 6.4 Training Matrix

A summary of the training requirements for Drivers is included as a matrix in Appendix 1.

## 6.5 New Driver Training Selection

Before commencing the training of any existing employee to drive Council vehicles, the relevant Manager must:

- undertake a risk assessment in respect of any employee whose current licence is endorsed with more than 6 penalty points and be satisfied that the employee will not present the Council with unacceptable risks if driving Council vehicles;
- in respect of a prospective LGV Drivers, be satisfied that they are capable of passing the initial LGV medical examination, and
- ensure the employee has signed an undertaking to repay all (or a proportion) of the training cost if they leave the employment of Cardiff Council within a period of 2 years from the date of completion of the training.

CTS should be contacted to arrange external training where required and where available arrange additional support to minimise external cost to the Council.

## 7.0 Legislative Requirements

In addition to the general day-to-day responsibilities of the Council, it is bound by many legislative requirements, in particular those indicated below:

**The Health and Safety at Work Act 1974** – requires employers to ensure, so far as is reasonably practicable, the Health and Safety of all employees and others who may be affected by work activities such as driving

**The Management of Health and Safety at Work Act 1999** – imposes a duty on employers to undertake suitable and sufficient assessments of work activities such as driving if there is a reasonable foreseeable risk of injury or ill health

**The Provision of Use of Work Equipment Regulations 1998** – requires employers to provide information, instruction and training to relevant employees on the safe use of equipment such as vehicles. The regulation also requires work equipment such as vehicles and associated equipment to be inspected and maintained to ensure their safe use.

**Terms and Conditions of the Authority's Operators' Licence** – an Operator's Licence (or 'O' Licence) is the legal authority needed to operate goods vehicles in Great Britain. A licence is issued by the Traffic Commissioner – the independent regulator of the commercial road transport industry. A Traffic Commissioner has powers to take regulatory action against a licence holder where they fail to meet the expected standards of operation and undertakings signed up to as a condition of the licence. This action includes curtailment (limiting or reducing the number of vehicles an operator is able to operate), suspension (temporarily stopping operations) or revocation (permanently removing an operator's licence to operate commercial vehicles).

The Council needs an Operator's Licence to operate vehicles above 3.5 tonnes gross vehicle weight (GVW) that are used to carry goods (i.e. anything not permanently attached to the vehicle) on public roads for trade or business purposes. This includes short-term rental vehicles hired for as little as one day.

The use of vehicles under 3.5 tonnes also has an impact on the operator licence and must be treated and managed in the same way as a large goods vehicle.

**Transport Rules and Regulations** – require all Road Transport Rules and Regulations be adhered to and, where offences are committed, appropriate action is taken to ensure, as far as is reasonably practicable, that such offences do not occur in future. This will include, but is not limited to:

- Highway Code
- Road Traffic Act 1989
- Regulations as laid down in Chapter 8 Code of Practice
- Terms and Conditions laid down in the Authority's Operator's Licence
- Drivers Hours rules

**Drivers Hours and Working Time Regulations** – the hours a Driver can drive are controlled by Regulations known collectively as the Drivers' Hours Rules. These rules maintain safety standards and deal with maximum driving times, breaks and minimum rest periods. Drivers' Hours Rules apply to both goods and passenger vehicles.

There are two sets of Drivers' Hours Rules which apply in the UK. The 'EU rules' cover Drivers of most goods vehicles over 3,500kg and the 'domestic rules' apply to Drivers of goods vehicles excluded from the EU rules on journeys within the UK. The domestic rules cover most operations within the Council.

## 8.0 Insurance and Accident Reporting

### 8.1 Motor Insurance Policy

The Council's motor Policy is on a fully comprehensive basis and the Policy covers loss or damage to and caused by all vehicles owned, operated, leased, loaned to or hired by the Council and used in connection with the Council's functions and activities by an authorised Driver. Any other use is unauthorised use.

The Policy covers Third Party (Legal Liability to anyone other than the Council for death, injury and property damage including legal costs) and damage to Council vehicles, including spares and accessories. The Policy only covers passengers that are being carried in a vehicle for the purposes of Council business – it does not cover any passengers being carried for other reasons

The Council has made a statement to its insurers around the use of its vehicles and particularly the carriage of passengers or goods, it has stated only authorised carriage should occur under any circumstances, failure to comply with this requirement may open the Council up to significant costs.

The Policy does not cover: depreciation/wear and tear; diminution in vehicle value; loss of use; damage to tyres by puncture, misalignment, etc.; failure to take reasonable action to look after insured vehicles e.g. leaving keys in unattended vehicle; unauthorised Drivers; unauthorised use or abuse of insured vehicles and hire of replacement of insured vehicle.

The first £500 of any claim will be borne by the Directorate, known as the Directorate excess. Any amounts over the £500 excess will be funded by insurance. A £250 Directorate excess is applicable to schools.

### 8.2 Motor Insurance Database – MID

The Council is required by law to register with the Motor Insurance Database (MID) details of the Council's vehicle insurance schedule. If a vehicle is not registered on the MID it is not insured and any use of the vehicle will be illegal. Details of all vehicles owned, leased, contract hired and on short term hire by the Council must be registered with the database. The Council is required to update this information and notify any changes within 14 days to the insurers/MID. CTS is responsible for updating the MID and the any changes should be notified to CTS immediately.

### 8.3 Managing Vehicle Accidents/Incidents/Near Misses

In the event of a motor vehicle incident the Council Driver must obtain third party information such as name, address, contact details, insurance company, witness details, number of third party vehicle occupants, details of any injuries and take photos if possible. A 'bump card' has been developed for the purpose of recording accident details (CIS ref to be provided by Insurance). Copies should be kept in each Council vehicle.

A brief description of the third party Driver and any passengers would be beneficial in dealing with any fraudulent claims. The Council Driver must also give the third party their name and contact details of their relevant supervisor. That supervisor must then contact CTS so that an investigation or Driver assessment can be initiated, when required.

The Council Driver must notify CTS of any damage sustained to the Council vehicle and if the Council vehicle is safe to drive, it must be returned to the CTS depot for inspection/repair. If the Council vehicle is deemed unsafe by CTS, then CTS will arrange recovery.

Following a driving related accident to a Council vehicle, the relevant Manager/Supervisor must:

- Submit fully completed LACHSweb online form with completed form 4FIN0005 attached must be submitted within 24 hours of the incident;
- Where a member of staff / member of the public is injured in a vehicle accident, form 4.C.043 / 4.C.045 must also be completed to ensure the accident is recorded, and
- Where a serious accident further Accident / Incident Investigation is required the following must be completed; Accident / Incident Investigation Report Form 4.C.500

Guidance on Accident Investigations is provided in the Council's Code of Guidance – Accident / Incident Investigation 1.CM.122

Drivers with multiple accidents must be managed appropriately by the Directorate to ensure the safety of the Driver, those who may be working with

them and members of the public. It should also be recognised that the Council cannot sustain multiple damage costs to vehicles or third party claims.

Vehicle repairs will be organised through CTS Fleet Support Officers and authorised by the Insurance Section.

The amount payable under the claim will be determined by the Insurance Section subject to the terms and conditions of the motor insurance Policy, also taking in to account the departmental excess.

The Insurance Section can request the Council's insurers to inspect an insured vehicle subject to any motor claim and an inspection will always be required where repairs exceed £5,000.

Drivers and their Directorates will cooperate in full to allow the Insurance Section to investigate and handle any claims. This may involve providing a witness statement and attending Court as a witness.

Where an employee is hurt as a result of vehicle related accident, this must be recorded in accordance with the Council's Accident Reporting policy (1.CM.012). Vehicle accident near misses should also be recorded in accordance with this policy.

## 8.4 Non Fault Accidents

The Insurance Section will pursue a claim against the responsible third party for the recovery of damage to the Council vehicle.

## 8.5 Driver Management Guidance

In order to ensure that a consistent approach is adopted when investigating incidents involving Council vehicles the following procedure will be used.

Where an incident involves any of the issues listed below, the Driver will be removed from driving duties immediately, whilst the incident is investigated by the relevant manager/supervisor:

- Overloading;
- Endorsable Road Traffic Offences;
- Serious Complaints concerning Driving;

- Dangerous Occurrences at Work;
- Injury to Driver or Others;
- Damage to Property/Plant/Vehicles (other than very minor damage, e.g. broken wing mirror) due to the possible negligence of the Driver;

The Driver's Line Manager / Supervisor will immediately remove the Driver from driving duties on a "without prejudice" basis and:

- Arrange for an incident investigation to be undertaken in accordance with the appropriate procedure, and
- Ensure that a report is prepared and submitted to the Operational Manager responsible for the area.

**In most cases, the Driver may be reinstated to driving duties immediately if the incident is minor and the Manager/Supervisor, having properly reviewed the incident, deems it appropriate. However, if the Driver is not reinstated immediately, they will be removed from the Driver Register for the required period.**

Whilst removed from driving duties, pending the investigation and any subsequent meeting to discuss the conclusions of the investigation, the Driver will be given non-driving duties and their average earnings rate of pay. There will be no detriment to pay during this period. During this period, the Driver will be allocated other duties within their Directorate.

The Operational Manager will arrange for a meeting to be convened with the Driver and their representative as soon as possible after receipt of the report, in order that the Driver may be informed of the conclusions reached and of any further action to be taken against them as a result of the conclusions.

Any subsequent investigations must be undertaken in accordance with the Council's Disciplinary Policy and Procedure.

If an issue arises with an agency worker, the matter will be referred to that worker's agency, as they are the employer.

## 8.6 Managing Drivers with Fixed Penalties



A fixed penalty notice (FPN) is a system whereby offenders are penalised for certain specified offences without being convicted in a court. It allows the offender to avoid a criminal record and saves time and resources of enforcement officers and the courts. The system is available to the police and DVSA Officers.

A Driver who receives a FPN for a driving related offence must inform their Manager immediately who must subsequently inform the Transport Manager. The Manager must also inform the Council's Insurance Service of any Drivers with current points for the following offences:-

- Uninsured driving
- Causing death by dangerous/reckless driving
- Driving under the influence of alcohol/drugs
- Anyone who has served a ban for 12 or more points under the totting up procedure.

The Council's Insurance Company requires the Council to keep a list of its employees who drive that have 6 points or more.

These requirements apply to pool car Drivers but not Drivers who only use their own car for Council work purposes

A Driver issued with an FPN can have a detrimental impact on the Council's ability to maintain its Operators Licence. On recording an FPN the DVSA may choose to manage the Council's Operators Licence by allocating a risk level. For this reason, upon notification that an employee has received an FPN, the Manager of the employee must assess whether any further actions are required. Such actions might include, but not be limited to, appropriate training, driving assessments, and a preliminary assessment in accordance with the Council Disciplinary Policy and Procedure.

## 9.0 Driver Administration and Recruitment

### 9.1 Driver Licence Entitlement Checking

It is an offence to drive a vehicle on a public road, as defined under the Road Traffic Act, without an appropriate licence for that vehicle. The Council may be prosecuted if it causes or permits the offence, and the Council’s insurers can refuse cover or look to recover all claim costs from the Council if the Driver does not have a valid driving licence for the type of vehicle being driven.

No employee can drive a vehicle on Council business until the Driver Assessment and Authorisation form has been completed and authorisation to drive given by the Manager. This ensures Drivers:

- hold a current licence for that category of vehicle;
- have not been disqualified from driving, and
- comply with any conditions on the licence (eg wearing glasses or using L-plates)

The frequency and the process to check is determined by the nature and risk of the Directorate’s work environment.

<b>Employee Type / Directorate Operation</b>	<b>Risk Level</b>	<b>Licence Entitlement Check Frequency / Type</b>
<p>Grey Fleet (e.g. employees who drive personal vehicles for council business)</p> <p>All Council Drivers</p>	<p>LOW RISK</p>	<p>Annual Entitlement Check</p> <p>New starters must complete 4.C.477 – Work Related Driving Policy Authorisation to Drive</p> <p>All Drivers are subject to an annual check and must complete 4.C.477</p> <p>Individual electronic checks can be carried out using the share my licence function (<a href="https://www.gov.uk/view-driving-licence">https://www.gov.uk/view-driving-licence</a>)</p> <p>Fleet Drivers will be subject to the Councils electronic check system and will be required to submit a</p>

		signed mandate to allow licence checking.
Van Drivers (up to 3499 kg)	MEDIUM RISK	Annual Entitlement Check
Vehicle Drivers <ul style="list-style-type: none"> <li>• 3500kg and over</li> <li>• All Drivers with 9 points</li> </ul>	HIGH RISK	Six Monthly Entitlement Check
Vehicle Drivers <ul style="list-style-type: none"> <li>• Mini-buses</li> </ul>	HIGH RISK	Six Monthly Entitlement Check
Following vehicle related incident	MANAGING RISK	Grey fleet / occasional Drivers - Share my licence function on Driver incident interview by the line manager  Fleet Drivers - Electronic Check
Employees with FPN's	MANAGING RISK	Frequency as below unless more frequent checks required to comply with requirements stated above:  0 – 5 points – every 12 months  6 – 8 points - every 6 months  9+ - every 3 months

## 9.2 Driver Records and the Driver Record Card

Keeping accurate Driver hours, training and entitlement check records will enable the effective running of all Directorates. This information will assist managers with PPDRs, training and making Driver management decisions.

These records are an important part in internal and external audits or inspections. Directorates may be audited by Central Transport Services, or by a recognised organisation such as the DVSA or Fleet Transport Association. These organisations will expect Directorate Driver records to comply with their inspection criteria.

It is the intention that everyone who has permission to drive in the Directorate will have their own training record, although this is not essential for employees where driving does not form part of their main duties (e.g. Grey Fleet Drivers). Records should be kept in a secure location to comply with The Data Protection Act 1998.

Driver's record information should be that to demonstrate the Driver's competency and skill levels including subsequent actions taken to manage performance, information includes:

- Licence Entitlement Checks
- What vehicles they are approved to drive e.g. LGV / Plant
- What training has been provided for each type of vehicle they are approved to drive
- Driving Hour Records including offence history and corrective action
- Training Certificates
- Driver CPC Records
- Vehicle Accident Records

## 9.3 Driver Recruitment

The following points must be carefully considered when recruiting new Drivers;

- How will the selection process test that Drivers are competent and capable of doing their work in a way that is safe for them and other people;
- What levels of skill and expertise are required to do the job safely and how do you ensure these are met?
- How will the selection process make sure Drivers are aware of work-related road safety and understand what is expected of them?
- The category(ies) of licence required, including the need for a digital tachograph card, and any training taken towards the Drivers CPC qualification if applicable;
- The minimum age limit for the licence(s);
- The amount of appropriate driving experience required, and
- The maximum number of penalty points on a person's licence that will be acceptable

**Note: Over 6 penalty points is considered to be unacceptable. Convictions for serious offences (e.g. Drink, and Construction and Use endorsements) that are not spent under the Rehabilitation of Offenders Act 1974 are also deemed as unacceptable. For vocational (LGV) licences Drivers must not have any current penalty points.**

When inviting candidates to interview for a driving position, Managers will ask them to bring along for checking;

- Driving licence (part of the check should be the electronic entitlement check – see Driving License Checking);
- Driver CPC Driver qualification card and copy of their statement of Driver CPC periodic training record (if appropriate);
- Digital tachograph Drivers card (if one is required for the vehicles they are required to drive);
- Any other certificates or evidence of training needed, and
- Where applicable the Driver must also be assessed for any other concurrent driving employment which could affect the hours of duty required by the Council.

A successful candidate must complete a Pre-Employment Health Questionnaire which will specify that driving is part of their work for the Council. The questionnaire will be assessed by the Council's Occupational Health Service who

will determine if the candidate is fit to drive for the Council. If the person is not fit to drive for the Council they will not be employed to drive for the Council.

**A new Driver cannot commence employment until the Driver Assessment and Authorisation to Drive form has been completed AND the Occupational Health Service has advised that the person is fit to drive.**

## 9.4 Recruiting Agency Drivers

Agency Worker Drivers play an important role in supporting the Council's needs, but using Drivers who are unfamiliar with an operation and unknown to the Council can increase the potential for an accident and or injury. To assess an agency's working practices, on recruitment the Directorate should investigate how the agency operates. Directorates should ask an agency 'how' rather than 'if' it regularly checks driving licences - as this will assist in providing a better picture of the organisation and how robust its procedures are.

Here are a few examples of the kinds of questions the Directorate MUST ask the Driver agency companies before it requests any Drivers be provided.

- How do you check a Driver's identity and employment eligibility in the UK and history?
- How do you regularly check driving licences and ensure Drivers are reminded of the medical/eyesight standards?
- How do you test Drivers for knowledge and competence in Drivers' hours and records rules, routine vehicle defect checks, and working time rules?
- How do you ensure Drivers are kept up to date on changing legislation?
- How do you ensure the Driver is of good health and what are the checks in place?

**It is recommended that the Directorate requests a copy of the agency Driver's driving entitlement check and training records prior to selection.**

## Appendix 1 – Training Matrix

**KEY**

On line module							
Practical							
Theory							
Theory (for supervisors / managers of vehicle over 3,500kg)							
	Driver (cars - small vans)	Driver (medium - large vans)	Driver (vehicle over 3,500kg)	Team Leader / Supervisor	Manager	Operational Manager	Assistant Director / Head of Service / Director
<b>Occupational Road Risk Awareness Module (New Module)</b>				x	x	x	x
Practical Driving Assessment	x	x	x				
<b>Occupational Road Risk Awareness Tool box talk (New Module)</b>	x	x	x				
Driving efficiently (CPC Module & In house training)			x				
Safety of loads on vehicles (CPC Module & In house training)		x	x				
Driver hours, working time, record keeping and tachograph operation			x	x			
Management of Drivers hours and records				x	x		
Operator Licence Awareness Course				x	x	x	
Transport Haulage CPC (nominated manager in high risk service area)					x		





Mae'r dudalen hon yn wag yn fwriadol

## City of Cardiff Council

### Statutory Screening Tool Guidance

If you are developing a strategy, policy or activity that is likely to impact people, communities or land use in any way then there are a number of statutory requirements that apply. Failure to comply with these requirements, or demonstrate due regard, can expose the Council to legal challenge or other forms of reproach.

For instance, this will apply to strategies (i.e. Housing Strategy or Disabled Play Strategy), policies (i.e. Procurement Policy) or activity (i.e. developing new play area).

Completing the Statutory Screening Tool will ensure that all City of Cardiff Council strategies, policies and activities comply with relevant statutory obligations and responsibilities. Where a more detailed consideration of an issue is required, the Statutory Screening Tool will identify if there is a need for a full impact assessment, as relevant.

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The main statutory requirements that strategies, policies or activities must reflect include:

- [Equality Act 2010 - Equality Impact Assessment](#)
- [Wellbeing of Future Generations \(Wales\) Act 2015](#)
- [Welsh Government Statutory Guidance - Shared Purpose Shared Delivery](#)
- [United Nations Convention on the Rights of the Child](#)
- [United Nations Principles for Older Persons](#)
- [Welsh Language \(Wales\) Measure 2011](#)
- [Health Impact Assessment](#)
- [Habitats Regulations Assessment](#)
- [Strategic Environmental Assessment](#)

This Statutory Screening Tool allows the Council to meet the requirements of all the above legislation as part of an integrated screening method and should take no longer than 1 hour to complete.

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The Statutory Screening Tool can be completed as a self assessment or as part of a facilitated session, should further support be needed. For further information or if you require a facilitated session, please contact the Operational Manager – Policy, Partnerships and Community Engagement on (029) 2078 8561 or e-mail: [Gareth.Newell@cardiff.gov.uk](mailto:Gareth.Newell@cardiff.gov.uk)

Please note:

- **The completed Screening Tool must be submitted as an appendix with the Cabinet report.**
- **The completed Screening Tool will be published on the Council's Intranet.**

## Statutory Screening Tool

<b>Name of Strategy / Policy / Activity:</b> Occupational Road Risk Policy	<b>Date of Screening:</b> May 2018
<b>Service Area/Section:</b> Economic Development	<b>Lead Officer:</b> David Lowe
<b>Attendees:</b> David Lowe	

<b>What are the objectives of the Policy/Strategy/Project/Procedure/ Service/Function</b>	<b>Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]</b>
<p>The aim of the policy is to:</p> <ul style="list-style-type: none"> <li>raise awareness of occupational road risks within the Council, and</li> <li>Clarify responsibilities and support the Council's workforce, Directors/Assistant Directors, Operational Managers, Managers and Supervisors, and drivers in delivering high standards of safety</li> </ul> <p>to minimise risks associated with driving and vehicle operation.</p>	<p>The Council requires an Operators Licence to operate its + 700 fleet of vehicles including c.85 Large Goods Vehicles</p> <p>A review of the Operators Licence compliance requirements has identified a number of areas for improvement</p> <p>In response, it was agreed that an Occupational Road Risk Working Group would be established and an Occupational Road Risk Policy be prepared.</p> <p>This policy has now been drafted and consulted upon and will be submitted to Cabinet for approval prior to implementation.</p>

## Part 1: Impact on outcomes and due regard to Sustainable Development

Please use the following scale when considering what contribution the activity makes:		
<b>+</b>	Positive	Positive contribution to the outcome
<b>-</b>	Negative	Negative contribution to the outcome
<b>ntrl</b>	Neutral	Neutral contribution to the outcome
<b>Uncertain</b>	Not Sure	Uncertain if any contribution is made to the outcome

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
Page 77	<b>1.1 People in Cardiff are healthy;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li>the promotion of good health, prevention of damaging behaviour, promote healthy eating/active lifestyles etc,</li> <li>vulnerable citizens and areas of multiple deprivation</li> <li>Addressing instances of inequality in health</li> </ul>	x				The aim of the policy is to reduce risks (e.g. health and safety) arising from the Council's operation of its vehicle fleet
	<b>1.2 People in Cardiff have a clean, attractive and sustainable environment;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li>the causes and consequences of Climate Change and creating a carbon lite city</li> <li>encouraging walking, cycling, and use of public transport and improving access to countryside and open space</li> <li>reducing environmental pollution (land, air, noise and water)</li> <li>reducing consumption and encouraging waste reduction, reuse, recycling and recovery</li> <li>encouraging biodiversity</li> </ul>	x				Improved driving standards will reduce fuel consumption and hence vehicle emissions
	<b>1.3 People in Cardiff are safe and feel safe;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li>reducing crime, fear of crime and increasing safety of individuals</li> <li>addressing anti-social behaviour</li> <li>protecting vulnerable adults and children in Cardiff from harm or abuse</li> </ul>	x				Improving driving standards and reducing risks (e.g. health and safety) arising from the Council's operation of its vehicle fleet will improve the safety of those affected by the Council's fleet operations (e.g. citizens)

2.C.PPCF.002	Issue: 3	Date: Mar 16	Process Owner: Gareth Newell	Authorisation: Head of Performance and Partnerships	Page 3 of 8
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	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.4	<p><b>Cardiff has a thriving and prosperous economy;</b>  <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>economic competitiveness (enterprise activity, social enterprises, average earnings, improve productivity)</i></li> <li><i>Assisting those Not in Education, Employment or Training</i></li> <li><i>attracting and retaining workers (new employment and training opportunities, increase the value of employment,)</i></li> <li><i>promoting local procurement opportunities or enhancing the capacity of local companies to compete</i></li> </ul>	x				The policy should result in the improved management of the Council's fleet including the optimisation of vehicle routes which could result in productivity improvements
1.5	<p><b>People in Cardiff achieve their full potential;</b>  <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>promoting and improving access to life-long learning in Cardiff</i></li> <li><i>raising levels of skills and qualifications</i></li> <li><i>giving children the best start</i></li> <li><i>improving the understanding of sustainability</i></li> <li><i>addressing child poverty (financial poverty, access poverty, participation poverty)</i></li> <li><i>the United Nations Convention on the Rights of a Child and Principles for Older persons</i></li> </ul>	x				The training and guidance to be provided through implementation of the policy should improve the knowledge, skills and capabilities of Council drivers.
1.6	<p><b>Cardiff is a Great Place to Live, Work and Play</b>  <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>promoting the cultural diversity of Cardiff</i></li> <li><i>encouraging participation and access for all to physical activity, leisure &amp; culture</i></li> <li><i>play opportunities for Children and Young People</i></li> <li><i>protecting and enhancing the landscape and historic heritage of Cardiff</i></li> <li><i>promoting the City's international links</i></li> </ul>	x				The implementation of the policy should result in improved vehicle operation and driving standards and hence improve the reputation of the Council.

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.7	<b>Cardiff is a fair, just and inclusive society.</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li>the elimination of discrimination, harassment or victimisation for equality groups</li> <li>has the community or stakeholders been engaged in developing the strategy/policy/activity?</li> <li>how will citizen participation be encouraged (encouraging actions that consider different forms of consultation, through more in depth engagement to full participation in service development and delivery)?</li> </ul>	x				The policy was prepared by a working group comprising representatives from all Directorates and TU's. The TU's and Members have also been separately consulted.
	Will this Policy/Strategy/Project have a <b>differential impact</b> on any of the following:					Please give details/consequences of the differential impact (positive and negative), and what action(s) can you take to address any negative implications?
	• <b>Age</b> (including children and young people aged 0-25 and older people over 65 in line with the United Nations Conventions)		x			Risk assessment to be undertaken on a case by case basis – see EIA
	• <b>Disability</b>		x			Risk assessment to be undertaken on a case by case basis – see EIA
	• <b>Gender Reassignment</b>		x			Risk assessment to be undertaken on a case by case basis – see EIA
	• <b>Marriage &amp; Civil Partnership</b>			x		
	• <b>Pregnancy &amp; Maternity</b>		x			Risk assessment to be undertaken on a case by case basis – see EIA
	• <b>Race</b>			x		
	• <b>Religion/Belief</b>		x			Risk assessment to be undertaken on a case by case basis – see EIA
	• <b>Sex</b>			x		
• <b>Sexual Orientation</b>			x			
• <b>Welsh Language</b>		x			Policy to be translated into Welsh once approved	
		<b>Yes</b>	<b>No</b>			
Is a full <b>Equality Impact Assessment</b> required?		X				
Is a full <b>Child Rights Impact Assessment</b> required?			X			

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.8	<p><b>The Council delivers positive outcomes for the city and its citizens through strong partnerships</b></p> <p><i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>strengthening partnerships with business &amp; voluntary sectors</i></li> <li><i>the collaboration agenda and the potential for shared services, cross-boundary working and efficiency savings</i></li> </ul>	x				<p>The implementation of the policy which is focused upon reducing risks associated from its operation of vehicles to deliver services will have a positive impact on partnership and collaboration opportunity development.</p>

**SUMMARY OF APPRAISAL (highlight positive and negative effects of the policy / plan / project being assessed, demonstrating how it contributes to the economic, social and environmental sustainability of the city):**

The aim of the policy is to reduce risks (e.g. health and safety) arising from the Council's operation of its vehicle fleet. Improving driving standards and reducing risks (e.g. health and safety) arising from the Council's operation of its vehicle fleet will improve the safety of those affected by the Council's fleet operations (e.g. citizens). Improved driving standards and vehicle management should also result in reduced emissions and productivity improvements

Page 80

**WHAT ACTIONS HAVE BEEN IDENTIFIED OR CHANGES BEEN MADE TO THE POLICY / PLAN / PROJECT AS A RESULT OF THIS APPRAISAL:**

The need to undertake an EIA



## Part 2: Strategic Environmental Assessment (SEA)

		Yes	No
2.1	Does the plan or programme set the framework for future development consent?		x
2.2	Is the plan or programme likely to have significant, positive or negative, environmental effects?		x

Is a Full Strategic Environmental Assessment Screening Needed?		Yes	No
<ul style="list-style-type: none"> <li>▪ If Yes has been ticked to both questions 2.1 and 2.2 above then the answer is Yes</li> <li>▪ If a full SEA screening is required then please contact the Sustainable Development Unit to arrange (details below)</li> </ul>			x

If you have any doubt about your answers to the above questions, then please consult the Sustainable Development Unit for advice on (029) 2087 3228 or email: [sustainabledevelopment@cardiff.gov.uk](mailto:sustainabledevelopment@cardiff.gov.uk)

## Part 3: Habitat Regulation Assessment (HRA)

		Yes	No	Unsure
3.1	Will the plan, project or programme result in an activity which is known to affect a European site, such as the Severn Estuary or the Cardiff Beech Woods?		x	
3.2	Will the plan, project or programme which steers development towards an area that includes a European site, such as the Severn Estuary or the Cardiff Beech Woods or may indirectly affect a European site?		x	
3.3	Is a full HRA needed?		x	

Details of the strategy will be sent to the County Ecologist on completion of the process to determine if a Habitat Regulation Assessment is needed. For further information, please phone (029) 2087 3215 or email: [biodiversity@cardiff.gov.uk](mailto:biodiversity@cardiff.gov.uk)

## Part 4: Welsh Language (Wales) Measure 2011

		Yes	No	Unsure
4.1	Have you considered how the policy could be formulated so that the policy decision would have positive effects, or increased positive effects on opportunities for persons to use the Welsh language?	x		
4.2	Does the policy ensure that the Welsh language is treated no less favourably than the English language?	x		

If you have any doubt about your answers to the above questions, then please consult the Bilingual Cardiff team for advice on (029) 2087 2527 or email: [Bilingualcardiff@cardiff.gov.uk](mailto:Bilingualcardiff@cardiff.gov.uk)

## Appendix 1 – Statutory Requirements

It is possible that the Statutory Screening Tool will identify the need to undertake specific statutory assessments:

- **Equality Impact Assessment:** *This assessment is required by the Equality Act 2010 and Welsh Government’s Equality Regulations 2011.*
- **Wellbeing of Future Generations (Wales) Act:** *The Act requires sustainable development to be a central organising principle for the organisation. This means that there is a duty to consider sustainable development in strategic decision making processes.*
- **Welsh Government Statutory Guidance - Shared Purpose Shared Delivery:** *The Welsh Government requires local authorities to produce a single integrated plan to meet statutory requirements under a range of legislation. The City of Cardiff Council must therefore demonstrate its contribution towards Cardiff’s own integrated plan: “What Matters”.*
- **United Nations Convention on the Rights of the Child:** *The Children Act 2004 guidance for Wales requires local authorities and their partners to have regard to the United Nations Convention on the Rights of a Child.*
- **United Nations Principles for Older Persons:** *The principles require a consideration of independence, participation, care, self-fulfillment and dignity.*
- **Welsh Language (Wales) Measure 2011:** *The Measure sets out official status for the Welsh language, a Welsh language Commissioner, and the freedom to speak Welsh.*
- **Health Impact Assessment:** *(HIA) considers policies, programmes or projects for their potential effects on the health of a population.*
- **Habitats Regulations Assessment:** *The Conservation (Natural Habitats, &c.) (Amendment) Regulations 2007 provides a requirement to undertake Habitats Regulations Assessment (HRA) of land use plans.*
- **Strategic Environmental Assessment:** *A Strategic Environmental Assessment (SEA) is an European Directive for plans, programmes and policies with land use implications and significant environmental effects.*

Equality Impact Assessment  
Corporate Assessment Template



<b>Policy/Strategy/Project/Procedure/Service/Function Title: Occupational Road Risk Policy</b>
<b>New/Existing/Updating/Amending: New</b>

<b>Who is responsible for developing and implementing the Policy/Strategy/Project/Procedure/Service/Function?</b>	
Name: David Lowe	Job Title: OM
Service Team: Eco Dev	Service Area: CTS
Assessment Date: 12 6 18	

**1. What are the objectives of the Policy/Strategy/Project/ Procedure/ Service/Function?**

The aim of the policy is to:

- raise awareness of occupational road risks within the Council, and
- Clarify responsibilities and support the Council’s workforce, Directors/Assistant Directors, Operational Managers, Managers and Supervisors, and drivers in delivering high standards of safety to minimise risks associated with driving and vehicle operation.

**2. Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]**

The Council requires an Operators Licence to operate its + 700 fleet of vehicles including c.85 Large Goods Vehicles

A review of the Operators Licence compliance requirements has identified a number of areas for improvement

In response, it was agreed that an Occupational Road Risk Working Group would be established and an Occupational Road Risk Policy be prepared.

This policy has now been drafted and consulted upon and will be submitted to Cabinet for approval prior to implementation.

# CARDIFF COUNCIL

## Equality Impact Assessment Corporate Assessment Template

### 3 Assess Impact on the Protected Characteristics

#### 3.1 Age

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative/]** on younger/older people?

	Yes	No	N/A
Up to 18 years		x	
18 - 65 years		x	
Over 65 years	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

The policy could have a differential impact on all ages, should their health deteriorate with age (e.g. reduction in visual ability).

Legislation requires certain standards to be achieved from persons who drive on the public highway.

**What action(s) can you take to address the differential impact?**

In the event of a member of staff of any age suffering a condition which affected, or could affect, their ability to drive, staff are legally responsible to advise their manager accordingly.

As such in respect of the person's ability to drive safely in accordance legislative requirements, upon notification the manager would need to undertake a risk assessment, with medical advice from Occupational Health or related medical professionals being made available if required.

If the risk assessment concluded that there was an unacceptable risk posed by the staff member being allowed to continue to drive, the staff member would be allocated alternative duties for an appropriate period; until the condition was rectified or concluded. Such alternative duties would exclude them from driving for work purposes, but would match other role parameters e.g. grade, etc. As such the duration of duties would extend all long as the condition.

However, if the condition was diagnosed as being permanent, the amended duties would also need to be of a permanent nature, and adjustments made in accordance with the appropriate Council policies (e.g. redeployment policy).

#### 3.2 Disability

4.C.400	Issue 1	Nov 11	Process Owner: Rachel Jones	Authorised: Rachel Jones	Page 2
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**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment	<b>x</b>		
Physical Impairment	<b>x</b>		
Visual Impairment	<b>x</b>		
Learning Disability	<b>x</b>		
Long-Standing Illness or Health Condition		<b>x</b>	
Mental Health	<b>x</b>		
Substance Misuse	<b>x</b>		
Other	<b>x</b>		

The policy could have a differential impact upon persons who have:

- visual, hearing, or physical disabilities in respect of their ability to drive in accordance with legislative requirements;
- learning disability in respect of understanding what the policy means for them;
- mental health issues in respect of ability to drive or ability to understand the policy provisions, and
- substance misuse issues in respect of their ability to drive in accordance with legislative requirements.

**What action(s) can you take to address the differential impact?**

For persons who have visual, hearing, physical or mental issues affecting their ability to drive, they would need to advise their manager accordingly.

The manager would need to undertake a risk assessment, with medical advice if required, in respect of the person's ability to drive safely in accordance with legislative requirements.

If the conclusion from the risk assessment was that there was an unacceptable risk posed if the person was allowed to continue to drive, the person would be allocated duties that did not require them to drive for work purposes.

If the condition was only of a temporary nature the amended duties would also be of a temporary nature. If the condition was diagnosed as being permanent, the amended duties would also need to be of a permanent nature. Appropriate Council policies would need to be followed as appropriate (e.g. redeployment policy).

# CARDIFF COUNCIL

## Equality Impact Assessment Corporate Assessment Template

For staff who require additional support (may it be due to identifying as having a learning disability, cognitive limitation or a mental health issue affecting their ability to understand the policy provisions or simply staff support). Staff are offered one to one sessions/additional briefing sessions as appropriate to allow individuals opportunity to understand the requirements. Additional resources would be deployed as required.

In respect of a person who is suffering with substance misuse issues, the person's manager would need to undertake a risk assessment, with medical advice if required, in respect of the person's ability to drive safely in accordance legislative requirements.

If the conclusion from the risk assessment was that there was an unacceptable risk posed if the person was allowed to continue to drive, the person would be allocated duties that did not require them to drive for work purposes. If the condition was only of a temporary nature the amended duties would also be of a temporary nature. If the condition was diagnosed as being permanent, the amended duties would also need to be of a permanent nature. Appropriate Council policies would need to be followed as appropriate (e.g. Substance Misuse Policy, Redeployment Policy, etc).

### 3.3 Gender Reassignment

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
<b>Transgender People</b> (People who are proposing to undergo, are undergoing, or have undergone a process [or part of a process] to reassign their sex by changing physiological or other attributes of sex)	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

It is possible that any ongoing gender reassignment could have physical or physiological impacts affecting the person's ability to drive.

**What action(s) can you take to address the differential impact?**

Any person undergoing gender reassignment may experience physical or physiological effects, such effects possibly impacting their ability to drive.

Such staff would need to advise their manager accordingly. The manager would need to undertake a risk assessment, with medical advice if required, in respect of the

CARDIFF COUNCIL

Equality Impact Assessment  
Corporate Assessment Template

person’s ability to drive safely in accordance legislative requirements.

If the conclusion from the risk assessment was that there was an unacceptable risk posed if the person was allowed to continue to drive, the person would be allocated duties that did not require them to drive for work purposes.

If the condition was only of a temporary nature the amended duties would also be of a temporary nature. If the condition was diagnosed as being permanent, the amended duties would also need to be of a permanent nature. Appropriate Council policies would need to be followed as appropriate (e.g. redeployment policy).

**3.4. Marriage and Civil Partnership**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage		x	
Civil Partnership		x	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Whilst no Differential impact has currently been identified, this will continue to be monitored and addressed accordingly

**What action(s) can you take to address the differential impact?**

n/a

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**3.5 Pregnancy and Maternity**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy	x		
Maternity	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

It is possible that issues relating to pregnancy or maternity could have physical or physiological impact affecting the person's ability to drive.

**What action(s) can you take to address the differential impact?**

The manager would need to undertake a risk assessment, with medical advice if required, in respect of the person's ability to drive safely in accordance legislative requirements.

If the conclusion from the risk assessment was that there was an unacceptable risk posed if the person was allowed to continue to drive, the person would be allocated duties that did not require them to drive for work purposes for the appropriate period of time.

**3.6 Race**

Will this Policy/Strategy/Project//Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White		x	
Mixed / Multiple Ethnic Groups		x	
Asian / Asian British		x	
Black / African / Caribbean / Black British		x	
Other Ethnic Groups		x	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Whilst no Differential impact has currently been identified, this will continue to be monitored and addressed accordingly



**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

<b>What action(s) can you take to address the differential impact?</b>
N/A

**3.7 Religion, Belief or Non-Belief**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	<b>Yes</b>	<b>No</b>	<b>N/A</b>
Buddhist	x		
Christian	x		
Hindu	x		
Humanist	x		
Jewish	x		
Muslim	x		
Sikh	x		
Other	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Fasting is associated with a number of religions.  
Fasting could have an impact upon a person's physical and physiological state and hence affect their ability to drive

**What action(s) can you take to address the differential impact?**

A person undertaking fasting for religious, or any other purposes, should advise their manager accordingly.

The manager would need to undertake a risk assessment, with medical advice if required, in respect of the person's ability to drive safely in accordance legislative requirements.

If the conclusion from the risk assessment was that there was an unacceptable risk posed if the person was allowed to continue to drive, the person would be allocated duties that did not require them to drive for work purposes.

Such arrangements would continue until the fasting has been completed and the associated driving risks removed.

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**3.8 Sex**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on men and/or women?

	Yes	No	N/A
Men		x	
Women		x	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Whilst no differential impact has currently been identified, this will continue to be monitored and addressed accordingly

**What action(s) can you take to address the differential impact?**

N/A

**3.9 Sexual Orientation**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
Bisexual		x	
Gay Men		x	
Gay Women/Lesbians		x	
Heterosexual/Straight		x	

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Whilst no differential impact has currently been identified, this will continue to be monitored and addressed accordingly

**What action(s) can you take to address the differential impact?**

N/A

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**3.10 Welsh Language**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on Welsh Language?

	Yes	No	N/A
Welsh Language	x		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

CTS practices adhere to the regulations and order of the Welsh Language Commissioner, under new Welsh Language standards set out in the Welsh Language [Wales] Measure 2011.

All engagement as may be required will be conducted bilingually.

**What action(s) can you take to address the differential impact?**

Once approved, the policy will be translated into Welsh.

**4. Consultation and Engagement**

What arrangements have been made to consult/engage with the various Equalities Groups?

This document has undergone consultation with:-  
Equalities Officers,  
Staff,  
Unions,  
Relevant internal stakeholders,  
Council Members  
Legislative bodies as required

**5. Summary of Actions [Listed in the Sections above]**

Groups	Actions
Age	Please see protected characteristic for relevant information
Disability	Please see protected characteristic for relevant information
Gender Reassignment	Please see protected characteristic for relevant information
Marriage & Civil Partnership	N/A
Pregnancy & Maternity	Please see protected characteristic for relevant information
Race	Please see protected characteristic for relevant information

## CARDIFF COUNCIL

### Equality Impact Assessment Corporate Assessment Template

Religion/Belief	Please see protected characteristic for relevant information
Sex	N/A
Sexual Orientation	N/A
Welsh Language	Policy to be translated into Welsh once approved
Generic Over-Arching [applicable to all the above groups]	The need for a manager to undertake a risk assessment in respect to any matter that might affect a person's ability to drive safely in accordance with legislative requirements. Appropriate mitigation measures then to be put in place in accordance with relevant Council policies.

#### 6. Further Action

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

#### 7. Authorisation

The Template should be completed by the Lead Officer of the identified Policy/Strategy/Project/Function and approved by the appropriate Manager in each Service Area.

Completed By :	Date:12/06/2018
Designation:	OM
Approved By:	David Lowe
Designation:	-
Service Area:	CTS - Eco Dev

- 7.1 On completion of this Assessment, please ensure that the Form is posted on your Directorate's Page on CIS - *Council Wide/Management Systems/Equality Impact Assessments* - so that there is a record of all assessments undertaken in the Council.

For further information or assistance, please contact the Citizen Focus Team on 029 2087 3059 or email [citizenfocus@cardiff.gov.uk](mailto:citizenfocus@cardiff.gov.uk)

**PUBLIC SPACES PROTECTION ORDERS – DOG CONTROLS**

**CULTURE AND LEISURE (COUNCILLOR PETER BRADBURY)**

**AGENDA ITEM: 3**

**Reason for this Report**

1. To consider widening enforcement powers, in order to deliver a cleaner and more sustainable environment across Cardiff by supporting the use of Public Space Protection Orders as defined in Cardiff Council's Policy Statement.
2. To consider authority to consult with members of the public and other relevant stakeholders to introduce a Public Spaces Protection Order (PSPO) under Section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014. The purpose of the order is to improve and replace current outdated dog controls powers across the City of Cardiff.

**Background**

3. Cardiff Council's Policy Statement for Public Space Protection Orders is Appendix A.
4. PSPOs are available to Local Authorities to deal with specific nuisance problems in particular areas that are having, or are likely to have, a detrimental effect on the quality of life for those who live, work or play within the locality. An order can prohibit or restrict certain activities and is designed to ensure that the law-abiding majority can use and enjoy public spaces, safe from anti-social behaviour.
5. The PSPO is different from other powers available under the Anti-Social Behaviour, Crime and Policing Act 2014 as they are led by the Council and concentrate on the identified problem behaviour. The final restrictions placed on a PSPO should be evidence based and shaped by the opinions of key stakeholders and the individuals who live, work or visit the public spaces.
6. The Council can make a PSPO in consultation with the Police and other relevant bodies who may be affected. The Order will have effect for a period of no more than 3 years. However, the Council may extend the Order for a further 3 years if there are reasonable grounds for doing so.

7. Once a PSPO is adopted by the Council, sanctions are available for persons who breach certain prohibitions within the order. A breach of the order can be enforced initially by way of a simple fine under a fixed penalty notice. If this fine is not paid then the enforcement action can be escalated through criminal powers available by way of a criminal prosecution through the Magistrates' Court. A maximum fine of level 3 or £1,000 may be imposed. Alternatively, the opportunity to pay a Fixed Penalty Notice (FPN) up to a maximum of £100 may be offered in place of prosecution and to avoid a criminal conviction.
8. The current fixed penalty notice for dog fouling is £80. The value of fines associated with dog controls from byelaws vary but enforcement has not taken place for a number of years.
9. Rhondda Cynon Taff County Borough Council and Denbighshire County Council have used the PSPOs to assist with the control of dogs. There are also other Councils, which have used the order to address access to public land, alcohol and intoxicating substances.
10. The byelaws currently in place in Cardiff were created under The Public Health Act 1875, The Open Spaces Act 1906, The Local Government Act 1972 and The Dog (Fouling of Land) Act 1996. The requirements of these byelaws are:
  - That dogs are controlled, so as not to cause a nuisance within open spaces, which came into effect in 1964.
  - The prohibition of dog fouling within designated areas across Cardiff
  - The exclusion of dogs within cemeteries, which came into force in 1986 and,
  - The exclusion of dogs from children's playgrounds and certain pleasure grounds and open spaces, which came into force in 1991 and was updated in 1993.
11. The Anti-Social Behaviour, Crime & Policing Act 2014 repeals previous legislation and will eventually repeal The Dog (Fouling of land) Act 1996, which dealt with dog fouling and its enforcement. The Anti-Social Behaviour legislation enables a PSPO to introduce enforcement rules on the presence of dogs, as well as wider controls to deal with anti-social behaviour on land accessible to the public.
12. Council officers will be able to enforce the restrictions and requirements. In addition, police officers and Police Community Support Officers will have the ability to enforce the order, although Council officers will deal with the issuing of FPN's.
13. Dog fouling is unsightly and unpleasant and in turn can lead to serious illness in humans, such as Toxocariasis, from direct contact with the faeces on the ground which can also lead to blindness. Particular concern is raised in relation to children and sports users using parks and open spaces

14. The majority of dog owners are responsible, clean up after their dogs and keep them under control. However, a minority of irresponsible dog owners create significant problems. Each year the Council receives many complaints in relation to dog fouling and out of control dogs in public places, which is a significant concern.
15. The Council continues to receive a significant number of complaints in relation to dog fouling from local residents and Councillors. From April 2016 to April 2017 there were over 500 complaints made to the council in relation to dog fouling. Appendix B shows examples of complaints in parks relating to dog control in Cardiff.
16. From reviewing the byelaws and complaints it is proposed the first phase of dog controls are:
  - the prohibition of dog fouling in all public places owned and/or maintained by the Council,
  - the exclusion of dogs in all enclosed playgrounds, marked sports pitches and Schools, which are owned and/or maintained by Cardiff Council.
  - a requirement that dogs are kept on leads within all Cemeteries owned and/or maintained by Cardiff Council.
  - a requirement allowing authorised officers to give a direction that a dog (s) be put and kept on a lead if necessary,
17. The introduction of dog controls to remove antisocial behaviour are consistent with the Well-being Goals under the Wellbeing of Future Generations (Wales) Act 2015:
  - A healthier Wales – a society in which people’s physical and mental wellbeing is maximised and in which choices and behaviours that benefit future health are understood.
  - A Wales of cohesive communities – attractive, viable, safe and well-connected communities.

## Issues

18. The current legislation for dog fouling, The Dog (Fouling of Land) Act 1996, are currently not supported via Magistrates Courts and will eventually be completely repealed due to there being more up to date legislation that the Council should be utilising, specifically the Anti-Social Behaviour, Crime and Policing Act 2014.
19. The Council has only brought a small number of prosecutions to court in the last 5 years. However, although the Council continues to issue fines relating to dog fouling, there will become a time when the Council are challenged more broadly and therefore a PSPO covering dog fouling is required to allow for the continued issuing of FPN’s and prosecutions.
20. Public Spaces Protection Orders are reviewed every 3 years to ensure that they are effective in addressing ASB issues and the issues have not been displaced to other areas. The current byelaws are not reviewed, nor

enforced and there is no method in place or any legal obligation for these to be reviewed by the Council, to ensure that they are effective in addressing certain issues across Cardiff.

21. The introduction of a PSPO in respect of dog controls will replace existing byelaws currently in place to control dogs in certain areas across Cardiff. The current byelaws are outdated, with some dating back to 1964. Since the implementation of byelaws, boundaries and land ownership has changed, which is why it is essential to implement a PSPO to give uniformity and a consistent approach to the control of dogs across specific identifiable areas across Cardiff.
22. If Public Spaces Protection Orders are not introduced to replace old legislation, this could prevent the Council from fully achieving its Corporate commitments within the Community Strategy 2011 - 2021 and the Corporate Plan. A dog control PSPO will allow Cardiff Council to demonstrate continued commitment towards achieving a cleaner, more attractive and sustainable environment.
23. The Cabinet by approving the recommendations within this report, support a full and extensive consultation with residents and relevant stakeholders. This will allow the Council to introduce orders, which are relevant, necessary and consistently enforced across Cardiff.
24. The consultation response will include the methodology, statistics, comments made, key findings, the number of responses and recommendations / amendments to the proposed dog controls.
25. A list of consultees have been identified in Appendix C. The consultation will include opening and closing dates of when consultees can respond on this matter. This will be via:
  - Letters
  - Online Surveys
  - Cardiff Councils website
  - Newspaper Advert
  - Email
  - Telephone

All means of consulting will be translated bilingually into Welsh and English languages. For those who cannot access the internet, other options will be advertised, such as the option to send a letter or e-mail.

26. The Council will undertake direct consultation in a number of parks and public space areas throughout the consultation period to ensure views from users are captured.
27. A PSPO would supersede the current byelaws shown in relation to the control of dogs across Cardiff shown in Appendix D. Therefore, there would be a need for these byelaws to be revoked.

## **Reason for Recommendations**



28. The Council receives a significant number of complaints about dog fouling and out of control dogs in public places each year. In 2016/17, there were more than 500 complaints to the authority in relation to dog fouling.
29. PSPOs are available to local authorities to deal with specific nuisance problems in particular areas that are, or are likely to have a detrimental effect on the quality of life of people in the area.

### **Legal Implications**

30. Under the Anti-social Behaviour, Crime and Policing Act 2014, a Local Authority, after consultation with the public, Police, Crime Commissioner and other relevant bodies, are able to make a Public Spaces Protection Order (PSPO) if evidence of a nuisance exists.
31. Under Section 59 of the act, a Local Authority may make a PSPO if satisfied on reasonable grounds that two conditions are met.
32. The first condition being:
  - a) activities carried on in a public place within the authority's area have had a detrimental effect on the quality of life of those in the locality, or
  - b) it is likely that activities will be carried on in a public place within that area and that they will have such an effect.
33. The second condition being that the effect, or likely effect, of the activities:
  - a) is, or is likely to be, of a persistent or continuing nature,
  - b) is, or is likely to be, such as to make the activities unreasonable, and
  - c) justifies the restrictions imposed by the notice.
34. A Public Spaces Protection Order identifies the public place referred to and sets out a number of conditions, such as;
  - a) prohibiting specified things being done in the area,
  - b) requiring specified things to be done by persons carrying on specified activities in that area, or
  - c) covering both of those prohibitions.
35. Prohibitions or requirements may be imposed if they are reasonable to impose through the order –
  - a) to prevent the detrimental effect referred to from continuing, occurring or recurring, or
  - b) to reduce the detrimental effect or to reduce the risk of its continuance, occurrence or recurrence
36. An interested person may appeal to the High Court to question the validity of a PSPO, or a variation of an Order. An appeal must be made within the period of 6 weeks beginning with the date on which the Order or variation is made.

37. Articles 10 and 11 of the Human Rights Act 1998 regarding freedom of expression and freedom of assembly and association have been considered and no issues have been identified.
38. The Council must satisfy its public sector equality duties under the Equality Act 2010 and at the same time as or following the outcome of consultation it will be necessary to undertake an Equality Impact Assessment to ensure that the Council has properly understood and assessed the potential impact of the proposed PSPO in terms of equality.
39. The enforcement of breaches of the order will be initially enforced through the use of a simple fine under a fixed penalty notice and then to criminal prosecution in the Magistrates' Court if not paid. It is expected that the issue of fixed penalties and the prosecution of cases will be income generating.
40. Provision will need to be made for any additional legal resources that are required.
41. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council eg. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **Financial Implications**

42. The report is recommending the commencement of a public consultation period for which there will be no direct financial implications. The outcome of the consultation will be presented in a further report to Cabinet which will allow definitive enforcement proposals to be confirmed. This will include an assessment of any associated financial implications. Based on the processes outlined in this report the Directorate consider that the introduction of the PSPO can be achieved within existing resources.
43. If there is a significant increase in the number of prosecutions undertaken by the Council then further discussions with other Service Areas, in particular Legal Services, may be required to consider the implications arising from this potential additional activity.

Cabinet is recommended to:

1. Authorise officers to undertake a 6 -12 week public consultation exercise on the proposal to introduce a Public Spaces Protection Order (PSPO) under the Anti-Social Behaviour, Crime and Policing Act 2014 to introduce dog controls in areas across the Cardiff and to report back to Cabinet.
2. Agree that the consultation for dog control specifically looks at:
  - the prohibition of dog fouling in all public places owned and/or maintained by the Council,
  - the exclusion of dogs in all enclosed playgrounds, marked sports pitches and Schools, which are owned and/or maintained by Cardiff Council.
  - a requirement that dogs are kept on leads within all Cemeteries owned and/or maintained by Cardiff Council.
  - a requirement allowing authorised officers to give a direction that a dog (s) be put and kept on a lead if necessary,
  - setting the fixed penalty fine for breach of the order to the maximum permitted of £100.
3. endorse the revocation of the current byelaws associated with dog control in Cardiff (appendix d)

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>ANDREW GREGORY</b> <b>Director Planning, Transport &amp; Environment</b>
	<b>15 June 2018</b>

*The following Appendices are attached:*

Appendix A - Cardiff Council's Policy Statement – Public Space Protection Orders.

Appendix B - Examples of complaints in parks relating to Dog Control in Cardiff.

Appendix C- Consultees for dog control.

Appendix D - Byelaws relating to dog control to be revoked.

*The following Background Documents have been taken into account:*

1. Home Office: Anti-social Behaviour, Crime and Policing Act 2014: Reform of anti-social behaviour powers : Statutory guidance for front line professionals, July 2014
2. Local Government Association: Public Spaces Protection Orders - Guidance for Councils

Mae'r dudalen hon yn wag yn fwriadol



**Cardiff Council**

**Public Spaces Protection Orders**  
**Policy Statement**

**June 2018**

## **1. Introduction**

- 1.1. The Council has commitment to develop a systematic proactive approach to street and public space enforcement including implementing Public Space Protection Orders to remove anti-social behaviours.
- 1.2. The Local Authority recognises how anti-social behaviour can have a detrimental impact on local resident's quality of life, with those affected often feeling powerless to act. The Local Authority plays a key role in helping to make local communities within its area, safe places to live, visit and work.
- 1.3. Members of the public and Council employees are aware of the anti-social behaviour issues that occur within their local communities. It is key that we address and reduce these issues from occurring, by consulting with members of public and other stakeholders, in order to highlight areas of concern that in turn need addressing.

## **2. What is Anti Social behaviour?**

- 2.1. Anti-social behaviour is a broad term used to describe the day-to-day incidents of crime, nuisance and disorder that make many people's lives a misery – from litter and vandalism, to public drunkenness or aggressive dogs, to noisy or abusive neighbours.
- 2.2. Victims can feel helpless, bounced from one agency or department to another and then back again. In many cases, the behaviour is targeted against the most vulnerable in our society and even what is perceived as 'low level' anti-social behaviour, when targeted and persistent, can have devastating effects on a victim's life.
- 2.3. Legislation to eliminate this type of behaviour was developed in July 2014, to provide more streamlined powers to authorised agencies. Local Authorities are now empowered to make and enforce Public Spaces Protection Orders (PSPO)
- 2.4. Such a wide range of behaviours means that responsibility for dealing with anti-social behaviour is shared between a number of agencies, particularly the Police and relevant Local Authority departments.

### **3. What is a Public Spaces Protection Orders (PSPO)?**

- 3.1. Under the *Anti-Social Behaviour, Crime and Policing Act 2014*, A Public Spaces Protection Order (PSPO) sits amongst a broad range of powers and tools to help reduce anti-social behaviour within particular areas.
- 3.2. A PSPO deals with specific nuisance problems, which is having, or is likely to have, a detrimental effect on the quality of life of those who live, work or visit a locality.
- 3.3. A PSPO can substantially reduce anti-social behaviour by the means of reasonable and proportionate restrictions and prohibitions. Its aim is ensuring public spaces can be enjoyed and is designed to ensure that the law-abiding majority can still use and enjoy public spaces, safe from anti-social behaviour.
- 3.4. These Orders are not about stopping responsible people from using publicly accessible land, but to provide Local Authorities and other Local Government departments with the means to help deal with persistent issues, which can be damaging to local communities.

### **4. Introducing a PSPO**

- 4.1. The Local Authority can make a PSPO for any public space within its own area. The definition of public space is wide and includes any place to which the public has access, on payment or otherwise, as of right or by virtue of express or implied permission, for example a shopping centre.
- 4.2. The threshold for making a PSPO is set out in *Section 59 of The Anti-social Behaviour Crime and Policing Act 2014*, which permits Local Authorities to make a PSPO if satisfied, on reasonable grounds, that two conditions are met as defined by the Act.
  - 4.2.1 The first condition is that:
    - a) activities carried on in a public place within the authority's area have had a detrimental effect on the quality of life of those in the locality, or
    - b) It is likely that activities will be carried on in a public place within that area and that they will have such an effect
  - 4.1.2. The second condition is that the effect, or likely effect of the activities:
    - a) is, or is likely to be, of a persistent or continuing nature,
    - b) is, or is likely to be, such as to make the activities unreasonable, and
    - c) justifies the restrictions imposed by the Order

- 4.3. The Local Authority must carry out the necessary consultation, publicity and notification before making, extending and/or varying a PSPO.
- 4.4. Under *section 72 of the Anti-Social Behaviour, Crime and Policing Act 2014*, the Local Authority must consult formally through the Chief Officer of Police and the Police and Crime Commissioner. In addition to this, all owners or occupiers of the land within the area to be restricted by the PSPO must be consulted, where reasonably practicable.
- 4.5. The Local Authority must also consult whichever community representatives it thinks appropriate. This could relate to a specific group, for instance the residents association, or an individual or group of individuals, for instance, regular users of a park or specific activities. Before a PSPO can be implemented, the Local Authority must publish the draft Order in accordance with regulations made by the Secretary of State.

## **5. Duration of a PSPO**

- 5.1. The maximum duration of a PSPO is three years however; they can last for shorter periods where appropriate. Short-term PSPOs could be used where it is not certain that restrictions will have the desired effect, for instance, when closing a public right of way, Local Authorities may wish to make an initial PSPO for 12 months and then review the decision when it expires.
- 5.2. Whilst a PSPO is in place, the Local Authority can extend it by up to three years if deemed necessary to prevent the original behaviour from occurring or recurring. They should also consult with the local Police and any other relevant community representatives.

## **6. Challenging the validity of a PSPO**

- 6.1. Under *section 66 of the Anti-Social Behaviour, Crime and Policing Act 2014* an interested person, which is someone who lives, regularly visits or works within a restricted area may apply, by way of a Judicial Review, to the High Court of Justice, to challenge the validity of a PSPO or a variation of a PSPO. This means that only those who are directly affected by the restrictions of an Order have the power to challenge it.
- 6.2. An interested person who wishes to challenge a PSPO must make an application to the High Court within 6 weeks of a PSPO being made or varied by the Local Authority.

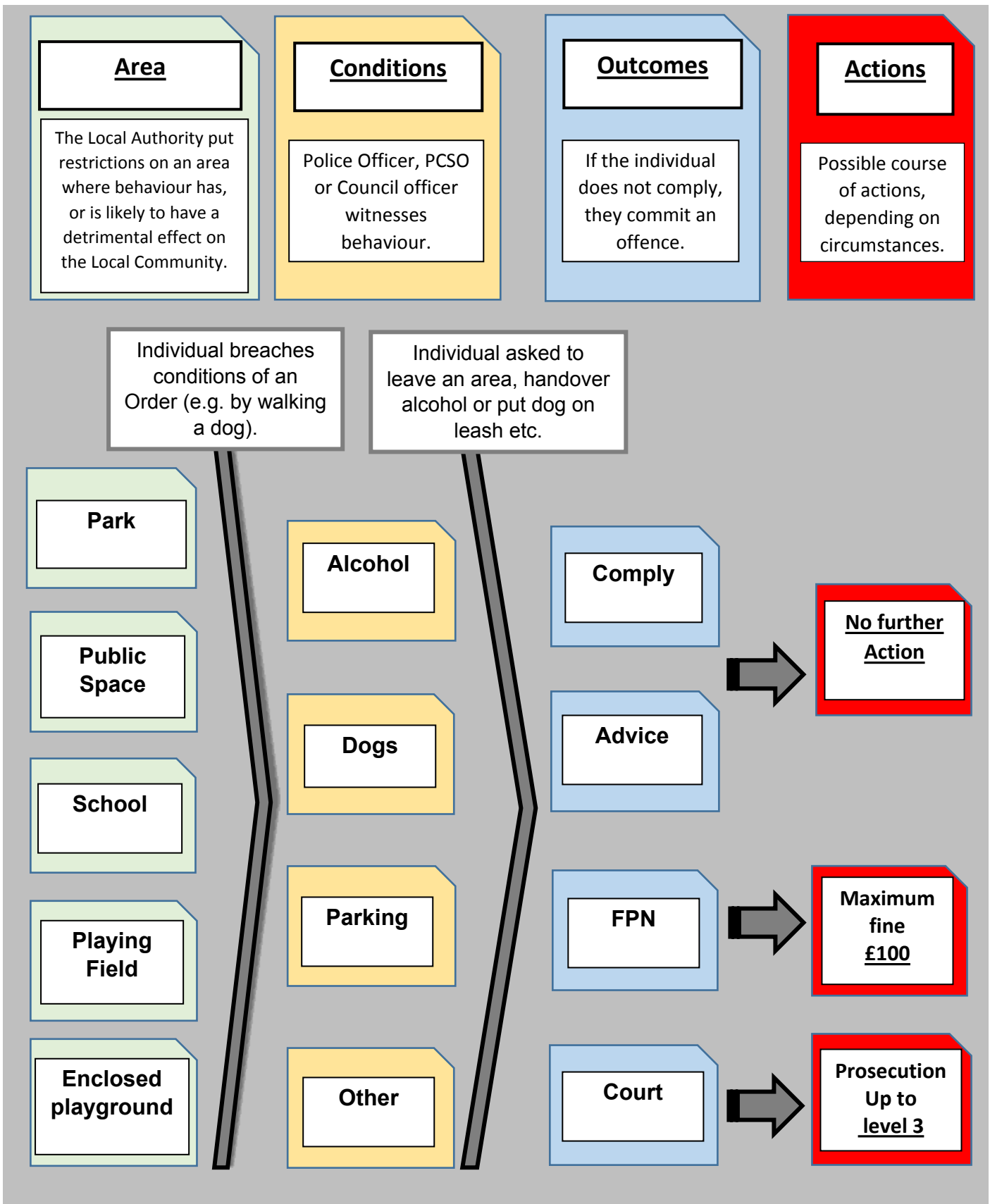


- 6.3. The grounds on which an application may be made are;
- a) That the Local Authority did not have power to make an Order or variation, or to include particular prohibitions or requirements,
  - b) That a requirement under this chapter was not complied with, in relation to the Order or variation, such as statutory consultation.
- 6.4. Where a Judicial Review application is made, the High Court can decide to suspend the operation of a PSPO or variation or any of its requirements, pending the final outcome of the Judicial Review. The High Court has the ability to uphold the PSPO, quash it, or to vary it.
- 6.5. An interested person cannot challenge the validity of a PSPO in any legal proceedings before or after it is made, unless that person is charged with an offence. An interested person can challenge a PSPO to defend to a prosecution, where they have been found guilty of committing an offence. On the grounds that the Local Authority did not have the power to impose the restrictions or that the restrictions imposed are unreasonable.

## 7. Enforcement

7.1. Authorised Officers from Local Authorities and the Police will be able to enforce the restrictions and requirements of a PSPO.

<b>Purpose</b>	Designed to stop individuals or groups committing anti social behaviour in a public place.
<b>Who can make a PSPO</b>	Local Authorities issue a Public Spaces Protection Order (PSPO) after consultation with the Police, Police and Crime Commissioner and other relevant bodies.
<b>Test</b>	Behaviour being restricted has to: <ul style="list-style-type: none"> <li>• Be having, or be likely to have, a detrimental effect on the quality of life of those in the locality;</li> <li>• Be persistent or continuing in nature; and</li> <li>• Be unreasonable</li> </ul>
<b>Details</b>	Restrictions and requirements set by the Local Authority. <ul style="list-style-type: none"> <li>• These can be blanket restrictions or requirements or can be targeted against certain behaviours by certain groups at certain times.</li> <li>• Can restrict access to public spaces (including certain types of highways) where that route is being used to commit anti social behaviour.</li> <li>• Can be enforced by a Police Officer, PCSO and Council officers.</li> </ul>
<b>Penalty on Breach</b>	<ul style="list-style-type: none"> <li>• Breach is a criminal offence</li> <li>• Enforcement officers can issue a fixed penalty notice of up to £100 if appropriate.</li> <li>• A fine of up to level 3 on prosecution.</li> </ul>
<b>Appeals</b>	<ul style="list-style-type: none"> <li>• Anyone who lives in, or regularly works in or visits the area can appeal a PSPO in the High Court within six weeks of issue.</li> <li>• Further appeal is available each time the PSPO is varied by the Local Authority.</li> </ul>
<b>Important changes / differences</b>	<ul style="list-style-type: none"> <li>• More than one restriction can be added to the same PSPO, meaning that a single PSPO can deal with a wider range of behaviours than the Order it replaces.</li> </ul>



7.2. Although PSPOs are made by the Local Authority, enforcement should be the responsibility of a wider group. Council Officers will be able to enforce the restrictions and requirements, as will other groups that they designate, including officers accredited under the community safety accreditation scheme. In addition, Police Officers and PCSOs will also have the ability to enforce the Order. It is envisaged that the other groups will be authorised by the Council to administer administrative remedies through fixed penalty notices only. Court proceeding for breaches of the Order will be undertaken by the Council.

## **8. Fixed Penalty Notices (FPNs)**

8.1. A Fixed Penalty Notice (FPN) is a notice offering the person to whom it is issued, the opportunity of discharging any liability to conviction for an offence by payment to the Local Authority the amount specified in the notice.

8.2. An authorised officer of the Local Authority or a Police Officer may issue a FPN to anyone they have reason to believe has committed an offence under *section 63 and 67 of the Anti-social Behaviour, Crime and Policing Act 2014*.

8.3. No proceedings can be taken before the end of 14 days following the date of issue for the notice. A conviction may not be sought if the recipient pays the FPN before the end of that period.

8.4. An FPN must contain prescribed information:

- a) give reasonably detailed particulars of the circumstances alleged to constitute the offence;
- b) state the period during which proceedings will not be taken for the offence;
- c) specify the amount of the fixed penalty;
- d) state the name and address of the person to whom the fixed penalty may be paid;
- e) specify permissible methods of payment

8.5. The fixed penalty notice amount is a maximum of £100.

## **9. Issuing a Fixed Penalty Notice**

9.1. There will be authorised enforcement officers patrolling the restricted areas, based on complaints. At the time, an officer sees an offence being committed he or she will issue a hand written fixed penalty notice using a FPN book.

## **10. Appealing a Fixed Penalty Notice (FPN)**

- 10.1. There is no right of appeal to the Local Authority or a Tribunal. Although an individual may be given, an opportunity to explain why they believe an offence has not been committed.
- 10.2. Failure to pay the FPN within 14 days from the date of issue may result in prosecution. If convicted, a defendant is likely to receive a fine and be ordered to pay prosecution costs and will incur a criminal record.
- 10.3. The fixed penalty notice for a breach of the prohibition will be £100 without the offer of discount. Any income received must be ring-fenced and spent on Local Authority functions relating to road traffic, litter and refuse.
- 10.4. The Local Authority may receive costs awarded against defendants following a successful prosecution once recovered by the Court service.

## **11. Considerations that the Local Authority must have regard for**

- 11.1. A PSPO will ensure that there is not any infringements on the freedoms permitted under article 10 and 11 of the Human Rights Act 1998, when drafting, extending, varying or discharging an Order.
- 11.2. Where Orders restrict public rights of way, section 64 of the Act requires the Local Authority to consider a number of issues, including the impact on those living nearby and the availability of alternative routes. It also sets out some categories of highways where rights of way cannot be restricted. The Local Authority may also conclude that PSPOs restricting access should only be introduced where the anti-social behaviour is facilitated by the use of that right of way.
- 11.3. When defining the area restrictions should cover, consideration will be given as to whether prohibitions in one area will displace the problem behaviour elsewhere, or into a neighbouring authority. The neighbouring Authorities will also be consulted to mitigate this.
- 11.4. The Local Authority will consider how best the Order should be worded and establish an evidence base to support the proposals, to include a consultation process. The prohibitions or requirements imposed by a PSPO will be written in clear English, easily understood and should be able to withstand scrutiny.
- 11.5. The Local Authority recognises that owners have a duty under the *Animal Welfare Act 2006*, to provide for their animal's welfare, which includes exercising them. In determining the area covered by restrictions, the Local Authority will therefore consider how to accommodate the need for owners to exercise their animals.

- 11.6. The area that a PSPO will cover will be clearly defined. Mapping out areas where certain behaviours are permitted; for instance identifying specific park areas where dogs can be let off a lead without breaching the PSPO.
- 11.7. Practical issues, such as effective enforcement and erecting signs in (or near) an area subject to an Order – as required by the legislation – will also be borne in mind when determining how large an area the Order proposals might cover.

## **12. Exemptions**

- 12.1. Exemptions of a PSPO will need be dealt with on a case by case basis, depending on what is proposed to be included into an Order and what that Order will restrict and/or prohibit, It will look at who will be affected and how. An Order will also ensure that it does not discriminate a person.
- 12.2. Careful consideration will be undertaken when introducing an Order to eliminate unlawful discrimination against protected characteristics that may be unintentionally affected by a PSPO. The planning phase of a PSPO will ensure that there is not a breach to the *Equality Act 2010*. This will be prevented via an Equality Impact Assessment (EIA).
- 12.3. An EIA is a specific assessment tool used to assess and ensure that a policy or project does not discriminate against any disadvantaged or vulnerable people. It also ensures that the Local Authority provides and delivers a service that reflects the needs of the local community and its stakeholders.

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## **13. References**

- *Anti-Social Behaviour, Crime and Policing Act 2014*
- *Anti-Social Behaviour, Crime and Policing Act 2014: Reform of Anti-Social Behaviour powers. Statutory guidance for frontline professionals. Home Office. July 2014.*
- *Local Government Association – Public Spaces Protection Orders, Guidance for Councils. May 2017.*

Yn rhinwedd paragraff (au) 12, 21 Rhan (nau) 4 a 5 o Atodlen 12A  
o Ddeddf Llywodraeth Leol 1972.

Mynediad Cyfyngedig i'r Ddogfen

Mae'r dudalen hon yn wag yn fwriadol



### **Consultees for PSPO – Dog Control**

- All Community & Town Councils in Cardiff Council
- Chief Constable of South Wales Police
- Police & Crime Commissioner for South Wales Police
- All neighbouring Local Authorities
- Operational Managers of all Council departments within Cardiff Council
- Community Centres
- Natural Resources Wales
- All Schools in Cardiff owned and/or maintained by Cardiff Council
- The Assembly Members and Members of Parliament for Cardiff
- Unison, Unite & GMB
- All Councillors
- Public Access Forums
- Ramblers & Walking Groups
- Animal Welfare Groups
- The Kennel Club
- Boarding Kennels
- Sports Clubs
- Youth Forum
- Older Persons Advisory Group
- Members of the public.

Mae'r dudalen hon yn wag yn fwriadol

### Byelaws in relation to Dogs across Cardiff

#### **1964 – Pleasure ground and open spaces**

##### **Part 1**

Adams down Square Gardens  
Roath Brook Gardens – Sandringham Gardens  
Bute Park  
Clare Gardens  
Cyncoed Gardens  
Dispenser Gardens  
Fforest Ganol  
Gabalfa Open Space  
Gelligaer Gardens  
Grange Gardens  
Hailey Park  
Hill-Snook Recreational Grounds  
Howard Gardens  
Jellicoe Gardens  
Katherine Gardens  
Pentre Gardens  
Plasturton Gardens  
Plymouth Great Wood  
Rhigos Gardens  
Roath Botanical Gardens  
Roath Park Lake  
Roath Park Pleasure Grounds  
Roath Park Recreational Grounds  
Roath Park Wild Gardens  
Leckwith Woods  
Llandaff Fields  
Llandaff Village Green  
Llandenis Gardens  
Llanishen Reservoir Lands  
Llwynfedw Gardens  
Loudoun Square Gardens  
Mardy Gardens  
The Marl  
Maitland Gardens  
Merches Gardens  
Roath Mill Gardens  
Moorland Gardens  
Newminster Open Spaces  
Parc Cefn on  
Pengam Recreational Grounds  
Senghenydd Gardens  
Seven Oak Park

Splott Park  
Syr David's Field  
Waterloo Gardens  
Waungron Open Spaces  
The Wenault  
Windsor Esplanade Gardens

## **Part 2**

Caer Castell Open Spaces  
Canton Common  
Cathays Park  
Charlotte square  
Ely Bowling Green  
Ely Quarry Park  
Ely Recreational Grounds  
Fairwater Recreational Grounds  
Fairwater Park  
Rumney Hill Gardens  
Victoria Park  
Gabalfa River Reservation  
Greenway Road Recreational Ground  
Kitchener Gardens  
Llandaff Court Gardens (insole Estate)  
Llanishen Recreational Grounds  
Mynachdy children's playground  
North Crystals Open Spaces  
Robinson Square Gardens  
Splott Housing Open Space  
Trelai Park

## **Bye Laws – 1985 – Flatholm Island Nature Reserve**

Brining in or permitting to remain within the reserve any dog or other animal unless it is kept under proper control and is effectively restrained from injuries or disturbing any animal or bird.

*County Council of South Glamorgan*

## **Byelaws 1986 – Management of cemeteries**

Provided by the Council. A person shall not except as here in after provided, cause or suffer any dog (other than a guide dog accompanied by a blind person) or other animal belonging to him or in his charge to enter or remain in the cemetery.

## **Byelaws 1970 – Pleasure Grounds and open spaces (Amended)**

A person shall not cause or suffer any dog belonging to him or in his charge to enter or remain in the pleasure ground, unless such dog be and continue to be under proper control, and be effectually restrained from causing annoyance to any person, and from worrying or disturbing any animal or waterfowl, and from entering any ornamental water.

## **Part 1 – Pleasure Grounds**

Africa Gardens

Butetown Recreational Ground  
Burt Street Playground  
Caerau Recreational Ground  
Crundale Crescent Open Space  
Heol Llanishen Fach Open Spaces  
Heol Pant Glas Open Spaces  
Llanrumney Open Spaces  
Llanbleddian Gardens.  
Long Wood, Whitchurch  
Maindy Park  
Parkfield Place  
Rumney Recreational Ground  
Ruthin Gardens  
St. Brioc Road playground  
St. Martins Crescent playground  
Waterhall Recreational Ground

## **Part 2 – Open Spaces**

Library Gardens, Whitchurch  
New Road Rumney Open Spaces  
Sophia Gardens  
St Agatha Road Open Spaces  
St. Edwen Gardens Open Spaces  
Whitchurch Common  
Fairwater children's playground  
Heath Park  
Heol Y Gors Recreational Ground  
Leckwith Recreational ground  
Llwyn – Y – Grant Open Spaces  
Lower Gorse Playing Field  
North Llanishen Recreational ground  
Parc – y – pentre  
Pontcanna Lands  
Parc Caedelyn  
Trowbridge Mawr Gardens  
Ty Wern Road Playing Fields.  
Fairwater Green

## **Byelaws Relating to Playgrounds introduced in 1991**

### **Part 1**

Ball Road playground – Pepys Crescent  
Caerleon Park Playground  
Channel view playground - The Marl  
Cogan Terrace playground  
Colwinstone close playground  
Eastern Leisure Centre – Rumney Rec  
Hamacryad playground – Bute Street playground  
Heath Park  
Iron Bridge Road Playground

Lisvane playground  
Llanishen park playground  
Lydstep Crescent playground – Gabalfa open space  
Moorland Road playground – splott housing open space  
Rosedale crescent playground  
Splott Park playground  
Trelai Park playground  
Windsor Esplanade Playground

**Part 2**

Loudon Square playground  
Moorland Road Library – Moorlands Gardens  
Roath Park playground  
Roath Rec Grounds playground.

**Byelaws 1993 – Exclusion of Dogs**

**Part 1**

Adams down Square children’s playground  
Caedeylyn park children playground – parc caedelyn  
Castle road children’s playground  
Greenfarm road children’s playground  
Heritigage park Local Park 1 – St. mellons children’s playground  
Helen Street Children’s playground  
Llandaff Fields children’s playgrounds  
Maindy Park children’s playgrounds  
Maitland Park children’s playground  
Melrose Park Local Park 5 – Trowbridge children’s playground  
North pentwyn park children’s playground  
Orchard Park Local Park 1. St. Mellon’s children’s playground  
Plasnewydd Community Centre children’s playground  
Sevenoaks Park children’s playground  
Sedgemoor Road children’s playground  
Tremorfa Park children’s playground – Pengam Recreational Ground.  
Whitland Crescent children’s playground – Fairwater Park

**Part 2**

Bryn Glas children’s playground  
Catherine Gardens children’s playground  
Danescourt children’s playground  
Thompson Park children playground – Syr David’s Field.

**Byelaws 1993 – Hermit Wood Nature Reserve Byelaws (Radyr Woods Community Nature area)**

Bringing in or permitting to remain within the reserve any dog or other animal unless it is kept under proper control and is effectively restrained from injuries or disturbing any animal or bird.

**Byelaws – 1993 Howardian Local Natural Reserve**

Bringing in or permitting to remain within the reserve any dog or other animal unless it is kept under proper control and is effectively restrained from injuries or disturbing any animal or bird.

**Byelaws - Glamorganshire Canal Local Nature Reserve 1993**

Bringing in or permitting to remain within the reserve any dog or other animal unless it is kept under proper control and is effectively restrained from injuries or disturbing any animal or bird.

**Byelaws – Cwm Nofydd and Fforest Ganol Nature Reserve – 1999**

Bringing in or permitting to remain within the reserve any dog or other animal unless it is kept under proper control and is effectively restrained from injuries or disturbing any animal or bird.

Mae'r dudalen hon yn wag yn fwriadol



**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**CARDIFF COUNCIL 21<sup>ST</sup> CENTURY BAND B PROGRAMME:  
CAPACITY AND GOVERNANCE**

**PORTFOLIO: EDUCATION, EMPLOYMENT AND SKILLS  
(COUNCILLOR SARAH MERRY)**

**AGENDA ITEM:4**

**Reason for this Report**

1. To update Cabinet on development of the Council's proposed Band B schemes under the 21<sup>st</sup> Century schools programme, and to seek Cabinet approval for amended senior management arrangements for leadership of the Council's school estate development programme, and related governance of the programme across the Council.

**Background**

2. Extensive and far reaching proposals for the development of the school estate in Cardiff have been outlined in three recent reports to Cabinet:
  - Developing the Education Estate in Cardiff, 12<sup>th</sup> October 2017;
  - 21<sup>st</sup> Century Schools, Cardiff City Council's Band B Priorities, 14<sup>th</sup> December 2017;
  - Improving Provision for Children and Young People with Additional Learning Needs, 2018-2022, 18<sup>th</sup> January 2018.
3. Taken together these reports outline an ambitious programme to address the following pressures:
  - The growth of the school population already in our primary schools as it moves in to secondary phase;
  - The increase in the numbers of pupils with additional learning needs deriving from both population increase and an increase in rates of incidence
  - The significant education provision required to meet the new populations in the local development plan areas; and the increased commitment from the Council to address the maintenance requirements of the existing education estate.

4. Taken together this amounts to a school development programme of a size, scale and complexity which is significantly greater than anything previously seen in Cardiff, bigger than any other Local Authority programme in Wales, and comparable to the largest school modernisation programmes in the bigger UK core cities.
5. On 14 December 2017, Cabinet confirmed the priority schemes which will be delivered in Cardiff under Band B of the 21st Century Schools Programme. It was agreed that in order to provide assurance that the Council has sufficient capacity and appropriate governance to deliver such a large-scale programme, a subsequent report would be presented advising on these aspects of delivery.
6. Consequently, this report provides both an update of developments since the Cardiff Band B scheme was formally approved in principle by Welsh Government and it outlines what is needed with regard to capacity and governance in Cardiff in order to ensure that the Council's ambitions are delivered and the significant financial investment delivers good value for money.
7. Revised senior management arrangements were set out in a report on 16<sup>th</sup> November 2017, and Cabinet approved the new Tier 1 and 2 Senior Management structure. Cabinet also agreed that the Council would need to ensure that sufficient capacity exists to deliver the Council's priorities in relation Band B of the 21<sup>st</sup> Century Schools programme and recognised that the current staffing arrangements in this area will need to be reviewed, following confirmation by the Welsh Government of the Council's funding envelope.
8. Subsequent to both the above reports, Arup were commissioned to review the governance arrangements and resources required to ensure Cardiff Council can deliver this ambitious education capital programme. Their report is included in Appendix 1, with the Executive Summary detailing the key recommendations.
9. It is important that any proposals to secure sufficient capacity to deliver the ambitious schools' estate programme are consistent with the outcomes of developments in the Council's approach to delivering its role as Corporate Landlord of the Council's extensive buildings estate, including school properties, but excluding Council owned housing. As a major landowner in Cardiff, with an estate valued over £1.2 billion, this transformation programme seeks to transform the way in which the Council manages its approach to property and asset management.
10. A separate report to Cabinet titled 'Management of the Council's Non-Residential Property Estate – Embracing a Corporate Landlord Model', sets out an update on progress in implementing this revised approach. This report also sets out the modified governance arrangements which will apply in order to ensure alignment, integration and accountability of functions across the Council in delivering this corporate role, with clear accountability to Cabinet through the Asset Management Board, chaired by the Chief Executive.

11. The effective management of the whole Council estate, including schools, and the future development and expansion of the schools estate, both call for input from a wide range of Council departments. These governance arrangements are designed to ensure that these major cross-cutting priorities for the Council have clear leadership and transparent accountability, with strategic governance for key decisions lodged in the Council's Cabinet.

## **Developing the education estate in Cardiff**

### **21st Century Schools Programme**

12. 21st Century Schools and Education Programme is a collaboration between the Welsh Government (WG), the Welsh Local Government Association (WLGA) and Cardiff Council. It is a major, long-term and strategic capital investment programme with the aim of creating a generation of 21st century schools in Wales. The programme focuses resources on the right schools in the right places, for early years through to Post-16.
13. Welsh Government have divided the 21<sup>st</sup> Century Schools investment programme into tranches, with the first tranche known as Band A and the second tranche, Band B. It is probable that further bands, C and D will follow.

### **Band A Programme**

14. Cardiff's Band A Programme was approved in principle by the Welsh Government in December 2014. The Council's capital investment programme was originally £137.3 million. In 2015, the programme was realigned and funding was increased to £164 million to take account of changes in population across the city, the condition of the educational estate and the sufficiency of school places in the primary sector in both the Welsh-medium and English-medium settings.
15. Band A is due to be completed by April 2019. On completion, it will have delivered two new High Schools: Eastern High, in collaboration with Cardiff & Vale College, and Cardiff West Community High School, as well as six new primary schools and improvements to existing school premises.
16. Delivery of Band A has called on an extensive range of skills and specialist expertise, both within and across the Council, and, through procured services, from specialist contractors and providers. The schemes have delivered significant community interest benefits, and are making a positive impact on improving the city infrastructure. Such developments also clearly impact on patterns of movement to and from school, and have the potential to act as catalysts in wider social and economic regeneration.

17. Whilst the delivery arrangements as they have applied to Band A schemes have been led by the school organisation team in the education directorate, it is important to note the wide range of specialists from across the Council who have been key contributors to the delivery of the schemes. These have included for example: school organisation and planning; education curriculum advice; finance; procurement; strategic estates; human resources; legal; transport; planning.
18. Externally sourced expertise has been extensive, including: programme management; cost consultancy; project management; architecture and design; construction; demolition; security; design safety advice.
19. Important elements of the procurement methodology employed in band A have improved value for money when compared to previous school procurement exercises. These elements included: the use of two-stage tendering process; batch procurement, whereby a group of primary schools were procured together through one exercise with one contractor appointed to deliver; and standardised design, enabling costs savings in delivery whilst still allowing for tailoring of design to suit the needs of each particular school and its locality.
20. The funding for the capital expenditure for Band A was split on a 50:50 basis between the Council and Welsh Government. The Council's contribution was predominantly sourced from external borrowing, supplemented by capital receipts, Section 106 contributions and general capital programme funding, with the Welsh Government's funding provided via specific grants and Local Government Borrowing Initiative (LGBI) revenue funding.
21. The revenue expenditure incurred in delivering Band A, largely in connection with project management and transitional arrangements, was funded via the SOP Financial Model, which was originally predicated on revenue release savings, general efficiencies and facilities management savings arising from school closures. The same funding source is also used for funding the capital financing costs arising from the external borrowing undertaken.

### **Band B Programme**

22. The Welsh Government has approved in principle Cardiff's Band B programme of £284 million. Welsh Government will fund half of this programme, with Cardiff Council funding half. Release of funding will be dependent on the approval of individual business cases for the schemes within the overall programme.
23. Band B is an extensive and ambitious capital programme, commencing in April 2019 through to 2024. It will lead to the construction of 5 secondary schools, 4 Special Schools and 4 primary schools, 2 Welsh medium and 2 English medium.
24. Cardiff's Band B programme will address:

- Sufficiency needs of the growing child population, particularly in the secondary, special school sectors and the Welsh-medium and English-medium primary schools in the east, south and west of the city;
- Condition of the current school estate, removing all Condition D school properties;
- Some of the suitability issues of the current estate, which are required to meet the demands of 21<sup>st</sup> Century learning.

### **ALN Sufficiency**

25. As Cardiff's population has grown, so has the number of children with Additional Learning Needs (ALN). A report titled *Improving Provision for Children and Young People with Additional Learning Needs, 2018-2022*, 18<sup>th</sup> January 2018, informed Cabinet of the implications of the ALN Tribunal (Wales) Act and the projected growth in demand for specialist resource base and special school provision. The Cabinet paper sought approval of Cardiff's ALN strategic priorities, 2018-2022 and authority to consult on a range of proposed schemes to extend and re-align ALN provision.
26. At its meeting on 5<sup>th</sup> July 2018 Cabinet agreed to determine statutory notices and to proceed with seven of the schemes consulted on.

### **Condition & Suitability**

27. Cardiff has a large education estate, with over 127 school properties. The Authority's current spend on school asset renewal has been circa £3m per annum. Deployed on a priority basis, these resources have been predominantly limited to keeping properties safe and watertight. It has been clear that greater priority must be given in the future to a more rigorous, and appropriately funded approach to maintaining the assets in the Council's estate, of which the schools estate forms a significant part.
28. In February 2018 the Cabinet decided to allocate an additional £25million to education asset renewal, of which circa £6million is to be used to implement plans to ensure the suitability of existing provision to meet Additional Learning Needs. Combined with the existing £3 million each year, this brings together a total of £40million over a 5-year period to be invested in improving the condition and suitability of the school estate.
29. A focus upon the condition and suitability of the school estate will also enable due consideration of the requirements of the new curriculum in Wales, including digital competency and more creative and flexible learning environments.

### **Local Development Plan**

30. The Local Development Plan (LDP) adopted by Cardiff, maps the infrastructure required to facilitate and sustain the city's growth up to 2026. The LDP includes a number of strategic housing sites, including sizeable sites in the north and west of the city, which will generate

significant increases in the demand for school places across the city over the next 10 years and beyond. This will be achieved from planning obligations (land and finance) requested from developers to provide for this additional demand with the sites and the programme support required to deliver the new schools.

31. It is anticipated that by 2026 the LDP developments will have generated a further ten 2-form entry primary schools as well as two more 10-form entry secondary schools.

### **Band B funding**

32. Similarly to Band A, the capital expenditure incurred in relation to Band B will be funded on a 50:50 basis between the Council and Welsh Government. The Welsh Government's contribution will be provided via specific grant, with the Council's contribution funded via external borrowing and capital receipts.
33. In addition to the traditional capital funded route, the Welsh Government have also made another option available to local authorities, known as the Mutual Investment Model (MIM). The MIM is a revenue-funded model whereby the asset is constructed, and then maintained, via a Special Purpose Vehicle (SPV) in which the Welsh Government would hold an interest with an external contractor. The Council would then make lease payments for use of the building over a 25-year period and, at the end of the 25-year period, the building would transfer to Council ownership. The Council's position, as per the December 2017 Cabinet report, is not to express an interest in the MIM. However, dialogue continues between Welsh Government and local authorities in order to provide further clarity in relation to which types of scheme are eligible for MIM.
34. The traditional capital model and MIM contrast in respect of the fact that the capital model is only concerned about the initial design and build of the new school. With the capital model, the Council would, once the construction is complete, be responsible for identifying the necessary resources to maintain the building over its useful life. This would require revenue resources, channelled via the School Funding Formula, for the general upkeep of the building and capital resources for the more fundamental repairs and maintenance work. The maintenance arrangements under the MIM, in comparison, would see the SPV undertake the majority of maintenance and ensure the general condition of the building was kept at the required level. The annual lease payments made for the use of the building would be sufficient to cover the costs incurred by the SPV in maintaining the building. Under the MIM, the Council would still need to identify funding for certain elements of maintenance not covered by the MIM arrangement.

## **Delivering the next stage of Cardiff's school estate.**

### **Arup Report Recommendations**

35. The report commissioned from Arup, attached at Appendix 1, sets out an independent assessment of the capacity and governance required in Cardiff to deliver the Council's ambitions regarding the school estate. The report's recommendations are summarised, and commented on below.

#### **Governance**

36. It is accepted that in order to deliver the scale and ambition of the education capital programmes, secure value for money and discharge the statutory health and safety responsibilities of the Council that clear governance structures are required.
37. Updated Governance arrangements for assets across the Council's estate are set out in the separate report on Management of the Council's Non-Residential Property Estate – Embracing a Corporate Landlord Model, and are commented on in the report from Arup, which states that they believe that they provide appropriate arrangements for the education estate.

*"We believe the Governance structure proposed by the Council provides a robust overall Governance arrangement for the education estate."*

#### **Capacity**

38. Arup supports the proposal to increase the capacity of current senior management arrangements for the Corporate Landlord function.

*"We believe it is essential to add capacity to the team in order to deal effectively with the asset management of a major council estate, containing significant back log maintenance. p. 2*

39. Arup also recommends that, in order to strengthen both capacity and governance, a new Programme Director for the Education School Organisation Programme should be appointed, reporting directly to the Director of Education and Lifelong Learning.

*'An appointment at this level will have significant short-term revenue costs. This essential expenditure must be viewed against the scale of the programme and the benefits that such an appointment offers. The right appointment will reduce the risk of non-delivery in terms of time, cost and quality. We recommend that the appointment is funded from the programme budget, as it directly relates to the programme.'*  
*Recommendation 1, p.2*

40. The Arup report goes on to make recommendations about the number and designation of roles required to manage the delivery of the programme, both those that sit internally in the education school

organisation team, and those which are required as part of the external procurement of contractors and the management of such contracts.

41. The report from Arup, Appendix 1, section 3, sets out an approach to the 'Life Cycle' of a new build. This has four stages:
  - **Need**- identification of need, based on demand analysis
  - **Scheme**- design of a scheme to meet that need;
  - **Delivery**- procurement and construction of such scheme,
  - **Operation**- the ongoing operation of the resultant buildings
42. The report identifies the key priorities at each stage, matches these against the roles and functions across the Council, and references the process to the overarching Governance arrangements. The report advises the Council to recognise more explicitly this 'life cycle', and to use it as the basis of the governance arrangements so that they ensure clarity of role and accountability throughout the cycle.

### **Reason for Recommendations**

43. The proposed school development programme is a major investment in the future of Cardiff. It presents significant opportunities to bring long lasting benefit to educational provision and to the wider fabric of the city. It also presents risks, in terms of the size of finance required and the capacity needed to deliver such a programme. This report outlines these risks and proposes actions to mitigate them.

### **Financial Implications**

44. This report outlines the governance and resourcing requirements recommended for the effective delivery of the 21<sup>st</sup> Century Schools Band B Programme, Asset Renewal, schools required as a result of the Local Development Plan and other capital schemes being undertaken in connection with the school estate. The most significant recommendation is for a Programme Director position to be created to oversee the entire SOP Programme. This post would be in addition to the existing staffing structure and would result in additional costs. Therefore, it will be necessary for this post to be funded from existing SOP revenue resources, as part of the overall SOP Financial Model.
45. Consideration needs to be given to the potential resource changes to the current SOP team as well as the support requirements from other directorates and departments. The report references a range of areas where additional support will be required and consideration will need to be given as to whether increased levels of support, compared to the current arrangements, are affordable within the overall SOP Financial Model. As stated above this team will also be responsible for the delivery of schools arising from the LDP and Asset Renewal Work. The Director of Education in partnership with the Head of Finance will work with directorates to ensure that the funding required will be representative of the level of work undertaken. This will require reprioritisation of existing



financial resources as well as identifying appropriate funding resources in order to ensure that the overall model remains affordable.

46. In addition, the report provides a reminder of the background and context to the forthcoming Band B Programme and other significant capital investment programmes within the school estate. The funding arrangements for these various schemes have been outlined in previous reports, including the Council's 2018/19 Budget Report. The funding arrangements for these schemes remain unchanged at this stage, however it should be noted that the Welsh Government have requested that local authorities reconsider the Mutual Investment Model (MIM). The Cabinet's initial position regarding the MIM was to not apply, following consideration of the long term financial implications. Should there be a decision to reconsider Cardiff Council's position regarding the MIM, then it will be essential that the appropriate financial and legal evaluations are undertaken to ensure that the Council understands the level of financial or legal risk over the long term.
47. As well as the resources required to deliver the capital aspects of the Band B programme, consideration will also need to be given to the ongoing maintenance requirements, both revenue and capital. Working within the limits of the current financial constraints, it will be important for the necessary funding to be provided so that new schools are maintained to the appropriate level and future maintenance backlogs are avoided, wherever possible.

#### **Legal Implications (including Equality Impact Assessment where appropriate)**

48. Under the Education Act 1996, the Council has a general statutory obligation to promote high standards of education and to consider parental preference which includes preference for Welsh medium education. The Council also has obligations under the School Standards and Framework Act 1998 and School Funding Regulations 2010 to provide capital funding for maintained schools. Section 84 and 85 of the School Standards and Organisation (Wales) Act 2013 and the Welsh in Education Strategic Plans and Assessing Demand for Welsh Medium Education (Wales) Regulations 2013, set out the statutory obligations for all local authorities to prepare, submit, publish and revise Welsh in Education Strategic Plans (WESPs). The Council also has to consider its obligation under section 88 and schedule 10 of the Equality Act 2010 to prepare and implement an accessibility strategy. The strategy should increase disabled pupils' access to the curriculum and improve the physical environment and the provision of information. The Additional Learning Needs (Wales) Bill was agreed by the National Assembly for Wales on 12<sup>th</sup> December 2017 and will require additional places for pupils with additional learning needs. The report sets out how the Council will meet these legal obligations.
49. When the Council makes decision about this programme, it also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties,

Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: Age, Gender reassignment, Sex, Race – including ethnic or national origin, colour or nationality, Disability, Pregnancy and maternity, Marriage and civil partnership, Sexual orientation, Religion or belief – including lack of belief. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language. The Council must also consider its legal obligations under the Well-being of Future Generations (Wales) Act 2015 to think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. These considerations will need to be taken into account when decision are made in relation to this programme.

50. The Council's decision making process is set out in the Council's constitution, and if the Governance structure proposed in this report is adopted, all Council Officers and Members will need to ensure that decisions are made in accordance with the constitution and all relevant legislation. In particular, most of the proposals under this programme will require the Council to follow the School Organisation Code and the School Standards and Organisation (Wales) Act 2013 when making regulated alterations to schools, opening new schools or closing existing schools.

### **HR Implications**

51. The proposed Programme Director – School Organisation Programme has been evaluated in line with the Council's senior management pay structure. Appointment to this role will be made by an Appointments Committee.
52. The trade unions have been consulted on this proposal.
53. The proposal to review the roles and structure of the School Organisation team can be undertaken by the Director of Education in accordance with the Council's HR Delegation CO1.
54. Trade union consultation will be required as part of the Council's agreed restructuring processes.

### **RECOMMENDATIONS**

Cabinet is recommended to

1. Note the update in this report on the scheduling and funding issues associated with the delivery of Cardiff's Band B schemes.
2. Approve the creation of the post of Programme Director -School Organisation Programme at Tier 2, fixed-term for 3 years reporting to the

Director of Education, in line with the Council's pay structure at Assistant Director level.

- Note the Director of Education and Lifelong Learning will review the roles and structure of the school organisation team to secure the capacity required as identified in the external report cited at Appendix 1, within the funding already agreed under Band B of the 21<sup>st</sup> Century Schools Programme, Asset Renewal and the LDP.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>NICK BATCHELAR</b> <b>Director of Education &amp; Lifelong Learning</b>
	<b>6 July 2018</b>

*The following appendix is attached:*

Appendix 1: Cardiff Council Educational Delivery Strategy Review  
Ove Arup and Partners Ltd

Mae'r dudalen hon yn wag yn fwriadol

Cardiff Council  
**Education Delivery Strategy  
Review**

Report Ref 259925-00 PW/CF/SE

Issue V2 | 18 May 2018

This report takes into account the particular instructions and requirements of our client.

It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

Job number 259925-00

**Ove Arup & Partners Ltd**  
4 Pierhead Street  
Cardiff Waterside  
Cardiff  
CF31 3NR  
[www.arup.com](http://www.arup.com)

## Contents

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	Page
<b>Executive Summary</b>	<b>1</b>
<b>1 Introduction</b>	<b>5</b>
<b>2 Education Delivery Vision</b>	<b>7</b>
2.1 Band A phase of the Welsh Government 21st Century Schools Programme	7
2.2 Local Development Plan (LDP) Expansion for Cardiff County Council	8
2.3 Band B phase of the Welsh Government 21st Century Schools Programme	8
2.4 Asset Management Programme	8
2.5 Commentary on the scale of this programme	8
<b>3 Education Delivery Process Review</b>	<b>10</b>
3.1 Need Phase	10
3.2 Scheme Phase	11
3.3 Delivery Phase	11
3.4 Operation Phase	12
<b>4 Governance and Capacity Review</b>	<b>14</b>
4.1 Governance	14
4.2 Capacity	16
<b>5 Conclusions and Recommendations</b>	<b>18</b>
5.1 Conclusions	18
5.2 Recommendations	19
5.3 Observations	21

## Appendices

### Appendix A

BSRIA Soft Landings Framework

## Executive Summary

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Schools comprise a significant proportion of Cardiff Council's overall estate. The city's rapidly growing school age population combined with high levels of backlog maintenance in ageing schools creates significant challenges to meet the education delivery vision of the Council.

These challenges have three aspects, namely:

- i. The delivery of the 21st Century Schools Band A (£164m) and Band B (£284m) new build school programmes. These relate to population growth that is already in the system at primary phase. Band A is already in the delivery stage whilst Band B is due to start shortly.
- ii. The delivery of extra school capacity to address the growth within the Local Development Plan (LDP). This involves additional new build schools to deal with this future population growth in the city.
- iii. The commitment to tackle the condition of the remaining school estate. There is currently £68m of backlog maintenance within the estate. A significant proportion of which will not be addressed by item i above.

Arup has been commissioned to provide an external review of the proposed governance and the capacity required to ensure Cardiff Council can deliver a programme of this size and scale effectively. As part of this study, the current process of school delivery within the authority was also reviewed. This was done in consultation with a cross section of stakeholders from across the Council and its schools.

Cardiff Council have recently reviewed how they manage their school assets once operational. A new process for delivering the asset management of their schools is currently being implemented. This must address the backlog maintenance within the estate. The programme of investment in new school buildings will inevitably help to address this issue where ageing schools are replaced with new buildings. However, as new school buildings are completed, they too will require asset management. The process for integrating this into the new asset management programme is key to the successful management of the Council's maintenance liability going forward.

The conclusions and recommendations of this review are summarised below along with some lower level observations.

## Governance

We have reviewed the Governance structure proposed by the Council as set out in section 4.1 of this report. We believe it provides a robust overall Governance arrangement for the education estate.

The Schools Asset Commissioning Group provides a key Governance link between the teams commissioning the new schools and those tasked with their ongoing maintenance. This link is essential to the successful Governance of the process.

We understand that currently the budget for asset management of the schools includes funding for both suitability adaptations and back log maintenance. We would recommend that the funding for these two distinct priorities is separated so that each has a clear budget.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Whilst it is outside the scope of this report to advise on which group within the Councils Governance structure leads this process, it is important that this is clear within the terms of reference of that group to avoid any confusion on the responsibility for this key function.

The integration of cross Council initiatives related to Digital, Sustainability and Active Travel objectives must be embedded into the Governance structure. This will ensure a holistic approach to the school modernisation programme.

Our key Governance recommendation is that the structure outlined in section 4.1 of this report, where not already in place, is fully implemented and supported with clear terms of reference for each group within that structure.

## Capacity

We have reviewed the existing capacity within the Council to implement a school delivery programme of the scale proposed. Our overall conclusion is that additional capacity is required and our recommendations are as follows:

- a) For a programme of this scale and speed of delivery, we recommend the Council strengthens the management of its delivery team with the appointment of a Programme Director for the Education School Organisation Programme (SOP). This person should have experience of successfully managing a capital works programme of this scale. Therefore, it may require an external appointment, potentially on a temporary basis for the period of the programme. An appointment at this level will have significant short-term revenue costs. This essential expenditure must be viewed against the scale of the programme and the benefits that such an appointment offers. The right appointment will reduce the risk of non-delivery in terms of time, cost and quality. We would recommend that the appointment is funded from the programme budget, as it directly relates to the programme.
- b) We also support the Council's proposal to increase the capacity of current senior management arrangements for the Corporate Landlord function to deliver the Asset Management programme. We believe it is essential to add capacity to the team in order to deal effectively with the asset management of a major council estate, containing significant back log maintenance.
- c) For clarity, we would recommend that the current SOP Project Manager title should be renamed to reflect the 'client liaison' role they perform and to distinguish them from the external project manager roles noted in item e) below.



- d) Due to the scale of the programme a significant team will be required to manage the various internal/external stakeholders and the external delivery partners. From our experience on other programmes of this scale it is likely that an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report, will be required. We believe these roles should be internally resourced, as with the current roles, due to the extent of internal interface required.
- e) From our experience of delivering programmes of this scale across the UK, and smaller programmes within Wales, we would recommend that the day to day project management and technical advice for the new build schools is externally sourced, as happens presently. This will minimise any over capacity within the education team at the end of the programme. It will provide the skills, knowledge and experience to project manage new build programmes of this scale. It will also provide the necessary resource to enable schools to be delivered concurrently, as required by the programme.
- f) We would recommend that additional internal capacity is identified to produce a standardised strategic approach to IT across the school estate for integration into the programme as a matter of urgency. This can then be tailored at a school level to suit their specific requirements. It should be available for use from the outset of the programme.
- g) We would recommend that the current capacity within other parts of the Council that are essential to the successful delivery of the programme e.g. legal, procurement, planning, highways etc. are urgently reviewed and supplemented where necessary before the programme commences.
- h) We would recommend that additional internal capacity is identified to deal with land disposal in terms of legal agreements, decommissioning of sites, security prior to sale, insurance etc.

## Observations

In addition to the conclusions and recommendations above, the review also identified several operational issues that need to be addressed as the programme moves forward. These are outlined below;

## Governance

Whilst a strong governance proposal is to be adopted, a clear balance needs to be struck between this over-arching process and addressing the inevitable need to get urgent approvals at SMT and/or cabinet level for changes proposed by the SOP Board. Consideration should be given to how this flexibility can be introduced into the governance structure. This will ensure that the programme is not impacted nor costs incurred due to delays caused by the internal approval process.

Provision is made within the governance structure for interfacing between the asset management and SOP teams. However, from the discussions we had with various stakeholders during this review, at an implementation level this interface could be improved, particularly at site selection and site handover stages.

We would recommend that the site selection process for new schools involves a formal sign-off by all internal stakeholders. This is a key decision relative to ensuring value for money from the programme. This should be included in the terms of reference of the SOP Board and a sign-off required for each site.

## Process

Transformational changes are currently in progress for the asset management of schools and the other parts of the Council estate. These will be delivered through a refreshed approach to deliver the Council's responsibilities as Corporate Landlord with an enhanced focus on ensuring health and safety compliance. Successful implementation of this function is key, with completed 21st Century Band A projects already in this phase and additional schools currently moving into the lifecycle process. To assist with this, we recommend that the description for the 'client liaison' role includes leading the adoption of the BSRIA Soft Landings (SL) for each school. The BSRIA SL methodology (see Appendix A) is designed to assist with a smooth transition between the delivery and operational phases and, in our experience, when successfully implemented makes this transition significantly more effective. This will lead to lower costs for the Council and better outcomes for the users.

As part of the BSRIA SL process it is recommended that (as already underway for existing assets) an Asset Register for each new school is fully developed to improve this interface at handover.

Maintenance responsibilities for schools are currently being clarified with a School Building Handbook which is out for consultation. Successful implementation of this handbook is key for the asset management programme to clarify accountability of delegated/non-delegated responsibilities, including health and safety statutory compliance issues. It should be given full support.

From our previous experience of successful school delivery programmes both in Wales and across the UK, we recommend that robust Employers Requirements (ER's) are developed for each school. We understand that this approach was adopted for the Band A schools. Whilst a detailed review of this Band A documentation is outside the scope of this study, from discussions on the current scope of these ER's we believe investment in more detail going forward would help successfully manage the cost and quality risks of the programme. To maximise the value of this investment, the Technical Advisor team that produces the ER's should stay in place throughout the delivery and hand over phases of the programme. This will ensure that the requirements of the ER's are correctly interpreted and implemented.

# 1 Introduction

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Cardiff has a large education estate with over 127 school properties. Cardiff Council have a duty to ensure that schools comply with appropriate statutory, regulatory and corporate standards.

The rapidly growing school age population in the city sits against a background of many of the existing school buildings requiring significant further investment to bring them up to an acceptable standard. This creates significant challenges for the delivery of education for Cardiff Council.

These challenges have three aspects, namely:

- i. The delivery of the 21st Century Schools Band A (£164m) and Band B (£284m) school programmes. The Band A programme is already in the delivery phase with two secondary schools and six primary schools. The Band B programme is about to start and includes four new primary schools, four new secondary schools, three additional learning needs (ALN) schools and one new combined secondary/ALN school. These programmes relate to population growth that is already in the system at primary phase.
- ii. The Local Development Plan (LDP) adopted by Cardiff Council will see the city grow significantly up to 2026. This will also generate significant increases in the demand for school places across the city over the next ten years.
- iii. The commitment by the Council to tackle the condition of the remaining school estate. There is currently £68m of back log maintenance within the estate. The investment in new buildings through the Welsh Government 21st Century School programme, outlined in item i above, will address some of the condition issues of the estate. However, there is still considerable residual back log maintenance across the remainder of the estate which must be addressed.

During the 14 December 2017 Cabinet meeting the following recommendation, in the report on 21st Century Schools: Cardiff Council's Band B priorities, was agreed:

*“A subsequent report to Cabinet will propose arrangements to secure sufficient capacity and appropriate governance to deliver the Cardiff Band B 21st Century Schools Programme.”*

Arup was therefore commissioned in January 2018 by the Education Directorate to provide an external review of the proposed governance and capacity required to ensure Cardiff Council can effectively deliver a programme of the size and scale outlined above, whilst securing value for money. The study also reviewed the proposed delivery process of the schools, as this is also key to the success of the school delivery programme. This was done in consultation with a small cross section of stakeholders from across the Council and the schools.

The report starts by summarising the scale of the programme. It then reviews the current delivery process and the governance and capacity proposals before providing conclusions, recommendations and observations.

## 2 Education Delivery Vision

In recent years, Cardiff has undergone an astonishing transition which has established the city as one of the best places in the UK to live. Whilst the city has undoubtedly done well, the Council recognises the need to trigger the next phase of regeneration for the city. This will ensure the quality of life currently enjoyed is retained and enhanced, and more and better jobs are available to all Cardiff residents. The provision of high quality schools is key to delivering this vision.

The 12th October 2017 Cabinet Meeting Report for Developing the Education Estate in Cardiff, summarised the vision as follows;

*“The Council and its partners outlined in 2016 a clear vision for education in the city in Cardiff 2020: a renewed vision for education and learning in Cardiff. All children and young people in Cardiff attend a great school and develop the knowledge skills and characteristics that lead them to become personally successful, economically productive and actively engaged citizens. The Council’s Capital Ambition strategy has made a clear commitment to continue in the investment and improvement of Cardiff schools to make sure every child has the best possible start in life. The delivery of 21st century learning environments will ensure that there are appropriate, high quality school places for young people which meets the needs of Cardiff’s growing and changing population.”*

The four key components of delivering this vision are summarised in Fig 1 below:



**Fig 1. Summary of the key components of the Cardiff Council Education Delivery Vision**

The scale of these four components are described in more detail below.

### 2.1 Band A phase of the Welsh Government 21st Century Schools Programme

The Cardiff schools Band A programme is a new build school delivery programme that is already in process. It has a value of £164m and is delivering additional English and Welsh medium school places to cope with existing

population growth. This includes two new secondary schools, Eastern High School and Cardiff West Community High School, as well as six new primary schools.

## **2.2 Local Development Plan (LDP) Expansion for Cardiff County Council**

The LDP adopted by Cardiff Council will see further significant growth in the city's population up to 2026 which in turn will generate increased demand for school places across the city.

It is projected that ten new primary schools and two new secondary schools are required from this growth. Some temporary measures may also be required to accommodate demand from the early phases of this additional growth.

## **2.3 Band B phase of the Welsh Government 21st Century Schools Programme**

This is the next phase of the school new build programme which meets population growth already in the system in the primary phase.

The Cardiff Band B 21st Century schools programme is due to commence shortly and is scheduled to run until 2024. It has a value of £284m and is proposing to deliver additional school places and new build facilities in both English and Welsh medium in the primary, secondary and special school sectors.

## **2.4 Asset Management Programme**

Cardiff has a very large education estate, with over 127 school properties. Many these schools are in a poor state of repair. Some of the maintenance and condition issues of the estate will be addressed through the Band A and B new build school programmes outlined above. This nonetheless leaves a significant maintenance backlog of approximately £68m, of which circa £8m is Equality Act 2010 compliance. The Local Authority's current spend on school asset renewal has been circa £3m per annum. This resource is allocated on a priority basis and is predominantly limited to keeping properties safe and watertight.

External Project Management Consultants were engaged by the Council in 2017 to update the 2010 conditions surveys and their findings form the basis of the major asset management programme that will be implemented over the next 5 years. From April 2018, the Council has agreed an additional £25m of capital funding over 5 years to assist with this asset management programme, of which circa £6m will be used to implement additional ALN places across the city.

## **2.5 Commentary on the scale of this programme**

The programme for successfully delivering the education vision of the Council and its four components outlined above will require adequate capacity and a clear governance structure. This Governance structure and the capacity provided to

deliver the programme must ensure good value for money, whilst maintaining the existing assets in good condition.

It is highlighted that investment in new school buildings will only address some condition/suitability issues. There will remain ongoing asset management challenges with the current high backlog maintenance in other school properties.

Table 1 below summarises the scale of the new build programme that is planned.

<b>NEW BUILD SUMMARY</b>	<b>BAND A</b>	<b>BAND B</b>	<b>LDP</b>	<b>TOTAL</b>
<b>PRIMARY</b>	6	4	10 +3 finance contribution	20 +3 finance contribution
<b>SECONDARY</b>	2	4	2 finance contribution	6 +2 finance contribution
<b>ALN</b>	-	3	-	3
<b>COMBINED SECONDARY AND ALN</b>	-	1	-	1

**Table 1 – Summary of the scale of the Cardiff Council new build school programme**

This table clearly illustrates the significant scale of the new build school programme that Cardiff is delivering. From our experience, this will require significant capacity if it is to be successfully delivered.

Arup has worked on a variety of school new build programmes in Wales and England, including Birmingham & Sandwell, Hertfordshire, Newport and Vale of Glamorgan, the scale of which is summarised below;

- Birmingham & Sandwell – Eight secondary schools
- Hertfordshire – Seven secondary schools
- Newport – Three secondary schools
- Vale of Glamorgan – Three secondary schools, one ALN and one primary school

These schools were a combination of new builds and part new build part refurbishment (adding complexity).

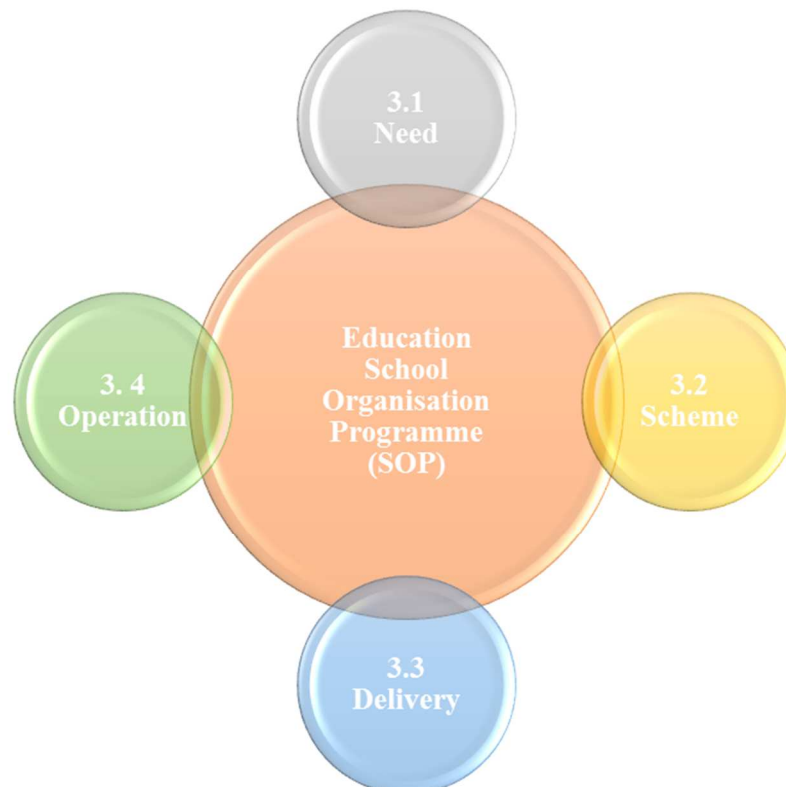
The components of the Cardiff programme that include new build schools are of a similar scale to the English school programmes and these all required significant additional capacity for their successful delivery (either internal or external). This experience has been drawn on to review the capacity requirements of the Cardiff programme.

The Welsh school programmes both involved new schools but they were not delivered concurrently as is intended for the Cardiff programme. Hence, they didn't involve additional capacity requirements. However, the Governance requirements were very similar and these have been compared as part of this review.

### 3 Education Delivery Process Review

The delivery process for the Education School Organisation Programme (SOP) was reviewed using the four key stages in the lifecycle process of a typical new build school. This was done in consultation with a small cross section of stakeholders from across the Council and its schools.

Fig 2 below summarises the four key stages of the typical life cycle of a new build school, namely need, scheme, delivery and operation.



**Fig 2. Summary of the four key stages in a typical school life cycle**

#### 3.1 Need Phase

This phase begins the life cycle by the identification of the need for a new school and is led by the Education Directorate. Any new scheme or modifications of existing provisions must be consulted on as set out in the School Organisation Code for Wales.

Band B schools are currently in progress with a robust estimate of cost developed via external consultants. The submission to Welsh Government for match funding for band B schools has been successful, with £284m approved in principle. For the Local Development Plan (LDP) schools in the areas of new housing, the building of new facilities is delivered or financed via Section 106.

This phase of the process seems well developed and we understand that it is operating well with adequate capacity. However, the scale of future school



provision, including the consultation requirements, will inevitably place additional demands on this function.

## 3.2 Scheme Phase

This second phase of the process relates to deciding the high-level details of the new schools, such as site selection and is again led by the Education Directorate. There is extensive input from other areas of the Council, such as strategic estates, planning, highways etc. through the SOP Board. Statutory consultation for this stage is an estimated nine-month process with allowance of up to one year, based on the Welsh Government guidance.

The building of new schools due to the Local Development Plan are delivered via Section 106 contributions. Primary schools are delivered generally by contract. The housebuilders will provide capital contributions for the two new secondary schools. However, the phasing, consultation and delivery will be undertaken by the Council when deemed appropriate for sufficiency in each location.

The key finding of the review of this stage was the importance of a formal sign off of the site location decision by all internal stakeholders across the Education and Economic Development Directorates. This is a key decision relative to ensuring value for money from the programme. This should therefore be included in the terms of reference of the SOP Board and a formal sign off required for each site, without exception.

## 3.3 Delivery Phase

The third phase of the process is again led by the Education Directorate. The delivery of the Band A schools is already in this delivery phase.

The SOP project groups undertake the internal and external consultation via the SOP Project Managers. They also manage any external resource employed in the delivery team.

For primary schools the Projects, Design, Development (PDD) team in the Economic Development Directorate is currently utilised to define the brief. Whereas for the secondary schools and additional learning needs (ALN) schools external project management and technical support is utilised.

From the review, we believe that the SOP Project Manager role should be renamed to reflect the 'Client Liaison' nature of the role and to avoid any confusion with the external project manager role.

Standardised solutions for schools has delivered considerable value for money on some of the other school programmes listed in section 2.5. From our consultation, whilst the SOP team managing this phase aspire to utilise such solutions across the new schools, there is pressure from the schools to deliver bespoke solutions. This needs careful management by the 'client liaison' role and should be a deliverable within their job description.

The site selection for a new school should be by the School Organisation Programme (SOP) Board for reporting to the Asset Management Board for a sign off through the CEX/SMT and ultimately the Cabinet.

From our previous experience of the successful delivery of the school programmes outlined in section 2.5 of this report a key success factor is the use of robust Employers Requirements (ER's). On these school programmes, this role was always completed by an experienced Technical Advisor (TA) team for each school. We understand that this approach was adopted for the Band A schools. Whilst a detailed review of the Band A procurement documentation is outside the scope of this study from discussions on the current scope of these ER's we believe investment in more detailed documents is required to reduce the risk to cost escalation and reduced quality.

Furthermore, to maximise the value of this investment, we recommend that the Council ensure the technical advice continues throughout the delivery and hand over phases of the programme. This will ensure that the requirements of the ER's are correctly interpreted and implemented.

With the scale of the Cardiff programme we believe that it is likely that an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report, will be required, particularly as many schools are delivered concurrently under the programme. Our experience from other programmes is that a 'client liaison' role can only effectively manage a maximum of two secondary schools at any one time (for complex schools this would reduce to one).

Whilst a skills audit was outside the scope of this review, it is likely that some of the staff currently in the Projects, Design, Development (PDD) team would have the experience and skills to undertake the 'client liaison' role with some training. We believe that this resource would be better deployed in these roles rather than developing the briefs for the new primary schools. The brief development for the primary schools could instead be undertaken by the external TA team. In our opinion, the use of external resource will ensure there is no resource over capacity within the Council at the end of the programme and will also allow adequate suitably skilled resource to be cost effectively obtained to deal with the simultaneous delivery of the numerous schools in the programme.

It was also noted during the review that no standardised strategic approach to IT for infrastructure/managed service was currently in place across the school estate. This can then be tailored at a school level to suit their specific requirements. From our experience, this is a critical success factor for a school programme and additional capacity should be made available urgently to develop this approach for the programme and make it available at the outset of the programme.

### 3.4 Operation Phase

This is a key phase of the Education Delivery Strategy as the facilities come into use. Since April 2000, school governing bodies have been delegated the budget and responsibility for all revenue recurrent repairs and maintenance for school

premises. Only capital expenditure has been retained by the Council for schemes over £10,000.

This is different for Voluntary Aided (VA) schools, where each Diocese has a responsibility to contribute to the upkeep and development of the fabric of the building.

We understand that the maintenance responsibilities for schools are currently being clarified with a School Building Handbook, which is out for consultation and aims to clarify accountability of delegated/non-delegated responsibilities including health and safety statutory compliance issues. In our opinion, the successful implementation of this handbook is key to the success of the asset management programme, with clarity of responsibility essential.

Transformational changes are currently in progress for the asset management of schools. This will be through a refreshed approach to deliver the Council's responsibilities as Corporate Landlord. There will be an enhanced focus on ensuring health and safety compliance. Successful implementation of this function is key as completed 21st Century Band A projects are already in this phase and additional schools are currently moving into the lifecycle process. To assist with this, we recommend that the role description for the 'client liaison' role includes leading the adoption of the BSRIA Soft Landings (SL) for each school. The BSRIA SL methodology (see Appendix A) is designed to assist with a smooth transition between the delivery and operational phases. In our experience, when successfully implemented, it makes this transition significantly more effective. This would lead to lower costs for the Council and better outcomes for the user.

We also recommend that an Asset Register, in a common format, is developed prior to handover to improve the asset management interface. This should be a requirement of the ER's for each school.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Therefore, there is a need for capacity within the Council to deal with this land disposal in terms of legal agreements, decommissioning of the site, security prior to sale, insurance etc. Whilst it is outside the scope of this report to advise on which group within the Council's Governance structure leads on this, it is important that this is clear within the terms of reference of that group to avoid any confusion on the responsibility for this key function.

The Schools Asset Commissioning Group oversees the prioritisation of the School Asset Renewal Programme and the commissioning of works against an agreed programme. A skills audit was outside the scope of this review. However, it is likely that some of the staff currently in Projects, Design, Development (PDD) team would have the facilities management experience and skills to assist in this role with some training and this could assist with the capacity shortfall in this area.

We understand that currently the budget for asset management of the schools includes funding for both suitability adaptations and back log maintenance. We would recommend that the funding for these two distinct priorities is separated so that each has a clear budget.

## 4 Governance and Capacity Review

This section outlines the proposed governance and current capacity Cardiff Council has available to deliver the school programme and comments on its adequacy.

### 4.1 Governance

#### 4.1.1 Governance description

Figure 3 below summarises the proposed transitional governance structure and reporting procedures which the Council are in the process of implementing.

### Schools Property Governance

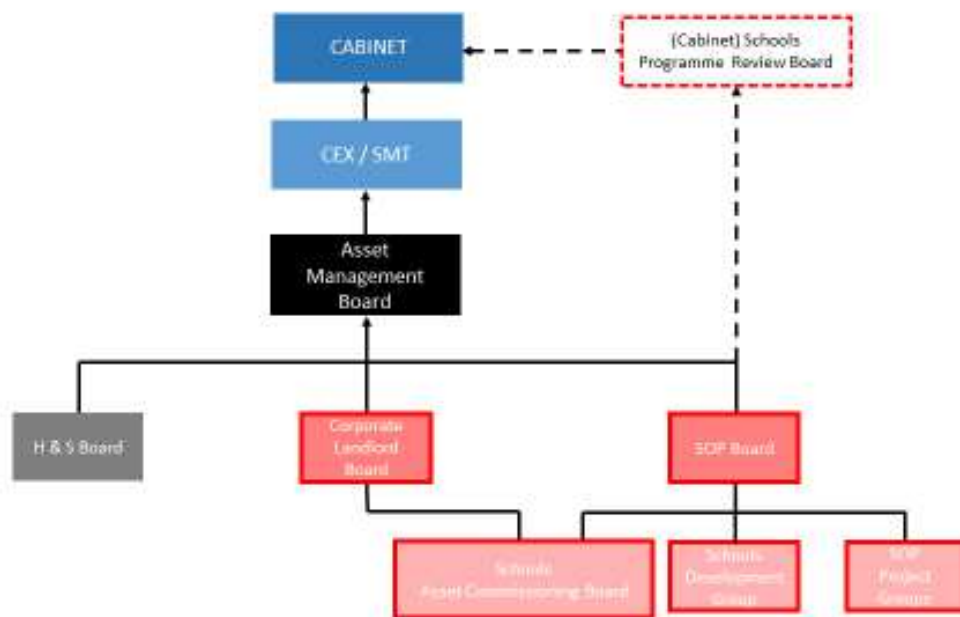


Fig 3 Proposed transitional governance structure and reporting procedures

The key governance groups relating to the education estate are outlined below;

#### Schools Development Group

This group formulates proposals for the strategic development of the school estate in the context of the Councils Place Strategy for the City.

#### SOP Project Groups

These groups lead the new school project delivery for the Education Directorate.

### **School Organisational Programme (SOP) Board**

This board provides high level governance for the Council's School Organisation Programme to ensure effective use of available resources in delivering the objectives agreed by Cabinet for the development and maintenance of the school estate in Cardiff.

The other key groups that relate to the delivery of the education vision are;

### **School Asset Commissioning Group**

Once the new school buildings are completed they move into the operational phase of the lifecycle process. This key interface is administered by the School Asset Commissioning Group highlighted in orange in Fig 3. This group will oversee the prioritisation of the School Asset Renewal Programme and the commissioning of works against an agreed programme.

### **Asset Management Board**

As part of the governance structure, the School Organisation Programme (SOP) Board (and the other boards highlighted in Fig 3) report to the Asset Management Board which contains the Director of Education and Director of Economic Development and is chaired by the Chief Executive. This board reports to the CEX/SMT and ultimately to the Cabinet every quarter.

## **4.1.2 Governance Review**

The Council have a governance structure with a broad range of skills across Directorates to deliver the Council objectives and education vision.

During the review, past issues with governance appear to have been identified and rectified in the proposed governance structure in Fig 3.

The major weakness highlighted in the review was the interface between the Education and Economic Development Directorates at hand over of the new school buildings. The School Asset Commissioning Group terms of reference should include the management of this interface to ensure a smooth transition between the delivery and operational phases.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. It is important that the roles within this disposal process are clearly defined within the terms of reference of the groups within the Governance structure to avoid any confusion on the responsibility for this key function.

The programme of delivering the education vision through the construction of new buildings requires a clear governance structure to deliver a programme of this scale and ensure good value for money whilst maintaining existing assets in good condition. This proposed governance and the associated reporting processes are a sensible approach. They should be fully implemented, including finalising the terms of reference for each group.

The terms of reference of the groups identified in Fig 3 should ensure that the Council wide initiatives of Digital, Sustainability and Active Travel objectives are integrated into the delivery process to ensure a holistic approach to modernisation, as highlighted by some of the stakeholders consulted during this review.

## 4.2 Capacity

The Education Directorate has developed a team to manage the large Cardiff school estate. However, the introduction of this major programme, as summarised in section 2 of this report, introduces a significant additional work stream which we don't believe can be delivered within this existing capacity.

From our experience on similar new school delivery programmes in England, as outlined in section 2.5 of this report, we believe that the team managing the delivery of the school projects will need to be significantly supplemented, with an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report. We believe these roles should be internally resourced, as with the current roles, due to the extent of internal interface required.

We also believe that the team will need additional leadership in the form of a senior appointment to direct the programme. This person will need experience of delivering a new build school programme of this scale and an external appointment maybe necessary. Relative to the financial size of the programme, the revenue costs for such a post, for the life of the programme, are relatively small and would provide stronger assurance of getting value for money from the overall budget.

As noted in section 3.3 we believe that the current SOP project manager title should be renamed to reflect the 'client liaison' role (for clarity) and that the programme will need additional resource of this type to deliver the number of schools planned. Whilst a skills audit was outside the scope of this review, it is likely that some of the staff currently in Projects, Design, Development (PDD) team would have the experience and skills to undertake the 'client liaison' role with some training. In our opinion, this resource would be better deployed in these roles than developing the brief for the primary schools. The brief development function for primary schools could be undertaken by an external TA team as currently happens for the new secondary schools. In our opinion, the use of external resource for this short-term role will ensure there is no resource over capacity within the Council at the end of the programme and will also allow adequate suitably skilled resource to be cost effectively obtained to deal with the simultaneous delivery of the numerous schools in the programme.

With the extent of back log maintenance within the remaining estate there is also a need to supplement the capacity of the team undertaking the asset management of the estate. Hence, we would support the current Council proposal to increase the capacity of senior management for the Corporate Landlord function to deliver this Asset Management programme. As noted in section 3.4 it is likely that some of the staff currently in Projects, Design, Development (PDD) team would have the facilities management experience and skills to assist in this team with some training and could assist with the capacity shortfall in this area.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Therefore, there will be a need for additional capacity within the Council to deal with this land disposal in terms of legal agreements, decommissioning of sites, security prior to sale, insurance etc.

In addition to the need to increase the capacity of the SOP team and the Corporate Landlord function other parts of the Council will need to increase their capacity for the essential roles they undertake for the successful delivery of the programme. There will inevitably be a need for increased capacity in some teams such as but not limited to legal, procurement and highways.

## 5 Conclusions and Recommendations

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### 5.1 Conclusions

#### 5.1.1 Governance

We have reviewed the Governance structure proposed by the Council as set out in section 4.1 of this report. We believe it provides a robust overall Governance arrangement for the education estate. This includes the methodology proposed for the incorporation of the major new build school programme and the ongoing management of all school building assets.

From our discussions with various stakeholders there have been issues previously with the transition of the asset management process, specifically at the hand-over stage of new and refurbished buildings. The Schools Asset Commissioning Group provides this key Governance link between the teams delivering the new schools and those tasked with their ongoing maintenance. It is essential to the successful Governance of the process.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Whilst it is outside the scope of this report to advise on which group within the Councils Governance structure leads this process, it is important that this is clear within the terms of reference of that group to avoid any confusion on the responsibility for this key function.

The integration of cross Council initiatives related to Digital, Sustainability and Active Travel objectives must be embedded into the Governance structure to ensure a holistic approach to the school modernisation programme.

We understand that currently the budget for asset management of the schools includes funding for both suitability adaptations and back log maintenance. We believe that the funding for these two distinct priorities should be separated so that each has a clear budget.

We also have some observations on the practicalities of the successful implementation of this Governance structure and these are summarised in section 5.3.

#### 5.1.2 Capacity

We have also reviewed the current capacity within the Council to implement a school delivery programme of the scale proposed. Our conclusion is that additional capacity is required, particularly in the areas below:

- a) From our experience of other school delivery programmes across the UK we believe that the current management team of the programme needs supplementing with the appointment of a Programme Director for the Education School Organisation Programme (SOP) to deliver a programme of this scale, with its proposed speed of delivery.



- b) From our review of the current delivery process we support the Council's proposal to increase the capacity of senior management for the Corporate Landlord function to deliver the Asset Management programme. From our experience, it will be essential to add capacity to the team dealing with the asset management of the council's estate, given its scale, and the significant back log maintenance.
- c) It is our view that the current SOP Project Manager role title has the potential to cause confusion with the external project manager roles noted in item e) below.
- d) Due to the scale of the programme a significant team will be required to manage the various internal/external stakeholders and the external delivery partners. From our experience on other programmes of this scale the current capacity will need to be significantly supplemented, with an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report. We believe these roles should be internally resourced, as with the current roles, due to the extent of internal interface required. One potential option would be to utilise staff currently in the Projects, Design, Development team (PDD) as they are likely to have a similar skill set to that required for this role.
- e) From our experience of delivering programmes of this scale across the UK, and smaller programmes within Wales, the day to day project management of the new build schools is normally externally sourced. This minimises any over capacity within the education team at the end of the programme and provide the skills, knowledge and experience to project manage new build programmes of this scale without the need for any training of the internal staff that would have to move into the team to deal with the scale of this programme. It will also provide the resource to enable schools to be delivered concurrently as required by the programme. We understand this is how the Band A schools were delivered by the Council.
- f) From the feedback, we received during the review and from our experience on other programmes, a standardised strategic approach to IT across the school estate needs to be developed for integration into the programme as a matter of urgency. This can then be tailored at a school level to suit their specific requirements. It should be available for use from the outset of the programme.
- g) With the scale of the programme, from our experience, other parts of the Council will also need to increase their capacity for the essential roles they undertake for the successful delivery of the programme. There will inevitably be a need for increased capacity in teams such as, but not limited to, legal, procurement and highways.

## 5.2 Recommendations

### 5.2.1 Governance

- a) We recommend that the structure outlined in section 4.1 of this report, where not already in place, is fully implemented and supported. Clear terms of reference for each group within that structure should be developed.
- b) We recommend that the funding for the two distinct priorities of back log maintenance and suitability adaptations should be separated so that each has a clear budget.
- c) We recommend that there is clarity in the Governance structure regarding which group leads the school disposal process (an inevitable consequence of the new build school programme). The various roles in the process should be included within the terms of reference for the groups in the Governance structure in Fig 3.

## 5.2.2 Capacity

- a) We recommend the Council strengthens the management of its delivery team with the appointment of a Programme Director for the Education School Organisation Programme (SOP). This person should have experience of successfully managing a capital works programme of this scale. Therefore, it may require an external appointment, potentially on a temporary basis for the period of the programme. An appointment at this level will have significant short-term revenue costs. This essential expenditure must be viewed against the scale of the programme and the benefits that such an appointment offers. The right appointment will reduce the risk of non-delivery in terms of time, cost and quality. We would recommend that the appointment is funded from the programme budget, as it directly relates to the programme.
- b) We recommend that the Council expedites the appointment of additional senior management capacity for the Corporate Landlord function to deliver the Asset Management programme for the Council estate.
- c) We recommend that the current SOP Project Manager title should be renamed to reflect the 'client liaison' role they perform and to distinguish them from the external project manager roles noted in item e) below.
- d) We recommend an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report. We also recommend that consideration is given to the reallocation of existing staff into this role, with the staff potentially drawn from PDD as their skills are likely to be transferable.
- e) We recommend that the day to day project management and technical advice for the new build schools programme is externally sourced, as happened on the Band A school programme.
- f) We recommend that additional internal capacity is identified to develop a standardised strategic approach to IT across the school estate. This can then be tailored at a school level to suit their specific requirements. This resource should be made available at the beginning of the programme.

- g) We would recommend that the current capacity within other parts of the Council that are essential to the successful delivery of the programme e.g. legal, procurement, planning, highways etc. are urgently reviewed and supplemented where necessary before the programme commences.
- h) We would recommend that additional internal capacity is identified to deal with land disposal in terms of legal agreements, decommissioning of sites, security prior to sale, insurance etc.

## 5.3 Observations

In addition to the conclusions and recommendations above, the review also observed several operational issues that we feel it is essential are also addressed before the programme moves forward. These are outlined below:

### 5.3.1 Governance

Whilst a strong governance proposal is to be adopted, a balance needs to be struck between this over-arching process and addressing the inevitable need at times within the delivery programme to get urgent approvals at SMT and/or cabinet level for changes proposed by the SOP Board. Consideration should be given to how this flexibility can be introduced into the governance structure. This will ensure that the programme is not impacted nor costs incurred due to delays caused by the internal approval process.

Provision is made within the governance structure for interfacing between the asset management and SOP teams. However, from the discussions we had with various stakeholders during this review, at an implementation level this interface could be improved, particularly at site selection and site handover stages.

We would recommend that the site selection process for new schools involves a sign off by all internal stakeholders. This is a key decision relative to ensuring value for money from the programme. This should be included in the terms of reference of the SOP Board and a formal sign off required for each site.

### 5.3.2 Process

Transformational changes are currently in progress for the asset management of schools and will be delivered through a refreshed approach to deliver the Council's responsibilities as Corporate Landlord. There will be an enhanced focus on ensuring health and safety compliance. Successful implementation of this function is key, with completed 21st Century Band A projects already in this phase and additional schools currently moving into the lifecycle process. To assist with this, we recommend that the role description for the 'client liaison' role includes leading the adoption of the BSRIA Soft Landings (SL) for each school. The BSRIA SL methodology (see Appendix A) is designed to assist with a smooth transition between the delivery and operational phases and in our experience when successfully implemented makes this transition significantly more effective. This leads to lower costs for the Council and better outcomes for the user.

As part of the BSRIA SL process it is recommended that (as already underway for existing assets) an Asset Register for each new school in a common format is fully developed to improve this interface at handover.

We understand that maintenance responsibilities for schools are currently being clarified with a School Building Handbook, which is out for consultation. Successful implementation of this handbook is key for the asset management programme to clarify accountability of delegated/non-delegated responsibilities including health and safety statutory compliance issues. It should be given full support by the Council.

From our previous experience of successful school delivery programmes both in Wales and across the UK we recommend that robust Employers Requirements (ER's) are developed for each school. We understand that this approach was adopted for the Band A schools. Whilst a detailed review of this documentation is outside the scope of this study, from discussions on the current scope of these ER's, we believe investment in more detail would reduce the risk to cost and quality delivered by the process. To maximise the value of this investment, the Technical Advisor team should stay in place throughout the delivery and hand over phases of the programme to ensure that the requirements of the ER's are correctly interpreted and implemented. Whilst a skills audit was outside the scope of this review, it is unlikely that sufficient suitably skilled internal resource will be available to undertake this work and any spare resource that is available would be better utilised in the additional 'client liaison' roles that are required (see section 5.2.2). The use of external resource will ensure there is no resource over capacity within the Council at the end of the programme and will also allow adequate suitably skilled resource to be cost effectively obtained to deal with the simultaneous delivery of the numerous schools in the programme.

## Appendix A

### BSRIA Soft Landings Framework

## A1

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Adopting BSRIA Soft Landings framework with a Council Champion through the delivery process would assist in highlighting Asset Management operational considerations.

- The Soft Landings Framework is a joint initiative between BSRIA (Building Services Research and Information Association) and UBT (Usable Buildings Trust). It is an open-source framework that is intended to '...smooth the transition into use and to address problems that post-occupancy evaluations (POEs) show to be widespread'. It was first published in 2009 and was updated in 2014 to align with the RIBA 2013 work stages.
- The term 'soft landings' refers to a strategy adopted to ensure the transition from construction to occupation is 'bump-free' and that operational performance is optimised.
- This transition needs to be considered throughout the development of a project, not just at the point of handover. Ideally the Council would commit to adopting a soft landings strategy in the very early stages so that an appropriate budget can be allocated and appointment agreements and briefing documents can include relevant requirements. This should include agreement to provide the information required for commissioning, training, facilities management and so on, and increasingly should include requirements for Building Information Modelling (BIM).
- To ensure that a soft landings strategy is implemented properly from the outset, it may be appropriate to appoint a soft landings champion to oversee the strategy. Facilities managers should also be involved from the early stages.
- The framework includes five key stages:
  - Inception and briefing

Ensuring that the needs and required outcomes are clearly defined.

- Design development and review

Reviewing comparable projects and assessing proposals in relation to facilities management and building users.

- Pre-handover

Ensuring operators properly understand systems before occupation.

- Initial aftercare

Stationing a soft landings team on site to receive feedback, fine tune systems and ensure proper operation. Typically, this will last four to six weeks, but may be longer for complex buildings such as hospitals and may be shorter for simple buildings such as shops.

- Extended aftercare and post occupancy evaluation.

Outstanding issues are resolved and post occupancy evaluations are fed-back for future projects. It is suggested that this period lasts for three years. In year one, problems are identified, training provided and systems fine-tuned, with regular reviews. In years two and three, performance is reviewed, and post occupancy surveys carried out, but with reviews becoming less frequent.

Mae'r dudalen hon yn wag yn fwriadol



**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**SCHOOL ORGANISATION PLANNING: THE PROVISION OF  
ENGLISH-MEDIUM PRIMARY SCHOOL PLACES IN THE  
LLANRUMNEY AREA**

**EDUCATION, EMPLOYMENT & SKILLS (COUNCILLOR SARAH  
MERRY)**

**AGENDA ITEM: 5**

**Reason for this Report**

1. To enable the Cabinet to consider a recommendation to hold public consultation on proposals to rationalise English-medium primary school places in the Llanrumney area, including a proposal to close Glan-yr-Afon Primary School in August 2019.

**Background**

2. The Llanrumney area is served by Bryn Hafod, Glan-yr-Afon, Pen-y-Bryn, St Cadoc's Catholic and St Mellon's CiW English-medium Primary Schools and Ysgol Gymraeg Bro Eirwg.
3. Current English-medium primary school capacity in the Llanrumney area can accommodate up to 1,342 pupils (age 4-11). In January 2017, the number of primary aged pupil on roll (excluding nursery) was 1073, resulting in an overall surplus capacity of 269 places (20%).

**Issues**

4. Glan-yr-Afon Primary School is an English-medium community school located in Llanrumney and within the catchment area for Eastern High.
5. The catchment area of the school includes a Lower Super Output Area (LSOA) identified as one of the most deprived areas in Wales, within the first 5% in the 2014 Welsh Government Index of Multiple Deprivation for Wales. In 2016/17, 46% of learners were registered as entitled to free school meals, significantly above the national average of 18.9% and the Cardiff average of 22.3%.
6. Demand for admission to Glan-yr-Afon Primary School is low, with the majority of children from the catchment area choosing to attend alternative schools. Of the 478 primary aged children resident in catchment at January 2017, 133 attend the school.

7. The current capacity of Glan-yr-Afon Primary School is 292 places, with 151 pupils on roll as at 11 May 2018 resulting in a surplus capacity of 141 places (48%).
8. The level of surplus places at the school has had a significant impact on the funding available and the school currently has a deficit budget in excess of £130,000. The ability of the school to recover this, particularly with a falling roll, is uncertain.
9. The school building is rated as C for condition and suitability (exhibiting major defects/not operating as intended) having reached the end of life at circa 60+ years. Remediation costs are considerable with basic maintenance requirements unable to be addressed by the school owing to budget pressures.
10. An Estyn inspection in January 2015 judged the school's performance as adequate (strengths outweigh areas for improvement) with the school being determined to require monitoring.
11. An Estyn monitoring visit took place in December 2017 and, whilst the school was judged to have made progress in respect of many of the key issues, the improvements were judged to be at an early stage of development. As a result, the school remained on the list of schools in need of monitoring.
12. A follow up Estyn Monitoring visit was undertaken in June 2018. The school was deemed to have made sufficient progress against the specific recommendations following the core inspection undertaken in January 2015 and was therefore removed from Estyn monitoring.
13. In the most recent Welsh Government School Categorisation at January 2018, the school was categorised as Amber (a school in need of improvement which needs help to identify the steps to improve or to make change happen more quickly).
14. Attendance has improved as a result of strategies put in place by the school as a response to one of the Estyn recommendations.
15. Teaching standards are improving; however, the rate of change has not yet been significant enough to attain 'good' levels across the school.
16. There have been interim leadership arrangements at the school to cover the absence of the substantive Headteacher since March 2016. The current temporary arrangement is due to finish at the end of the 2017/18 academic year. An experienced headteacher has been seconded full time to the school with effect from September 2018.
17. The School receives support from the Local Authority and the Central South Consortium (CSC) including training for all teachers on guided reading, teaching and learning, training for all teachers on the Hwb platform and support for the SLT.

18. The school has a Community Base, which is part of the Flying Start Initiative and currently occupies four classrooms at the school. The service works with children from birth to 3 years, parents and the community in a multi-agency approach providing parenting groups and health drop in clinics for parents.
19. In the event of a proposal to close the school being progressed further consideration would need to be given to how alternative facilities could be made available to accommodate the Flying Start provision and any costs associated with this. Any such provision would need to be located in the local area.
20. There is a Wellbeing Class at the school, which offers time limited placements for pupils with emotional health and wellbeing needs at 'School Action Plus'. Up to 8 pupils are admitted for a six month period beginning in September, or at February half term. The pupils are dual registered and continue to hold their place at the home school. They are supported to reintegrate to their home school by the end of the six month placement period. In a small number of cases, if pupils are unable to reintegrate, they may transfer to a more specialist setting at the end of the six month period. None of the pupils are registered as long term pupils of Glan-yr-Afon (unless they happen to be Glan-yr-Afon pupils prior to placement in the Wellbeing Class).
21. The Council funds five Wellbeing classes across the city, and is seeking to establish additional classes in the near future.
22. If Glan-yr-Afon Primary School were to close, the Council would be able to close the Wellbeing Class at the end of a six month placement period, without detriment to the pupils. Capacity for Wellbeing places could be maintained by opening a new class in another school.

### **Supply of and demand for places**

#### **Establishing local demand for English-medium school places**

23. The catchment area of Glan-yr-Afon Primary School falls entirely within, and serves part of, the Llanrumney ward. The Llanrumney ward is also served by Bryn Hafod, Pen Y Bryn, St Mellon's CiW and St Cadoc's Catholic Primary Schools
24. The catchment areas of each of these schools lie within the catchment area of Eastern High.
25. In order to calculate the likely demand for school places, historic trends specific to well established school catchment areas have been used. The geographical units that are most suitable to analyse the demand for English-medium primary school places are the discrete catchment areas of Bryn Hafod, Glan-yr-Afon, Pen Y Bryn and St Mellons CiW Primary Schools (attached as Appendix 1).

26. The following paragraphs give details of these catchment areas, the data used and the methodology applied. Projected demand takes account of the recent proportionate demand for places and pre-school population data supplied by the NHS. Forecast demand considers these data and factors in other contextual information.

### **Capacity available and quality of education at English-medium primary schools in Llanrumney**

27. The Published Admission Number of Bryn Hafod Primary School is 60 places, and the capacity is 420 places (Reception – Year 6). No regulated alteration associated with these proposals (as defined by the School Organisation Code 2013) is proposed to Bryn Hafod Primary School nor any change to the Published Admission Number (PAN).
28. An Estyn inspection in November 2015 judged the school's performance as adequate (strengths outweigh areas for improvement) with prospects for improvement also judged as adequate. A follow up Estyn monitoring visit in March 2017 judged the school to have made good progress in respect of the key issues for action following the Estyn visit in November 2015 and the school was removed from the list of schools requiring Estyn monitoring.
29. In the most recent Welsh Government School Categorisation at January 2018, the school was categorised as Green (a highly effective school which is well run, has a strong leadership and is clear about its priorities for improvement).
30. The Published Admission Number of Glan-yr-Afon Primary School of 41 places at entry, and capacity of 292 places (Reception – Year 6), is based on how accommodation is assigned to teaching and learning purposes within the school buildings. If classrooms within the school were returned to use as teaching class bases, the school's capacity would reach or exceed 420 places (two forms of entry) with nursery. However, in order to make best use of surplus classrooms the Council has located additional services at the school which have allowed the school's capacity to be assessed as 292 places (1.4 forms of entry) resulting in a Published Admission Number of 41.
31. Details of Glan-Yr-Afon Primary School's performance are outlined in paragraphs 10-13.
32. The Published Admission Number of Pen Y Bryn Primary School is 30 places, and the capacity is 210 places (Reception – Year 6). No regulated alteration or change to the PAN is proposed to Pen Y Bryn Primary School.
33. An Estyn inspection in January 2011 judged the school's performance as adequate (strengths outweigh areas for improvement) with prospects for improvement also judged as adequate. A follow up Estyn monitoring visit in May 2012 judged the school to have made good progress in respect of

the key issues for action following the Estyn visit in January 2011 and the school was removed from the list of schools requiring Estyn monitoring.

34. In the most recent Welsh Government School Categorisation at January 2018, the school was categorised as Yellow (an effective school which is already doing well and knows the areas it needs to improve).
35. The Published Admission Number of St Cadoc's Catholic Primary School of 45 places at entry, and capacity of 315 places (Reception – Year 6), is based on how accommodation is assigned to teaching and learning purposes within the school buildings. If classrooms within the school were returned to use as teaching class bases, the school's capacity would also reach or exceed 420 places (two forms of entry) with nursery. However, in order to make best use of surplus classrooms the school has allocated some classrooms for other curriculum purposes, which has allowed the school's capacity to be assessed as 315 places (1.5 forms of entry) resulting in a Published Admission Number of 45.
36. St Cadoc's Catholic Primary School is a Voluntary Aided school and is its own Admission Authority. The Governing Body of St Cadoc's Catholic Primary School is considering how it plans to use its capacity going forward. Any decision to redesignate this capacity for primary education places would be a matter for consideration by the Governing Body of the school with any permanent increase necessitating consultation in accordance with the requirements of the School Organisation Code.
37. An Estyn inspection in January 2017 judged the school performance as good (many strengths and no important areas requiring significant improvement) with prospects for improvement also judged as good.
38. In the most recent Welsh Government School Categorisation at January 2018, the school was categorised as Green (a highly effective school which is well run, has a strong leadership and is clear about its priorities for improvement).
39. The Published Admission Number of St Mellons CiW Primary School is 15 places, and the capacity is 105 places (Reception – Year 6). No regulated alteration or change to the PAN is proposed to St Mellons CiW Primary School.
40. An Estyn inspection in October 2016 judged the school performance as good (many strengths and no important areas requiring significant improvement) with prospects for improvement also judged as good.
41. In the most recent Welsh Government School Categorisation at January 2018, the school was categorised as Green (a highly effective school which is well run, has a strong leadership and is clear about its priorities for improvement).
42. Table 1 below sets out the numbers of pupils on roll in English-medium primary schools in the Llanrumney area and the level of surplus capacity

at each school at January 2017 (most recent verified school census data).

**Table 1 – Number on Roll and total surplus capacity – Reception to Year 6 (PLASC January 2017)**

School	R	1	2	3	4	5	6	Total	Capacity	Surplus	% Surplus
Bryn Hafod Primary School	41	46	46	40	50	50	44	317	420	103	24.5%
Glan-Yr-Afon Primary School	21	26	18	27	21	31	23	167	292	125	42.8%
Pen-Y-Bryn Primary School	34	29	31	30	35	22	21	202	210	8	3.8%
St Cadoc's Catholic Primary School	41	47	37	38	40	38	30	271	315	44	14.0%
St Mellons CiW Primary School	18	16	18	17	15	15	17	116	105	-11	-10.5%
<b>Grand Total</b>	<b>155</b>	<b>164</b>	<b>150</b>	<b>152</b>	<b>161</b>	<b>156</b>	<b>135</b>	<b>1073</b>	<b>1,342</b>	<b>269</b>	<b>20.0%</b>

**Current take up of places at primary schools in Llanrumney**

43. Table 2 overleaf sets out the number of pupils resident in January 2017 within the catchment areas serving English-medium primary schools in Llanrumney, enrolled in English-medium primary schools, and the number of pupils enrolled at Glan-yr-Afon Primary School.

**Table 2 – Take up of places at Llanrumney primary schools, Reception to Year 6 (PLASC January 2017)**

School attended	Catchment area					Number on roll
	Bryn Hafod Primary School	Glan-Yr-Afon Primary School	Pen-Y-Bryn Primary School	St Mellons CiW. Primary School	Other areas	
Bryn Hafod Primary School	168	59	18	0	72	317
Glan-Yr-Afon Primary School	10	133	9	0	15	167
Pen-Y-Bryn Primary School	36	58	66	1	41	202
St Cadoc's Catholic Primary School	41	157	37	0	36	271
St Mellons CiW Primary School	14	10	46	10	36	116
Local pupils attending other schools	108	61	66	50		
<b>Total resident in each catchment area attending EM primary schools</b>	<b>377</b>	<b>478</b>	<b>242</b>	<b>61</b>		

44. It is notable when comparing the demand for places at English-medium schools in each catchment area (in Table 2), with the take up of places at each school (in Table 1) that:
- 133 (28%) pupils resident within the Glan-yr-Afon Primary School catchment area attend the school
  - 157 (33%) pupils resident within the Glan-yr-Afon Primary School catchment area attend St Cadoc's Catholic Primary School
  - 61 (13%) pupils resident within the Glan-yr-Afon Primary School catchment area attend other primary schools outside the Llanrumney area.
45. Whilst the number of pupils on roll at Glan-yr-Afon has increased year on year from 2013 – 2017, the number of pupils taking up places at entry to Reception at Glan-yr-Afon Primary School has been significantly lower than the overall demand from within its existing catchment area as some parents have expressed a preference for other English-medium community or faith schools and have gained admission for their children.

#### **Admission to Reception classes – September 2017 and September 2018**

46. The number of pupils admitted to Reception at Glan-yr-Afon Primary School has not exceeded 25 pupils over the past 5 years. There are presently 18 pupils enrolled in Reception class and 14 pupils are allocated places for entry to Reception year in September 2018\*.  
\*(Source: EMS ONE live database, 13 June 2018).
47. Although Pen Y Bryn Primary School is oversubscribed at entry to Reception Year in September 2018, eight of the 30 places allocated are to pupils resident outside of the school's catchment area. Each of the pupils refused admission to the school could be accommodated at alternative local schools.

#### **Projected demand for English-medium community primary school places within the English-medium catchment areas serving Llanrumney**

48. Projected demand for English-medium community school places in each of the primary school catchment areas within varies.
49. Table 3 below sets out the recent and projected demand for places at entry to Reception year in the English-medium community primary school catchment areas in Llanrumney.

**Table 3 – Recent and projected demand for places at entry to Reception within each catchment area**

<b>Catchment area</b>	<b>Published Admission Number</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Bryn Hafod Primary School	60	51	42	36	44	34	35
Glan-Yr-Afon Primary School	41	37	41	39	35	40	38
Pen-Y-Bryn Primary School	30	15	27	23	25	27	28
<b>Total</b>	<b>131</b>	<b>103</b>	<b>110</b>	<b>98</b>	<b>104</b>	<b>101</b>	<b>101</b>

50. The projected demand for English-medium community primary school places across the combined catchment areas of Bryn Hafod, Glan-yr-Afon, Pen Y Bryn and St Mellons CiW Primary Schools at entry to Reception is less than the combined Published Admission Numbers in future years until 2020-21, the last year for which projection data are available.

51. The most recent data update from the NHS also indicates that the cohort of pupils in the Llanrumney area that would enter Reception Year in 2021-22 will be fewer in number than recent cohorts.

### **St Cadoc's Catholic Primary School**

52. Admissions to St Cadoc's Catholic Primary School are administered by the Governing Body of the School. The oversubscription criteria for the school give priority to Baptised Catholic Children. In 2017, approximately 47% of pupils enrolled met these criteria.

53. The vast majority of pupils enrolled at St Cadoc's Catholic Primary School are resident in Llanrumney (87% of pupils, in January 2017).

54. Pupil projections for the local area do not indicate that there will be a significant increase in the pupil population in the area. It is therefore reasonable to forecast that, if no changes were made to the organisation of schools in the area, a similar proportion of pupils resident in Llanrumney would be admitted to the school in future years. The below table indicates the number of pupils enrolled in Reception Year in the past five years.



School	Published Admission Number	PLASC (January)				NOR (September)
		2013-14	2014-15	2015-16	2016-17	2017-18
St Cadoc's Catholic Primary School	45	35	34	47	41	30

### Supply of and demand for Welsh-medium places

55. Ysgol Bro Eirwg and Ysgol Pen Y Pil each serve parts of the Llanrumney, Rumney, Trowbridge and Old St Mellons wards. The Published Admission Numbers for these schools are 60 and 30 respectively.
56. In 2017 the Council received approval in principle by Welsh Government of its Strategic Outline Case for Band B of the 21st Century Schools Programme, which included a proposal that Ysgol Pen y Pil is enlarged and its capacity increased by 30 places per year to a two form of entry school (2FE). This proposal seeks to address a projected shortfall in Welsh-medium primary school places in the east of Cardiff.
57. The demand for places at Welsh-medium primary schools remains at a high level. However, in the first round of admissions for entry in September 2017 and 2018 all pupils resident in these catchment areas were able to be allocated a place at their catchment area school, if this was stated as their preference.
58. It would therefore be prudent to continue to monitor the demand for Welsh-medium primary school places in the local area, and to bring forward separate proposals to balance the supply of and demand for places at the appropriate time.
59. The catchment areas of Ysgol Bro Eirwg and Ysgol Pen Y Pil lie within the catchment area of Ysgol Gyfun Gymraeg Bro Edern. There are sufficient places at the school to accommodate all pupils resident within its catchment area who are enrolled in Welsh-medium primary schools and expected to promote to Welsh-medium secondary education

### Additional housing in Llanrumney

60. A number of new housing developments have been proposed in Llanrumney through the Cardiff Housing Partnership in recent years. The net yield of pupils from these developments is not expected to have a significant impact on the number of pupils requiring places at primary schools in Llanrumney.

61. The new housing development totalling 106 dwellings at Braunton Crescent and Clevedon Road, following the demolition of 121 apartments, would result in a net decrease in the number of dwellings. However, the total yield of pupils from the new housing development, which includes 24 two bedroom houses and 55 three bedroom houses, is estimated at 17 primary age pupils and 14 secondary age pupils. On average, the pupil yield from this housing development is fewer than 3 per year group.
62. The new housing development at the former Llanrumney Housing Depot site, resulting in a net increase of 32 dwellings, is expected to yield fewer than one pupil per year group.
63. In the event that additional housing is proposed on the former Llanrumney High School site, Ball Lane, it is understood that site constraints would limit any development to the north eastern corner of the site. Consideration of the impact of any new housing development proposed would be necessary at the time of planning application.
64. In the event that the quantum of dwellings on any proposed housing development in Cardiff was such that the level of surplus places in any type of local school provision (English-medium, Welsh-medium, primary or secondary) would fall below 5%, the Council would seek developer (s106) contributions, in accordance with the adopted Supplementary Planning Guidance, towards the additional school places required.
65. In summary, the combined yield of fewer than four pupils per year group from the known housing developments is not expected to have a significant impact on the number of pupils requiring places at primary schools in Llanrumney.

### **Summary of forecast supply of and demand for school places**

66. Whilst the majority of pupils enrolled at Glan-yr-Afon Primary School are resident within the catchment area of the school, the number enrolled represents a low proportion of the pupils eligible to attend the school.
67. In the event that there was an increase in the number of pupils enrolled at Glan-yr-Afon Primary School, the level of surplus places across the Llanrumney area would remain at a similarly high level as the number of pupils enrolled at other schools would likely reduce.
68. Appendix 2 details the current capacity and Published Admission Number at entry to each primary school in the wards of Llanrumney, Old St Mellons, Rumney and Trowbridge, and the number of pupils enrolled in each year group.
69. As there is no significant growth in pupil numbers projected within the local area it is not anticipated that the number of pupils admitted to the school in future years would significantly increase the overall number of pupils enrolled. Data supplied by the NHS annually in respect of children resident in Cardiff has consistently indicated that number of pupils in the

cohorts born after the 2011-12 school year, who would enter primary education in 2016-17, has reduced.

70. If no changes were made to schools in Llanrumney, Old St Mellons, Rumney and Trowbridge the overall surplus, of 11.5% in 2017-18, would therefore be expected to increase further.
71. It should be noted that any forecast / projection data for the catchment areas of the schools named in the preceding paragraphs is likely to be different to that which may be forecast when changes to the organisation of the schools and/ or catchment areas are implemented.

## **Summary**

72. The low intakes to Glan-yr-Afon Primary School and high level of surplus places has a detrimental impact on the budget of the school and its ability to deliver a high standard of education. Whilst there are surplus places in other schools serving the Llanrumney area, and there is no significant projected growth in pupil numbers in the area, it is not likely that the number of pupils enrolled at the school would increase significantly.
73. Financial pressures are likely to continue with revenue implications due to the low number of pupils impacting on the ability of the school to manage the existing accommodation
74. The quality of accommodation and education available at other schools in the area is of a higher standard with the potential for demand for places to be met at these schools.
75. In the event that the closure of Glan-yr-Afon Primary School was progressed, demand for English-medium primary school places in the area could be met through a combination of existing places available at local community primary schools together with the re-designation of existing capacity at St Cadoc's Catholic Primary School. This re-designation, combined with the closure of Glan-yr-Afon Primary School would facilitate a net reduction of 187 surplus primary school places (0.9FE).
76. In the event that the Governing Body of St Cadoc's Catholic Primary School determined a Published Admission Number of 60 places per year group, the expansion of St Cadoc's Catholic Primary School from 315 places (1.5FE) to 420 places (2FE) could be achieved by utilising existing accommodation to provide additional classrooms. The expansion of other schools in the Llanrumney area would require significant capital investment.
77. The St Cadoc's Catholic Primary School site is within close proximity of the Glan-yr-Afon Primary School site. Whilst some children transferring from Glan-yr-Afon to St Cadoc's Catholic Primary School would be required to travel a greater distance to St Cadoc's, the maximum increase in distance travelled would be 0.3 miles. The next nearest

alternative English-medium schools to Glan-yr-Afon Primary School are Pen y Bryn Primary School (0.9 miles), St Mellons CiW Primary School (0.9 miles) and Bryn Hafod Primary School (1.0 miles).

### **Nursery Provision**

78. Children in Cardiff are entitled to a part-time nursery place from the start of the term following their third birthday and must attend for a minimum of five half days. Nursery places are not allocated on a catchment area basis. Wherever possible places are offered in a local community school or nursery class within two miles of a child's place of residence. If places are unavailable in local community nursery schools or nursery classes, parents may apply for nursery education place funding with an approved provider that has to demonstrate it is able to meet the relevant quality.
79. There is scope to increase nursery provision at St Cadoc's Catholic Primary School and subject to minor alternations there is potential for some further places to be made available at Bryn Hafod Primary School.

### **Admission arrangements**

80. The only changes the Council's policy on the admission of children to schools as a result of these proposals relate to the configuration of primary school catchments in the local area.
81. The catchment area map attached as Appendix 1 sets out the current catchment areas for Glan-yr-Afon, Bryn Hafod, Pen y Bryn and St Mellons (CiW) Primary Schools.
82. Should the proposal to close Glan-yr-Afon Primary School be implemented, and the Admission Number at St Cadoc's RC Primary School be increased to 60 places per year group, it would be necessary to consult on revising primary school catchment area arrangements in the Llanrumney area, in accordance with the requirements of the Welsh Government's School Admissions Code, in order to achieve a better match of future catchment populations to the local school capacities.
83. Detailed information regarding admission arrangements is contained in the Council's Admission to Schools booklet, and this information can also be viewed on the Council's website ([www.cardiff.gov.uk](http://www.cardiff.gov.uk)).
84. In the event that Glan-yr-Afon Primary School was to close in August 2019, those pupils on roll at that time would require places at alternative schools. The below table compares the number of pupils enrolled in 2017-18 with the number of surplus places available at other English-medium primary schools in the Llanrumney area in the event that the increase to the Published Admission Number at St Cadoc's Catholic Primary School were implemented.

School	Pupils in year group							Total Year 0-5	Surplus Year 0 -5
	R	1	2	3	4	5	6		
Glan-Yr-Afon Primary School – pupils enrolled	21	26	18	27	21	N/a	N/a	113	
<b>Surplus Places:</b>									
Bryn Hafod Primary School	19	14	14	20	10	N/a	N/a		77
Pen-Y-Bryn Primary School	-4	1	-1	0	-5	N/a	N/a		-9
St Cadoc's Catholic Primary School	19	13	23	22	20	N/a	N/a		97
St Mellons C.W Primary School	-3	-1	-3	-2	0	N/a	N/a		-9
<b>Combined surplus</b>	<b>31</b>	<b>27</b>	<b>33</b>	<b>40</b>	<b>25</b>				<b>156</b>

85. At present there are 113 pupils enrolled in Reception – Year 4. In the event that the closure of Glan-Yr-Afon Primary School and increase to the Published Admission Number at St Cadoc's Catholic Primary School were implemented, there would be 156 net surplus places available in the remaining schools in Llanrumney that could accommodate pupils from Glan-Yr-Afon Primary School.
86. The redesignation of existing accommodation at St Cadoc's Catholic Primary School would therefore ensure that there are sufficient English-medium primary school places in the Llanrumney area to accommodate all pupils that would require a transfer from Glan-yr-Afon Primary School.
87. In the event that a permanent increase to the Published Admission Number at St Cadoc's Catholic Primary School were not implemented, the Council could consult at a later date on alternative changes to catchment areas and redesignation of school capacities across a wider area including Llanrumney, Old St Mellons, Rumney and Trowbridge to achieve an appropriate match in pupil populations to school capacities.

### Implications for secondary school provision

88. The current catchment area of Glan-yr-Afon Primary School is served by Eastern High (English-medium) and Ysgol Gymraeg Bro Edern. If the proposed closure of Glan-yr-Afon Primary School were progressed this would continue to be the case.
89. Pupils transferring from Glan-yr-Afon Primary School to another primary school would be neither advantaged nor disadvantaged when applying for admission to a community secondary school.

### Reason for Recommendations

90. To consider the proposed rationalisation of primary school places in the Llanrumney area.

## **Local Member consultation**

91. Local Members have been consulted on the proposals and have been briefed on the issues around surplus places in the local area, the impact of this on Glan-yr-Afon Primary School and the importance of ensuring resources are used to maximise outcomes for all learners.
92. The Members queried the sufficiency of places in the event of the proposal being progressed given planned developments for the area. Information outlining the projected yield of pupils from known housing developments in the Llanrumney is included at paragraphs 50-55.

## **Financial Implications**

93. The recommendation to close Glan-yr-Afon primary school, and redistribute the catchment, gives rise to a number of financial implications, both in terms of Glan-yr-Afon and the neighbouring primary schools.
94. The annual revenue funding allocation for each individual school comprises a combination of fixed lump sum elements and per pupil funding amounts based on the number of pupils within the school. At the point of closure, it will be necessary to retain the amounts relating to individual pupils within the overall Council school budget. This will be necessary for ensuring that the schools who receive the additional pupils are funded appropriately for those pupils. The elements within the individual school budget which are based on lump sums or premises, for example, will be released at the point at which the school is closed. Consideration will need to be given as to the use of those funds going forward. It may be that those amounts are recycled within the overall formula or redesignated for an alternative purpose. In addition, should a decision be taken to relocate the specific ALN provision, it will be necessary to transfer funding to the school that hosts the provision going forward.
95. As well as the budget released, any decision to close the school could give rise to exit costs associated with staff who do not successfully transfer to another role within the Council. Therefore, as part of the process to close the school, it will be necessary to identify and quantify any redundancy, or pension strain, costs that arise for those employees who cannot be redeployed into another role. In addition, should there be a net surplus or deficit school balance at the point of closure, it will be necessary for this to be written out as part of the closure of accounts process for the 2019/20 financial year. The final balance will largely be dependent upon the pupil numbers within the school during the period prior to closure.
96. In addition to the revenue funding implications of any decision to close the school, there will be capital considerations to make as part of the process. Should there be a decision to dispose of the site, then it will be necessary to consider options for future use of the site and any costs that would be incurred in undertaking that disposal, such as demolition of the

existing buildings. These costs would potentially impact upon any capital receipt that would be received, should the site be sold or developed upon. Any receipt that would be received would be earmarked for use in funding the wider School Organisational Plan Programme and meeting the capital receipt target identified as part of the programme. Furthermore, it would be important to minimise, as much as possible, the amount of time that the site was inactive, in order to limit the amount of revenue costs incurred in keeping the site secure, prior to any development.

### **Legal Implications**

97. Under the Education Act 1996, the Council has a general statutory obligation to promote high standards of education and to provide sufficient school places for pupils of compulsory school age.
98. A local authority can make proposals to discontinue a community school under section 43 of the Schools Standards and Organisation (Wales) Act 2013. The Council is required prior to publishing its proposals to undertake a consultation on those proposals in accordance with section 48 of that Act and the School Organisation Code. The first recommendation seeks authority to carry out that statutory consultation. The recommendation seeks authority to carry out that statutory consultation. Any proposals must be the subject of full and fair consultation and due regard must be had by the Cabinet to the responses before a final decision is taken.
99. A proposal to increase the capacity of a school is a regulated alteration under the School Organisation Code and section 42 of the Schools Standards and Organisation (Wales) Act 2013. For voluntary aided schools, the Governing Body of the school would consult upon any proposal. The Council would have to respond to any consultation proposal and may determine it if there are no objections.
100. Catchment areas and published admission numbers of schools are part of the admission arrangements and therefore the statutory consultation within the School Admission Code and the Education (Determination of Admission Arrangements) Regulations 2006 would also need to be followed for these recommendations.
101. The decision about these recommendations has to be made in the context of the Council's public sector equality duties. The Council also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief. If the recommendations in the report are accepted and statutory notices

published undertaken, the Council will have to consider further the equalities implication and an Equality Impact Assessment may need to be completed.

102. The Council also has to consider its obligation under section 88 and schedule 10 of the Equality Act 2010 to prepare and implement an accessibility strategy. The strategy should increase disabled pupils' access to the curriculum and improve the physical environment and the provision of information. Section 84 and 85 of the School Standards and Organisation (Wales) Act 2013 and the Welsh in Education Strategic Plans and Assessing Demand for Welsh Medium Education (Wales) Regulations 2013, set out the statutory obligations for all local authorities to prepare, submit, publish and revise Welsh in Education Strategic Plans (WESPs).
103. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council has to consider the Well-being of Future Generations (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.

#### **HR Implications**

104. The Council has a Human Resources SOP Framework which has been produced in consultation with key stakeholders including head teachers, governors, representatives of the diocesan authorities and the trade unions. It provides the basis for managing the human resources issues associated with School Organisation Planning and its purpose is to support governing bodies and staff working in schools, through a variety of strategies and with the ultimate aim of minimising compulsory redundancies across schools in Cardiff.
105. In the period leading up to the school closure the Council will work with the school leadership and governing body to ensure that staff continue to be supported and motivated during what may be a potentially difficult situation. Full consultation with staff and trade unions will need to begin immediately following the outcome of this report. A school closure places school staff at a potential risk of redundancy and this will need to be managed in line with the School Redeployment and Redundancy Policy which has been adopted by the Governing Body.
106. A key aspiration for the Council is to achieve staff reductions as far as possible through redeployment rather than voluntary or compulsory means. Therefore the Council is committed to maximising opportunities for school staff to secure employment in other schools in Cardiff, and in particular, given the proposals to increase the size of St. Cadoc's where there are additional staffing requirements the Council will advocate that these vacancies are considered as redeployment opportunities for affected staff at Glan-yr-Afon.



107. Full support will be offered to the school staff and Governing Body by HR People Services throughout the reorganisation, this will involve attendance at consultation meetings, meetings with school staff where appropriate and the circulation of a Frequently Asked Questions document.

## **Transport**

108. Travel to school creates pressure on the transport network. Around 30% of all car-based trips during the morning peak are journeys to educational establishments.
109. There are an estimated 110,000 trips (two-way) to school each day in Cardiff. 40,000 of these trips are made by car.
110. Car travel to school negatively impacts upon levels of congestion, air quality and parking pressures and child safety within the vicinity of school premises.
111. Many journeys to school are very short. 75% of journeys to education are within 3km of people's homes. More of these journeys could be made by active modes if improvements could be made to the safety of roads and routes for walking and cycling within school catchment areas.
112. It is important that the rationalisation of school places does not lead to an increase in car-based journeys to the schools which would facilitate the places lost through the proposed closure of Glan-Yr-Afon Primary School in August 2019. It is noted that whilst St Cadoc's Primary school is located in close proximity to Glan-Yr-Afon Primary School, the other alternative English medium schools are situated some distance away. This means that children who opt to transfer to schools other than St Cadoc's may be required to travel further to school and be taken there by car.
113. St Cadoc's school already experiences a number of problems with congestion and car parking at either end of the school day. Speeding traffic along Ball Road is also a problem.
114. In light of these issues, it is strongly recommended that provision is made for all the schools affected by these changes to develop and implement Active Travel Plans. Such plans will include educational and training activity to promote active travel to school and the development of physical improvements within the neighbourhoods surrounding school premises to make active journeys to school easier and safer. The Transport team is willing to assist this process, although it is essential that the education service can contribute towards the additional resources that will be necessary to facilitate the development of the Active Travel Plans and the implementation of associated physical infrastructure arising out of the proposal.

## **Learner Travel Arrangements**

115. There are no plans to change the Council's policy on the transport of children to and from school. Any pupils affected by this proposal would be offered the same support with transport as is provided throughout Cardiff and in accordance with the same criteria that apply across Cardiff. The Council's transport policy for school children can be viewed on the Council's website ([www.cardiff.gov.uk](http://www.cardiff.gov.uk))

## **Equalities**

116. An initial Equality Impact Assessment has been carried out (Appendix 3) and concluded that these proposals would not adversely affect a particular group in society. This assessment will be reviewed following consultation. If the proposal were to proceed, further equality impact assessments would be undertaken including an assessment of any adaptation of existing accommodation.

## **Community Impact**

117. The following are taken into account when considering a proposal: Public Open Space, parkland, noise and traffic congestion. Officers will work with schools and any community group to ensure that the proposal avoids negative impacts where possible.
118. The schools subject to the proposals are existing schools which offer a range of after school activities and some have community organisations offering services from the school facilities. It is not anticipated that there would be a negative impact on any of these activities.

## **RECOMMENDATIONS**

The Cabinet is recommended to authorise officers to:

1. Consult on a proposal to discontinue Glan-yr-Afon Primary School from 31 August 2019 including changes to community primary school catchments in the local area.
2. Note that officers will bring a report on the outcome of the consultation to a future meeting to seek authorisation as to whether to proceed to publish proposals in accordance with section 48 of The School Standards and Organisation (Wales) Act 2013.
3. Note that any decision to redesignate capacity at St Cadoc's Catholic Primary School for primary education places would be a matter for consideration by the Governing Body of the school with any permanent increase necessitating consultation in accordance with the requirements of the School Organisation Code

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>NICK BATCHELAR</b> <b>Director of Education &amp; Lifelong Learning</b>
	<b>6 July 2018</b>

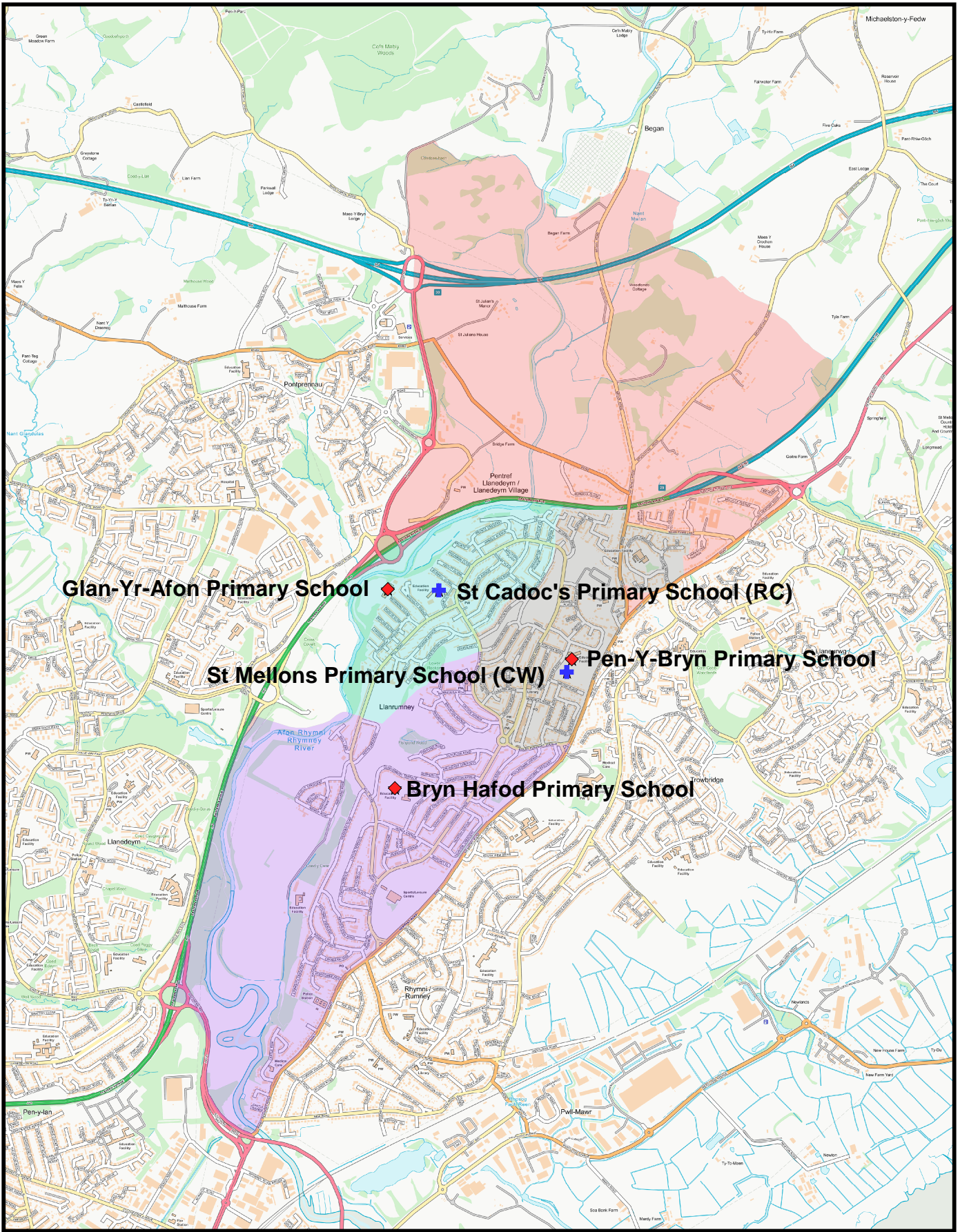
*The following appendices are attached:*

Appendix 1 – Catchment area map

Appendix 2 – School Number on Roll data

Appendix 3 - Statutory Screening Tool

Mae'r dudalen hon yn wag yn fwriadol



**Glan-Yr-Afon Primary School** ♦ ♦ ♦ **St Cadoc's Primary School (RC)** ♦ ♦ ♦  
**St Mellons Primary School (CW)** ♦ ♦ ♦ **Pen-Y-Bryn Primary School** ♦ ♦ ♦  
**Bryn Hafod Primary School** ♦ ♦ ♦

Llanrumney - Old St. Mellons Catchment Areas 2017/18



- denotes Bryn Hafod Primary School catchment area
- denotes St. Mellons C.W Primary School catchment area
- denotes Pen y Bryn Primary School catchment area
- denotes Glan Yr Afon Primary School catchment area

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Mae'r dudalen hon yn wag yn fwriadol

	Published Admission				
	Number	Reception	Year 1	Year 2	Year 3
Bishop Childs C.W. Primary School	30	30	30	30	31
Bryn Hafod Primary School	60	49	45	46	47
Glan-yr-Afon Primary School	41	19	23	24	14
Greenway Primary School	30	30	30	30	29
Meadowlane Primary School	45	44	39	42	37
Oakfield Primary School	60	38	50	54	56
Pen-y-Bryn Primary School	30	30	29	32	29
Rumney Primary School	60	57	58	59	60
St. Cadoc's Catholic Primary School	45	30	41	48	37
St. John Lloyd R.C. Primary School	45	43	47	32	47
St. Mellons C.W. Primary School	15	18	17	16	18
Trowbridge Primary School	30	22	30	28	26
Willowbrook Primary School	60	39	60	56	54
Ysgol Bro Eirwg	60	58	57	56	58
Ysgol Pen-Y-Pil	30	25	28	24	25
Total	641	532	584	577	568
<b>Year of Admission</b>		<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>

Year 4	Year 5	Year 6	Number On Roll	Current Capacity	Proposed Published Admission Number
29	31	26	207	210	30
44	55	47	333	420	60
25	20	26	151	292	0
21	27	29	196	210	30
51	38	36	287	315	45
60	52	60	370	420	60
33	30	29	212	210	30
56	58	62	410	420	60
39	41	38	274	315	60
46	38	28	281	315	45
16	14	15	114	105	15
31	27	24	188	210	30
60	60	60	389	420	60
55	55	55	394	420	60
28	23	18	171	210	30
594	569	553	3977	4492	615

**2013-14    2012-13    2011-12**

515  
0.114648264



Proposed

Capacity

210

420

0

210

315

420

210

420

420

315

105

210

420

420

210

4305

328

Mae'r dudalen hon yn wag yn fwriadol

## City of Cardiff Council

### Statutory Screening Tool Guidance

If you are developing a strategy, policy or activity that is likely to impact people, communities or land use in any way then there are a number of statutory requirements that apply. Failure to comply with these requirements, or demonstrate due regard, can expose the Council to legal challenge or other forms of reproach.

For instance, this will apply to strategies (i.e. Housing Strategy or Disabled Play Strategy), policies (i.e. Procurement Policy) or activity (i.e. developing new play area).

Completing the Statutory Screening Tool will ensure that all City of Cardiff Council strategies, policies and activities comply with relevant statutory obligations and responsibilities. Where a more detailed consideration of an issue is required, the Statutory Screening Tool will identify if there is a need for a full impact assessment, as relevant.

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The main statutory requirements that strategies, policies or activities must reflect include:

- [Equality Act 2010 - Equality Impact Assessment](#)
- [Wellbeing of Future Generations \(Wales\) Act 2015](#)
- [Welsh Government Statutory Guidance - Shared Purpose Shared Delivery](#)
- [United Nations Convention on the Rights of the Child](#)
- [United Nations Principles for Older Persons](#)
- [Welsh Language \(Wales\) Measure 2011](#)
- [Health Impact Assessment](#)
- [Habitats Regulations Assessment](#)
- [Strategic Environmental Assessment](#)

This Statutory Screening Tool allows the Council to meet the requirements of all the above legislation as part of an integrated screening method and should take no longer than 1 hour to complete.

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The Statutory Screening Tool can be completed as a self assessment or as part of a facilitated session, should further support be needed. For further information or if you require a facilitated session, please contact the Operational Manager – Policy, Partnerships and Community Engagement on (029) 2078 8561 or e-mail: [Gareth.Newell@cardiff.gov.uk](mailto:Gareth.Newell@cardiff.gov.uk)

Please note:

- **The completed Screening Tool must be submitted as an appendix with the Cabinet report.**
- **The completed Screening Tool will be published on the Council's Intranet.**

## Statutory Screening Tool

Name of Strategy / Policy / Activity: The Provision of English-Medium Primary School Places in the Llanrumney Area	Date of Screening: 13/06/18
Service Area/Section: Education	Lead Officer: Janine Nightingale
Attendees:	

<p>What are the objectives of the Policy/Strategy/Project/Procedure/Service/Function</p>	<p>Please provide background information on the Policy/Strategy/Project/Procedure/Service/Function and any research done [e.g. service users data against demographic statistics, similar EIAs done etc.]</p>
<p>To rationalise English-medium primary school places in the Llanrumney area, including a proposal to close Glan yr Afon Primary School in August 2019.</p>	<p>The Llanrumney area is served by Bryn Hafod, Glan-yr-Afon, Pen-y-Bryn, St Cadoc's Catholic and St Mellon's CiW English-medium Primary Schools and Ysgol Gymraeg Bro Eirwg.</p> <p>Current English-medium primary school capacity in the Llanrumney area can accommodate up to 1,342 pupils (age 4-11). In January 2017 the number of primary aged pupil on roll (excluding nursery) was 1073 resulting in an overall surplus capacity of 269 places (20%).</p> <p>Glan-yr-Afon Primary School is an English-medium community school located in Llanrumney and within the catchment area for Eastern High.</p> <p>The catchment area of the school includes a Lower Super Output Area (LSOA) identified as one of the most deprived areas in Wales, within the first 5% in the 2014 Welsh Government Index of Multiple Deprivation for Wales. In 2016/17, 46% of learners were registered as entitled to free school meals, significantly above the national average of 18.9% and the Cardiff average of 22.3%.</p> <p>Demand for admission to Glan-yr-Afon Primary School is low, with the</p>

majority of children from the catchment area choosing to attend alternative schools.

The current capacity of Glan-yr-Afon Primary School is 292 places, with 151 pupils on roll as at 11 May 2018 resulting in a surplus capacity of 141 places (48%).

The level of surplus places at the school has had a significant impact on the funding available and the school currently has a deficit budget in excess of £130,000. The ability of the school to recover this, particularly with a falling roll, is uncertain.

The school building is rated as C for condition and suitability (exhibiting major defects/not operating as intended) having reached the end of life at circa 60+ years. Remediation costs are considerable with basic maintenance requirements unable to be addressed by the school owing to budget pressures.

An Estyn inspection in January 2015 judged the schools performance as adequate (strengths outweigh areas for improvement) and the school was placed in Local Authority monitoring.

The latest Estyn monitoring visit took place in December 2017 and, whilst the school was judged to have made progress in respect of many of the key issues, the improvements are still at an early stage of development. As a result, the school remains on the list of schools in need of Estyn monitoring.

The next Estyn monitoring visit is scheduled for June 2018.

In the most recent Welsh Government School Categorisation at January 2018, the school was categorised as Amber (a school in need of improvement which needs help to identify the steps to improve or to make change happen more quickly).

Attendance remains a recommendation for improvement. The school's attendance target is 95% with current attendance at 93.72%.

## Part 1: Impact on outcomes and due regard to Sustainable Development

Please use the following scale when considering what contribution the activity makes:		
<b>+</b>	Positive	Positive contribution to the outcome
<b>-</b>	Negative	Negative contribution to the outcome
<b>ntrl</b>	Neutral	Neutral contribution to the outcome
<b>Uncertain</b>	Not Sure	Uncertain if any contribution is made to the outcome

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
Page 213	<b>1.1 People in Cardiff are healthy;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li><i>the promotion of good health, prevention of damaging behaviour, promote healthy eating/active lifestyles etc,</i></li> <li><i>vulnerable citizens and areas of multiple deprivation</i></li> <li><i>Addressing instances of inequality in health</i></li> </ul>					<p>The low intakes to Glan-yr-Afon Primary School, and high level of surplus places impacts on the budget of the school and its ability to deliver a high standard of education. Whilst there are surplus places in other schools serving the Llanrumney area, and there is no significant projected growth in pupil numbers in the area, it is not likely that the number of pupils enrolled at the school would increase significantly.</p> <p>Financial pressures are likely to continue with revenue implications due to the low number of pupils impacting on the ability of the school to manage the existing accommodation</p> <p>The quality of accommodation and education available at other schools in the area is of a higher standard with the potential for demand for places to be met at these schools.</p>
	<b>1.2 People in Cardiff have a clean, attractive and sustainable environment;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li><i>the causes and consequences of Climate Change and creating a carbon lite city</i></li> <li><i>encouraging walking, cycling, and use of public transport and improving access to countryside and open space</i></li> <li><i>reducing environmental pollution (land, air, noise and water)</i></li> <li><i>reducing consumption and encouraging waste reduction,</i></li> </ul>					<p>In the event that the closure of Glan-yr-Afon Primary School was progressed, demand for English-medium primary school places in the area could be met through the re-designation of existing capacity at St Cadoc's Catholic Primary School. This re-designation, combined with the closure of Glan-yr-Afon Primary School would facilitate a net reduction of 187 surplus primary school places (0.9FE).</p>

2.C.PPCF.002	Issue: 3	Date: Mar 16	Process Owner: Gareth Newell	Authorisation: Head of Performance and Partnerships	Page 5 of 8
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	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation	
		+	-	Ntrl	Un-Crtn		
	<p><i>reuse, recycling and recovery</i></p> <ul style="list-style-type: none"> <li><i>encouraging biodiversity</i></li> </ul>					<p>In the event that the Governing Body of St Cadoc's Catholic Primary School determined a Published Admission Number of 60 places per year group, the expansion of St Cadoc's Catholic Primary School from 315 places (1.5FE) to 420 places (2FE) could be achieved by utilising existing accommodation to provide additional classrooms. The expansion of other schools in the Llanrumney area would require significant capital investment.</p> <p>The St Cadoc's Catholic Primary School site is within close proximity of the Glan-yr-Afon Primary School site. Whilst some children transferring from Glan-yr-Afon to St Cadoc's Catholic Primary School would be required to travel a greater distance to St Cadoc's, the maximum increase in distance travelled would be 0.3 miles. The next nearest alternative English-medium schools to Glan-yr-Afon Primary School are Pen y Bryn Primary School (0.9 miles), St Mellons CiW Primary School (0.9 miles) and Bryn Hafod Primary School (1.0 miles).</p>	
<b>1.3</b>	<p><b>People in Cardiff are safe and feel safe;</b> <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>reducing crime, fear of crime and increasing safety of individuals</i></li> <li><i>addressing anti-social behaviour</i></li> <li><i>protecting vulnerable adults and children in Cardiff from harm or abuse</i></li> </ul>					N/A	
<b>1.4</b>	<p><b>Cardiff has a thriving and prosperous economy;</b> <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>economic competitiveness (enterprise activity, social enterprises, average earnings, improve productivity)</i></li> <li><i>Assisting those Not in Education, Employment or Training</i></li> <li><i>attracting and retaining workers (new employment and</i></li> </ul>					The proposal would contribute towards continued improvement in educational outcomes.	
2.C.PPCF.002	Issue: 3	Date: Mar 16	Process Owner: Gareth Newell		Authorisation: Head of Performance and Partnerships		Page 6 of 8



	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
	<i>training opportunities, increase the value of employment,)</i> <ul style="list-style-type: none"> <li><i>promoting local procurement opportunities or enhancing the capacity of local companies to compete</i></li> </ul>					
1.5	<b>People in Cardiff achieve their full potential;</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li><i>promoting and improving access to life-long learning in Cardiff</i></li> <li><i>raising levels of skills and qualifications</i></li> <li><i>giving children the best start</i></li> <li><i>improving the understanding of sustainability</i></li> <li><i>addressing child poverty (financial poverty, access poverty, participation poverty)</i></li> <li><i>the United Nations Convention on the Rights of a Child and Principles for Older persons</i></li> </ul>					The following benefits would be expected to result from this proposal: <ul style="list-style-type: none"> <li>Achieve a better match between the supply and demand for English-medium primary school places within the local area.</li> </ul>
	<b>Cardiff is a Great Place to Live, Work and Play</b> <i>Consider the potential impact on</i> <ul style="list-style-type: none"> <li><i>promoting the cultural diversity of Cardiff</i></li> <li><i>encouraging participation and access for all to physical activity, leisure &amp; culture</i></li> <li><i>play opportunities for Children and Young People</i></li> <li><i>protecting and enhancing the landscape and historic heritage of Cardiff</i></li> <li><i>promoting the City's international links</i></li> </ul>					N/A

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
		+	-	Ntrl	Un-Crtn	
1.7	<p><b>Cardiff is a fair, just and inclusive society.</b>  <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>the elimination of discrimination, harassment or victimisation for equality groups</i></li> <li><i>has the community or stakeholders been engaged in developing the strategy/policy/activity?</i></li> <li><i>how will citizen participation be encouraged (encouraging actions that consider different forms of consultation, through more in depth engagement to full participation in service development and delivery)?</i></li> </ul>					<p>See Equality Impact Assessment below.</p> <p>Recruitment of school staff: The Council's recruitment process would ensure that good practice is followed, including the application of the Council's policies on equal opportunities.</p>
	<p>Will this Policy/Strategy/Project have a <b>differential impact</b> on any of the following:</p>					<p><i>Please give details/consequences of the differential impact (positive and negative), and what action(s) can you take to address any negative implications?</i></p>
	<ul style="list-style-type: none"> <li><b>Age</b> (including children and young people aged 0-25 and older people over 65 in line with the United Nations Conventions)</li> </ul>					<p>The Council aims to improve the match between the supply of and demand for English-medium primary school places within the local area.</p> <p>The proposal would contribute to this aim and provide the opportunity for children to transfer to/attend schools with better quality of accommodation and a higher standard of education.</p> <p><b><u>Catchment Areas</u></b></p> <p>Should the proposal be implemented it would be necessary to consult on revising primary school catchment area arrangements in the Llanrumney area in accordance with the requirements of the Welsh Government's School Admissions Code, in order to achieve a better match of future catchment populations to the local school capacities.</p>

Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
	+	-	Ntrl	Un-Crtn	
					<p><b><u>Travel Distances</u></b></p> <p>For those children who would attend St Cadoc's Catholic Primary School, the site is within close proximity of the Glan-yr-Afon Primary School site. Whilst some children transferring from Glan-yr-Afon to St Cadoc's Catholic Primary School would be required to travel a greater distance to St Cadoc's, the maximum increase in distance travelled would be 0.3 miles. The next nearest alternative English-medium schools to Glan-yr-Afon Primary School are Pen y Bryn Primary School (0.9 miles), St Mellons CiW Primary School (0.9 miles) and Bryn Hafod Primary School (1.0 miles).</p> <p><b><u>Employed age group</u></b></p> <p><b><u>Redeployment opportunities</u></b></p> <p>There may still be a perception that redeployment opportunities to the new school could be affected by age. The Council's procedure for managing staffing changes arising from reorganisation would be used in implementing any changes as a result of this proposal. This would ensure that good practice is followed, including the application of the Council's policies on equal opportunities.</p>
<ul style="list-style-type: none"> <li><b>Disability</b></li> </ul>					<p>If the proposal were to proceed, an equality impact assessment would be carried out at the design stage on the accessibility of the any changes to accommodation. The equality impact assessment would take into account policies such as the Equality Act 2010, TAN 12: Design June 2009 as well as building regulations such as, BS8300, Part M and relevant Building Bulletins.</p>
<ul style="list-style-type: none"> <li><b>Gender Reassignment</b></li> </ul>					<p>The Council's procedure for securing staffing requirements to</p>
2.C.PPCF.002	Issue: 3	Date: Mar 16	Process Owner: Gareth Newell	Authorisation: Head of Performance and Partnerships	Page 9 of 8

Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
	+	-	Ntrl	Un-Crtn	
					implement this proposal would be used in implementing this proposal. This would ensure that good practice is followed, including the application of the Council's policies on equal opportunities.
<ul style="list-style-type: none"> <li>• <b>Marriage &amp; Civil Partnership</b></li> </ul>					N/A
<ul style="list-style-type: none"> <li>• <b>Pregnancy &amp; Maternity</b></li> </ul>					If the proposal were to proceed, an equality impact assessment would be carried out at the design stage on the accessibility of the any changes to accommodation. The equality impact assessment would take into account policies such as the Equality Act 2010, TAN 12: Design June 2009 as well as building regulations such as, BS8300, Part M and relevant Building Bulletins.
<ul style="list-style-type: none"> <li>• <b>Race</b></li> </ul>					The proposal would not have a differential impact upon one particular ethnic group as the provision would be available to all.
<ul style="list-style-type: none"> <li>• <b>Religion/Belief</b></li> </ul>					Under the proposal, additional primary school places would be provided at St Cadoc's Catholic Primary School. Whilst the school priorities the admission of baptised catholic children, children of other faiths/no faith also attend the school (of the 299 children attending the school in 2017, 47% were baptised catholic). As with any school, parents can withdraw their children from religious education if they chose to do so. Alternatively, parents can apply for places at primary community schools. The proposed expansion of St Cadoc's is a proportionate means of achieving a legitimate aim to provide for pupils in financially viable schools able to provide a high standard of education.
<ul style="list-style-type: none"> <li>• <b>Sex</b></li> </ul>					The schools will continue to be community schools and will admit pupils of both sexes.

Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation
	+	-	Ntrl	Un-Crtn	
					The Council's procedure for securing staffing requirements to implement this proposal would be used in implementing this proposal. This would ensure that good practice is followed, including the application of the Council's policies on equal opportunities.
<ul style="list-style-type: none"> <li><b>Sexual Orientation</b></li> </ul>					<p>(Fears that recruitment opportunities could be affected by sexual orientation)</p> <p>Evidence collated by the Stonewall lobby group alleges that Lesbian, Gay, Bisexual people are likely to be discriminated against in workplace recruitment.</p> <p>The Council's procedure for securing staffing requirements to implement this proposal would be used in implementing this proposal. This would ensure that good practice is followed, including the application of the Council's policies on equal opportunities.</p>
<ul style="list-style-type: none"> <li><b>Welsh Language</b></li> </ul>					<p>The demand for places at Welsh-medium primary schools remains at a high level. In the first round of admissions for entry in September 2017 and 2018 all pupils resident within the Welsh-medium primary schools serving the area were able to be allocated a place at their catchment school, if this was their stated preference.</p> <p>The Council will continue to monitor demand for Welsh-medium primary school places in the local area and bring forward proposal to balance the supply of and demand for places at the appropriate time.</p> <p><b><u>Other Language support</u></b></p> <p>The proposals would not directly impact on the level of support</p>

	Has the Strategy/Policy/Activity considered how it will impact one or more of Cardiff's 7 Citizen focused Outcomes?	Please Tick				Evidence or suggestion for improvement/mitigation									
		+	-	Ntrl	Un-Crtn										
						<p>provided as all support is dependent on the Minority Ethnic Achievement Grant which is reviewed and then renewed according to the results of the annual Needs Assessment Survey. The allocation of teachers and Bi-lingual Teacher Assistants (BTAs) is usually in place for the period of the academic year but is liable to change throughout the year to meet fluctuations in demand.</p> <p>It is Cardiff Council policy to provide signage in English and Welsh but not in other spoken languages. Therefore, additional way-finding methods would be considered including the use of colour to differentiate between the function of spaces, tactile maps, Braille language on signs and British Sign Language images/symbols.</p>									
						<table border="1"> <thead> <tr> <th></th> <th>Yes</th> <th>No</th> </tr> </thead> <tbody> <tr> <td>Is a full <b>Equality Impact Assessment</b> required?</td> <td></td> <td></td> </tr> <tr> <td>Is a full <b>Child Rights Impact Assessment</b> required?</td> <td></td> <td></td> </tr> </tbody> </table>		Yes	No	Is a full <b>Equality Impact Assessment</b> required?			Is a full <b>Child Rights Impact Assessment</b> required?		
	Yes	No													
Is a full <b>Equality Impact Assessment</b> required?															
Is a full <b>Child Rights Impact Assessment</b> required?															
1.8	<p><b>The Council delivers positive outcomes for the city and its citizens through strong partnerships</b>  <i>Consider the potential impact on</i></p> <ul style="list-style-type: none"> <li><i>strengthening partnerships with business &amp; voluntary sectors</i></li> <li><i>the collaboration agenda and the potential for shared services, cross-boundary working and efficiency savings</i></li> </ul>														

**SUMMARY OF APPRAISAL (highlight positive and negative effects of the policy / plan / project being assessed, demonstrating how it contributes to the economic, social and environmental sustainability of the city):**

2.C.PPCF.002	Issue: 3	Date: Mar 16	Process Owner: Gareth Newell	Authorisation: Head of Performance and Partnerships	Page 12 of 8
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The low intakes to Glan-yr-Afon Primary School, and high level of surplus places impacts on the budget of the school and its ability to deliver a high standard of education. Whilst there are surplus places in other schools serving the Llanrumney area, and there is no significant projected growth in pupil numbers in the area, it is not likely that the number of pupils enrolled at the school would increase significantly.

Financial pressures are likely to continue with revenue implications due to the low number of pupils impacting on the ability of the school to manage the existing accommodation

The quality of accommodation and education available at other schools in the area is of a higher standard with the potential for demand for places to be met at these schools.

In the event that the closure of Glan-yr-Afon Primary School was progressed, demand for English-medium primary school places in the area could be met through the re-designation of existing capacity at St Cadoc's Catholic Primary School. This re-designation, combined with the closure of Glan-yr-Afon Primary School would facilitate a net reduction of 187 surplus primary school places (0.9FE).

**WHAT ACTIONS HAVE BEEN IDENTIFIED OR CHANGES BEEN MADE TO THE POLICY / PLAN / PROJECT AS A RESULT OF THIS APPRAISAL:**

Page 12  
Should the proposal be implemented it would be necessary to consult on revising primary school catchment area arrangements in the Llanrumney area in accordance with the requirements of the Welsh Government's School Admissions Code, in order to achieve a better match of future catchment populations to the local school capacities.

## Part 2: Strategic Environmental Assessment (SEA)

		Yes	No
2.1	Does the plan or programme set the framework for future development consent?		x
2.2	Is the plan or programme likely to have significant, positive or negative, environmental effects?		x

Is a Full Strategic Environmental Assessment Screening Needed?	Yes	No
<ul style="list-style-type: none"> <li>▪ If Yes has been ticked to both questions 2.1 and 2.2 above then the answer is Yes</li> <li>▪ If a full SEA screening is required then please contact the Sustainable Development Unit to arrange (details below)</li> </ul>		

If you have any doubt about your answers to the above questions, then please consult the Sustainable Development Unit for advice on (029) 2087 3228 or email: [sustainabledevelopment@cardiff.gov.uk](mailto:sustainabledevelopment@cardiff.gov.uk)

## Part 3: Habitat Regulation Assessment (HRA)

		Yes	No	Unsure
3.1	Will the plan, project or programme result in an activity which is known to affect a European site, such as the Severn Estuary or the Cardiff Beech Woods?		x	
3.2	Will the plan, project or programme which steers development towards an area that includes a European site, such as the Severn Estuary or the Cardiff Beech Woods or may indirectly affect a European site?		x	
3.3	Is a full HRA needed?		x	

Details of the strategy will be sent to the County Ecologist on completion of the process to determine if a Habitat Regulation Assessment is needed. For further information, please phone (029) 2087 3215 or email: [biodiversity@cardiff.gov.uk](mailto:biodiversity@cardiff.gov.uk)

## Part 4: Welsh Language (Wales) Measure 2011

		Yes	No	Unsure
4.1	Have you considered how the policy could be formulated so that the policy decision would have positive effects, or increased positive effects on opportunities for persons to use the Welsh language?	x		
4.2	Does the policy ensure that the Welsh language is treated no less favourably than the English language?	x		

If you have any doubt about your answers to the above questions, then please consult the Bilingual Cardiff team for advice on (029) 2087 2527 or email: [Bilingualcardiff@cardiff.gov.uk](mailto:Bilingualcardiff@cardiff.gov.uk)



## Appendix 1 – Statutory Requirements

It is possible that the Statutory Screening Tool will identify the need to undertake specific statutory assessments:

- **Equality Impact Assessment:** *This assessment is required by the Equality Act 2010 and Welsh Government’s Equality Regulations 2011.*
- **Wellbeing of Future Generations (Wales) Act:** *The Act requires sustainable development to be a central organising principle for the organisation. This means that there is a duty to consider sustainable development in strategic decision making processes.*
- **Welsh Government Statutory Guidance - Shared Purpose Shared Delivery:** *The Welsh Government requires local authorities to produce a single integrated plan to meet statutory requirements under a range of legislation. The City of Cardiff Council must therefore demonstrate its contribution towards Cardiff’s own integrated plan: “What Matters”.*
- **United Nations Convention on the Rights of the Child:** *The Children Act 2004 guidance for Wales requires local authorities and their partners to have regard to the United Nations Convention on the Rights of a Child.*
- **United Nations Principles for Older Persons:** *The principles require a consideration of independence, participation, care, self-fulfillment and dignity.*
- **Welsh Language (Wales) Measure 2011:** *The Measure sets out official status for the Welsh language, a Welsh language Commissioner, and the freedom to speak Welsh.*
- **Health Impact Assessment:** *(HIA) considers policies, programmes or projects for their potential effects on the health of a population.*
- **Habitats Regulations Assessment:** *The Conservation (Natural Habitats, &c.) (Amendment) Regulations 2007 provides a requirement to undertake Habitats Regulations Assessment (HRA) of land use plans.*
- **Strategic Environmental Assessment:** *A Strategic Environmental Assessment (SEA) is an European Directive for plans, programmes and policies with land use implications and significant environmental effects.*

Mae'r dudalen hon yn wag yn fwriadol

**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**CARDIFF COUNCIL'S DIGITAL AMBITION**

**FINANCE, MODERNISATION AND PERFORMANCE (COUNCILLOR  
CHRISTOPHER WEAVER)**

**AGENDA ITEM: 6**

**Reason for this Report**

1. To note the progress that has been made to-date on the Council's Digital agenda;
2. To approve the Council's proposed new Digital Strategy, as included at Appendix 1; and
3. To approve the overall framework and governance for delivering the Digital Strategy as set out in this report, and note the ongoing development of action plans to support the implementation of the Council's digital agenda.

**Background**

4. It is widely acknowledged that embracing the full potential of digital technologies and ways of working is now a necessity for any organisation to be successful.
5. This is recognised within Capital Ambition, which makes a commitment to *"adopting a 'Digital First' approach, making the best use of new technologies to run our services, particularly our more transactional services, as efficiently and effectively as possible, and providing digital access which is indistinguishable from that available to citizens in every other aspect of their lives"*.
6. The Delivering Capital Ambition report, approved by Cabinet in December 2017, expands on this commitment, stating that "digital technologies have successfully delivered efficiencies" in the Council, while acknowledging that the work done to that date represented "only a partial adoption of technology and new ways of working" and that "too few [Council] services have achieved thoroughgoing end-to-end digitisation". The Delivering Capital Ambition report stated that "a focus will also be placed on streamlining and automating business processes".
7. This approach will be especially important in light of the substantial savings targets the Council has for the next three years.

8. This report provides an update on the work that was in progress at the time of Delivering Capital Ambition report, work that has started since, and includes the proposed new Digital Strategy for Cabinet's consideration and approval. Taken as whole this report sets out the framework for the Council's approach to Digital and the delivery of the new strategy. The appointment of the Chief Digital Officer has accelerated the development of this work and further detailed action plans are being finalised for Cabinet's consideration in the autumn.
9. While the Council has a key role in leading the wider digital agenda across the city, the initial priority is to set out how the Council will use digital technologies and new ways of working to improve its interactions with citizens and the services it provides, while making its own operations as efficient as possible. Therefore, this report and the Digital Strategy both focus primarily on these topics.
10. Cardiff is projected to be the fastest growing major British city outside London over the next 20 years. In fact, it is set to grow more than every other part of Wales combined. More people will mean more houses, more traffic and more waste and will place significant additional demand pressures on public services and city infrastructures. Developing the city's technology infrastructure and an associated 'smart cities' agenda can help the Council, public and private sector partners and local communities, to manage the impact of population growth in a more sustainable way. A specific report will follow in the autumn outlining the Council's approach to the development of the "Smart Cities" agenda. This will focus on infrastructure, current and on-going projects in this area and future ambitions.

### **The Operating Context**

11. The Council continues to face significant financial challenges, which, allied to rapidly increasing demand for Council services, has resulted in the Council projecting a £91m budget gap over the next 3 years. This comes on top of £145m in savings we have found over the past five years.
12. The budget challenges the Council faces mean staying the same is not an option, and the way services are delivered will need to change, as the Council becomes a more a streamlined, agile, customer-focused organisation.
13. Embracing the Digital agenda in a coherent and agile way will therefore be critical to meeting the challenges that lie ahead. New ways of working will be used to deliver services differently, and new technologies will be deployed to meet the needs of our residents and service users 'downstream', thereby managing demand and achieving better outcomes.
14. Furthermore, through the Council's Service Review programme, there will be a strong focus on making end-to-end processes as efficient and customer-focused as possible. Wherever possible, the Council will look to automate

processes to ensure the best use of scarce resources, and a consistent, accessible approach for our customers.

15. There are pockets of good practice across the public sector in taking forward the Digital Agenda. The Government Digital Service has set new standards for online service design and has steadily improved the accessibility to UK central government services by employing a relentlessly customer-focused design model. Additionally, several local authorities in the UK have made strides in specific areas of their business, including delivering at pace using agile project techniques, automated customer assistance, user-centred design, and the emerging use of predictive analytics techniques. However, even in these areas of good practice, significant challenges remain, and no one local authority has gained exemplar status. Furthermore, the local context in each council area means that customised solutions are often needed. Therefore, the Council needs to articulate a vision for its own digital future that takes transferrable best practice and incorporates it within solutions that work best for Cardiff.

### The Council’s New Digital Strategy

16. The Digital Strategy provides a focused account of what Digital will mean for the Council and how this will be taken forward by all parts of the organisation, with a clear emphasis on designing digital services that deliver the best outcomes for customers. The Council’s existing digital strategy was signed off by Cabinet in May 2016. While there are elements of this strategy that are still applicable and will be taken forward, the pace of change means it would not be fit for the purpose of delivering the digital agenda set out in Capital Ambition.
17. The overarching vision of the new Digital Strategy is for Cardiff to be “*a connected city in which new technologies empower citizens to get the best from services that matter to them*”.
18. Underpinning this vision are a set of key principles. These principles ensure that ‘Digital’ is understood as an approach that the entire organisation needs to embrace in order to meet the Council’s current and future challenges. These principles are set out in figure 1 below.

Principle	Description
<p style="text-align: center;"><b>The customer experience comes first</b></p>	<ul style="list-style-type: none"> <li>• Delivering exceptional experience to our citizens and staff remains our primary focus.</li> <li>• No Digital project will ever have a negative impact on the customer experience. Whether we are delivering changes to customer-facing processes or behind-the-scenes we will ensure that the current standard of customer experience is maintained or, wherever possible, improved.</li> </ul>

Principle	Description
	<ul style="list-style-type: none"> <li>We will ensure that the same range of services and customer experience is available to our customers, regardless of the channel by which they contact us.</li> </ul>
<p><b>Digital interactions will become the first choice for our customers</b></p>	<ul style="list-style-type: none"> <li>We will deliver simple, efficient and attractive Digital services that customers will choose to use instead of the traditional contact channels. We refer to this as making our services ‘Digital First’.</li> <li>Over time we will aim to make appropriate services ‘Digital by Default’, meaning that they will primarily be available digitally.</li> <li>We recognise that not every citizen will be able to use digital services so we will always ensure that there is an accessible route for them to interact with us. However, this will become the exception rather than the norm. We will also work to improve levels of digital inclusion across Cardiff.</li> </ul>
<p><b>Modern, fit-for-purpose technology will be used to ensure efficiency</b></p>	<ul style="list-style-type: none"> <li>We aim to use Cloud-based solutions wherever we can in order to reduce reliance on physical hardware that must be maintained, repaired and replaced.</li> <li>We will ensure that our technology platforms can be rapidly scaled up or down to ensure that the associated costs directly relate to service demand. We should only pay for services that we use.</li> <li>We will seek to make the most of emerging technologies; delivering enhanced customer service through the use of smart devices, virtual assistants and social media platforms</li> </ul>
<p><b>Technology solutions will be re-used, purchased and developed responsibly</b></p>	<ul style="list-style-type: none"> <li>Our default approach to the procurement of technology solutions is to re-use before we buy, and to buy before we develop something new. <ul style="list-style-type: none"> <li>We will re-use existing technology where it is fit-for-purpose</li> <li>If our existing technology is not fit-for-purpose we will seek to procure an existing</li> </ul> </li> </ul>

Principle	Description
	<p>solution that is the best fit for our requirements</p> <ul style="list-style-type: none"> <li>○ If no solution exists that can fulfil our requirements we will seek to develop a solution</li> </ul> <ul style="list-style-type: none"> <li>● When buying or developing a technology solution we will ensure that we identify the best fit option to meet our current and future requirements, and to provide value for money.</li> <li>● We will ensure that existing technology platforms are fully supported, that solutions are developed to a corporate standard, and that our ICT Service team has the required training, knowledge and support to ensure ongoing maintenance and support can be delivered.</li> </ul>
<p><b>Digital services will support collaborative working to improve outcomes for our customers</b></p>	<ul style="list-style-type: none"> <li>● Digital solutions will be implemented across service areas and external suppliers to improve collaborative working. The adoption of Cloud-based solutions will increase accessibility and agility.</li> <li>● Cardiff Council will prioritise analysis of the service data that we gather so that we can make better decisions, handle and forecast customer demand, and improve collaborative working.</li> <li>● Where appropriate we will share data across areas in support of improved service delivery and to improve outcomes for citizens. Security controls will be proportionate, to protect data and services, but not impede user accessibility.</li> </ul>
<p><b>Digital services will be continually monitored, assessed and improved</b></p>	<ul style="list-style-type: none"> <li>● We will always test Digital services thoroughly before releasing them for general use. This will include piloting them to assess the customer experience and completing detailed technical testing to check that they fulfil requirements.</li> <li>● Digital services will be monitored to assess the user experience and levels of engagement. We will use the data that we gather to make continual improvements to services.</li> </ul>

Principle	Description
	<ul style="list-style-type: none"> <li>We will document the lessons we have learn as we expand the number of Digital services we offer and will seek advice and guidance from organisations that have experience in Digital transformation to avoid reinventing the wheel or making the same mistakes that they have made.</li> </ul>

Figure 1: Digital Strategy Principles

19. The strategy is a focused document that provides a strategic statement of intent for the organisation. A series of action plans are being developed that will underpin the Digital Strategy; these will ensure the strategy is effectively delivered, achieving tangible outcomes for the Council and the city. The action plans, which will be finalised in the autumn, will be structured around the Connected Cardiff vision, with specific plans for each of its components; for example, ‘connected citizens’.
20. Once the action plans are in place, the Cabinet Member for Finance, Modernisation and Performance will have oversight of the delivery of the programme. The Cabinet will receive regular updates on the progress being made to deliver the plans, including details of when milestones will be met, any issues that may affect delivery, and opportunities for new improvements and initiatives.

### The Digital First Programme and Governance Arrangements

21. The Council’s Digital Vision is far-reaching and will ultimately run through all the work the organisation does, including in partnership with others. As such, the achievement of the Digital Strategy and the forthcoming action plan will require a long-term approach, which tackles issues and rolls out technology in a way that is sequenced to capitalise on opportunities and make the best use of available resources.
22. To oversee operational delivery a Digital Cardiff Board has been established as part of the Capital Ambition Delivery Programme governance arrangements, thus ensuring that the Council’s Cabinet and Senior Management Team have overall accountability for delivery of the Digital agenda.
23. The Digital Cardiff Board provides corporate oversight over the progress of digital initiatives that are both corporate and service-specific, thus ensuring a coherent approach to digital, enabling synergies between similar types of activity to be properly exploited, and holding officers to account for the progress of projects while offering challenge or support where required.



24. The appointment of the Chief Digital Officer will provide strategic leadership to the digital agenda, and the governance structures described above will drive through the key aspects of the Digital First programme.
25. However, for Digital to be successfully embedded in the organisation, all services will have to recognise and own the opportunities a Digital approach and new technologies offer for their lines of business. This will also require a continuing development of the organisation's culture, and a recognition of skills gaps, to ensure the Council has the capacity to respond to the challenges ahead and that staff have the capability to bring digital into their work. Ultimately, delivering the digital ambition set out in this report must be the responsibility of all managers and members of staff leading, over time, to digital technologies and ways of working being seen as 'business-as-usual' in the Council.

### **The Digital First Programme – Current Projects**

26. The Council is building on a strong foundation of progress, particularly in relation to managing the interface with citizens via digital platforms, including:
  - 69.4% of parking permits are now applied for online;
  - 75.7% of recycling bags and waste caddies are requested online;
  - 90% of school applications are made online (an increase of 20%);
  - 150% increase (from 32,000 to 78,000) in Twitter followers over the last two years, and the establishment of a presence on Facebook which has grown to over 11,000 followers.
27. Furthermore, the Council's website continues to develop and is consistently recognised as being of the highest quality. Most recently, the website received a Four Star rating from SOCITM for accessibility and usage, a rating that only 9% of local authority websites in the UK achieved, and which no other council website in Wales achieved.
28. Over the last two years, the Council has proactively increased its social media presence, communicating directly with residents and service users through platforms such as Facebook and Twitter, enabling real-time communication in a way that customers are used to from other aspects of their lives. Industry analysis suggests that Cardiff Council is now the best performing Council in Wales in terms of social media engagement across a range of measures.
29. Additionally, digital technologies have successfully delivered efficiencies, both in staff time and accommodation costs. For example, through the implementation of mobile working and scheduling, agile working and process redesign, front-line staff in housing maintenance (approximately 250 staff) and social care (approximately 650 staff) are able to spend more time with service users, with savings released in office accommodation.
30. There are now a range of projects underway that will help build on this progress, with more projects due to commence throughout the year. The list of projects that follows is not exhaustive, but shows those projects that are

enabled by corporate resource and driven through the Digital Cardiff Board. Taken together these projects form a coherent package of work that includes activity that focuses on both internal and external-facing issues, utilises both new technology and ways of working, and which will help continue to develop the digital culture of the Council. Further details of these projects can be found in Appendix 2.

Project Name	High-level Summary
<b>Hybrid Mail</b>	A process that lets users securely send mail from their computers to a distribution centre where it is packaged and made ready for distribution using the latest technology, which can realise significant cost reduction.
<b>SharePoint</b>	An Electronic Document and Records Management System (EDRMS) that will embed information governance into everyday working practices, by changing existing business process around how information is used, stored and made available.
<b>Skype for Business</b>	This allows users to connect with each other in a variety of ways, including through instant messaging, and voice and video calls.
<b>Microsoft Office 365</b>	Microsoft Office 365 is a cloud-based packages that includes services or products such as the traditional Microsoft Office suite of applications, Skype for Business, Exchange Online cloud hosted email, and online storage.
<b>Cardiff GOV Mobile app</b>	A mobile app that has been developed following requests from a number of service areas, this will allow the Council's customers to perform quick transactional services via their smartphones. The app is not a replacement for the Council's highly-regarded website, but instead mirrors some of the transactional functions already available on the website through a new channel.
<b>The Virtual Assistant Citizen Bot</b>	Through the use of artificial intelligence, the Virtual Assistant project will deliver a conversational, humanised 'ChatBot', initially to handle enquiries regarding waste. The Citizen Bot will be able to provide a simple, welcoming access channel that can be reused across many platforms, for example online, via the telephone, and even through smart units like the Amazon Echo.
<b>Electronic Signatures</b>	This project will implement the use of electronic and digital signatures, initially in Procurement, Legal and HR, with a view to extending through the authority, to realise efficiencies and improve practice.
<b>Fleet Management Service</b>	A specialist system for use by the Centralised Transport Service that will improve cost control, utilisation of resources and deliver a range of additional benefits.

<b>Waste Service Improvements</b>	This work includes the replacement of an obsolete IT system and implementation of in-cab technology to enable better use of resources and better visibility of issues experienced by customers.
<b>Information Management and Data Analytics</b>	This project will improve Information Management Systems and Data Analytics, both improving the quality of data and the Council's ability to effectively analyse its data.

*Figure 2: Digital projects summary*

## **Digital by Default and Digital Exclusion**

31. The Council's initial ambition is 'Digital First: using current and future technologies as the preferred way of running the organisation's business for staff and as the access route to services for customers.' In effect, a Digital First approach is one that maintains much of the same non-digital access in parallel but harnesses the improved user experience of digital to encourage increasing numbers of staff and customers to use these methods. Over the life of the programme, the Council will seek to enact a shift from 'Digital First' to 'Digital by Default.'
32. A 'Digital by Default' approach significantly reduces the reliance on, and provision of, non-digital ways of working. Amazon is often regarded as using an archetypal 'Digital by Default' model: by utilising an intuitive, customer-friendly digital platform, customers are able to self-serve effectively, while the organisation directs contact through the channels that are best for both parties. Despite non-digital contact between Amazon and its customers being a rarity, the company still regularly ranks among the highest levels of customer satisfaction in the UK.
33. Clearly, as a civic and community leader, and a provider of critical front-line services, the Council has different considerations to a marketplace-provider such as Amazon. However, the comparison still has validity because of the familiarity the Council's residents and service users have with this and similar organisations – in essence, this type and standard of interaction is what the Council's customers are increasingly expecting.
34. In pursuing a 'Digital by Default' model the Council will need to ensure there are robust mechanisms in place to assist those members of the community who are digitally excluded. Digital exclusion is defined as 'the inability to access online products or services or to use simple forms of digital technology'. Although it can be correlated to particular demographic groups, Cardiff's digitally excluded population has a wide range of constituents. It is also worth noting that Cardiff has been assessed as generally having low levels of digital exclusion.<sup>1</sup>

<sup>1</sup> <http://heatmap.thetechpartnership.com/?area=Cardiff&metric=total>

35. The Council already has a range of provision in place to aid residents who are less comfortable using digital means to access services, principally through the widespread availability of Community Hubs and the services therein. Continuing to work with the digitally excluded population of Cardiff as the Digital First programme progresses will be vital to ensuring everyone who needs the Council's services is able to access them.
36. However, there is also a significant interdependency with the Inclusive Growth agenda, as it is clear that those residents who are digitally excluded will face increasing financial disadvantages as the economy becomes more digitally-focused, even for those working in non-tech industries. Therefore, the Council will also work with partners to develop effective skills-based interventions to address this issue.
37. As an organisation, the expectation is that the Council will ultimately adopt a Digital by Default approach across its entire way of working. A current example of this is the Hybrid Mail approach: once adopted and fully embedded across the organisation, the option to use current methods of mail creation will be removed.
38. A Digital by Default approach will clearly have learning and development implications, and Directorates' workforce planning activity will need reflect this, in order to ensure the entire workforce feels confident using and is able to take advantage of the opportunities offered by new digital technologies.

### **The Council's Digital Agenda and Cardiff's development as a 'Smart City'**

39. The Delivering Capital Ambition report recognises "the need to reshape the Council's core office estate". There will be strong interdependencies between the potential reconfiguration of the Council's main buildings and digital ways of working. Not only will Digital be key to enabling better use of the Council's buildings, but, as has been shown through the housing maintenance and social services examples, better use of the Council's assets is a key catalyst to the adoption of new ways of working.
40. As well as having a key role in enabling change in the Council's use of assets, the role of digital technologies will also be considered in relation to schools, and the infrastructure needed to ensure Cardiff's pupils have the opportunities to experience and learn using contemporary technologies.
41. Although Digital transformation within the organisation is clearly a priority, it is also incumbent on the Council to consider the development of the City's digital capacity. Doing this will not only have intrinsic social, economic and, potentially, environmental benefits for Cardiff's residents, it will also ensure the Council's customers are better able to receive services digitally.
42. Cardiff starts from a strong position, with some of the highest connectivity rates in the UK; current analysis suggests that over 98% of Cardiff's households can access connection speeds of 30 Mbps or more, which is the highest among all UK Core Cities. This strong foundation needs to be built upon, as there is a

clear correlation between the capacity of a city's digital infrastructure and the transformational opportunities available to it.

43. This is especially true in relation to the Smart Cities agenda. The presence of a strong tech sector in Cardiff and the surrounding region, a highly-educated resident population and the current digital capacity mean that the city is ideally placed to develop an 'Internet of Things' that will allow better service delivery and enable commercial and civic opportunities. In this connection, the Council is working with partners to secure a significant improvement in the city's technology infrastructure, including the development of ultrafast broadband and 5G coverage. Critically, the Chief Digital Officer is also supporting the Cabinet's commitment to join up disparate smart city initiatives across the city. A report on the Council's approach to the Smart Cities agenda will be brought forward later in the year, and this will form an essential element of future bids to the UK and Welsh Governments for future capital investment into this infrastructure.
44. The Council will also need to work with partners to offer effective digital solutions to common challenges. The governance arrangements for the Capital Ambition Delivery Programme ensure partners are included to deliver shared solutions, and it is through this structure that common digital challenges can also be addressed.
45. Furthermore, as the Council's digital capacity is consolidated and enhanced, the Council will look to serve as a delivery partner of choice for a range of related functions.

### **Reason for Recommendations**

46. To ensure the Council has a coherent, effective digital strategy and the necessary framework and governance to drive its implementation.

### **Financial Implications**

47. Projects within the digital programme will need to be the subject of robust individual business cases. These should identify initial investment requirements as well as any ongoing commitments and potential savings. As well as delivering modernisation and service improvement, making greater use of technology is an important opportunity to identify budget savings in support of the extremely challenging medium term financial position.

### **Legal Implications**

48. In order to implement the digital strategy, it is understood that new digital processes will be built and new digital projects designed. Legal advice should be sought and taken into account as the new processes and projects are developed. In developing the new digital processes and projects regard should also be had to the carrying out of appropriate consultation, the Authority's statutory equality duty and obligations in respect of the Welsh language.

49. The strategy sets out actions that the Authority 'will' take. The adoption of the strategy will therefore serve to create an expectation that the matters set out will be delivered. Accordingly, in adopting the strategy the Authority should be satisfied that it can deliver the matters referred to.

#### Equality duty

50. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010. Pursuant to these legal duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment, (c) Sex, (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation and (i) Religion or belief – including lack of belief.
51. The decision maker should also have regard when making its decision to the Council's wider obligations under the Social Services and Wellbeing (Wales) Act 2014 and The Wellbeing of Future Generations (Wales) Act 2015. In brief, both acts make provision with regards promoting / improving wellbeing.

#### Generic advice

52. All decisions taken by or on behalf of the Authority must; be within the legal powers of the Authority and of the body or person exercising powers on behalf of the Authority, Comply with any procedural requirement imposed by law, be undertaken in accordance with procedural requirements imposed by the Authority, be fully and properly informed, be properly motivated (i.e. for an appropriate, good and relevant reason), be taken having regard to the Authority's fiduciary duty to its tax payers (this general duty requires the Authority to act prudently and in good faith in the interests of those to whom the duty is owed), and otherwise be reasonable and proper in all the circumstances.

#### **HR Implications**

53. The Digital Strategy compliments the Council's 2018-2021 Workforce Strategy, which references both digital skills and agile working. There will be a close working relationship between the Chief Digital Officer and the Chief HR Officer to ensure that there is a joined up approach to these areas from a technology, skills and culture point of view.

#### **RECOMMENDATIONS**

Cabinet is recommended to:

1. To note the progress that has been made to-date on the Council's Digital agenda;

2. To approve the Council's proposed new Digital Strategy, as included at Appendix 1; and
3. To approve the overall framework and governance for delivering the Digital Strategy as set out in this report, and note the ongoing development of action plans to support the implementation of the Council's digital agenda.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTINE SALTER</b> CORPORATE DIRECTOR RESOURCES
	<b>6 July 2018</b>

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*g appendices are attached:*

- Appendix 1 – Cardiff Council Digital Strategy
- Appendix 2 - Digital First Programme – Project Updates

Mae'r dudalen hon yn wag yn fwriadol



# STRATEGAITH

Ddigidol  
Cyngor Caerdydd

# DIGITAL

Strategy  
Cardiff Council



CRE V GWIR IN THESE STONES  
FEL GW YDR HORIZONS  
OF WRNALS AWENSING

## PURPOSE

The Cardiff Council Digital Strategy has been established in order to provide guidelines that will support Cardiff Council's ambition to digitalise services. It contains the principles that will enable Cardiff Council to deliver benefits by exploring new ways of working, increasing service accessibility, and improving customer service.

This document covers the following components;

- ▶ **Purpose**
- ▶ **Intro**
- ▶ **Where Cardiff is now**
- ▶ **Vision**
- ▶ **Principles**
- ▶ **Governance**

This strategy will enable Cardiff Council to achieve the 'Digital First' approach set out in the Capital Ambition programme, which sets out the Council's priorities for the administration over the next 5 years. This Digital Strategy is intended to run alongside the Capital Ambition plan and draw out the digital themes contained within the modernisation section, and throughout the document.

Only through the successful implementation of this digital strategy will we be able to successfully modernise and integrate our public services, thus enabling us to achieve the other six wellbeing objectives as set jointly by the public service board in Cardiff, as depicted in the diagram below.

Digital initiatives will form part of the Council's response to the provisions laid out by the Well-being of Future Generations (Wales) Act 2015. Adopting further Digital projects and ways of working will directly contribute towards the Council fulfilling its obligations under this act.



WELL-BEING OBJECTIVES



## Introduction

As we become increasingly reliant on digital devices and digital services, we expect to be able to communicate with organisations at any time of day or night. We want to find information, request services or report problems quickly, easily and at our convenience. We are increasingly reliant on effective automated services as our first contact point with banks, shops and service providers. For many of us this is the easiest way to interact as we can choose when we do it whilst avoiding waiting in queues for our calls to be answered. Cardiff Council should be no different.

As a Council, we already offer online access and automated services in a number of areas, but we need to do more. By providing simple, accessible means for customers to communicate with us, we can encourage a shift away from the traditional, more expensive contact methods such as telephone and face-to-face contact. More of the high-volume, low-value contacts that we deal with should be completed at our customers' convenience, enabling Council staff to focus on the more complex and sensitive enquiries that benefit from the human touch.

Focussing on digital services doesn't just make things better for our customers – we'll be able to work more efficiently, and reassign our resources to more critical services. Customers will always be able to speak to a person when they need to, and the person they speak to will be able to provide improved customer service. Behind-the-scenes, we're using digital technology to simplify and automate processes which will reduce our reliance on expensive and bulky physical hardware. All this can help us manage the rising cost and demand pressure which the Council is facing.

We're also becoming a more agile and flexible organisation, with staff able to work from any location as we make more efficient use of physical space and mobile technology. While working around the city Council staff- such as social workers and the housing repair teams- carry smart devices which allow them to receive up-to-the-minute instructions and report on progress without the need to return to base. Simple changes like this mean that productivity has significantly increased, and our staff can focus on core business rather than administrative tasks.



This is a really exciting time for Cardiff Council. The technology we need to improve our efficiency and accessibility is becoming more and more affordable, making its adoption both a realistic proposition and an obvious choice. We continue to face operational challenges because of ongoing reductions in funding. At the same time we're seeing unprecedented growth across Cardiff with more businesses, more workers, and more residents choosing to move to the capital. The only way that we can continue to provide the breadth and quality of services to our citizens is to make significant improvements in how we operate.

In this Digital Strategy, we've laid out our approach to transforming Cardiff Council into a modern, digitally supported organisation - able to maintain excellent service delivery in a more efficient, simple and accessible way. We have agreed and adopted a set of simple principles so that we can all pull in the same direction. Improving outcomes for citizens remains our first priority, and we're confident that the opportunities afforded to us by new digital technologies will enable us to make improvements across the board that will be of benefit everyone.



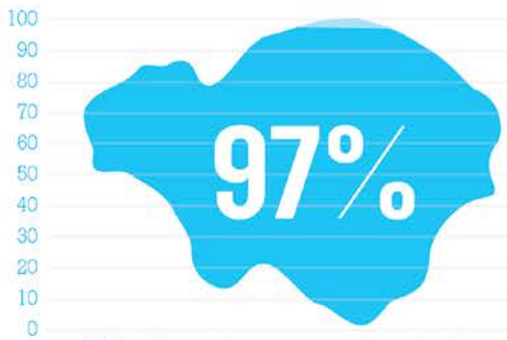
READY



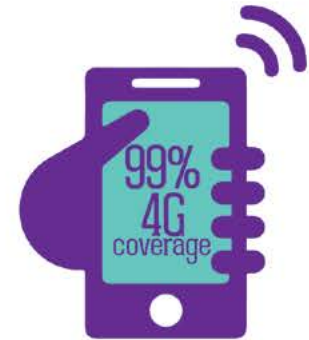
Over 120 free wifi points across the city via the Cardiff Free Wi-Fi scheme



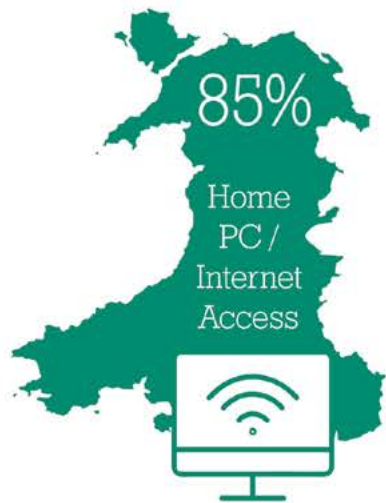
19 Hubs and libraries across the city with internet access for the use of citizens



97% of premises across the city have broadband speeds over 30M/bits per second available (Ofcom Connected Nations report 2018)



4G mobile phone service available from 4 or more operators in 99% of the area covered by the local authority (Ofcom Connected Nations report 2018)

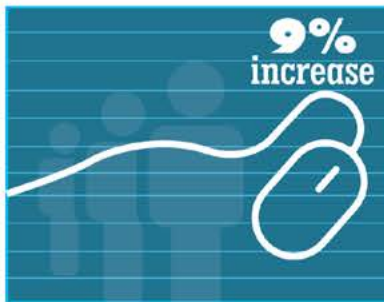


Across Wales 85% of households now have a home computer and internet connection (Office of National statistics)

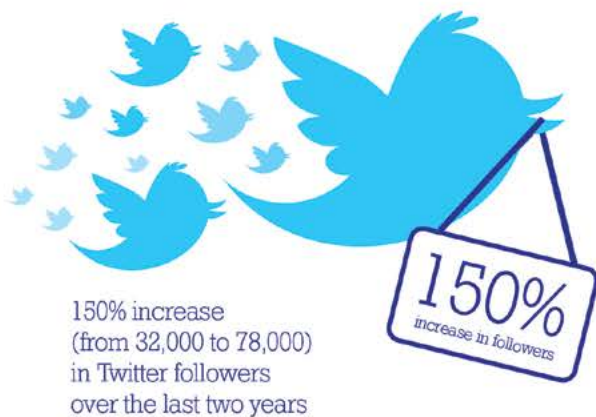


SOCITIM 4\* rated website – only local authority in Wales.

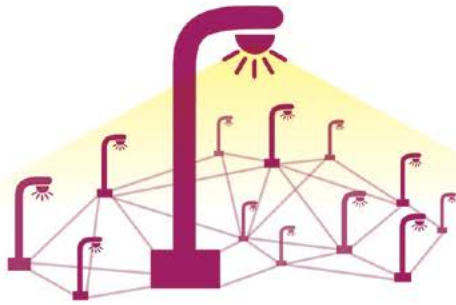
WILLING



2016/17      2017/18  
2017/18 website visitors  
up by 9% from 2016/17



ABLE



14,000 connected street lights on our road network



3,300 parking sensors across our city over 3,000 downloads of the parking app within the 1st 6 months



19,539 additional transactions totalling £1.7 million made when compared to 2016/17



Council tax portal supports over 35,000 visits for citizens to view their account online



ABLE

# CARDIFF GOV APP



Cardiff Gov App launched for citizens in June 2018

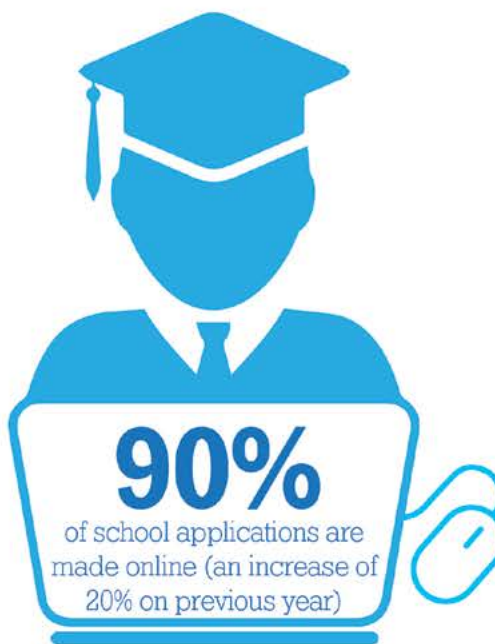


increase in online parking permit applications

# 75.7%



75.7% of recycling bags and waste caddies are requested online



90% of school applications are made online (an increase of 20% on previous year)

## Vision for our Digital Strategy

Our digital vision for Cardiff is a **connected city** in which new technologies empower citizens to get the best from services that matter to them



**CONNECTED  
CITIZENS**

Technology enables citizens to connect with, and be involved in, the ways that are important to them

**CONNECTED  
MANAGEMENT**

Technology provides the information and tools to manage an effective and efficient workforce

**CONNECTED  
WORKFORCE**

Technology allows effective engagement and improved working practices

**CONNECTED  
PARTNERS**

Technology makes a real difference to how joined-up services are provided to citizens

**CONNECTED  
BUSINESSES**

Technology makes Cardiff a more attractive place to do business and encourages innovation

**CONNECTED  
CARDIFF**



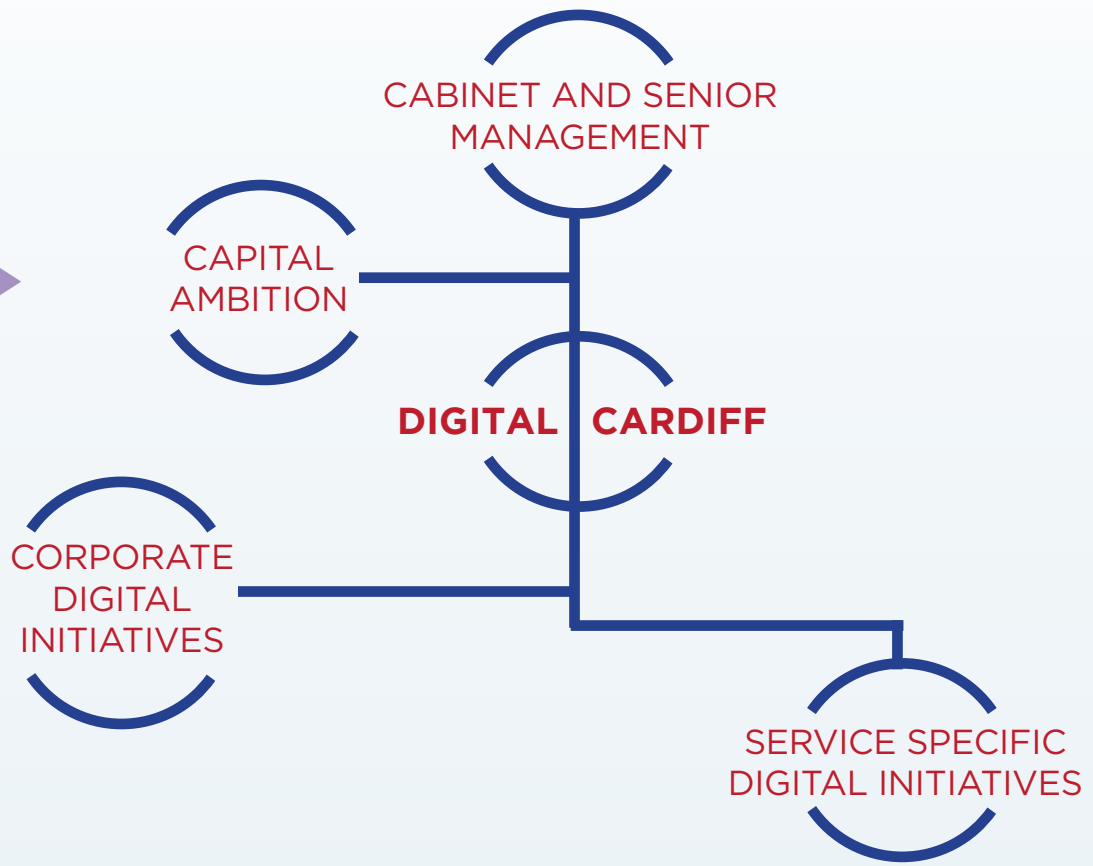
## Key Principles

PRINCIPLE:	DESCRIPTION:
The customer experience comes first	<ul style="list-style-type: none"> <li>• Delivering exceptional experience to our citizens and staff remains our primary focus.</li> <li>• No Digital project will ever have a negative impact on the customer experience. Whether we are delivering changes to customer-facing processes or behind-the-scenes we will ensure that the current standard of customer experience is maintained or, wherever possible, improved.</li> <li>• We will ensure that the same range of services and customer experience is available to our customers, regardless of the channel by which they contact us.</li> </ul>
Digital interactions will become the first choice for our customers	<ul style="list-style-type: none"> <li>• We will deliver simple, efficient and attractive Digital services that customers will choose to use instead of the traditional contact channels. We refer to this as making our services 'Digital First'.</li> <li>• Over time we will aim to make appropriate services 'Digital by Default', meaning that they will primarily be available digitally.</li> <li>• We recognise that not every citizen will be able to use digital services so we will always ensure that there is an accessible route for them to interact with us. However, this will become the exception rather than the norm. We will also work to improve levels of digital inclusion across Cardiff.</li> </ul>
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<p>Technology solutions will be re-used, purchased and developed responsibly</p>	<ul style="list-style-type: none"> <li>• Our default approach to the procurement of technology solutions is to re-use before we buy, and to buy before we develop something new.                             <ul style="list-style-type: none"> <li>o We will re-use existing technology where it is fit-for-purpose</li> <li>o If our existing technology is not fit-for-purpose we will seek to procure an existing solution that is the best fit for our requirements</li> <li>o If no solution exists that can fulfil our requirements we will seek to develop a solution</li> </ul> </li> <li>• When buying or developing a technology solution we will ensure that we identify the best fit option to meet our current and future requirements, and to provide value for money.</li> <li>• We will ensure that existing technology platforms are fully supported, that solutions are developed to a corporate standard, and that our ICT Service team has the required training, knowledge and support to ensure ongoing maintenance and support can be delivered.</li> </ul>
<p>Digital services will support collaborative working to improve outcomes for our customers</p>	<ul style="list-style-type: none"> <li>• Digital solutions will be implemented across service areas and external suppliers to improve collaborative working. The adoption of Cloud-based solutions will increase accessibility and agility.</li> <li>• Cardiff Council will prioritise analysis of the service data that we gather so that we can make better decisions, handle and forecast customer demand, and improve collaborative working.</li> <li>• Where appropriate we will share data across areas in support of improved service delivery and to improve outcomes for citizens. Security controls will be proportionate, to protect data and services, but not impede user accessibility.</li> </ul>
<p>Digital services will be continually monitored, assessed and improved</p>	<ul style="list-style-type: none"> <li>• We will always test Digital services thoroughly before releasing them for general use. This will include piloting them to assess the customer experience and completing detailed technical testing to check that they fulfil requirements.</li> <li>• Digital services will be monitored to assess the user experience and levels of engagement. We will use the data that we gather to make continual improvements to services.</li> <li>• We will document the lessons we have learn as we expand the number of Digital services we offer and will seek advice and guidance from organisations that have experience in Digital transformation to avoid reinventing the wheel or making the same mistakes that they have made.</li> </ul>

## Governance

Various groups and boards will have responsibility for providing governance on Digital projects and initiatives. Key responsibilities are outlined below:



- Cabinet and SMT accountable for delivering Digital agenda
- The Cabinet Member for Finance, Modernisation and Performance will oversee the delivery of the programme
- Digital Cardiff Board to drive Digital First agenda, offering leadership, support and challenge
- Monthly meetings chaired by Chief Executive
- Regularly updated on initiatives
- Ensure coherent approach, enable and maximise synergies
- Strategic management by Chief Digital Officer



## Appendix 2: The Digital First Programme – Project Updates

1. The following projects are part of the Digital First programme:

### Hybrid Mail

2. Hybrid Mail is a process that lets users securely send mail from their computers to a distribution centre where it is packaged and made ready for distribution using the latest technology. Benchmarking with other organisations' improvement initiatives highlighted that the use of this method of post can realise cost reductions of between 30% - 35% in sending outgoing mail.
3. Cardiff Council sends 2.7 million mail items per year. The total actual spend for 2016/2017 was £1.7m, against a budget of £1.1m.
4. While 1.1 million items are batched and sent via the Council's internal print room, the remaining 1.6 million items are sent using a range of methods and service-specific arrangements. With such high volumes of post being sent, a corporate solution has the potential to realise significant savings for the Council.
5. A number of key benefits (both financial and non-financial) can be achieved by moving to a Hybrid Mail solution, including:
  - Reduction in the cost of sending mail
  - Improvements in the existing postal process
  - Establishing a set of principles and guidelines to enable the Council to shift away from costly, paper heavy and manual postal processes
  - Supporting the move to 'Digital by Default', by adopting tools, techniques and latest technologies, enthusing a digital culture which is customer-centric, user-led and modern
  - Reduce failure demand and therefore increase the capacity of the postal services
  - Bring the postal facilities on par with existing Digital industry standards
  - Help in reducing the volumes of printing and associated procurement costs
  - Provide information governance compliance by offering audit trail of sent documents
  - Access to detailed management information for reporting and decision making purposes
  - Increase in valuable office space, by releasing space currently occupied by printing equipment and machinery
6. An invitation to tender has now been submitted, and it is intended that the rollout of Phase 1 will commence in August 2018.
7. The rollout will initially target nine service areas where postage processes have already been mapped: Civil Parking Enforcement; Lamby Way; Benefits; Achievement & Inclusion; Planning; Electoral Service (internal); Rent Arrears; Pensions; and Rent Smart Wales.

8. Following on from Phase 1 planning and implementation, further analysis work will be taking place in areas not yet identified, to inform the roll out plan of areas in scope of Phase 2. A decommissioning of franking machines plan will be drawn up, in line with the proposed implementation plan once this has been agreed.

### SharePoint

9. SharePoint has been identified and chosen as the Corporate Electronic Document & Records Management System (EDRMS) that will embed information governance into everyday working practices, by changing existing business process around how information is used, stored and made available, while ensuring Digital General Data Protection Regulations GDPR and Records Management compliance.
10. SharePoint also fosters collaboration, helps to remove siloes and improves working processes to become more efficient and leaner by using the automated and workflow functionality.
11. Eventually, all of the Council's services will have their own site, to allow data storage, joined-up working, and to spread knowledge and learning of the Council's functions. 31 sites have now been created for services across the Council, with 144 site administrators and 880 end users appropriately trained.
12. The implementation of SharePoint will offer many benefits, including:
  - Collaboration will improve across the organisation, as documents will be accessible to all members of the team within a SharePoint team environment, and give the ability for officers to work on the same document at the same time
  - Version control ensures 'one version of the truth' and previous versions can be located and restored
  - Files will be stored in a way that is easier to search, improving user functionality and making it easier for the Council to respond to FOI requests.
  - Reducing the need for attachments, therefore reducing the volume and size of email traffic
  - Documents stored within SharePoint sites will ensure the organisation is compliant with GDPR.
  - The SharePoint workflow functionality can publish Freedom of Information responses on the external internet reducing the need to reply to same subject requests
  - Service Areas' Public web pages will improve

### Skype for Business



13. Skype for Business is part of our Microsoft Enterprise agreement (so the Council does not need to invest in additional user licenses), and it lets people connect with co-workers or business partners in a range of ways. Initially the list of organisations that we connect to has been restricted to Welsh public sector but the aim is to extend this to a wide range of contacts.
14. The four components of Skype (as it is commonly known) are:
  - Presence: this allows users to see when their contacts are available online, in a meeting, or busy. This has proven valuable when managing an increasingly mobile workforce.
  - Instant Messaging: This is comparable to a business version of texting. Very useful for short messages and can be extended to include multiple participants in the messages. This also helps to reduce email traffic, and the concomitant pressure on the Council's data storage.
  - Voice: Although not as widely utilised as other components due to the Council's existing widespread telephony provision, it is worth noting that it is possible for calls to be made using Skype.
  - Video: A simple way to allow users to see each other and converse using their laptops/PCs, reducing the need to travel for face-to-face meetings. Also provides an effective form of video conferencing.
15. Skype has already been rolled out in a range of areas, and usage levels are already significant: in May this year over 60,000 instant messages were sent; 450 minutes of voice calls made; and 425 minutes of video calls were made using the system.
16. The Council's licence will be upgraded in July 2018, allowing users to have voice and video calls with multiple participants. This will greatly extend the potential usage for conferencing-type calls and meetings, and will enable multiple participants from multiple organisations to collaborate easily and simply.

#### Microsoft Office 365

17. Office 365 refers to subscription plans that include access to Microsoft Office applications plus other productivity services that are enabled over the internet (cloud services). Office 365 includes services or products such as the traditional Microsoft Office suite of applications, Skype for Business (as described above), Exchange Online cloud hosted email, and online storage with OneDrive for Business.
18. Office 365 was initially purchased for use by Social Care colleagues to enable them to work in a more agile way when they left the Global Link building. Combined with the use of portable devices and smartphones, this has allowed staff to work remotely from anywhere there is an internet connection and work far more flexibly than was possible with the previous 'desktop' devices and fixed landlines.

19. Over 350 social workers now have this setup and Office 365 will shortly be rolled out across the rest of the organisation.
20. The final part of deployment to Social Care staff is to install email on their smartphones, and this is scheduled to complete by the end of July. Also in July, the rest of the organisation will be licenced to use Office 365 and the plan is to rollout the full range of Office 365 applications to all staff over time.
21. The Office 365 suite includes enhanced Skype capabilities, improved collaboration tools, and social media-style functionality for use within a business environment, along with a range of other improved tools.
22. The Council is currently working with Microsoft to develop a roadmap for the rollout of the full functionality of Office 365 to drive real business benefits from their usage.

### The Cardiff App

23. Cardiff GOV, a mobile app that has been developed following requests from a number of service areas, will allow the Council's customers to perform quick transactional services via their smartphones. The app is not a replacement for the Council's highly-regarded website, but instead mirrors some of the transactional functions already available on the website.
24. Developing the app for smartphones has enabled the incorporation of features common to these devices in order to improve the service and experience for customers. Examples of this are the mapping-based services that can be used to improve accuracy of location-based information, and the ability to take and/or upload pictures to attach as part of a report, both of which further enhance the quality of information provided to the Council as part of any contact.
25. Cardiff GOV is being designed in tandem with updates to the website to ensure a unified experience for customers no matter which channel they decide to use. Initial services provided through the app include a range of Council Tax services such as making payments, checking balances and previous payments, or applying for single person discount amongst, other capabilities. Other services available in the first release include reporting Fly Tipping and setting Waste Collection reminders to inform users of when they need to present different types of waste for collection, which includes the facility for users to set customised reminders.
26. The first release is due for launch mid-June and the roadmap sets out a plan to iteratively release new functionality (including access to additional Council services) on a bi-monthly basis. Examples of future services for inclusion on the app are reporting highways defects, street lighting issues, applying for permits and paying fines.
27. The app is being designed in such a way that it interacts directly with back office systems to speed up processing, and benefits both customers and the service area.

## Virtual Assistant – “ChatBot”

28. The Virtual Assistant project will deliver a conversational, humanised ‘ChatBot’, initially to handle enquiries about waste disposal.
29. In the modern, digital world, customers expect to be able to communicate and transact with organisations on a 24/7 basis. Using simple, accessible channels, they expect to be able to find the information that they need quickly and without trawling through content.
30. By using artificial intelligence, natural language processing, and automation, the Council will be able to provide a simple, welcoming access channel that can be reused across many platforms, for example online, via the telephone, and even through smart units like Amazon Echo, delivering customer service in the home of our citizens and service users.
31. Providing a simple, accessible route for customers to find information and complete automated transactions will encourage channel shift away from the traditional, expensive contact routes – telephone and face-to-face contact. The use of a ChatBot will enable customers to complete high-volume, low-value contacts at their convenience, allowing Council staff to focus on the more complex and sensitive enquiries that require direct human interaction. Customer and employee experience is expected to improve alongside the projected cost avoidance through re-allocation of resource.
32. Additional benefits of virtual assistant tools include: significant improvements in citizen engagement for non-native English/Welsh speakers as automatic translation is available for around 80 languages; avoidance of costs associated with sickness, leave, training and recruitment; and savings related to the use of cloud-based technologies.
33. Thorough research and a broad market-sounding exercise has been completed. The technologies involved in delivering a virtual assistant platform are relatively new and exploration of their use in the public sector has only started recently. The project team has investigated a number of approaches to delivering a broad platform to revolutionise customer contact, and has developed a greater understanding of the pros and cons of these. A detailed business case is being prepared that will demonstrate the benefits that can be achieved through the implementation of these tools, and the costs associated with the development, deployment and ongoing management of virtual assistant channels. Agreement to fund the project’s proposal will be sought in June 2018; procurement and supplier engagement will start soon after this if funding is secured.

## E-Signatures

34. The E-Signatures project has been established to explore and, if feasible, implement the use of electronic and digital signatures, initially in Procurement,

Legal and HR, with a view to extending through the authority and its interactions with suppliers.

35. The aim will be to reduce costs from paper and printing use, reduce officer time in administering documents, enhance security and archiving, improve retention management and simplify GDPR compliance. It will also align the authority with the increasing expectations of customers - both corporate and citizen - to transact electronically as fully as possible.
36. The project team identified initial processes, and are currently mapping in detail. Parallel to this, the team are undertaking market sounding to ensure a robust understanding of the available solutions, their components, and to inform detailed requirements.

### Fleet Management IT System

37. The Council's Central Transport Service (CTS) has procured and is now implementing a specialist Fleet Management IT system.
38. The project consists of two phases:
  - Phase 1: to implement the core Tranman Fleet Management System for use by the Centralised Transport Service
  - Phase 2: the rollout of a Service Area Manager portal enabling managers to access and view data about their fleet vehicles, which will improve compliance for service and MOT scheduling; the implementation of a replacement Spot Hire portal giving CTS greater control and visibility of spot hires (short term hires) made across the Council
39. The key benefits of the project are:
  - Improved cost control
  - Improved utilisation of resources
  - Improvement in compliance with relevant transport regulations
  - The costs of vehicles/plant etc. being more transparent
  - Improved reporting to service-area budget holders
  - The CTS workshop will be run more efficiently through the electronic scheduling of jobs resulting in additional capacity to deal with more work
  - Improvements in the procurement and tracking of parts with only parts that are required being ordered
  - Provision of the essential infrastructure to facilitate commercial growth
  - Improved management information
  - Reduced paper usage
  - A solid platform and essential infrastructure for growing external income which is a key objective for CTS

40. Phase 1 is complete, and the portals for Phase 2 are installed and are awaiting User Acceptance Testing by the CTS team. Once a successful round of testing is complete the portals will be ready for release to the organisation. Project Closure is scheduled for June 2018.

### Waste Improvements Projects

41. Two key areas of the Council's waste services have initially been identified for improvement through the use of new technology:
- The replacement of the WRMS Waste Management back office system, which is no longer supported by the supplier. The replacement system would include enhanced functionality.
  - Implementation of in-cab technology that will interact with the replacement Waste Management system. As part of this implementation mobile in-cab technology would enable crews to receive jobs and provide real-time feedback on completed work.
42. Following an open tender procurement process a market leading system – 'Collective' – was procured from Bartec. The implementation of this technology will take place over two phases:
- **Phase 1:** the implementation of the replacement back-office system, including migration of data from the de-commissioned WRMS system and rollout of in-cab technology to Domestic Waste Collections crews; the rollout of Webview – a real-time read only browser based portal to Customer Services (C2C)
  - **Phase 2** – Automation of jobs for Waste Teams in Collective and the integration of Collective to internal Customer Services (C2C) system. This will work will allow Waste Services to be added to the Cardiff App in a later phase.
43. The key benefits of the project are:
- The ability to do more with existing resource levels in a fast growing city through better round management
  - Removal of paper workpacks
  - Better communication and feedback between back office teams and domestic waste collection crews
  - Improved customer experience when contacting the Council as C2C agents will have access to live data during collection rounds
  - Automation of waste services
  - Facilitating future developments to digitise the service so that Waste services may become available via the app and online
44. Phase one of the project is live with the replacement back office implemented in December 2017 and rollout to crews of in-cab devices completed by 31<sup>st</sup> January 2018. Phase 2 automations and integrations are in development with a planned rollout of July 2018.



**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**BUDGET STRATEGY REPORT 2019/20 AND THE MEDIUM TERM**

**PORTFOLIO: FINANCE, MODERNISATION & PERFORMANCE  
(COUNCILLOR CHRISTOPHER WEAVER)**

**AGENDA ITEM: 7**

**Reason for this Report**

1. To consolidate and update the financial strategy of the Council in readiness for the preparation of the 2019/20 revenue and capital budgets.
2. To outline the timetable that the budget process will follow in order to present the 2019/20 Budget to Council in February 2019.
3. To provide an update in relation to the Council's financial resilience.

**Structure of the Report**

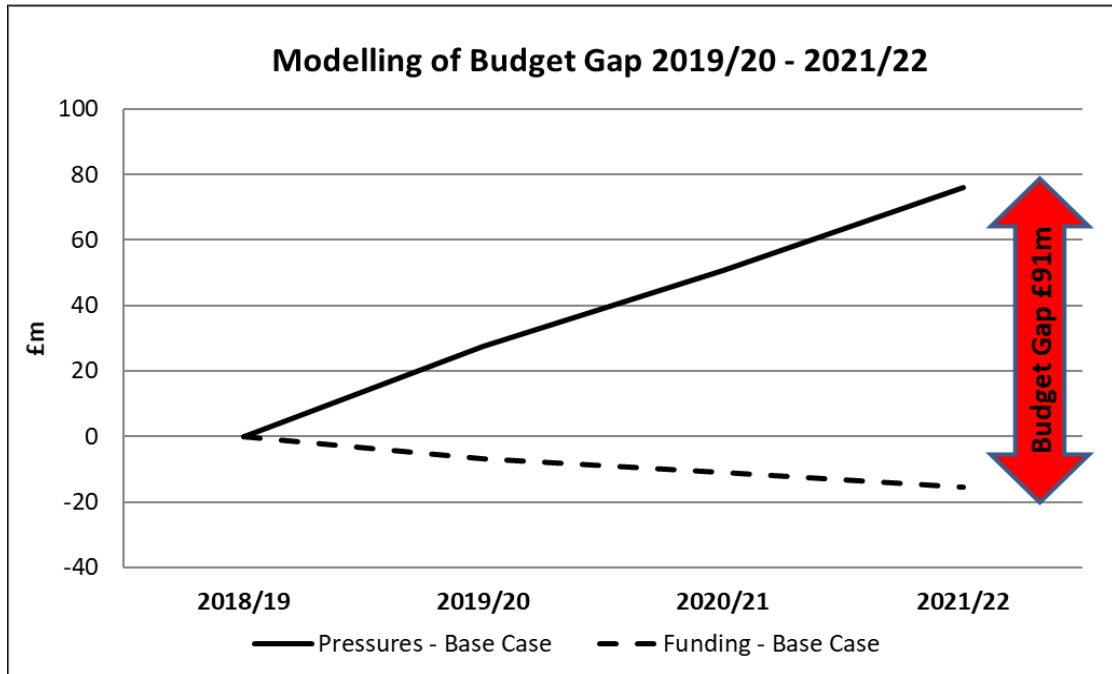
4. The following table provides a guide to the key sections of the Report. Appendix 1 provides a short overview of the Budget Strategy in a question and answer format.

<b>Section</b>	<b>From Para No</b>
<b>General Background and Context</b>	5
<b>Budget Reduction Requirement</b>	23
<b>Budget Strategy</b>	26
<b>Consultation and Engagement</b>	42
<b>Capital Programme</b>	45
<b>Financial Resilience and Risk</b>	74

**General Background**

5. The Medium Term Financial Plan (MTFP) included within the Council's 2018/19 Budget Report identified a potential budget gap of £34.2 million in

2019/20 and £91.4 million over the period 2019/20 – 2021/22. The budget gap is due to anticipated funding reductions, at the same time as demand and inflationary pressure on services is expected to rise significantly. This is illustrated in the chart below.



- This Report reviews the budget gap, outlines the strategy and timetable for addressing it and considers the Council’s ongoing financial resilience in the face of continued financial challenge.

### National Context

- Local financial planning and horizon scanning is inextricably linked to the wider economic and financial context. The Chancellor’s Spring Statement provides an update on the overall health of the economy and takes into account economic forecasts produced by the Office of Budget Responsibility (OBR). The 2018 Spring Statement identified some positive signs, including that:-

- The economy has grown for five consecutive years, exceeding expectations in 2017. The OBR forecast growth of 1.5% in 2018 and 1.3% in 2019, a slight revision from the growth prediction of 1.4% in the Autumn Budget.
- Employment has increased by 3 million since 2010 with predictions of a further 500,000 people in work by 2022.
- Forecasts suggest inflation of 2.3% for 2018, falling to 2.1% in 2019 with wages anticipated to rise faster than prices over the next five years.
- National debt as a percentage of GDP is forecast to fall from 85.5% in 2017/18 to 77.9% in 2022/23.

- The level of national debt (relative to GDP) has been at the root of public spending reductions in recent years. Forecasts that this measure will begin to

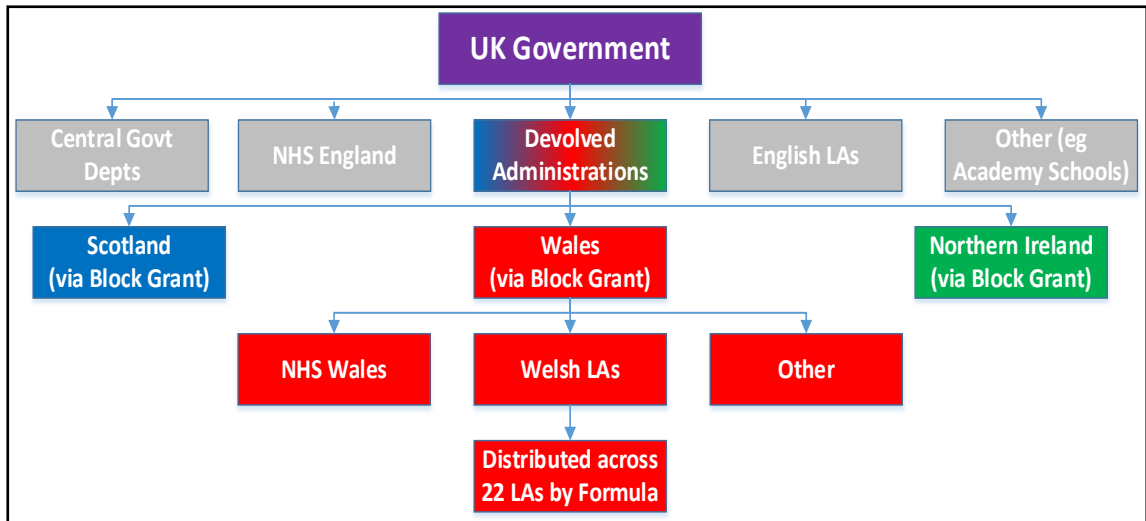


fall this financial year are therefore positive. However, the Chancellor called for caution, indicating his view that national debt is still too high, leaving the UK economy vulnerable to future financial shocks. He advocated a balanced approach to weighing public spending against the ongoing need to reduce the deficit. Nevertheless, there was a suggestion within the Spring Statement that if public finances continue on an improved path, there could be increases to public spending and investment in the years ahead.

9. A key uncertainty in the economic analysis is how Britain's exit from the European Union (BREXIT) may ultimately affect forecasts. Throughout their analysis, the OBR note that because negotiations around the terms of exit are still ongoing, there is no firm basis upon which to reflect the end-point of BREXIT within their forecasts. It is also of note that whilst the forecasts outlined above appear broadly positive, the Institute for Fiscal Studies' (IFS) commentary on the Spring Statement noted that compared to two years ago, projections of growth are lower and the forecast national deficit is higher. The IFS also pointed out that despite forecast wage increases, 2022/23 levels would be similar to 2007/08 and that inflation will continue to erode most working age benefits, which are frozen in cash terms. The overall outlook therefore seems to be cautiously positive with ongoing uncertainty around BREXIT.
10. In June 2018, three months following the Spring Statement, the Government announced £20 billion additional funding for the NHS by 2023. The Prime Minister has suggested that this may be financed from possible tax increases and through the potential financial outcome of BREXIT. From a Welsh perspective the Barnett consequential of this announcement and subsequent Welsh Government decisions regarding its allocation will need to be kept under review.

### **The Welsh Context**

11. The diagram below sets out how funding flows through to Welsh Local Government. The previous section identified that there is uncertainty regarding future public spending at a UK level. The diagram is intended to illustrate how the level of uncertainty increases for bodies further down the flow chart, such as Welsh Local Government. This is because multiple decisions must be made as to how limited funds will be distributed across significant and competing demands before any funding reaches individual Welsh local authorities.



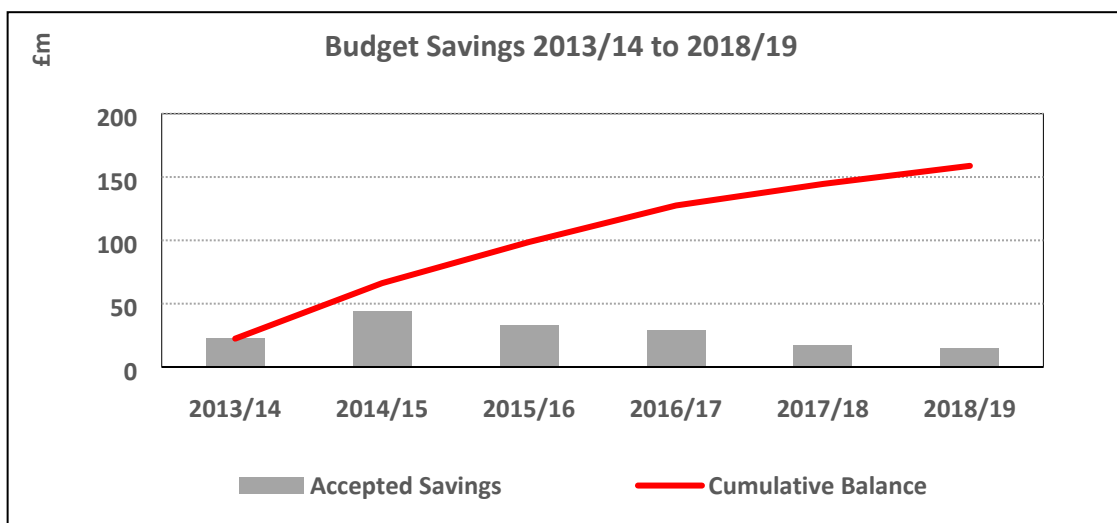
12. This illustrates the inherent difficulty for Welsh Local Government in trying to predict future funding settlements. It is also worth noting that the recent change to the timing of the UK budget (from Spring to Autumn) may increase the potential for changes to the Welsh Local Government funding settlement between its provisional announcement in October and final announcement in December. This is because any changes to fiscal policy announced in the Autumn Budget may have implications for the Welsh Block Grant, as was the case last year.
13. In October 2017, the 2018/19 Provisional Settlement set out an indicative average AEF reduction of 1.5% for 2019/20. As a direct result of announcements made in the UK budget in November 2017, Welsh Government announced a further £20 million for Welsh Local Government in 2019/20 at final settlement in December 2017. Although the final settlement did not restate the indicative 1.5% reduction previously announced, it is generally accepted that it has been improved to an average reduction of 1%. The additional funding is clearly very welcome, but this highlights the uncertainty inherent in the process. Given the significant impact that minor percentage fluctuations can have on the budget gap, provisional and final settlement are two crucial stages in the budget timetable, which is outlined at Appendix 2.
14. In recognition of the uncertainty in relation to general grant funding, the Council has a financial resilience mechanism (FRM) that was set up to provide support in the event that Aggregate External Finance (AEF) is worse than the Council had anticipated. The FRM is a £4 million base budget that is used annually for one-off investment in priority areas. This means that is available for immediate release in the event that AEF is worse than assumed in the MTFP, thus limiting the need to identify significant additional savings at short notice. Once released, the FRM will provide no further mitigation in respect of subsequent settlements.
15. The position in relation to specific grants is also likely to be challenging. A number of reductions are already anticipated for 2019/20, as indicated in the

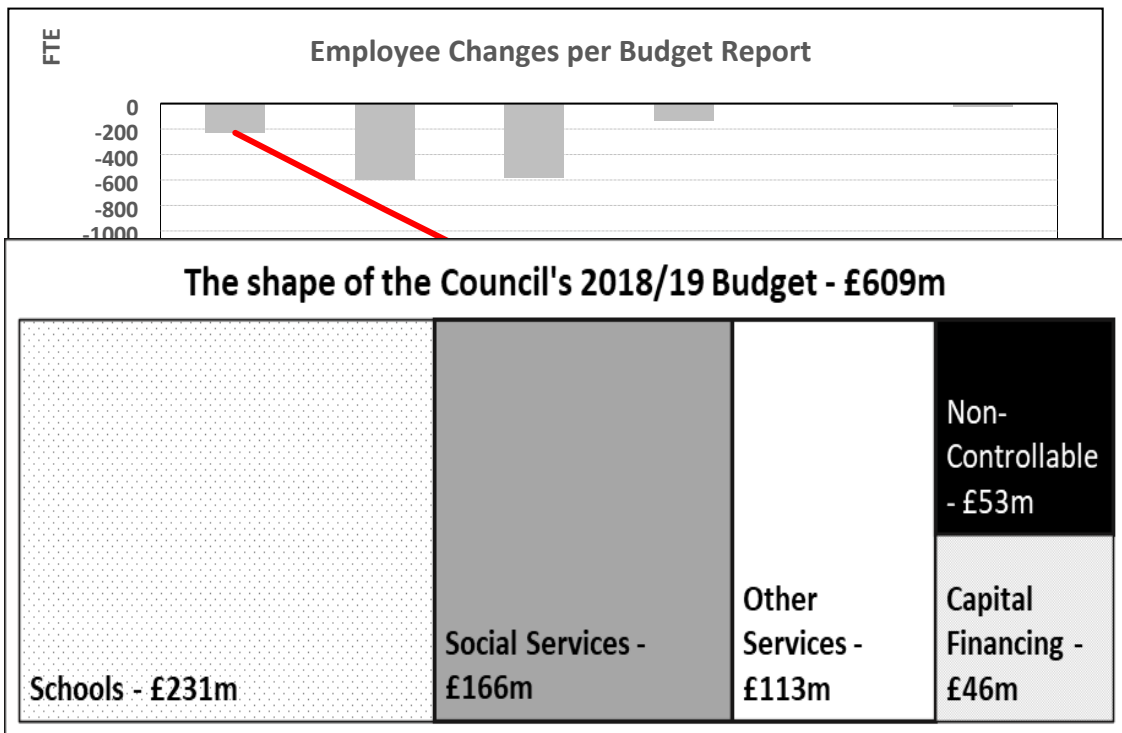
2018/19 settlement. The latter indicated that there would be reductions of £11 million to Education Improvement Grant (EIG) and £9.8 million to the schools' post-16 grant at an All Wales level, which are in addition to significant reductions experienced in the current financial year. In 2018/19, WG announced that there would be flexibility across a number of significant grant streams, including Flying Start, Supporting People and Families First. This is with a view to them becoming a single Early Intervention, Prevention and Support grant in 2019/20, which would be subject to a 5% reduction. Opportunities for flexibility across these grant streams will need to be considered during the course of this year in order to accommodate this.

16. Beyond these known reductions, the position on specific grants is relatively uncertain. Specific Grant information at Provisional Settlement tends to be at an All Wales level and is frequently incomplete at that stage. There is a risk that grants may reduce or fall out altogether or that transfers into Revenue Support Grant (RSG) are not effected in the correct way. The latter is particularly problematic as it hinders visibility and results in a worse than published position to AEF. This was the position in relation to the Minority Ethnic Achievement Grant (MEAG) element of the EIG in the 2018/19 settlement. The treatment of this grant within the settlement would have resulted in a £4 million loss of funding to Cardiff, however this was not initially evident as there was no identifiable transfer into RSG. Whilst WG have put in place transitional support for MEAG in the current year, the position for 2019/20 will need to be kept under review.

**Council Context – Financial**

17. The charts below and overleaf highlight the intensity of the financial challenge that the council has faced, which will make it more challenging to deliver the significant savings required over the medium term. The first shows that the Council has identified cumulative savings of £145 million over the past five years with a further £14.3 million in the current year. The second shows that over 1,500 full time equivalent (FTE) posts have been lost over the same period.





18. The chart below sets out the current shape of the Council's budget. The bullet points below the graph provide a brief description of each identified area

- **Capital Financing** – this includes the budget for the repayment of borrowing associated with the capital programme, along with other budgets that relate to the funding of capital schemes such as contributions to the Schools' Organisation Plan Reserve. There is upward pressure on capital financing budgets in future years due to the additional borrowing reflected in the capital programme.
- **Non-controllable areas** – this block comprises budgets that are much more difficult for the Council to influence in terms of savings. It includes areas outside the Council's direct control including the Council Tax Reduction Scheme (CTRS) budget and the budget for levies paid to other organisations such as the Fire Service.
- **Other Services** – this includes all council services with the exception of schools and social services. It contains areas of statutory duty.
- **Schools and Social Services** - these blocks are self-explanatory and reflect the controllable budgets for these particular services.

19. The shape of the budget makes the medium term position even more challenging. Schools and Social Services are the subject of exceptional inflationary and demand pressure. They account for 65% of the current budget and 70% of the financial pressures identified over the medium term. Non-controllable areas are difficult to reduce and there is upward pressure on the capital financing budget. Collectively, Schools, Social Services, capital financing and non-controllable budgets account for 82% of the Council's overall budget. Consequently, in the absence of additional grant funding to meet particular pressures in these areas, funds are being diverted from other

services, which are being squeezed much harder and currently equate to just 18% of the Council's overall budget.

### **Council Context - Strategic**

20. The Council approved its Corporate Plan 2018-2021 in May 2018. The Corporate Plan, which was produced alongside the 2018/19 Budget, recognises that given the financial position, the reality is that there is a need to focus on a smaller number of key priorities. These priorities are identified in the Administration's Capital Ambition programme and are set out below.
  - **Working for Cardiff** – Making sure that all our citizens can contribute to, and benefit from, the city's success.
  - **Working for Wales** – A successful Wales needs a successful capital city.
  - **Working for the Future** – Managing the city's growth in a sustainable way.
  - **Working for Public Services** – Making sure our public services are delivered efficiently, effectively and sustainably in the face of the rising demand and reducing budget
  
21. The Corporate Plan and the Well-being Plan are key documents in delivering Capital Ambition and translating the Administration's priorities into deliverable organisational objectives. The Corporate Plan focuses on the issues and services that the Council has prioritised and the Well-being Plan focuses on areas of collaborative advantage in the delivery of public services in the city. The well-being plan contains the following seven well-being objectives:
  - A Capital City that works for Wales
  - Cardiff grows in a resilient way
  - Safe, confident and empowered communities
  - Cardiff is a great place to grow up
  - Supporting people out of poverty
  - Cardiff is a great place to grow older
  - Modernising and integrating our public services
  
22. The well-being objectives outlined above have been adopted by all members of the Cardiff Public Services Board (PSB,) and are designed to contribute to the national well-being objectives for Wales. They have been developed in the context of the Well-being of Future Generations (Wales) Act. As well as aiming to improve the social, economic, environmental and cultural well-being of Wales, the Act aims to make public services more sustainable by encouraging public bodies to think about the long term, how they can work together and with their communities to prevent problems and take a joined up approach (known as the five ways of working).
  
23. The four priorities and seven well-being objectives outlined above form the strategic context for the development of the Budget Strategy. Budget Strategy assumptions will also need to have regard to the principles within the Well-being of Future Generations (Wales) Act.

## The Medium Term Budget Reduction Requirement

24. The 2018/19 Budget Report identified a budget reduction requirement of £34.2 million for 2019/20 and £91.4 million over the three-year MTFP period. These figures are a base case scenario predicated upon the Council receiving Welsh Government funding decreases of 1% per annum. This section of the Report outlines the key components of the budget gap and the assumptions that underpin them.
25. The MTFP undergoes regular review to ensure it reflects most recent information. A refresh undertaken during the first quarter of 2018/19 has resulted in minimal change, either confirming the assumptions already within the MTFP, or suggesting no reasonable basis to depart from them at this stage. The key components of the MTFP are summarised in the table below. Further detail on each component along with information on key assumptions can be found in Appendix 3.

	Medium Term Budget Gap			
	2019/20 £000	2020/21 £000	2021/22 £000	TOTAL £000
Schools Growth	11,184	8,532	8,183	<b>27,899</b>
Pay and Price Inflation (Non Schools)	7,438	6,768	6,726	<b>20,932</b>
Capital Financing, Commitments & Realignments	2,317	1,314	3,848	<b>7,479</b>
Non Schools Demographic Growth	3,500	3,538	3,577	<b>10,615</b>
Emerging Financial Pressures	3,000	3,000	3,000	<b>9,000</b>
Fall out of 2018/19 Reserve Funding	2,350	0	0	<b>2,350</b>
Estimated 1% funding reduction	4,409	4,366	4,322	<b>13,097</b>
<b>TOTAL</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>

26. The MTFP will undergo further review as the year progresses both to reflect any emerging issues and to make any necessary adjustments to assumptions in light of more recent information. Whilst all areas will be kept under review, particular consideration will need to be given to:
- Funding assumptions, following announcement of the Provisional Settlement in October 2018.
  - The 2018/19 monitoring position as the year progresses.

- The effect of the new NJC pay structure on local arrangements once this has been agreed.
- The Council Tax Base for 2019/20 when it is approved in December 2018, taking into account any related redistributive impact in AEF at final settlement.
- Teachers' Pensions Contribution rates, once there is further clarity of changes associated with the discount rate and pending actuarial review of the fund. At present, the impact within the MTFP is estimated.
- The proposed corporate landlord planned preventative maintenance programme for new buildings.
- The impact of the Local Development Plan, particularly in the last year of the MTFP and beyond given that the variables involved are complex. As well as identifying additional demand for services, there is a need to consider potential additional funding that could result from tax-base increases or population increases that feed through into the RSG funding formula, as people move into the area. For services such as schools, there is a need to consider population movement within Cardiff, as well as the potential influx of people from outside the city in shaping future service provision.

### Approach to Budget Strategy

27. The strategy to address the budget gap is framed around four over-arching assumptions. These assumptions along with their respective contributions to bridging the gap are set out in the table below and are in line with the 2018/19 Budget Report. These will require further review and refinement as the budget process progresses, not least because the budget gap itself may change.

	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Council Tax (+4.3%)	5,785	6,034	6,293	<b>18,112</b>
Cap on Schools' Growth	2,796	2,172	1,926	<b>6,894</b>
Use Earmarked Reserves	1,500		(750)	<b>750</b>
Savings Required	24,117	19,312	22,187	<b>65,616</b>
<b>Total</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>

28. The council tax increase will be kept under review as the budget process progresses. The income is after taking account of the impact on Council Tax Reduction Scheme (CTRS) budgets and is therefore the *net* additional income that will be generated. Council Tax accounts for approximately 27% of the Council's funding. This means that to generate a 1% increase in the Council's overall funding would require a net 3.7% increase in council tax.

29. The Council Tax income in the table is based on the current year's tax base and will be updated for the 2019/20 tax base once it is approved by Cabinet in December 2018. Due to the way in which the local government funding formula works, any increase in tax base may result in an associated reduction in AEF. However, this is difficult to predict as the change is relative to the tax base fluctuations of all other Welsh Local Authorities. For this reason, the Council does not account for any increases in tax base until final settlement has been announced.
30. It is important to note that the cap on schools growth will not result in a reduction to the current level of schools' budgets. In fact, under the outlined strategy, schools would receive additional budget of £21 million over the next three years. By comparison, most other directorate budgets are expected to reduce from their existing base line over the next three years. The cap reflects schools contributing to the Budget Strategy by managing 30% of their emerging pressures. This is with the exception of increasing pupil numbers, which would continue to be fully funded. As set out in the 2018/19 Budget Report, schools will contribute the additional capital financing costs associated with the 21<sup>st</sup> Century Schools' Band B programme.
31. The 2018/19 Budget includes a £2.35 million drawdown from earmarked reserves as general budget funding. The Budget Strategy reduces the use of earmarked reserves to £1.5 million per annum in 2019/20 and 2020/21 and to £750,000 in 2021/22. The decision to reduce annual use of reserves was taken in the context of existing levels of reserves and the Council's ongoing financial resilience. Good practice avoids over-reliance on reserves for a number of reasons, including that their use in one year creates an immediate gap in the finances of the following year. The strategy will require a total drawdown from reserves of £3.75 million over the three-year period. The Council has a Strategic Budget Reserve to support this strategy. The reserve had a balance of £4 million as at 31 March 2018 of which £1 million will be used in support of the 2018/19 Budget. The remaining £3 million budget will support the £3.75 million requirement outlined in the Budget Strategy, accompanied by ongoing review of the Council's other earmarked reserves.
32. Directorate savings form the largest component of the strategy, with a requirement of £66 million over the three-year period. Clearly, this is a huge challenge in view of the significant levels of savings that have already been found. The Council will continue to explore opportunities to identify savings that align with its key strategic priorities, including for example digitalisation, prevention and early intervention. In addition, there will be ongoing review of external spend and collaborative arrangements to ensure that value is secured on commissioned spend and services. Directorates will continue to explore opportunities to maximise income, both in new and existing markets as well as reviewing and challenging the cost base associated with generating income. In addition, the Council will continue to review the use of specific grants to ensure they are used as efficiently and flexibly as possible.
33. In reality however, whilst every effort will be made to identify savings of the nature outlined above, it is no longer possible that all savings will be



achievable by these means and without impact on services. Savings at the quantum required in the Budget Strategy equate to an annual reduction of 17% in 2019/20 for all services with the exception of Schools and Social Services, with similarly challenging levels in years 2020/21 and 2021/22. It will not be possible to deliver savings on this scale without impact on services, particularly taking into account the significant levels of savings that have already been found over an extended period.

34. In reviewing and challenging existing budgets, all means of reducing spend will need to be explored, including review of the level at which discretionary services are currently subsidised and consideration of how universal services are delivered. Whilst Social Services will not be subject to the 17% reductions outlined above, there will be ongoing effort to identify savings within this area and to release as much as it is possible to take in support of the Budget Strategy. This will include exploring opportunities for an integrated approach to services.
35. The identification and delivery of the required level of savings will be extremely challenging. In recognition of this, there will need to be continued improvement to the challenge and due diligence process to improve savings achievability rates. To increase the deliverability of savings, every opportunity should be taken to accelerate detailed planning and preparatory work to maximise the chances of securing a full year saving in 2019/20. This report recommends that a reminder of the voluntary redundancy scheme be circulated to all staff to enable managers to consider expressions of interest alongside their preparatory work for savings delivery. To support this and where feasible, proposals may be actioned during this financial year particularly where policy decisions are not required or where decisions have already been taken.
36. Directorates have been undertaking work to review and challenge all areas of their budgets and further work on the detailed development of 2019/20 savings proposals will take place over the summer months. In line with the budget timetable set out in Appendix 2, this will enable 2019/20 proposals to be consulted upon over the autumn, once Provisional Settlement has been confirmed. In parallel to the more detailed work that is being undertaken in relation to 2019/20, directorates are also assessing what the medium term savings requirements mean for their areas in years two and three of the MTFP. Different scenarios are currently being modelled to enable discussion around the most appropriate way to manage the incidence of savings in later years, which will include exploring options for an integrated approach in this regard.

37. The table below summarises the key elements of the budget gap and the strategy to address it.

<b>Estimated Budget Reduction Requirement</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>TOTAL £000</b>
Schools Growth	11,184	8,532	8,183	<b>27,899</b>
Pay and Price Inflation	7,438	6,768	6,726	<b>20,932</b>
Capital Financing, Commitments & Realignments	2,317	1,314	3,848	<b>7,479</b>
Non Schools Demographic Growth	3,500	3,538	3,577	<b>10,615</b>
Emerging Financial Pressures	3,000	3,000	3,000	<b>9,000</b>
Fall out of 2017/18 Reserve Funding	2,350	0	0	<b>2,350</b>
Estimated 1% funding reduction	4,409	4,366	4,322	<b>13,097</b>
<b>Budget Reduction Requirement</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>

<b>Strategy to Address Budget Reduction Requirement</b>				
<b>Budget Strategy Assumptions</b>				
Council Tax at 4.3%	5,785	6,034	6,293	<b>18,112</b>
Cap on Schools Non-Demographic Growth @ 30%	2,796	2,172	1,926	<b>6,894</b>
Use of Earmarked Reserves	1,500		(750)	<b>750</b>
<b>Directorate Savings</b>	<b>24,117</b>	<b>19,312</b>	<b>22,187</b>	<b>65,616</b>
<b>Total Strategy to Address Gap</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>

### Medium Term Financial Plan Scenario Analysis

38. The sensitivity analysis below flexes some of the key assumptions within this report to produce a worse-case scenario. This reflects the possibility of:-

- pay awards 1% higher than modelled in the base case (where there is currently no accepted award)
- annual funding reductions of 2% over the MTFP compared to the 1% that has been assumed within the base case
- a more pessimistic view of potential Teachers Pension Scheme contribution rates

<b>Worse Case Scenario</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>TOTAL £000</b>
<b>Base Case MTFP Position</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>

Changes:				
AEF	4,409	4,366	4,322	13,097
Pay Award	1,554	3,595	3,640	8,789
Pensions Issues - actuarial	1,245	889		2,134
<b>Revised MTFP Shortfall</b>	<b>41,406</b>	<b>36,368</b>	<b>37,618</b>	<b>115,392</b>

39. A 1% annual fluctuation in AEF has the biggest impact on the base case MTFP, adding £13.1 million to the estimated budget reduction requirement over the three-year period. Release of the Council's FRM would mitigate this sum by £4 million in total. As noted at the start of the Report, there is inherent uncertainty in trying to predict future funding settlements. The table above highlights that relatively minor percentage changes can be significant in terms of their impact on the MTFP.
40. One key risk over the MTFP period is the level of pay awards. The base case MTFP reflects the known award for NJC staff in 2019/20. It assumes 2% thereafter for NJC staff and assumes 2% per annum for teaching staff. Given the significant impact that minor changes to these assumptions can have, the worse-case scenario models the potential for awards to be 1% higher in each year of the MTFP in all instances where there is not currently an accepted award. The table above identifies that this could add £8.8 million to the MTFP.
41. The worse-case scenario models the potential for employer's contribution rates in respect of the teachers' pension to increase to 20% over the medium term. This is higher than the increase from 16.48% to 18% that is included within the base case MTFP. Commentators advising Academy Schools in England in relation to potential risk factors over the medium term have suggested that the rate could increase to 20%. This issue will require careful monitoring as it depends upon two factors, which are changeable or difficult to predict. Firstly, it depends upon a discount rate, which is changeable over this period. Secondly, it will be impacted by the outcome of the next actuarial review of the Teachers Pensions Scheme, which has not yet been published.
42. A number of "known unknowns" are also being monitored in relation to the MTFP period. These are currently too uncertain to quantify but will be monitored closely as many have the impact to be significant in terms of quantum. These include:
- The terms agreed as part of the UK's exit from the European Union and their impact on the economy
  - The impact of WG's devolved tax powers
  - WG's stated intention to review the Local Government Finance system
  - Local Government Reform in Wales and associated pooled budget options
  - Future pressures on demand led budgets which may require budget realignments to be considered

- The impact of the Local Development Plan, particularly in the last year of the MTFP and beyond
- The impact of Universal Credit following its roll-out in Cardiff
- The potential for further changes or reductions to specific grants
- Wales Audit Office's suggested changes to the accounting treatment of the Council Tax Reduction Scheme (CTRS) within Welsh Authorities' Statement of Accounts and WG's interpretation of whether this requires any adjustment to tax-base calculations used within the funding formula
- Welsh Government policy changes that may come into force over the MTFP period

### **Consultation and Engagement**

43. The Council places a high regard on being open and honest about difficult choices. In order to provide an opportunity for people to have their say on what is important to them and their communities, a detailed consultation on 2019/20 budget proposals will take place in the autumn once provisional settlement affords additional clarity to the funding position. Over the summer, the Ask Cardiff survey will pave the way for the detailed consultation through consulting on a number of budget themes.
44. The proposed Budget Timetable Framework for 2019/20 is included at Appendix 2. Over this period, involvement and consultation will take place with Cardiff Citizens, the third sector, Budget Forum, Scrutiny Committee, Audit Committee, Trade Unions and schools.

### **Employee Engagement**

45. Employee engagement at all levels within the organisation continues to be given high priority through a number of mechanisms including frequent directorate and council-wide roadshows, dissemination of the core brief, the ambassador network and the staff app. The Council has in place various mechanisms to engage directly and work with employees at all levels of the organisation. Employees will continue to receive briefings through these channels at all key stages of the budget process.

### **Capital Strategy**

46. Councils have a legal requirement to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities and this was updated in December 2017. This was primarily to strengthen it in light of concerns regarding some authorities undertaking activities of a more commercial nature, such as investments in property and companies primarily for financial benefit.
47. The Code requires that by 2019/20, the Council or a body nominated by it, approves a Capital Strategy that sets out the long-term context in which both capital expenditure and investment decisions are made. This is:-
  - to ensure that the strategy, governance procedures and risk appetite are fully understood by members

- that the strategy should form part of the authority’s integrated revenue, capital, treasury management and balance sheet planning to understand future financial sustainability
  - to include sufficient detail in the strategy to allow members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured to meet legislative requirements on reporting
48. The S151 Officer is required to report explicitly on the affordability and risk associated with the capital strategy and where appropriate, may access specialised advice to enable them to reach their conclusions.
49. The Council already adopts many of the good practices that accord with the CIPFA code. Areas of improvement identified will need to be embedded over future years as part of a process of continuous improvement. Appendix 4 highlights the main areas that form part of a Capital Strategy and how this already links to the Treasury Management Strategy, Revenue Budget plan and also the approach to repayment of historic borrowing, already approved by Council and integrated into the budget strategy process. With this in mind, the Capital Strategy will form part of the Council Budget report to be considered in February 2019 rather than be a separate document.

### Current Capital Programme

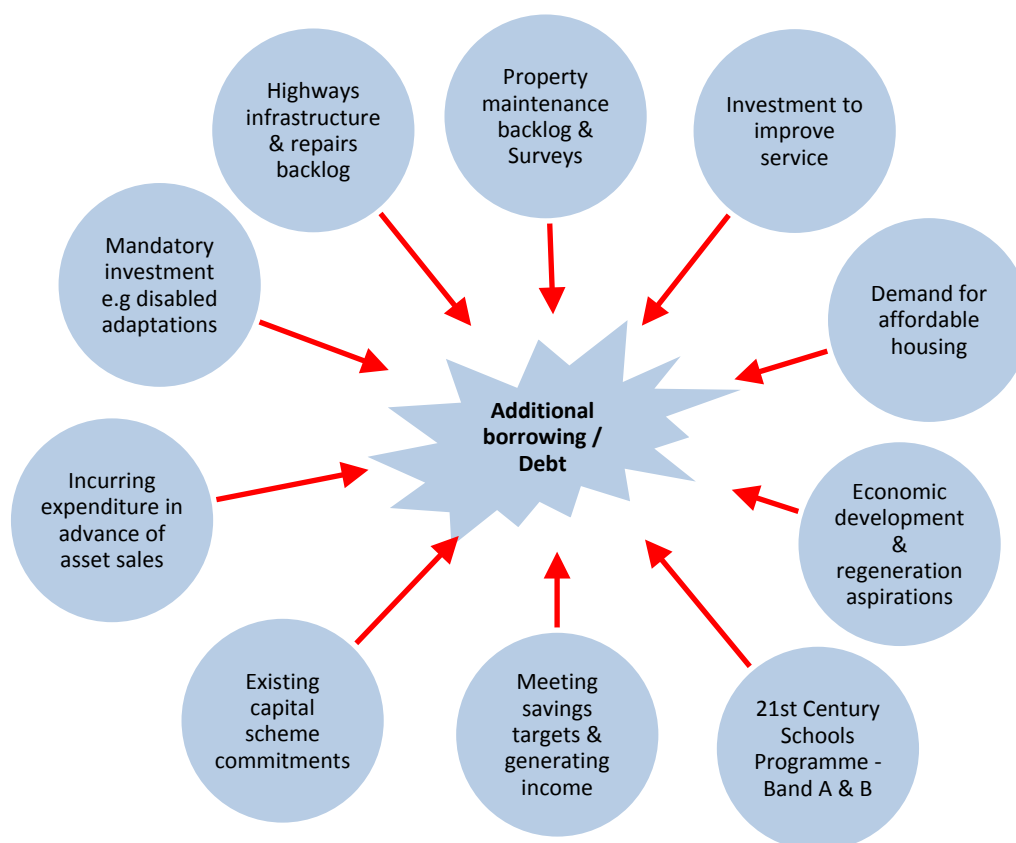
50. Capital Expenditure is incurred on the acquisition and enhancement of assets. The Council sets a five-year rolling capital investment programme, which is updated annually. The current programme was approved by Council in February 2018 and is summarised in the table below.

Capital Programme	2018/19*	Indicative 2019/20	Indicative 2020/21	Indicative 2021/22	Indicative 2022/23	Total
	£000	£000	£000	£000	£000	£000

Annual Sums Expenditure	20,465	15,247	15,247	15,247	14,620	80,826
Ongoing Schemes	27,275	22,513	1,238	770	130	51,926
New Capital Schemes	13,247	15,510	27,403	24,187	10,567	90,914
Schemes Funded by External Grants and Contributions	20,460	20,346	51,497	51,380	24,704	168,387
Invest to Save Schemes	18,292	22,385	35,823	42,880	21,204	140,584
<b>Total General Fund</b>	<b>99,739</b>	<b>96,001</b>	<b>131,208</b>	<b>134,464</b>	<b>71,225</b>	<b>532,637</b>
<b>Total Public Housing (HRA)</b>	<b>42,025</b>	<b>29,522</b>	<b>39,200</b>	<b>42,530</b>	<b>34,800</b>	<b>188,077</b>
<b>Total Capital Programme</b>	<b>141,764</b>	<b>125,523</b>	<b>170,408</b>	<b>176,994</b>	<b>106,025</b>	<b>720,714</b>

\* Includes slippage estimated at Month 9. The final slippage figure, from the outturn, will be reflected in the Month 4, 2018/19 budget monitoring report.

51. Pressures on the Capital Programme are arising from a number of sources as illustrated in the following diagram.

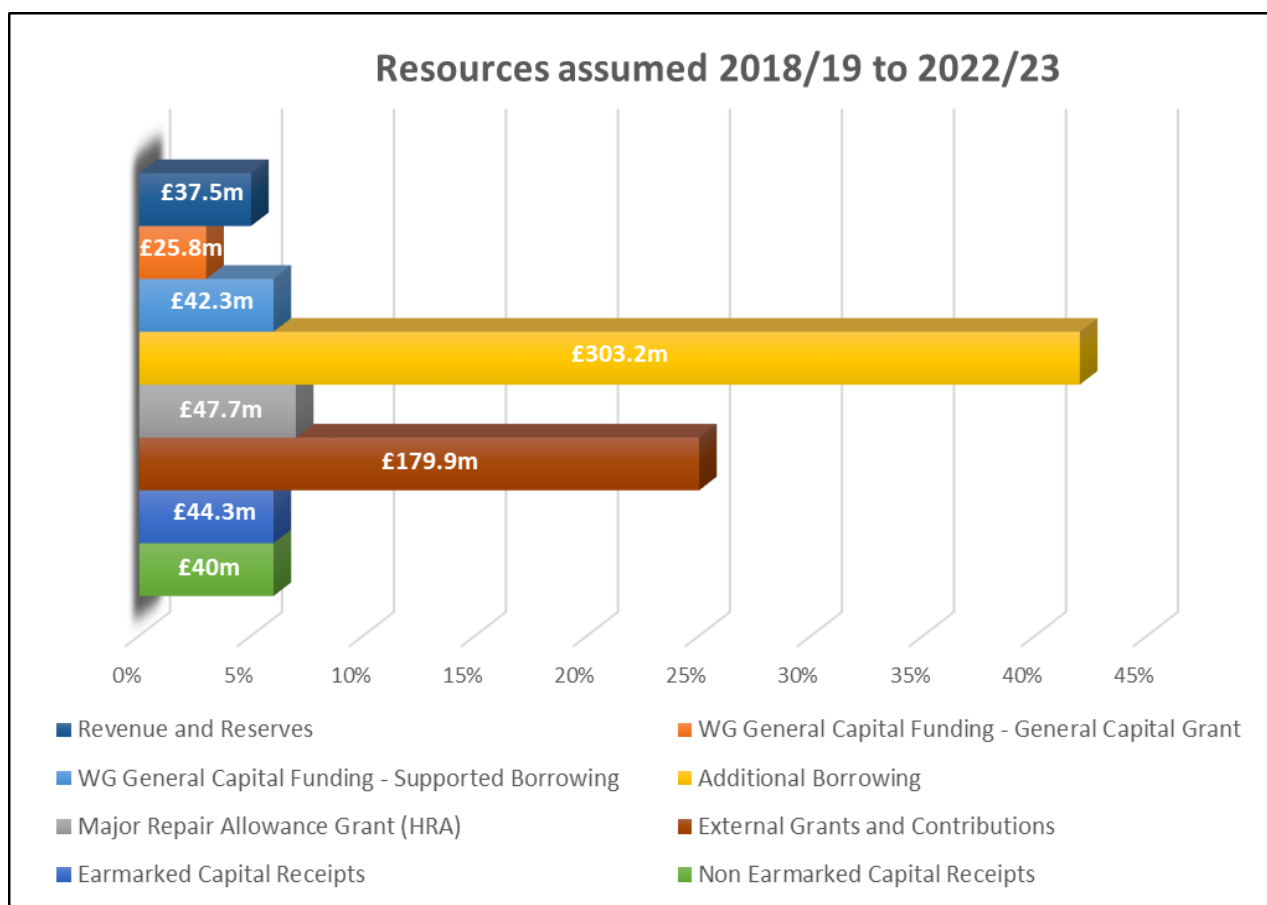


52. In recognition of the need to invest to meet the identified pressures, the 2018/19 budget process took a medium term view rather than an incremental approach and new investment was approved on the following principles:-

- New schemes proposed should support key priorities and improvement objectives of the Council's Capital Ambition

- Additional borrowing to be principally for existing assets such as highway infrastructure, and to address the condition of properties to be retained in the long term.
- Directorates should manage priorities within existing budgets and no further requests for additional asset renewal funding from directorates are expected over the five-year period 2018/19 – 2022/23, in future years.
- There should be recognition that the Council’s controllable budget alone cannot afford the capital financing implications of additional investment required for existing and new schools.
- Investment to be confined to where it needs to be made by the Council and cannot be better made by others
- Take advantage of opportunities for grant match funding to secure investment in schools, transport and regeneration.

53. Appendix 5 details the key schemes included in the programme. The resources assumed to pay for capital investment during 2018/19 to 2022/23 are shown below.



54. The level of General Capital Support provided by WG as part of the annual settlement has reduced by 35% since 2010/11. This means that essential investment must be paid for by the Council. Expenditure approved to be funded by unsupported additional borrowing is £303 million. Of this, £213 million is to meet General Fund capital expenditure, including schemes

expected to pay for themselves on an invest-to-save basis. The remaining £90 million is in respect of public housing capital expenditure. The programme assumes £40 million of non-earmarked capital receipts which are to be determined through a review of the Council's whole estate.

## Borrowing and Affordability

55. The following sections of the Report outline some of the key considerations in developing the capital investment plan.

### Capital Financing Requirement Projection

56. Where capital expenditure is incurred without a resource to pay for it immediately (e.g. via capital receipts, grants or other contributions), this increases the Council's Capital Financing Requirement (CFR), which is the requirement to borrow. The Council is required to make a prudent provision for the repayment of historic capital expenditure annually from its revenue budget. This reduces the CFR. Calculation of the CFR is summarised in the table below and results in the need to borrow money.

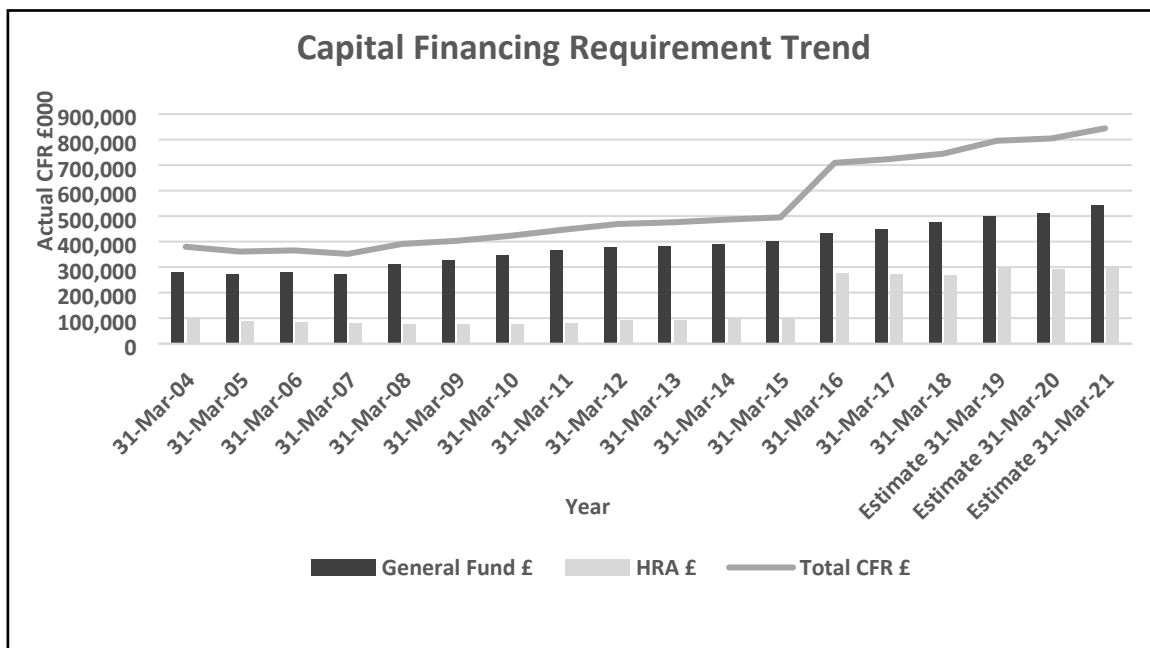
	<b><i>Opening Capital Financing Requirement (CFR)</i></b>
+	Capital expenditure incurred in year
-	Grants, contributions, reserves & receipts used for capital expenditure
-	Prudent Minimum Revenue Provision & Voluntary Repayment
=	<b><i>Closing Capital Financing Requirement (CFR)</i></b>

57. The actual CFR as at 31 March 2018 and estimates for current and future years for the General Fund and HRA as per the 2018/19 budget are shown below:

<b>Capital Financing Requirement as at 31 March</b>				
	<b>2018 Actual £m</b>	<b>2019 Est. £m</b>	<b>2020 Est. £m</b>	<b>2021 Est. £m</b>
General Fund	478	500	510	541
Housing Revenue Account (HRA)	267	295	294	303
<b>Total</b>	<b>745</b>	<b>795</b>	<b>804</b>	<b>844</b>

58. As shown in the chart below, this continues a long-term increasing trend since this measure was introduced in 2004. The spike in 2015/16 was a result of payments made to HM Treasury to exit the Housing Revenue Account Subsidy System.





59. The same considerations of affordability, prudence and sustainability to rent payers must be undertaken before additional investment is undertaken. Unlike the HRA, which has a debt cap of £316 million, there is no borrowing cap currently in place for the General Fund. The Council’s borrowing requirement is managed in accordance with the Treasury Management Strategy approved by Council as part of the budget

**Minimum Revenue Provision**

60. Where capital expenditure is paid for using borrowing, the Council must charge an amount to future revenue budgets for the eventual repayment of that expenditure. This spreads the cost of capital expenditure incurred now and historically, to future revenue budgets. The Council’s policy to providing prudent provision is approved annually as part of the Budget Report and was considered by Audit Committee in November 2016, particularly in relation to the approach taken for any borrowing costs supported by WG as part of the revenue budget settlement.
61. Every authority’s circumstances may differ and this will result in different approaches. However, it is important that a range of factors, specific to local authority circumstances are considered in determining a long term prudent approach. This could include:-
- Capital expenditure in terms of asset life and the period over which benefits will be spread
  - The efficacy of our approach and revenue resources to maintain assets
  - The Well-being of Future Generations (Wales) Act 2015
  - Consistency with the future direction of level of capital expenditure
  - Impact on Financial Resilience
  - WG Guidance

62. Welsh Government are reviewing their guidance and approach to supported borrowing within the Local Government Settlement and this will need to be kept under review.

### Revenue Budget and MTFP Impact

63. The Council's revenue budget makes no allowance for increasing the level of additional borrowing further. The Capital Financing revenue budget includes the costs of interest and a provision for repayment of historic expenditure. The latter is based on WG guidance and the Policy is approved by Council as part of the budget. Based on assumptions included in the 2018/19 budget, this is forecast to increase over the medium term and is now bigger than some directorate net expenditure budgets.
64. The proportion of the Council's controllable budget that is spent on capital financing has increased over recent years, with forecasts shown below:-

<b>Capital Financing Costs expressed as percentage of Controllable Budget</b>			
	<b>2011/12 Actual %</b>	<b>2022/23 Estimate %</b>	<b>Diff 2011/12 – 2022/23 (%)</b>
Net capital financing budget	13.47	16.65	23.61
Gross capital financing budget	15.17	24.62	62.29

65. Continuing to increase the amount of borrowing will have a consequential increase on the capital financing budget within the revenue account. In general terms, each £1 million of capital expenditure funded by borrowing, costs £65,000 in the initial years of the revenue budget and that is assuming a very long asset life of 25 years. In most cases, the types of schemes being undertaken by the Council mean that asset life is lower and so the annual cost of additional borrowing will be higher.

### Capital Receipts – Disposal Strategy

66. The Council's Corporate Land and Property Management Plan approved by Cabinet in February 2018 sets out the approach to managing the Council's property assets. It is clear that within this financial climate of reducing revenue resources, all necessary actions must be taken to reduce both initial capital expenditure and by accelerating a reduction in the Council's asset base within a limited timeframe.
67. Capital receipts are important to increase the affordability of the Capital Programme, however, the actual realisation and timing of capital receipts is relatively unpredictable given the number of variable factors involved. The budget assumes non-earmarked net capital receipts of £40 million, a significant increase on previous years. This includes:

- £4 million for commitments made in the 2017/18 five year capital programme
- £11 million commitments for new capital schemes and grant match funding over the period 2018/19 – 2022/23 approved by Council
- £25 million towards the 21<sup>st</sup> Century Schools (Band B) model

68. Such significant levels of capital receipts need to be supported by a clear, approved strategy for their realisation and timing. To do otherwise is a significant risk to the Council's borrowing requirement and future revenue budget. Accordingly, the Council's approach to delivery of capital receipts is to be set out in a disposal strategy developed by Strategic Estates and considered by Cabinet in October 2018. In setting the target for capital receipts, it was recognised that earmarking would need to be limited, with the priority being to pay for schemes in the existing capital programme. Any shortfall in the £40 million target would necessitate a review of the affordability of the current programme. Should receipts exceed £40 million over the period, it is intended that they would be used to repay debt rather than to take forward further new commitments although this would be subject to review at the relevant time.

### **Invest-to-Save**

69. Examples of proposed capital investment to be paid for from borrowing on an invest-to-save basis are shown in Appendix 5. It includes investment in 21<sup>st</sup> Century Schools and essential health and safety improvements in schools. Invest-to-Save schemes are assumed to be net neutral on the capital financing budget. However, there are risks that the level of income, savings or capital receipts anticipated from such schemes will not materialise and would have a detrimental long-term consequence on the revenue budget. Accordingly, these represent an additional risk to borrowing levels and affordability, which requires robust due diligence and risk assessment of business cases before approval as well as ensuring any such schemes are essential to be undertaken by the Council to meet strategic objectives.

### **Developing the Capital Programme 2019/20 to 2023/24**

70. Borrowing has long-term financial consequences and costs span generations. Accordingly, previous advice for development of budget strategy in terms of the capital programme remains even more relevant.

*“Particular Attention needs to be given to the medium and long term impact of additional borrowing on the Council’s revenue budget, as it is clear that continuing to increase levels of additional borrowing within the General Fund is not consistent with the significant level of savings to be found” – S151 Officer*

*“Within this financial climate of reducing revenue resources all action necessary must be taken to reduce both initial capital expenditure and the subsequent need to borrow.”*

71. The Council must consider the consequences of increasing borrowing along with:-
- The Prudential Indicators highlighting longer term impact of capital decisions on the revenue budget and affordability, prudence and sustainability
  - Control mechanisms for different types of unsupported borrowing before approval
  - Whether the inherent risks in a project are better managed via commercial options rather than direct Council investment
  - The key long term strategic priorities for the city for which investment to be funded by additional borrowing is to be approved
  - Risk appetite and due diligence, where commercial or non-treasury investments are proposed.
72. In updating and formulating the five-year Capital Programme for 2019/20 to 2023/24, emerging pressures should be managed and prioritised where possible within the resources allocated in the 2018/19 and indicative future Capital Programme. As mentioned earlier, the capital financing budget in the MTFP does not make any allowance for additional borrowing. The approach to formulating the investment priorities will be as follows:-
- Directorates consider whether existing commitments remain essential or can be reduced / deferred
  - Determine the affordability of the existing programme following the Cabinet Report on generation of capital receipts
  - Any other expenditure requests to be considered in the context of external funding or robust invest to save business cases
  - For 2023/24, the new year covered by the 2019/20 – 2023/24 programme, funding requests to undertake additional borrowing will only be considered where they relate to Asset Renewal for existing assets to be retained
  - HRA investment to remain within the legal cap and business plan affordability modelling, with new build schemes subject to individual viability assessments.
  - All investment to be in accordance with Directorate Asset Management Plans, Capital Ambition delivery programme and :-
    - be evidence based
    - be risk prioritised
    - have considered all alternative solutions for funding and achieving the same outcome before request for council funding
    - demonstrate value for money in expenditure and approach to delivering outcomes.
73. There are also emerging capital expenditure and wider financial implications of major projects either being or planned to be undertaken by the Council that need to be developed as part of a longer term budget strategy process rather than on an ad-hoc basis. Examples are:-
- New Public Services Hub

- Economic regeneration initiatives such as indoor arena
- Transport Strategy
- Clean Air Zones
- Electric Vehicle Charging
- The Metro as it impacts on Cardiff Council aspirations
- Heat Network

74. It is essential that due diligence is undertaken on business cases for such projects, with sourcing of external expertise where relevant to support decision making and to understand key risks and any financial liabilities that could arise from such investment. The taking forward of those projects must also consider whether investment needs to be made by the Council and cannot be better made by or together with others.

### **Financial Resilience**

75. Given the scale of the financial challenge and the risks that have been identified in previous sections, it is important to undertake regular review of the Council's financial standing and resilience. Key challenges in respect of financial resilience include:

- The need to continue to deliver significant levels of savings during a period of prolonged austerity.
- The impact that delays to the delivery of savings proposals has on the budget monitoring position.
- The cumulative impact of achieving 2018/19 savings in addition to the unachieved 2017/18 savings which remain to be realised.
- The increasing ratio of capital financing charges as controllable budgets reduce, which impacts on the relative affordability of the capital programme.

76. The financial resilience snapshot included at Appendix 6 provides a high-level overview of the financial health of the Council at the time of setting the Budget Strategy for 2019/20. Financial snapshots are produced at intervals during the year and are designed to provide an overview of the Council's financial resilience through consideration of key past, present and future information. The current snapshot reflects information contained in the draft Statement of Accounts 2017/18, the 2017/18 Outturn Report, the risk profile of 2018/19 savings and the budget strategy reflected within this report.

77. The first column looks at past information, including trends over recent years. It provides important context to the information contained in the two subsequent columns. The challenges associated with the way in which the Council is funded and the cumulative level of savings over recent years have already been covered in previous sections and while they are not repeated here, they are an important part of the overall picture on financial resilience.

78. Reserves are also an important part of financial resilience. In times of uncertainty they provide a financial cushion and help to ensure a healthy cash position. The first column of the snapshot sets out changes in the levels

of the Council's Reserves over the past four financial years. The unaudited accounts show that the level of the Council's General Reserve as at 31 March 2018 was unchanged on the previous year at £14.3 million. As a proportion of net revenue expenditure there has been a slight reduction from 2.47% as at 31 March 2017 to 2.43% as at 31 March 2018. Whilst 2017/18 comparator information is not yet available, this remains below the Welsh average as at 31 March 2017.

79. The snapshot shows an increase in earmarked reserves during 2017/18 from £59.3 million as at 31 March 2017 to £61.8 million as at 31 March 2018. As percentage of the Council's net budget, the balance is still in the region of 10% of total net budget. Part of the increase in earmarked reserves relates to a top-up made to the strategic budget reserve at the end of 2017/18. This was made in order to improve resilience by supporting the budget process over the medium term period. As noted in earlier sections the balance on this reserve will assist in covering the planning assumptions on use of reserves that is contained within the 2019/20 Budget Strategy.
80. Whilst all earmarked reserves theoretically improve financial resilience, there are some that have a particular focus on resilience, which account for a significant component of the overall balance. These include the £6.5 million insurance reserve and the £7.3 million employee changes reserve. The latter will support the funding of voluntary redundancy costs over the medium term.
81. The first column also looks at financial ratios. Whilst these can be used to support benchmarking, scrutiny and challenge of finances, there are risks inherent in making such comparisons and care should be taken in doing so. It should be remembered that balance sheet data is taken at a point in time, and that accounting and other balances within a Council's accounts can skew comparisons.
82. The ratios provided in the Financial Snapshot are based on the Council's single entity Statement of Accounts and several show little change between 2017/18 and 2016/17. One of those that has changed is Working Capital as a percentage of Gross Revenue Expenditure. This indicator measures the authority's ability to cover existing expenditure from working capital (current assets less current liabilities). Whilst Local Authorities are protected to a degree, given their ability to obtain short-term borrowing, this measure acts as an indicator of how an authority manages its short-term finances. The inference of year-on-year increases in this ratio is that the Council continues to improve its position to cover day-to-day expenditure.
83. Another increase can be seen in the Usable Reserves as a percentage of Gross Revenue Expenditure Ratio. This measure indicates the level of funds the Council is retaining for future plans and unforeseen expenditure, relative to its expenditure. This increased from 11.48% to 13.28% between 2016/17 and 2017/18. This partly reflects the fact that, as already outlined above, the year-end position allowed the Council to increase the level of reserves for

use in connection with future demands and in support of budget strategy, thereby improving the Council's financial resilience. However, it should also be noted that the definition of usable reserves for the purposes of this ratio, includes capital receipts. As such, the annual increase in this indicator is also attributable to several asset disposals that were made in 2017/18. These generated capital receipts that formed part of usable reserves at year-end. The receipts will be used in support of the capital programme moving forward.

84. Council tax as a percentage of taxation and non-specific grants has been incrementally increasing over the four year period shown. This is to be expected in the current financial climate given that AEF has seen real term reductions over a number of years.
85. The middle section of the snapshot outlines the 2017/18 outturn position and the level of savings achieved in 2017/18. The snapshot shows that the 2017/18 outturn position was balanced overall, but with a £4.9 million overspend at a directorate level. This was offset by the Council's £3 million general savings contingency along with underspends in others areas such as insurance and the Council Tax Reduction Scheme.
86. The delivery of delayed savings in addition to those included in the 2018/19 Budget is a key area of risk that will be monitored closely as the year progresses. The 2018/19 Budget wrote out £306,000 of prior year savings deemed to be unachievable and realigned particular pressures in relation to Social Services which were a significant factor in the £4.9 million directorate overspend. The achievability risk associated with 2018/19 savings is set out at the foot of the middle column on the snapshot. Monitoring of savings has already commenced in the current year, with regular consideration at Senior Management Team and timetabled discussion with Cabinet Members. As the year progresses, further iterations of the snapshot will reflect the in-year monitoring position, setting out the position on achievement of in year savings.
87. The final column summarises the contents of this report and the future financial challenge that faces the Council. The challenge, which is significant in itself, is amplified by the context summarised in the preceding columns of the snapshot.

## **Risk**

88. The risk assessment carried out as part of 2018/19 budget preparation identified a number of financial and operational challenges over the medium term. These risks remain relevant and most have already been discussed during the course of this report. The table on the next page summarises the key challenges. These will need to be kept under careful review as the budget process progresses.

Area	Key Challenges
Demand Pressures	<ul style="list-style-type: none"> <li>• Increased volume and complexity of demand in social services</li> <li>• Increasing pupil numbers both generally and in relation to Additional Learning Needs budgets</li> <li>• The potential impact of welfare reforms including the roll out of Universal Credit in Cardiff</li> </ul>
Pricing Pressure	<ul style="list-style-type: none"> <li>• The expectation that inflation will remain at or above 2%</li> <li>• The exceptional price inflation already being experienced in some areas as a result of the National Living Wage and other pressures</li> <li>• The impact of pay award over the MTFP following the easing of the 1% public sector pay cap</li> </ul>
Funding Uncertainty	<ul style="list-style-type: none"> <li>• The potential for negative redistributive impacts within the formula</li> <li>• Recent volatility and uncertainty in relation to specific grants and transitional arrangements</li> <li>• Increased potential for changes between the provisional and final settlement as a result of the timing of the UK budget</li> <li>• The intention of WG to revisit reform of Local Government Finance in Wales</li> <li>• The potential requirement to address significant specific grant reductions at short notice where these are integral to the functions of the Authority</li> </ul>
Capital Pressures	<ul style="list-style-type: none"> <li>• Increased pressure on the revenue budget as a result of additional borrowing undertaken in previous years, which affects the ability to take forward new schemes</li> <li>• Pressure on scarce resources due to the condition of property and infrastructure assets</li> <li>• The increasing financial exposure of the Council in relation to the development of the 21<sup>st</sup> Century Schools Band B Programme and Cardiff Capital Region City Deal</li> <li>• The potential for capital schemes predicated upon income generation failing to do so</li> <li>• The need to realise capital receipts in support of the existing programme – net target of £40 million</li> <li>• The current five year programme assumes that no additional expenditure funded by borrowing will be undertaken unless it is self-financing</li> </ul>
Resilience	<ul style="list-style-type: none"> <li>• The need to continue to deliver significant levels of savings during a period of prolonged austerity.</li> <li>• The impact that delays to the delivery of savings proposals has on the budget monitoring position.</li> <li>• The cumulative impact of achieving 2018/19 savings in addition to the unachieved 2017/18 savings which remain to be realised</li> <li>• The increasing ratio of capital financing charges as controllable budgets</li> <li>• The ongoing impact of the past reduction in headcount that has taken place over an extended period</li> </ul>

## Reasons for Recommendations



89. To seek Cabinet approval for the Budget Strategy in respect of 2019/20 and the MTFP.
90. To note the Budget Timetable Framework and forward this to Council for approval.
91. To seek approval to request expressions of interest from officers in respect of the voluntary redundancy scheme.

### **Legal Implications**

92. It is the responsibility of the Cabinet to receive financial forecasts and develop a medium term financial strategy with a view to proposing a Budget for the Council to approve. The report highlights the seriousness of the financial challenges ahead. As stated in the body of the report, it is important that members take note of the statements made by the Section 151 Officer in this regard.
93. There are no general legal issues arising from the report. Specific legal issues will be addressed as part of the proposed budget preparation.
94. The report provides that the proposed Budget Timetable framework for 2019/20 will make provision for consultation. It is important to note that consultation raises the legitimate expectation that any feedback received from the consultation will be taken into account in developing the proposals consulted upon.
95. In considering this matter and developing the budget proposal regard must be had to the Council's duties under the Equality Act 2010 and appropriate steps taken to ensure that i) the Council meets the requirements of the Public Sector Equality Duties; and ii) due regard as been / is taken of the likely impact of decisions in terms of equality and discrimination.

### **Financial Implications**

96. The report sets out the Budget Strategy for 2019/20 and the medium term. It is written in a period of prolonged financial constraint and economic uncertainty. It outlines a likely budget reduction requirement of £91.4 million over the next three years, of which £34.2 million relates to 2019/20. The budget gap and the assumptions that underpin it will need to be kept under review as the year progresses.
97. The report sets out the strategy for addressing the budget reduction requirement. Collectively, a 30% cap on schools (non-pupil number growth), a 4.3% council tax increase and £1.5 million use of reserves (reducing to £750,000 in 2021/22) will contribute £25 million to the budget reduction requirement, leaving a savings requirement of £65 million. Further refinement of 2019/20 savings will take place over the summer to enable public

consultation on proposals once the 2019/20 funding position is confirmed by provisional settlement in October 2018.

98. The Council has identified £160 million in savings since 2013/14. The £65 million savings requirement indicated in the current strategy will add to this quantum. Delivering savings of this scale over a sustained period is extremely challenging. In circumstances such as these, careful monitoring of financial controls and financial resilience will continue to be extremely important. Due diligence and acceleration of planning and preparatory work will be important in aiming to improve the achievability rates of savings.
99. The financial resilience snapshot at the time of this report shows that earmarked reserves have increased during 2017/18. This improves the Council's financial resilience generally, as reserves provide a financial cushion. More specifically, one of the increased reserves was the Strategic Budget Reserve. This will assist with the challenging medium term position and is used as part of this budget strategy. Whilst the 2017/18 outturn position was balanced overall, there was an overspend of £4.982 million at a directorate level. This was offset by the use of the £3 million general savings contingency and underspends in corporate areas such as insurance and council tax reduction scheme. Delivery of delayed 2017/18 savings in addition to planned 2018/19 savings will require close monitoring and this has already begun.
100. The report models a worse-case scenario of £41.4 million for 2019/20 and £115.4 million over the medium term. The variables that contribute to this potential worsening are the potential for higher pay awards, less favourable funding settlements and higher TPS contributions than currently assumed within the plan. The Council has a financial resilience mechanism that would enable it to withstand one funding reduction of 1% worse than covered by the MTFP without having to resort to identifying additional savings at short notice. Thereafter, funding reductions that deviate from 1% would require a review of the strategy.
101. The report sets out that the position in respect of capital is equally challenging. The capital programme currently relies on £40 million capital receipts. Cabinet will receive a report in October regarding how and when these will be delivered. This could result in a need to review the affordability of the existing programme. The MTFP currently assumes there will be no further additional borrowing over and above that which is already assumed in the Capital Programme approved in February 2018. Any additional borrowing for 2023/24, the new year covered by the 2019/20-2023/24 programme should only be considered where it relates to asset renewal on existing assets that the Council intends to retain. All other funding requests will need to be considered in the context of external funding or robust invest-to save business cases. It is also essential that capital expenditure and wider financial implications of capital projects are factored into longer term budget strategy.

## **HR Implications**

102. The report outlines the UK and Welsh contexts under which the budget is being set together with the continued financial challenges faced by the Council in balancing reducing finances with increasing demands. The Council will continue to review the shape and scope of the organisation and the way in which services are delivered and efficiencies achieved. New service delivery models will need to meet demand pressures and reflect budgetary realities alongside securing further efficiency savings through better collaboration and partnerships, integration of service delivery and reducing duplication of effort and resources.
103. Given the level of savings required in 2019/20 and beyond, it will be key that the savings proposals identified are robust and deliverable. The extent of financial challenge in a continued period of restraint will result in savings targets for controllable budgets which will be considerably challenging and will result in significant changes to how local government services are delivered. The availability of resources to support the delivery of these radical and sustained changes will be key.
104. Whilst it is not possible to provide specific HR implications on any changes at this time, it is clear that the ongoing budget difficulties will continue to have significant people implications associated with actions necessary to manage the financial pressures facing the Council. As service delivery proposals are brought forward, there will be consultation with employees (those directly and indirectly impacted) and the Trade Unions so that they are fully aware of the proposals, have the opportunity to respond to them and understand the impact that the new model of service will have on them. Further and specific HR implications will be provided when relevant models are proposed. Any proposed reductions in resource levels will be managed in accordance with the Council's recognised policies for restructuring which include, where appropriate, redeployment and voluntary redundancy.
105. The Council's Voluntary Redundancy Scheme is always available however, following this report it will be widely publicised to employees. Whilst those interested in leaving on this basis (with a post subsequently deleted) should express an interest to do so, a business case to support the exit will still need to be made and signed off. Flexible retirement continues to be another option available and a Sabbatical policy is in place as well as ability to request voluntary reductions in working hours. Training and development to support new skill requirements will remain available in order to place employees in the best possible position for potential redeployment.
106. Initial Trade Union consultation has taken place on this report. A Trade Union Partnership Meeting has been established and will meet on a monthly basis to facilitate early discussion with Trade Unions on key organisational proposals, with more detailed discussion continuing with employees and trade unions at local directorate level. It is essential that there continues to be appropriate consultation on proposals that are taken forward, as and when they are developed. This could include early proposals which are required to be implemented in preparation for the 2019/20 financial year. Many of these

will have people implications that will need to be considered at an early stage in consultation with the Trade Unions and employees affected.

107. There will be employee engagement events during the autumn with the Leader of the Council and the Chief Executive that will include the budget strategy on the agenda as well as the developments within the Council around service delivery.

## **RECOMMENDATIONS**

The Cabinet is recommended to:

- (1) Agree the budget principles on which this Budget Strategy Report is based and the approach to meeting the Budget Reduction Requirement both in 2019/20 and across the period of the Medium Term Financial Plan. Whilst recognising the objectives set out in Capital Ambition.
- (2) Agree that directorates work with the relevant Portfolio Cabinet Member, in consultation with the Corporate Director Resources and Cabinet Member for Finance, Modernisation and Performance to identify potential savings to assist in addressing the indicative budget gap of £34 million for 2019/20 and £91 million across the period of the Medium Term Financial Plan.
- (3) Delegate to the Chief Executive, in consultation with the Leader and Cabinet Member for Finance, Modernisation and Performance, the authority to implement any saving proposal in advance of 2019/20 where no policy recommendation is required or where a policy decision has already been taken.
- (4) Agree that the Council indicates to Joint Committees and to bodies which raise precepts and levies on the Council, the level of the financial challenge facing the Council, and that this be taken into consideration when they are developing their own financial plans but still within the framework of the objectives set out in Capital Ambition.
- (5) Delegate to the Corporate Director Resources in consultation with the Cabinet Member for Finance, Modernisation and Performance, the authority to identify an alternative budget reduction requirement upon receipt of further clarification in respect of Welsh Government funding.
- (6) Delegate to the Corporate Director Resources in consultation with the Cabinet Member for Finance, Modernisation and Performance, the authority to amend the Budget Strategy, if this amendment does not significantly depart from the underlying principles. Any requirement to depart significantly from these principles would require a further Budget Strategy Report to Cabinet.
- (7) Agree that the Council seeks expressions of interest from officers in respect of the voluntary redundancy scheme by 14 September 2018.

- (8) Propose that Council agree to adopt the Budget Timetable Framework set out in Appendix 2 and that the work outlined is progressed with a view to informing budget preparation.
- (9) Agree that there will be a two stage process in relation to public consultation on 2019/20 proposals. This will commence with the Ask Cardiff Survey including a section on general budget themes, followed by more detailed consultation on 2019/20 proposals later in the Autumn, once there is further clarity on the 2019/20 funding position.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTINE SALTER</b> CORPORATE DIRECTOR RESOURCES
	<b>6 July 2018</b>

*The following appendices are attached;*

- Appendix 1 - Budget Strategy Frequently Asked Questions
- Appendix 2 - Proposed Budget Timetable Framework 2019/20
- Appendix 3 - Key Assumptions underpinning the MTFP
- Appendix 4 - Capital Strategy as part of Budget Strategy
- Appendix 5 - Key Schemes within the 2018/19 – 2022/23 Capital Programme
- Appendix 5 - Appendix 6 - Finance Snapshot – Financial Resilience

**Background Documents**

2018/19 Budget Report – February 2018

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# Budget Strategy Report 2019/20 - Question and Answers

## Revenue Budget

### What is this about?

- This is a brief overview of the Council's 2019/20 Budget Strategy Report, which you can view in full online.

### What are things looking like?

- In two words, uncertain and challenging

### What are the uncertainties?

There are many, but here is a flavour:-

- **General Grant Funding** - the general grant we receive from Welsh Government (WG) accounts for 72% of how we fund our budget. We have an early indication of what this may be next year at an All Wales level although this may change. Individual Councils will not have funding figures until October 2018 and these will not be finalised until December 2018.
- **The UK Budget** - this is now held in the autumn. This increases the likelihood for changes to funding between WG's initial announcement in October and finalisation in December.
- **BREXIT** - we don't yet know what terms the Government will secure and how these will affect the economy.
- **Welsh Local Government Reform and Local Government Finance Reform** - what will this mean for the future shape of Councils and their financing?

### What are the challenges?

Again, there are many but here is an overview:-

- **Cost Pressures and Funding Reductions** - the Council is still facing significant cost pressures over the next few years. These pressures are partly inflation related, e.g. pay awards and external providers increasing their prices. They are also demand related, for example, increasing pupil numbers and the well-publicised pressures on social services that are being experienced UK wide. In addition, we believe that funding will continue to reduce but we don't yet know by how much. The combination of funding reductions and financial pressures creates a "budget gap." In other words, our expected need to spend exceeds the level of funding we believe we will have and so we need to bring the two back into balance.
- **The extended period of financial challenge** - every year, balancing the books becomes harder because so much of the budget has already been reduced - £145 million savings over the past five years with another £14 million in the current year.
- **The shape of our budget** - two areas of the budget that are under demand pressure – schools and social services – account for 65% of the Council's budget. This means the squeeze on other areas is even harder.

### How much is the Budget Gap?

- The budget gap is estimated to be **£34 million in 2018/19 and £91 million over the next three years.**

2019/20 £m	2020/21 £m	2021/22 £m	Total £m
34.2	27.5	29.6	91.3

### So how will the Council bridge this gap?

- The Council's plan to address the gap is set out in its Budget Strategy
- The four things the Council can consider to address the gap are 1) increase council tax 2) use reserves 3) limit schools growth 4) make savings.
- The Budget Strategy is about deciding the right mix. To do this we need to balance the Council's priorities as set out in the Corporate Plan and Capital Ambition document, with risk and the Council's long-term financial resilience.
- This is the strategy as outlined in the Budget Strategy Report:-

	2019/20 £m	2020/21 £m	2021/22 £m	TOTAL £m
<b>Budget Strategy</b>				
Limit Schools Growth - @ 30%	2.8	2.2	1.9	6.9
Council tax at 4.3%	5.8	6.0	6.3	18.1
Use of Earmarked Reserves	1.5		(0.8)	0.7
Savings	24.1	19.3	22.2	65.6
<b>Total Strategy</b>	<b>34.2</b>	<b>27.5</b>	<b>29.6</b>	<b>91.3</b>

£3.75m in total over 3 years

**This is a cap not a cut.**  
Schools will receive +£21m

To be kept under review

### Savings

- Savings form the largest component of the strategy at £66m over the three-year period – this will be a huge challenge in view of the significant levels of savings already found.
- The Council is reviewing and challenging all areas of the budget and work on the detailed development of 2019/20 proposals will continue over the summer months.
- Taking into account the significant levels of savings that have already been found over an extended period, the reality is that it is no longer possible that all savings will be achievable without impact on services, though every effort will be made to minimise any such impacts.
- Although the immediate focus must be on delivering savings for 2019/20, directorates are also considering in broader terms how to address savings requirements for 2020/21 and 2021/22.

### How can I have my say?

- The Council is open and honest about the difficult choices it faces.
- Over the summer you can have your say by responding to budget-related questions in the "Ask Cardiff" survey.
- In the autumn, there will be a more detailed consultation, once there is a clearer picture on funding.



**What if funding reductions are worse than planned?**

- We have assumed that funding will reduce by 1% and that is reflected in our budget gap.
- The Council could withstand a further 1% reduction by using a budget we would otherwise use for one-off investment. This budget was set up to protect the Council from future funding uncertainties.

**What next?**

- We will continue to keep the budget gap under review – things change quickly and regular review is an important part of being prepared.
- General consultation on budget themes will take place during the summer
- Directorates will refine their work on the 2019/20 position during the summer
- Detailed consultation on budget savings proposals will take place in the Autumn, once 2019/20 funding levels have been announced
- Whilst immediate focus will be on developing a robust position for 2019/20, work on addressing savings requirements for 2020/21 and 2021/22 will run in parallel but will be in broader terms at this stage

## The Capital Programme

**What is capital?**

- Capital expenditure refers to acquiring or improving assets for the long term. The way the Council can fund this type of expenditure is different to revenue.
- The capital programme sets out our expenditure plans and how we will pay for them over a five year period

**What is the picture on Capital?**

- To fund new capital spend, we must either sell existing assets or borrow. Borrowing places pressures on the revenue budget - debt must be repaid with interest.
- The need to maintain our essential buildings and highways as well as to address corporate priorities places pressure on the capital programme.
- Replacement of schools buildings, regeneration of the city and sustainable transport initiatives also place pressure on the programme.

**How will the capital programme be updated?**

- The approach is to focus on looking after our existing assets – the need to spend must be evidence based and prioritised by risk.
- Any new capital expenditure pressures that do not relate to existing assets that we intend to keep should only be considered if they can be funded externally, or if there is clear evidence that they will pay for themselves (invest to save).
- There will be a need to review the resources assumed to be available in paying for the expenditure

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**PROPOSED BUDGET TIMETABLE FRAMEWORK 2019/20**

<b>Date</b>	<b>Budget Strategy</b>
July 2018	Budget Strategy Report considered at Cabinet
	Budget Strategy Report considered at Council
July-September 2018	Directorates develop further detail on 2019/20 budget proposals Directorates develop shape of 2020/21 and 2021/22 proposals
September	Senior Officer Meetings to scrutinise detailed 2019/20 budget proposals
October 2018	Provisional 2019/20 Settlement received
October/ November 2018	Further work on later years of MTFP
November /December 2018	Consultation on 2019/20 draft budget savings proposals
December 2018	Cabinet approval of Council Tax Base
	Final Budget Settlement received
January 2019	Fine-tuning of budget proposals and consideration of medium term financial plans
February 2019	Approval of Corporate Plan and Budget

In addition, throughout this period there will be continued involvement and consultation with council tax payers, the grants sector, the Budget Forum, Scrutiny Committees, Trade Unions, employees and statutory consultation with schools

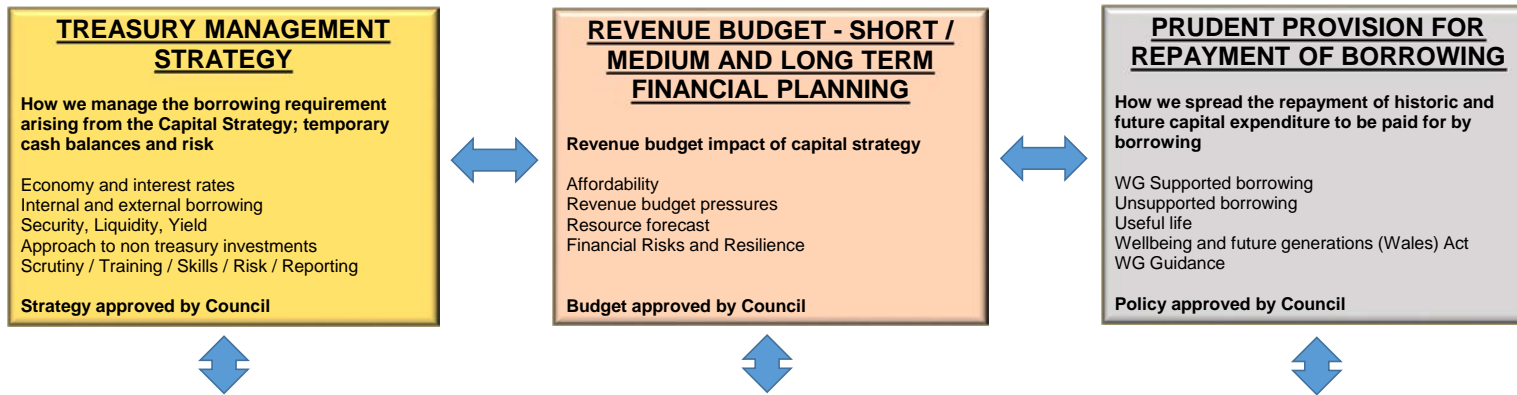
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## Key Assumptions Underpinning the MTFP

Plan Area	Pressures covered and key assumptions
<b>Schools Growth</b>	<ul style="list-style-type: none"> <li>• Pay award - assumed 2% (teaching), agreed NJC pay award (non-teaching)</li> <li>• Incremental Drift - estimated cost of teachers' annual pay scale progression</li> <li>• Teacher's Superannuation – anticipated increase to employer's contribution rates following changes to the discount rate used to set employers' rates for unfunded public sector schemes</li> <li>• Pupil Number Growth - estimated annual growth re: rising pupil numbers</li> <li>• Other Growth - needs pressures e.g. additional learning needs budgets.</li> <li>• NDR - anticipated increases in rateable valuations associated with the development of the Schools Estate</li> </ul>
<b>Pay and Price Inflation</b>	<ul style="list-style-type: none"> <li>• Pay award for non-schools staff – in line with agreed pay award</li> <li>• Voluntary Living Wage – assumed the agreed pay award will lift all salary points up to (or above) VLW, pending announcement of rate in Nov 2018</li> <li>• Employer's Superannuation – maintains employers' superannuation contribution rates at 23.5% as set out in the 2018/19 Budget Report.</li> <li>• Exceptional price inflation – generally, directorates are required to absorb price inflation within existing resources. However, the MTFP allows for specific fee uplifts in areas deemed exceptional either due to the scale of the uplift or the quantum of the budget to which the increase applies.</li> </ul>
<b>Capital Financing, Commitments &amp; Realignments</b>	<ul style="list-style-type: none"> <li>• Capital Financing - figures reflect the cost of servicing debt based on the existing capital programme with no assumption of new schemes from 2019/20 onwards. It is assumed that schools will contribute capital financing costs associated with the 21<sup>st</sup> Century Schools Band B Programme</li> <li>• Commitments and Realignments – includes commitments in relation to Corporate Apprenticeships, the full and later year effects of pressures identified as part of the 2018/19 budget process and potential increases to the fire levy.</li> </ul>
<b>Non-Schools Demographic Growth</b>	<ul style="list-style-type: none"> <li>• Most growth in the area of social services. As well as growth in numbers, this reflects increasing complexity of demand.</li> </ul>
<b>Emerging Financial Pressures</b>	<ul style="list-style-type: none"> <li>• For financial resilience, the plan includes £3m p.a. in recognition that additional burdens may arise. The figures, which equate to approx. 0.5% of net budget, will be kept under review.</li> </ul>
<b>Reserve Funding</b>	<ul style="list-style-type: none"> <li>• The 2018/19 budget included £2.35 million use of reserves. The plan reflects the fall out of this sum in 2019/20.</li> <li>• Appropriate use of reserves for 2019/20 and beyond is considered in the Strategy section of this report.</li> </ul>
<b>Estimated 1% funding reduction</b>	<ul style="list-style-type: none"> <li>• Estimated annual reduction in AEF. Indicative minus 1% for 2019/20, no indicative figure beyond</li> <li>• Usually Cardiff's settlement is slightly above average due to particular population challenges. However, it is not considered prudent to pre-empt an above average settlement given the potential for distribution or other unexpected changes within the settlement</li> <li>• The Council's FRM budget is available to assist with funding settlements being worse than anticipated. This would cover a further 1% (in one year but not annually)</li> </ul>

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# Capital Strategy as part of Council's Budget Strategy



## CAPITAL STRATEGY

Risk	Governance	Prudential Code	Strategy	Process
<ul style="list-style-type: none"> <li>• Effective due diligence</li> <li>• Defining risk appetite</li> <li>• Approach to commercial investment</li> <li>• Proportionality of income from commercial investment</li> <li>• Financial Guarantees &amp; other long term liabilities</li> <li>• Approach to invest to save - Exposure / Restrictions / Limits</li> </ul>	<ul style="list-style-type: none"> <li>• Programme approval, monitoring, reporting and revision</li> <li>• Outcomes and measurement</li> <li>• Capitalisation policies</li> <li>• Capital Finance and accounting regulations compliance</li> <li>• Finance &amp; Contract Procedure rules compliance</li> <li>• Wellbeing and future generations (Wales) Act</li> <li>• Restrictions or limits on expenditure</li> <li>• Accountability</li> </ul>	<ul style="list-style-type: none"> <li>• Affordability - Indicators</li> <li>• Prudence - Indicators</li> <li>• Sustainability - Indicators</li> <li>• Exploring alternative sources of capital funding; timing and certainty</li> <li>• Asset life of expenditure</li> <li>• Revenue implications of new schemes (Operating and financing)</li> <li>• Prioritisation for use of borrowing</li> <li>• Approach to invest to save - Restrictions / Limits</li> </ul>	<ul style="list-style-type: none"> <li>• Council strategic and citywide objectives</li> <li>• External influences - WG, Economic, Regional working</li> <li>• Asset Management Plans - Stewardship of assets</li> <li>• Effective asset utilisation / disposal strategy</li> <li>• Approach to earmarking of capital receipts</li> <li>• Approach to working with external partners for benefit of residents</li> <li>• Longer term approach</li> </ul>	<ul style="list-style-type: none"> <li>• Option appraisal</li> <li>• Prioritisation of limited resources</li> <li>• Challenge / Review</li> <li>• Procurement and value for money</li> <li>• Delivery mechanism</li> <li>• Capacity / skills to deliver investment plans</li> <li>• Avoiding optimism bias to reduce slippage; avoid cost increase</li> <li>• Assessment of business cases</li> </ul>

Specific approval of Capital Strategy by Council as part of the Budget

S151 Officer to report explicitly on affordability and risk associated with the Capital Strategy. Where appropriate have access to specialised advice to enable them to reach their conclusions

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## Key Schemes within the 2018-19 to 2022-23 Capital Programme

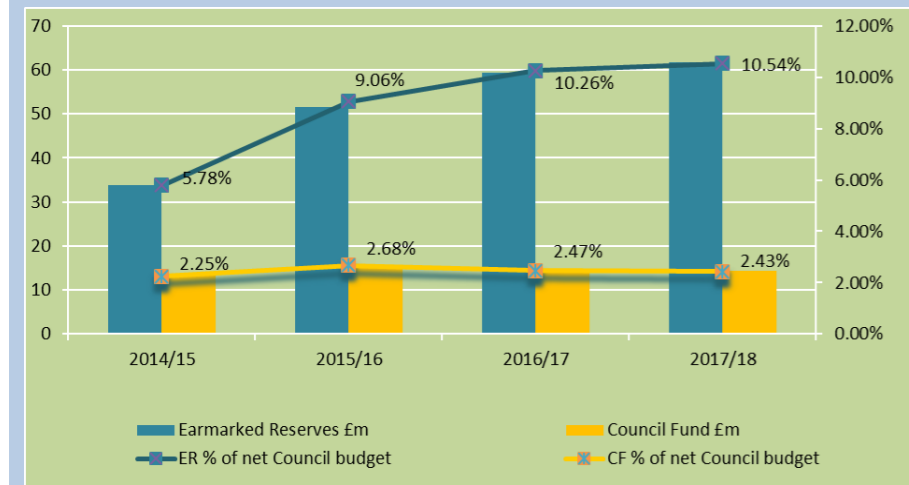
Theme	Types of expenditure
Annual Sums	<ul style="list-style-type: none"> <li>• Disabled adaptations to allow people to remain in their homes</li> <li>• Highway infrastructure and property asset renewal</li> <li>• Neighbourhood regeneration</li> <li>• Parks asset renewal</li> <li>• Road safety; cycle and public transport network improvements</li> </ul>
Previously Agreed / Ongoing Schemes	<ul style="list-style-type: none"> <li>• Day Centre Opportunities Strategy</li> <li>• Facility to support victims and those at risk of domestic abuse</li> <li>• Whitchurch High School accessibility for disabled pupils</li> <li>• Bereavement Strategy</li> <li>• Western transport interchange</li> <li>• Completion of 21<sup>st</sup> Century Schools Band A programme</li> <li>• Economic development initiatives including Central Square public realm</li> <li>• Modernising ICT to improve business process</li> </ul>
New Capital allocation proposed in 2018/19 Budget	<ul style="list-style-type: none"> <li>• Neighbourhood renewal schemes</li> <li>• City Centre youth hub and Butetown pavilion</li> <li>• Additional asset renewal investment in existing assets, to support highway infrastructure, non-schools buildings, parks play equipment and waste infrastructure</li> <li>• Strategic cycle routes</li> <li>• Council contribution to support WG grant bids for coastal erosion, transport links and a targeted regeneration investment programme</li> <li>• Development of a household waste recycling centre in the north of the city</li> <li>• Council agreed contribution to CCRCD expenditure in accordance with profile approved by Regional Cabinet in January 2018</li> </ul>
External Grant and Contribution assumptions	<ul style="list-style-type: none"> <li>• 21<sup>st</sup> Century School Band A and Band B grant from WG</li> <li>• WG transport and road safety grants</li> <li>• Planning gain and other contributions received towards a range of schemes</li> </ul>
Invest to Save	<ul style="list-style-type: none"> <li>• 21<sup>st</sup> Century Schools Band A and Band B financial models</li> <li>• Schools property asset renewal, health and safety and additional learning needs</li> <li>• Council leisure centre investment as part of alternative service delivery</li> <li>• Loan to Cardiff City Transport Services Limited subject to approval of business case</li> <li>• New cemetery to increase burial space in the city</li> <li>• Building energy efficiency schemes</li> <li>• Lamby Way solar farm</li> <li>• Economic Development initiatives</li> </ul>
Public Housing	<ul style="list-style-type: none"> <li>• Improvements to garages, gullies and open spaces</li> <li>• Investment in existing stock to sustain Welsh Housing Quality Standards (WHQS)</li> <li>• High rise block upgrades</li> <li>• Sheltered accommodation remodelling</li> <li>• New affordable housing including land acquisition</li> <li>• Disabled adaptations</li> </ul>

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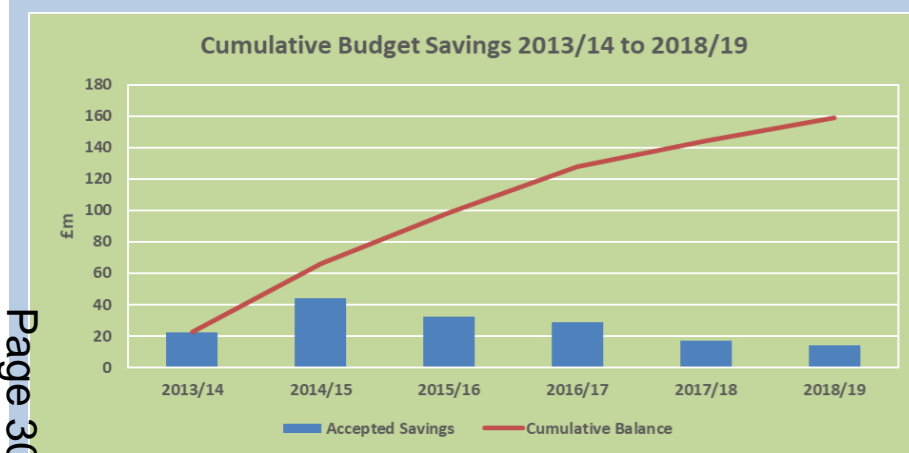
**FINANCIAL SNAPSHOT REPORT - BUDGET STRATEGY VERSION - JULY 2018**

The following tables, charts and figures give an indication of the financial resilience of the Council as per the Statement of Accounts.

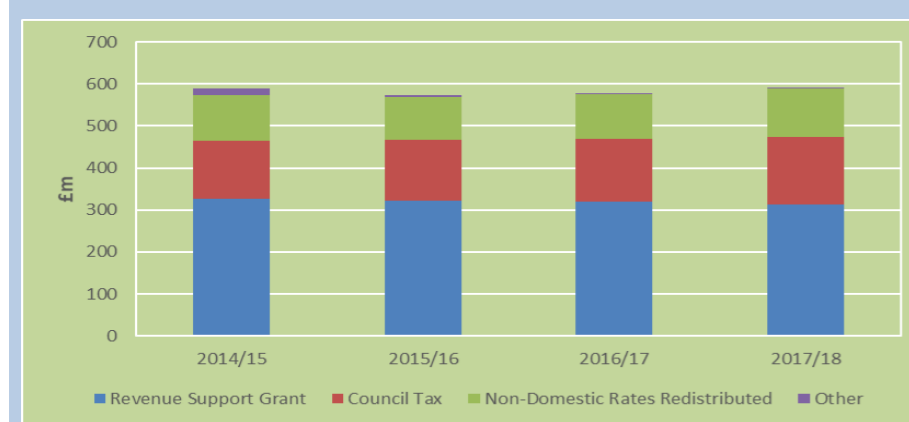
**Level of Council Fund (CF) and Earmarked Reserves (ER)**



**Cardiff Council Historic Cumulative Budget Savings**



**Actual Revenue Funding Split**



**Other Financial Indicators**

Indicator	2014/15	2015/16	2016/17	2017/18
Working Capital as a percentage of Gross Revenue Expenditure (%)	5.02%	6.02%	7.00%	9.45%
Usable Reserves as a percentage of Gross Revenue Expenditure (%)	7.01%	10.31%	11.48%	13.28%
Earmarked Reserves as a percentage of Gross Revenue Expenditure (%)	4.00%	7.00%	8.00%	8.00%
Unallocated/General Reserves to Gross Revenue Expenditure (days)	6	7	6	6
Long-term Borrowing to Long-term Assets (ratio)	0.24:1	0.35:1	0.35:1	0.36:1
Long-term Borrowing to Taxation & Aggregate External Finance	0.72:1	1.05:1	1.03:1	1.02:1
Council Tax as a % of Taxation & Non-Specific Grants (%)	25.64%	27.68%	27.85%	28.03%

The tables below show the Outturn position for the 2017/18 financial year for both revenue and capital.

**Revenue Outturn Position**

Directorate	Net Expenditure Budget £000	Outturn £000	Variance £000	Variance %
City Operations	34,800	34,790	(10)	0.0%
Communities, Housing & CS	43,390	43,009	(381)	(0.9%)
Corporate Management	25,851	25,800	(51)	(0.2%)
Economic Development	13,358	15,001	1,643	12.3%
Education & Lifelong Learning	249,150	250,499	1,349	0.5%
Governance & Legal Services	6,055	6,055	0	0.0%
Resources	19,709	19,371	(338)	(1.7%)
Social Services	153,549	156,319	2,770	1.8%
<b>Total Directorates</b>	<b>545,862</b>	<b>550,844</b>	<b>4,982</b>	<b>0.91%</b>
Capital Financing	33,717	34,567	850	2.5%
Discretionary Rate Relief	350	447	97	27.7%
General Contingency	3,000	0	(3,000)	(100.0%)
Summary Revenue Account etc.	4,055	1,358	(2,697)	(66.5%)
<b>Total</b>	<b>586,984</b>	<b>587,216</b>	<b>232</b>	<b>0.0%</b>
Funded by:				
Revenue Support Grant	312,737	312,737	0	0.0%
Non-Domestic Rates (NDR)	115,480	115,480	0	0.0%
Reserves and Balances	1,500	1,500	0	0.0%
Council Tax	157,267	157,499	(232)	(0.1%)
<b>Total Funding</b>	<b>586,984</b>	<b>587,216</b>	<b>(232)</b>	<b>0.0%</b>
<b>Net (Surplus) /Deficit for Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

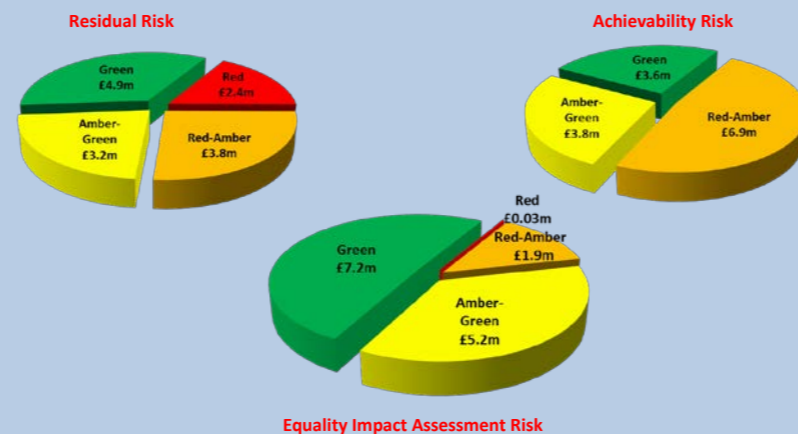
**2017/18 Revenue Savings Achieved and Unachieved**



**Capital Outturn Position**

Directorate	Budget £000	Outturn £000	Variance £000	Variance %	(Under)/Overspend £000	Slippage £000
City Operations	33,298	22,414	(10,884)	(32.7%)	(114)	(10,770)
Communities, Housing & Customer Services	13,014	10,854	(2,160)	(16.6%)	185	(2,345)
Economic Development	21,830	14,155	(7,675)	(35.2%)	8	(7,683)
Education & Lifelong Learning	58,275	57,924	(351)	(0.6%)	(206)	(145)
Resources	7,143	6,491	(652)	(9.1%)	0	(652)
Social Services	2,352	1,603	(749)	(31.8%)	0	(749)
<b>Total</b>	<b>135,912</b>	<b>113,441</b>	<b>(22,471)</b>	<b>(16.53%)</b>	<b>(127)</b>	<b>(22,344)</b>

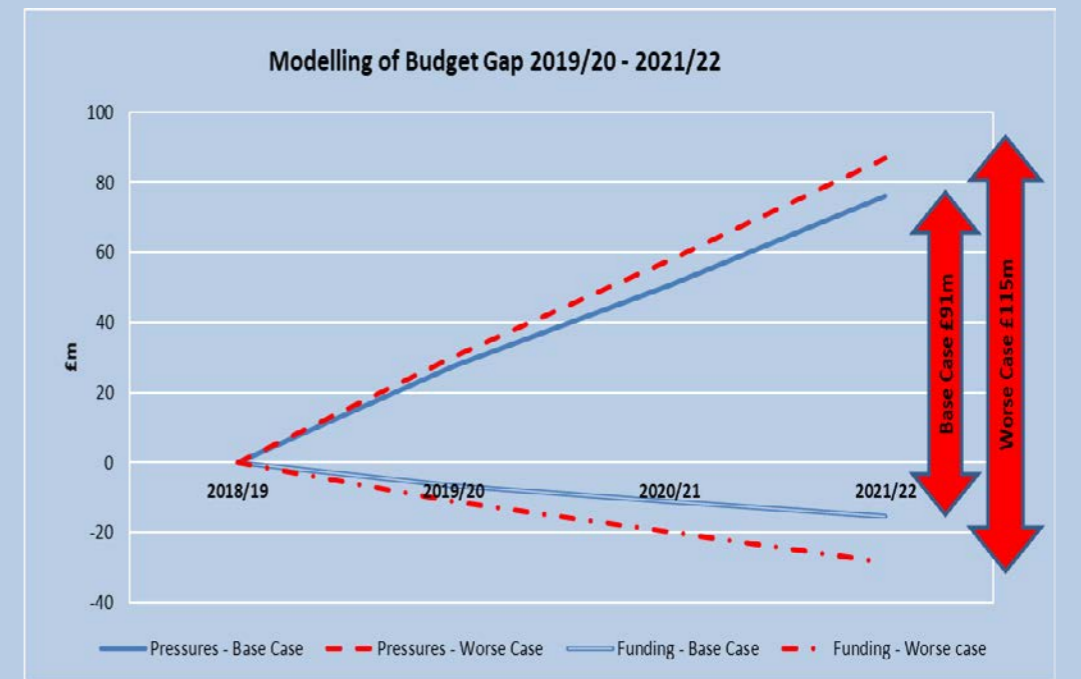
**Final Budget Proposals 2018/19 Risk Analysis - TOTAL SAVINGS £14.3m**



The tables below show the Medium Term Financial Plan (MTFP), the risks and affordability indicators facing the Council.

**MTFP Scenario**

	2019/20 £000	2020/21 £000	2021/22 £000	TOTAL £000
Financial Pressures	27,439	23,152	25,334	75,925
Funding Reductions	6,759	4,366	4,322	15,447
<b>Budget Requirement Reduction</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>
Budget Strategy Assumptions	10,081	8,206	7,469	25,756
Total Savings Required	24,117	19,312	22,187	65,616
<b>Total Strategy</b>	<b>34,198</b>	<b>27,518</b>	<b>29,656</b>	<b>91,372</b>



**Capital Expenditure & Capital Financing Requirement (CFR)**

	31 Mar 18 £000	31 Mar 19 £000	31 Mar 20 £000	31 Mar 21 £000
<b>Capital Expenditure</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Council Fund (General Fund)	111,393	99,739	96,001	131,208
Housing Revenue Account	24,824	42,025	29,522	39,200
<b>Total Capital Expenditure</b>	<b>136,217</b>	<b>141,764</b>	<b>125,523</b>	<b>170,408</b>
<b>Capital Financing Requirement excl. Landfill</b>				
Council Fund CFR	477,722	500,311	510,547	541,216
Housing Revenue Account CFR	266,711	295,099	293,722	302,908
<b>Total CFR</b>	<b>744,433</b>	<b>795,410</b>	<b>804,269</b>	<b>844,124</b>

**Affordability Indicator - Capital Financing Costs as a % of Controllable Budget**

	2011/12	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Difference 11/12-21/22
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	%	%	%	%	%	%	%	%
<b>Net</b>	<b>13.47</b>	<b>14.4</b>	<b>13.87</b>	<b>14.49</b>	<b>15.11</b>	<b>16.46</b>	<b>16.65</b>	<b>23.61</b>
<b>Gross</b>	<b>15.17</b>	<b>18.16</b>	<b>20.13</b>	<b>19.21</b>	<b>20.56</b>	<b>23.38</b>	<b>24.62</b>	<b>62.29</b>

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**CARDIFF COUNCIL  
CYNGOR CAERDYDD**

**CABINET: 12 JULY 2018**



**RISK MANAGEMENT STRATEGY & POLICY AND QUARTER 4  
POSITION 2017/18**

**FIANANCE, MODERNISATION & PERFORMANCE  
(COUNCILLOR CHRIS WEAVER)**

**AGENDA ITEM: 8**

1. To seek approval from Cabinet for the Risk Management Strategy and Policy, attached in Appendix A, which will replace the current Risk Management Policy, Strategy and Methodology.
2. To bring the risk management position at quarter 4 2017/18 to the attention of the Cabinet, for consideration of the key risks facing the Council.

**Background**

3. The Council's Risk Management Policy, Strategy and Methodology has been in place since 2014. This new approach targets improvements in order to show consistency in assessment, identification, evaluation and response to risk
4. The revised approach recognises the strengths of existing arrangements, but now progresses to support a more mature and engaged approach to risk management following:
  - Benchmarking with the Chartered Institute of Public Finance and Accountancy (CIPFA)
  - Risk maturity modelling using an Institute of Internal Auditors (IIA) approach
  - Risk Champions Network engagement, Risk Management Steering Group, Senior Management Team, AON insurance and Audit Committee review.
5. The Cabinet receives an update on the risk management position on a biannual basis, with previous reviews being considered on 14 December 2017, at which time the risk management position at quarter 2 2017/18 was presented.
6. Each Directorate holds a Directorate Risk Register (DRR), and the Senior Management Team (SMT) collectively own a Corporate Risk Register (CRR). The CRR records the main risks to the delivery of

corporate objectives and priorities, whilst the DRRs record the key risks to the delivery of Directorate functions and priorities.

7. A risk escalation process is in place, whereby each Director is required to take ownership of all residual (current) risks rated as 'red/amber' and above on their DRR and, at a minimum, to escalate all 'red' residual risks to SMT for collective ownership and review.
8. SMT determine if any changes are required to the CRR each quarter as a result of this reporting process. The remaining escalated risks continue to be held on DRRs and reviewed by SMT each quarter until it is agreed that mitigation is sufficient for risk ownership to transfer back to the Directorate.

## Issues

### i. Risk Management Strategy and Policy - Development

9. The Risk Management Strategy and Policy has been developed to support innovation and well-informed decisions. It sets out the risks that the council may be able to accept, and those that the council need to directly manage and reduce. The approach has been designed using the benchmarking, maturity modelling and engagement outlined in paragraph 4.
10. The Council's network of Directorate Risk Champions have a core role to support managers to assess and report risks each quarter. To communicate the responsibilities of all staff to report risks and apply risk management when making decisions, a 'Risk Management Essentials Guide' has been prepared, included in Appendix B. This 6 page guide is designed as a readable overview to communicate the key principles, requirements and responsibilities to all staff.
11. To ensure all dimensions of a risk are considered, the approach contains five standard perspectives / lenses for evaluating risk, to be used as part of the risk assessment and review process.

#### 1. Strategic Risk

The consequences of strategic decisions, or the failure to achieve our strategic vision.

#### 2. Financial Risk

Risk to the Council's balance sheet, assets and liabilities, funding, income and spending levels.

#### 3. Service Delivery Risk

Risks to the effective and efficient delivery of Council services and business continuity.

#### 4. Legal & Regulatory Risk

Risks of breaching the law, legal action, losses, fines and other sanctions arising from non-compliance with laws and regulations.

#### 5. Reputational Risk

Risks of adverse or damaging perception of the Council by the general public and Cardiff residents.

12. The risk response is guided by the amount of risk the Council is prepared to take, known as Risk Appetite. It will result in some actions which are positive and progressive and others which focus on mitigation. The Strategy and Policy empowers an 'open' and balanced approach to managing 'strategic risk', 'financial risk' and 'service delivery risk'. It requires a 'cautious' approach to 'legal and regulatory' and 'reputational risk'.
13. Training and support will be provided to the Council's Risk Champions to develop them in delivering the requirements of the Strategy and Policy, to commence in July 2018. The content of the Cardiff Manager Programme is being refreshed to develop the awareness and skills of line managers, and corporate communications will be used to support wider staff awareness and reinforce the messaging from the Risk Management Essentials Guide. To support the Strategy and Policy to embed, arrangements for risk management reviews, monitoring and health checks will follow.

**ii. Risk Management Position - Quarter 4 2017/18.**

14. Each Director has worked with their Risk Champion(s) to undertake their quarter 4 risk management review. The Risk Management Team has also provided advice and guidance on the measurement and reporting of risks. The quarter 4 risk assessments are presented on the Corporate Risk Map (Appendix C), the Summary CRR (Appendix D) and the Detailed CRR (Appendix E).
15. The Risk Management Review process has two tiers (Directorate and Corporate) and the actions at each for quarter 4 are detailed as follows.

Directorate Risks

16. At the end of quarter 4, 343 risks were reported from DRRs. All escalated risks and requests for de-escalation were discussed and approved in SMT on 22 May 2018.
17. It was decided that 10 directorate risks would be carried forward as SMT escalated risks at the end of quarter 4.

Directorate	Resources	City Operations	Communities, Housing & Customer Services	Economic Development	Education & Lifelong Learning	Social Services	Governance & Legal Services
Directorate Risks	118	43	60	80	19	16	7
Risks at SMT Escalation Point	2	1	1 (shared)	2 (inc.1 shared)	3	1 (shared)	2 (inc.1 shared)

Corporate Risks

18. SMT has collectively reviewed the escalated directorate risks and corporate risk updates from risk owners. In consideration of the potential impact on corporate priorities and objectives and the supporting

mitigations, SMT has approved the following CRR changes since the last Cabinet update on 14 December 2017.

19. **Delivering Capital Ambition Programme'** - A new corporate risk was added to the CRR in quarter three, focussed on the delivery of the Cabinet's four year Capital Ambition Delivery Programme, which replaced the Council's Organisational Development Programme (ODP) from December 2017. The ODP, which has been removed from the CRR, was subject to an independent review in May 2017 which concluded that the change programme had effectively served its purpose and should allow the Council to respond and adapt to the changing operational environment. In line with the recommendations of the independent review, the new programme will focus on a smaller number of transformational programmes.
20. **'Air quality'** – The residual risk increased from C1 to B1 in quarter three. Welsh Government have agreed to a Legally Binding Consent Order with Client Earth to initiate measures within very specific and challenging timescales. The requirement to undertake this work now lies with Cardiff Council in the form of a Formal Direction from Welsh Government for a full assessment, feasibility and through to the potential implementation of specific improvement measures. The risk rating to the Authority was increased due to the aforementioned timescales and the potential implications should the requirements of the direction not be achieved.
21. **'Coastal Erosion'** - Coastal erosion was extracted from the Corporate Climate Change and Energy Security risk as a stand-alone risk in quarter three to reflect the immediate urgency of the coastal erosion flood risk, which is very different to the mid-long term climate change risk. The coastal risk of the breach of defences (i.e. risk to life/property/ infrastructure/ services etc) is current, not future, and is unable to be mitigated until works to prevent it are holistically complete (currently 2021 subject to funding for design & construction).
22. **'Climate Change and Energy Security'** – The residual risk was reduced from B1 to C1 in quarter three, to reflect the mid-long term nature of this risk, following the decision to report on coastal erosion as a separate short-term stand alone risk.
23. **Financial Resilience** – The risk has been refocussed as the aggregation of two corporate risks (Budget Prioritisation and Financial Resilience), with the overall risk moving from C2 to B2 in quarter four. The Budget Challenge focuses on both the year coming and the medium term. As per the 2018/19 Budget Report there is a £34 million budget gap for 2019/20 and a further £57 million gap for the following two years. The risk to Financial resilience is both in respect of the forthcoming year 2019/20 and the medium term (2020/21 and beyond). As a result it is time to aggregate the two risks to Financial Resilience. This will provide further clarity and focus to the reader of the risk register and also emphasise that the Budgetary challenge is an ongoing long term risk which requires a coordinated set of risk mitigations.



24. **Fraud Bribery and Corruption** – The residual risk has been reassessed as C2 (formerly B3) in quarter four. The significance given to robust stewardship, a culture of accountability and zero tolerance to impropriety has been reinforced in the Council’s refreshed Fraud, Bribery and Corruption Policy. With the importance given to this area, the risk has been reassessed as having a potential significant impact on the Council, but all indications are that the potential for impropriety is isolated to a minority of areas, in which efforts are being made to strengthen the internal control environment. The assessment is and will continue to be based on management assurances and the independent work of the Internal Audit function.
25. **Schools Organisation Programme** – The risk has been refocussed to the Band B phase, and the residual risk has been assessed as C1 (formerly C3) in quarter four. A significant proportion of Band A of the Schools Organisation Programme has been delivered to date. There is now only £64m left being constructed on site and that will be complete by February 2019. Focus will now begin to switch to delivering 21<sup>st</sup> Century Schools Band B, for which the funding bid was submitted to Welsh Government in July 2017. The Strategic Outline Case for £284m was approved in November 2017 and two Cabinet Reports in October and December outlined the priorities for this second phase of funding.
26. **Performance Management** – The risk has been refocussed in quarter four to ensuring arrangements in place are embedded, applied consistently, and continue to develop in light of the evolving environment the Council operates within. Although the organisation needs to avoid complacency (and does), the Council is no longer in a situation where clear warnings about performance, and the approach to managing it, have been issued by external regulators. Instead, the work done over the last few years has improved the Council’s approach to performance management, and that has led to improved performance in many key areas. While the Council faces performance challenges, namely how to continue to improve service provision with reducing finances and demographic growth, the nature of this challenge has shifted dramatically since Performance Management was originally included on the Corporate Risk Register.

#### **Reason for recommendation**

27. To enable the Cabinet to consider the proposed Risk Management Strategy and Policy, and to monitor and consider the quarter 4 risk management position 2017/18.

#### **Legal Implications**

28. There are no direct legal implications arising from this report. However, one of the benefits of identifying risk is that mitigation measures may be taken, if appropriate, and consequently successful claims against the Council may be avoided altogether, or reduced.

## **Financial Implications**

29. There are no direct final implications arising from this report. However, the approach to systematically reviewing 'financial risk' through a core risk assessment lens, supported by an 'open' financial risk appetite, provides an opportunity to achieve effective financial stewardship and value for money.
30. The approach enables financial opportunities to be explored within defined boundaries, whilst setting clear accountabilities for financial governance and is appropriate for the level of innovation required to deliver financial requirements over the medium term.
31. The Corporate Risk register will be used to guide the Internal Audit Plan and the Council's resource planning processes and forms an important part of the governance arrangements for the Council.

## **HR Implications**

32. There are no direct human resource implications arising from the report.

## **RECOMMENDATIONS**

The Cabinet is recommended to approve the Risk Management Strategy and Policy and note the content of the Corporate Risk Register.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>CHRISTINE SALTER CORPORATE DIRECTOR RESOURCES</b>
	<b>6 JULY 2018</b>

*The following Appendices are attached:*

**Appendix A** - Proposed Risk Management Strategy and Policy

**Appendix B** - Risk Management Essentials Guide

**Appendix C** - Corporate Risk Map (Q4 2017/18)

**Appendix D** - Summary Corporate Risk Register (Q4 2017/18)

**Appendix E** - Detailed Corporate Risk Register (Q4 2017/18)



# Risk Management

## Strategy and Policy



Gweithio dros Gaerdydd, gweithio gyda'n gilydd  
Working for Cardiff, working together

## Contents

### The Strategy

Page  
Number

Foreword by Paul Orders, Chief Executive	2
Foreword by Councillor Christopher Weaver (Cabinet Member for Corporate Services and Performance)	2
What are we trying to achieve? .....	3
What is Risk Management? .....	4

### The Policy

Page  
Number

Risk Management Process .....	5
Risk Appetite.....	6
Risk Management Methodology.....	10
• Stage 1. Objectives.....	10
• Stage 2. Risk Assessment.....	10
• Stage 3. Reporting and Escalation .....	20
• Stage 4. Risk Response.....	24
• Stage 5. Monitoring and Review .....	26
Risk Management Roles and Responsibilities.....	28
Glossary of Terms.....	31

### Decision Making Tools

Page  
Number

Risk Appetite Decision Matrix.....	33
Risk Matrix and Definitions.....	35
Standard Risk Register Template.....	37

## **Our Strategy**

### **Foreword by Paul Orders, Chief Executive**

I am pleased to introduce you to the new Risk Management Strategy and Policy for Cardiff Council. The Council has over a period of years continued to develop a risk approach that focusses on assessment and monitoring. This new strategy signifies a step change in our approach by putting Risk Management at the centre of what we do. Assessment and monitoring remain key components but effective Risk Management is essential as we approach the challenges of delivering more with less, and considering innovative solutions to difficult problems.

This strategy seeks to empower us to seek strategic opportunities, whilst recognising that innovation and good governance are not mutually exclusive. It supports us to get the basics right, by prompt identification, ownership and reporting of threats to our objectives, from which clear actions and targets to manage the risks are set. Having clear guiding principles on the levels of risk that we are empowered to take (risk appetite), whilst understanding the levels of risk that we actively manage and reduce, are fundamental to getting decision making right. We are making efforts to engage our staff and wider partners in Risk Management to support delivering our strategy.

We can only act upon what we are aware of, and in that spirit we have developed a brief 'Risk Management Essentials' guide which I strongly recommend that we all read.

### **Foreword by Councillor Chris Weaver, Cabinet Member for Finance, Modernisation and Performance.**

As the Council's Member 'Risk Champion', I am pleased to have contributed to the development of our refreshed approach to the management of risk. The new strategy supports our aspiration to make risk management part of our everyday thinking and decision-making. When making decisions on new ways of working, investments, savings and anything in between we need to be aware of the risks involved in order to achieve the best outcomes. It will benefit Members, Officers and Cardiff citizens alike, as it communicates how much risk we can take and in which areas.

We have developed five standard perspectives / lenses, to help us to consistently consider and understand the wide-ranging nature of risks that could affect the Council in managing our functions and making decisions. It is important that we all take the time to remind ourselves of our responsibilities to manage risk in our day-to-day working.

We all play a part in managing risk, and the guidance and support included in the Strategy and Policy and the Risk Management Essentials guidance seeks to make us all aware of our role in managing risk.

## **What are we trying to achieve?**

Cardiff Council is committed to a proactive approach to risk management which is integrated into the policy framework, planning and budgeting cycles. The Risk Management Strategy and the associated Policy outlines the framework, responsibilities and accountabilities for the systematic and consistent management of risk through Council, partnership and collaborative activities.

The Council recognises the value of maintaining and enhancing an effective risk management culture to identify, analyse, manage and control the risks it faces. The Council acknowledges that risk cannot be totally eliminated and may at times need to be embraced as part of an innovative approach to problem solving and achieving best value.

## **Aims**

The Council is committed to the management of risk in order to:

- Support delivery of the corporate vision, priorities, objectives and values
- Ensure that statutory obligations and policy objectives are met
- Safeguard all stakeholders to whom the Council has a duty of care
- Protect physical and information assets and identify and manage potential liabilities
- Ensure effective stewardship of public funds, efficient deployment and use of resources and achievement of value for money
- Learn from previous threats, opportunities, successes and failures
- Preserve and promote the reputation of the Council

The aims will be addressed by systematically identifying, analysing, cost effectively controlling and monitoring risks at strategic, programme, project, and operational levels.

## **Objectives**

The Risk Management Strategy seeks to:

- Outline the scope of risk management
- Integrate and embed risk management into the culture of the Council
- Assign risk management roles, responsibilities and accountability
- Ensure risk awareness and proportionate and consistent management of risk
- Prevent injury, damage, breaches and losses
- Enhance realisation of opportunities and resulting benefits

The aims and objectives will be achieved by:

- Training and developing relevant managers, officers and members.
- Timely risk identification, reporting, ownership and oversight.
- Application of risk management in business planning, decision making, programme, project, partnership and collaborative activities.

## What is Risk Management?

### Risk definition

**Risk** is the “**effect of uncertainty on objectives**” (ISO 31000)

An **effect** is a positive or negative deviation from what is expected.

### Risk management

Risk management is the process followed to control the level of risk in business and service activities which could impact on their achievement of our objectives and the delivery of our key priorities.

### Why do we manage risk?

Risk management is a key component of corporate governance in maintaining a strong control environment. It can help prioritise attention and ensure considered decision making (e.g. investment, divestment, insurance, methods of delivery) in times of continued resource constraints. It should be used as an integral part of core business processes such as business planning, budgeting and performance review processes.

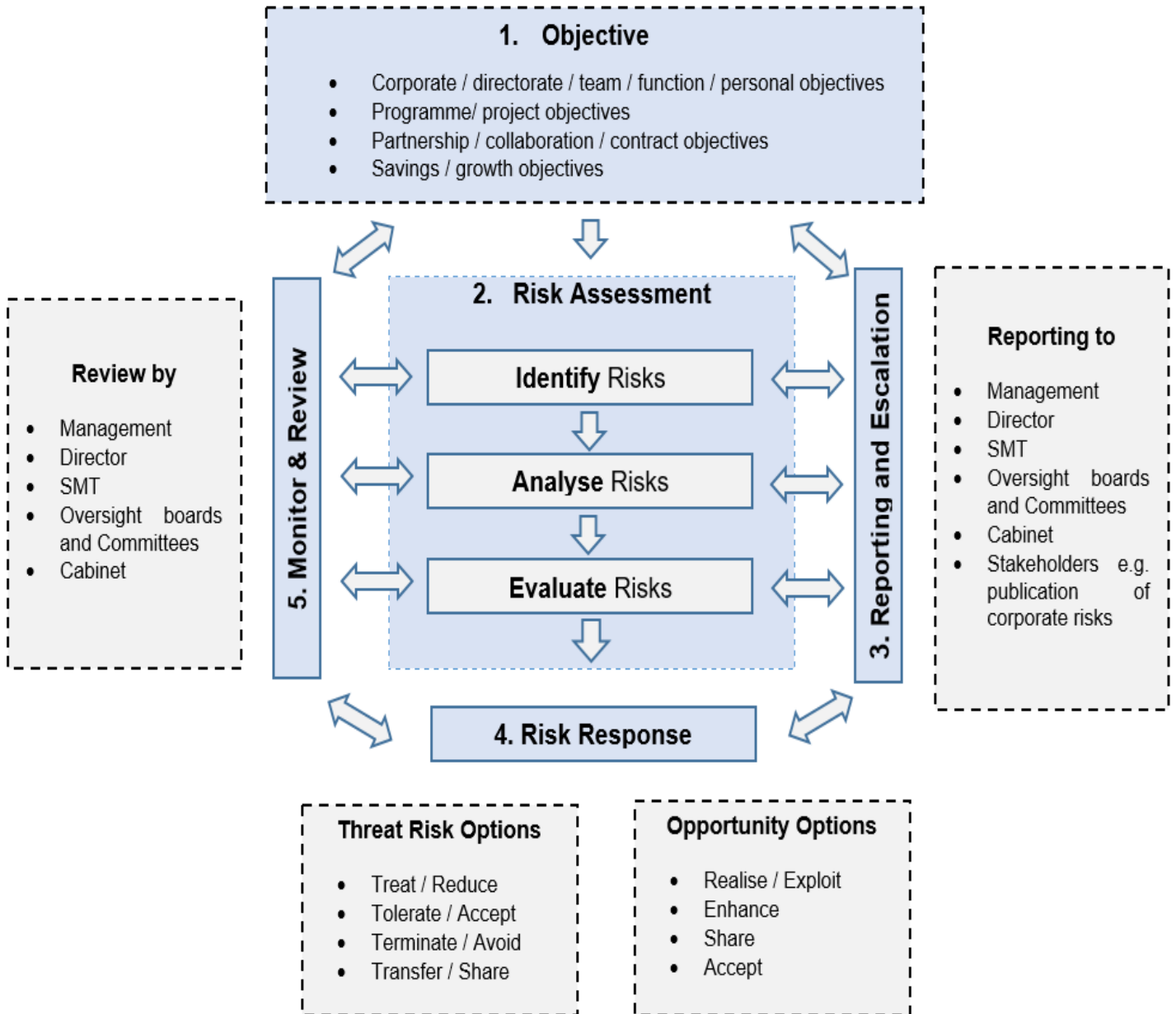
Improved efficiency of operations	Better delivery of intended outcomes	Maximises Opportunities
Protected reputation of the Council	Supports the achievement of the Council’s objectives	Reduced losses arising from workplace accidents & illnesses
Better mitigation of key risks	Demonstrates good governance	Enhanced political and community support
Protection of budgets from unexpected financial losses or Increased ability to secure funding	Increased effectiveness of business change programmes and projects	Protection of Council Assets
Fewer unwelcome surprises	Improved management information to inform decision making	Improved planning

### Where to apply risk management?

- Include risk assessments in decision making reports
- Maintain risk registers for all functions, partnerships, contracts, programmes and projects
- Escalate risks in accordance with the Council’s risk escalation process
- Include risk accountabilities for measures and actions in performance reviews
- Filter any positive deviations (opportunities) into business planning processes.
- Programme and project planning and management
- Savings and growth proposals
- Review and benchmark your functions (internal and external environment)

# Risk Management Process

A systematic approach to risk management is followed in the Council through which objectives are set and risks are identified, analysed and evaluated. Risks are reported in accordance with a defined risk escalation process, with a proportionate risk response required to manage risks within the Council's risk appetite. The risk management review process is as follows.



Based on ISO 31000

The standard approach is to report and escalate risks on a quarterly basis. However, risk management in Cardiff Council is a dynamic 'live' process and officers and members are encouraged to report and escalate significant risks as frequently as required, thereby fast tracking the typical quarterly reporting cycle where merited. An incident management process is also in place to manage time critical risks 24 hours a day.

Fundamental to the level of risk response is a concept known as **risk appetite**. This will determine the level and extent of action that is required in order to manage risks to a level that is proportionate and acceptable to the Council.



## Risk Appetite

### Risk appetite definition

*'The level of risk that the Council and its leadership team are willing to take on, accept, tolerate or be exposed to in pursuit of Council objectives.'*

### Why define a risk appetite?

Our risk appetite should clarify the options available to us, the risks that we can take and those which we need to avoid or reduce as a priority.

A risk appetite has been formalised in this policy to provide clear guidance to all officers, managers, members and partners on the level of risk which can be accepted. It should be used to ensure consistency in, and accountability for:

- The reporting and management of existing or emerging risks
- The extent of governance arrangements and controls required
- Assessments of the suitability of proposals (savings, strategies, policies etc.)

### Risk appetite levels

The Council uses the following definitions of risk appetite levels. At each level there is a *balance between risk and reward*, with 'hungry' risk appetite offering the highest risk and reward and 'averse' offering the lowest.

- ❖ **Hungry** - Where we seek out innovative delivery options and choose options offering the highest reward despite significant risks which are not able to be managed. Activities themselves may potentially carry, or contribute to, a high (red) residual risk.
- ❖ **Open** - Where we consider all potential delivery options, seek greater reward, are aware of the risks and can put in place actions to moderate these risks. Activities themselves may potentially carry, or contribute to, a moderate / high residual risk.
- ❖ **Cautious** - Where we seek to deliver safe options with a low degree of risk and limited reward. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
- ❖ **Minimalist** - Where we seek to deliver very safe options with a low degree of risk which will return a very limited reward. Potential for reward / pursuit of opportunity is not a key decision driver.
- ❖ **Averse** - Where we focus on avoiding risk & uncertainty. Activities undertaken will be those considered to carry virtually no inherent risk.

The Council's risk matrix is used to measure the likelihood and impact of potential risk events. The methodology is explained fully as part of Stage 2 (Risk Assessment) of the risk management cycle in this policy.

## Risk Appetite Statement

We are **not averse** to taking risks, and our approach is based on judgement of the circumstances of each potential risk and an assessment of its impact. This means:

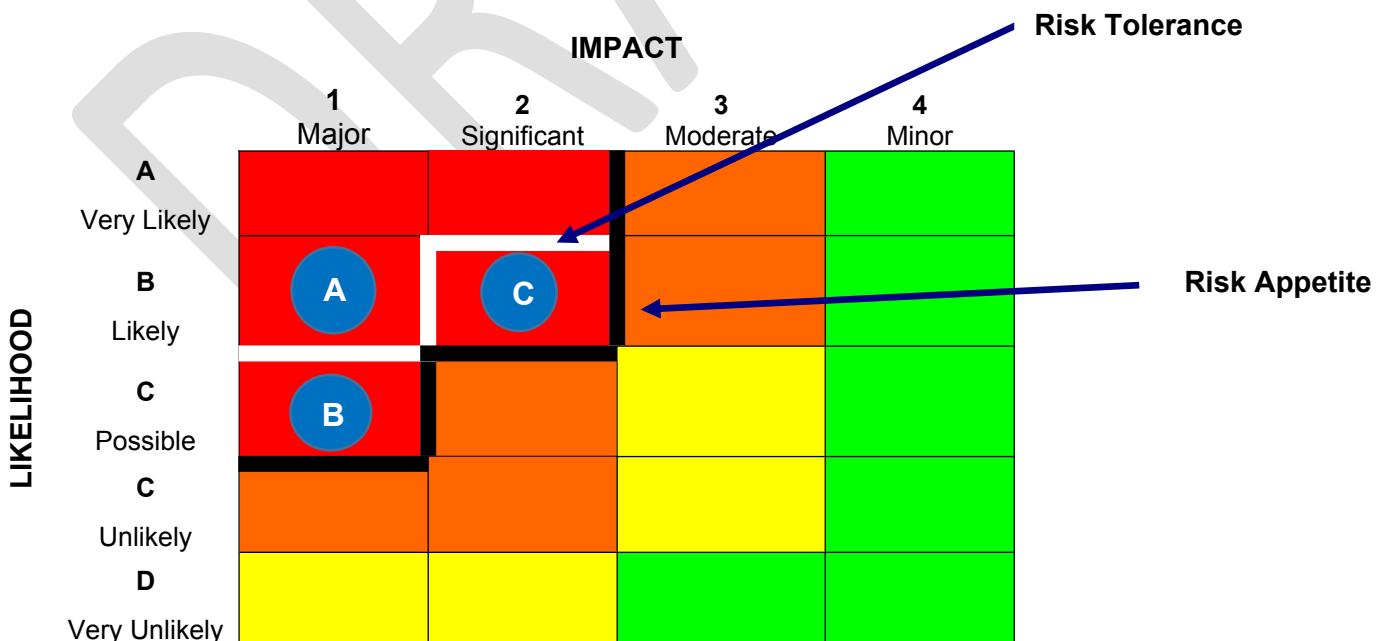
- When we review existing or emerging risks we intervene to the extent necessary to manage risks within appetite.
- In making new decisions we ensure any risk exposure is within the same common risk appetite boundaries.

### i. Overall Risk Appetite and Risk Tolerance

At a summary level, we have established the broad levels of residual risk which may be accepted or tolerated for overall general application, monitoring and control.

The Council's overall broad risk appetite is displayed in the risk matrix below, whereby:

- Risks which appear above the bold black risk appetite line (such as risks 'A') are deemed to be unacceptable by the Council and will require further action to be taken to manage them to an area where exposures are sufficiently reduced.
- Risks below the bold white risk tolerance line, but above the bold black risk appetite line (such as risks 'B' and 'C') are deemed undesirable but may nevertheless be acceptable under current conditions and constraints.
- The determination of acceptability of risks and the extent and urgency of mitigation required is based on the following detailed risk appetite.



#### Key Principles

1. Considering overall risk appetite and tolerance levels is useful as a starting point
2. **An assessment against the 'Detailed Risk Appetite' must be made before making any decisions** on risk acceptance, or the required mitigations

## ii. Detailed Risk Appetite

An overall corporate risk appetite has been set as a guiding principle for all residual risks as it is rare for a significant risk facing the Council to be purely composed of just one type of risk, or to impact upon only one directorate. The Council's large-scale and significant risks are interrelated, and often form part of a wider collection or cluster of risks.

Whilst an awareness of risk interdependencies is important, the Council has set a greater risk appetite for some areas than others and this needs to be applied in any risk analysis and decision making.

**All risk assessments must be made against five standardised perspectives/lenses which each have a distinct risk appetite as follows:**

- 'Open' risk appetite – not to be exceeded for strategic, service delivery and financial risks.
- 'Cautious' risk appetite - not to be exceeded for legal and regulatory and reputational risks.

The extent of risk acceptance and the urgency and extent of mitigation required must be a product of the risk assessment against the five risk perspectives and the risk appetites set.

### The Council's approved Risk Appetite

- ✓ **'Open'** risk appetite is acceptable as an upper risk limit (boundary) for
  - **Strategic Risk**
  - **Service Delivery Risk**
  - **Financial Risk.**
- ✓ **'Cautious'** risk appetite is acceptable as an upper risk limit (boundary) for
  - **Legal and Regulatory Risk**
  - **Reputational Risk.**

### Risk Perspectives:

#### **1. Strategic Risk**

The consequences of strategic decisions, or the failure to achieve our strategic vision.

#### **2. Financial Risk**

Risk to the Council's balance sheet, assets and liabilities, funding, income and spending levels.

#### **3. Service Delivery Risk**

Risks to the effective and efficient delivery of Council services and business continuity.

#### **4. Legal & Regulatory Risk**

Risks of breaching the law, legal action, losses, fines and other sanctions arising from non-compliance with laws and regulations.

#### **5. Reputational Risk**

Risks of adverse or damaging perception of the Council by the general public and Cardiff residents.

### iii. Application of Risk Appetite

In recognising the diversity of the Council's functions and operating environments, the Council's risk appetite is designed to enable delivery of effective innovation and change within clear boundaries to ensure strong governance and stewardship.

A key principle is of accountability. Whilst the opportunities for well managed risk-taking have been formally established, those providing risk information to support decision makers are responsible for robust risk assessments and clear communication of decision-related risk. In turn, decision makers are responsible for approving decisions with full consideration of the associated risks in accordance with the Council's risk appetite.

- ✓ Risk appetite should not be applied as a rigid target, but as a level of risk that we are willing to take if supported by a strong consideration of financial and non-financial costs, benefits and risks.
- ✓ A risk appetite decision making guide has been produced in figure 1. It should be used to communicate the risk associated with decisions, and ensure the Council's risk appetite is not exceeded.
- ✗ It is not acceptable to make decisions which exceed the risk appetite, or to fail to effectively measure and manage new or existing risks.

### iv. Approach to Risk Appetite

The remainder of this strategy outlines how risks should be identified, assessed, managed and monitored through the different activities and functions of the Council in order to meet the overarching risk appetite requirements.

This is to ensure that:

- Risk registers are widely used to ensure risk appetite is not systematically breached and that all risk are managed with risk tolerance.
- When making decisions, there is a strong awareness of the opportunities available for taking risk, together with the accountabilities for managing any risk exposures.

The risk reporting and escalation processes (as outlined in stage 3 of our risk management methodology), reflect the levels of risk appetite delegated to the Senior Management Team, individual Directors and Managers.

The Risk Appetite Decision Matrix (**Figure 1**) outlines the principles and characteristics demonstrated at different risk appetites, and should be used as the Council's common frame of reference when assessing and communicating risk appetite.

## Risk Management Methodology

### Stage 1 - Objectives

The first stage in the risk management cycle is to establish the context and objectives upon which our risk management will relate. This is an essential element of the process, as if we do not know the context we cannot meaningfully begin to measure, manage and report upon the risks.

Our objectives should stem from our corporate priorities as outlined in the corporate plan. Through this mechanism we measure risks related to:

- Corporate / directorate / team / function / personal objectives
- Programme/ project objectives
- Partnership / collaboration / contract objectives
- Savings / growth objectives

### Stage 2 - Risk Assessment

A systematic and consistent approach to identifying and analysing risks should be an integral part of all key management processes and decision making. The Council's risk management approach, involves continuous processes to **identify, analyse** and **evaluate** risk.

The process of identifying, analysing and responding to risks should be ongoing and not seen as a one off systematic review activity. Some of the core questions we should be constantly considering are as follows:

- ▶ What risks are there to our objectives over the next 12 months, and over the medium term, how significant are these risks and can we tackle / exploit them?
- ▶ How resilient are our functions to mitigate and respond to the risk events we have seen elsewhere?
- ▶ What have we learned from risk events within and outside our organisation?
- ▶ Are existing risks still relevant and focussed or have they changed or evolved?
- ▶ Are there any key risks missing risks in the register(s) and business plans?

# 1. Risk Identification

Risk identification involves gaining a clear understanding of the opportunities and threats to corporate or directorate objectives. It should enable us to gain important insight into what is causing a particular risk and how it could impact on the Council.

It is important to have all of the facts before we make decisions regarding business strategy, growth, investment, resilience, divestment and savings. Taking the time and effort to develop strong and timely risk awareness and intelligence can pay dividends in ensuring business decisions and actions are made in the best strategic and operational interests of the organisation.

There are a range of methods which can be used to identify risks, but the most important tool is to build a risk identification and reporting philosophy into the culture and operation of the workforce. Cardiff Council has a strong risk management network in place to help to embed this philosophy.

A selection of risk identification methods are included below for reference, but the list is by no means exhaustive:

- SWOT, PESTLE analysis etc.
- Analysis of previous losses, events and incidents both internal and external to the organisation and sector
- lessons learned reviews
- Technical briefings, national reports, networking and best practice
- Process reviews and observation
- Documentation and data analysis
- Horizon scanning and benchmarking
- Interviews, questionnaires and surveys with managers / officers / stakeholders
- Risk identification workshops
- Root Cause Analysis (e.g. '5 Why's' and 'Fishbone Diagram' techniques)
- Encouraging a risk identification and reporting philosophy

We must take the opportunity to learn from risk events both within and outside of our organisation and to take the time to identify the reasons why these events took place, and reconsider our own defences and current risk management approach.

Further preparation should include analysing current performance data; collating results from independent reviews (e.g. Internal Audit, Health and Safety Executive, Wales Audit Office, National Assembly for Wales) reviewing complaints data, insurance claim details, fraud history etc.

## *i. Areas of Review*

In order to ensure a wide risk assessment is undertaken, risk assessments must be made against our 5 risk perspectives as follows, and in line with our approved risk appetite.

1. Strategic Risk	2. Financial Risk	3. Service Delivery Risk
4. Legal & Regulatory Risk		5. Reputational Risk

In considering these risks we must also consider the range of risks which could be of an internal or external nature.

- **Internal Risks** – are risks which we should have the ability to manage through internal controls and, where necessary, additional mitigating actions.  
*Examples include fraud, health and safety, capacity and capability, data security and contractor / partner risks.*
- **External (Event Driven) Risks** – are considered to be external events / perils for which we need to ensure that the Council is resilient. Our business continuity and emergency management arrangements provide the common framework for managing risk events of this nature.  
*Examples include, economic downturns, terrorist attacks, extreme weather and cyber-attacks.*

### Risk Identification Workshop – Process Flow Example

1. List the functions you perform and the objectives in place.
2. Identify what success looks like (consider use of benchmarking / best practice models).
3. List the factors which may prohibit or reduce the ability to deliver the function or to achieve an objective (i.e. SWOT, PESTLE analysis – explained below).
4. Check the list to ensure it contains a full range of financial and non-financial risk factors and has included each **Risk Perspective**.
5. Now consider potential opportunities using the first 4 steps.
6. Document the risks identified in an initial risk register.
7. Review existing risk registers and existing strategies, programmes, projects and actions and consider if risks are being addressed.
8. Determine if existing programmes, projects and business actions need to be updated, re-framed or re-scoped, or if new activities are required.

For many managers, a new *risk identification* process will begin at the start of a new business planning cycle and will involve reviewing existing and new risks to the objectives upon which business plans are being developed. This process should involve an analysis of strengths, weaknesses, opportunities and threats through “SWOT” analysis, to provide the initial list of known risks.

A broad range of external risk factors should be taken into account using wider analysis tools such as PESTLE, which stands for Political, Economic, Social, Technological, Legal and Environmental factors. Reviews of external risk factors should already be integrated into our business planning, as we are required to deliver sustainable and long term decision making through existing legislation, such as the *Wellbeing of Future Generations (Wales) Act 2015*.

Our aim when setting and reviewing strategies and actions should be to address and exploit key business risks and opportunities. Sound risk identification is critical as an ongoing review process to avoid strategic drift and to enable focus on achieving key business objectives and the management of uncertainty (risk).

## Long Term Perspective

The Wellbeing of Future Generations (Wales) Act 2015 details the ways in which specified public bodies must work, and work together to improve the wellbeing of Wales.

Together, seven wellbeing goals and five ways of working provided by the Act are designed to support and deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs.

A key aspect of well-being planning is to identify and address long term risks to communities through Council and Public Service Board risk management arrangement. There is a need to identify and manage potential risks over longer term horizons, to develop preventable approaches.

The following table can be used as a guide when assessing the time horizon of potential risk events.

Short Term Risk Management	Medium Term Risk Management	Long Term Risk Management
a. Between 1 and 5 years	b. Between 5 and 20 years	c. Between 20 and 35 years

- a. Identifying threats and opportunities within the timeframe of the electoral cycle.
- b. Identifying threats and opportunities to the current generation.
- c. **Identifying threats and opportunities to future generations** (*informed by long term trends e.g. ageing population, energy security, economic resilience, food security, health and climate change, which are central to the development and infrastructural planning over the next 35 years.*)

## Partnership / Collaborative Working

There is a need for a clear strategic fit in partnership and collaborative working and agreed governance and risk management frameworks.

Once a risk framework has been agreed, the risk management process can be instigated. The principles of effective risk management will apply to any form of partnership / collaboration activity, as follows.

- Risk identification should focus on risks that may impact on the achievement of the objectives of the partnership
- All key partners should be involved
- A partnership risk register should be used to record and report this information



## ii. Risk Descriptions

It is important to ensure risk descriptions are brief but fully communicate the risk in question. The following table gives examples of wording often used to begin the process of communicating risk:

Disruption to . . . .	Exploitation of . . . .	Increase in . . . .
Loss of . . . .	Enhancement of . . . .	Lack of . . . .
Inability to . . . .	Reduction of . . . .	Realisation that . . . .
Inappropriate . . . .	Failure to . . . .	Empowerment of . . . .

It is important that we do not just report on the symptoms of risk but that we identify and manage the **risk cause**.

Risk	Example <b>threat</b> risk description	Example <b>opportunity</b> risk description
<b>Risk Cause</b>	<ul style="list-style-type: none"> <li>Uncompetitive remuneration packages and over worked staff.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing effects of the current economic climate are putting downward pressure on the price of labour and materials.</li> </ul>
<b>Risk Event</b>	<ul style="list-style-type: none"> <li>Failure to retain key employees.</li> </ul>	<ul style="list-style-type: none"> <li>Enhancement of the pricing terms with key contractors for labour / material.</li> </ul>
<b>Risk Impact</b>	<ul style="list-style-type: none"> <li>Disruptions to services, increase in temporary staffing costs, increased pressure on recruitment team.</li> </ul>	<ul style="list-style-type: none"> <li>Procurement savings, reduction in the cost of key projects.</li> </ul>

### Risk Descriptions

- If a risk description were to only include the risk event i.e. Failure to retain key employees, it would be difficult to target the controls and mitigating actions without knowing the root cause.
- By capturing the Risk Event, Risk Cause and Risk Impact the risk description will be clear to those reading the risk register of the threat or opportunity.
- Failure to achieve a particular objective is not in itself a risk and there will inevitably be a number of different risks that need to be managed in order for an objective to be achieved.
- It is important that these are assessed in order that their likelihood and impact on the business can be ascertained. The aim of this is to aid decision making and prioritisation of actions, at a time when resources are limited.

Once we have identified our risks, we need to score them by measuring the **likelihood** and **impact** of occurrence.

In the first instance we want to assess the inherent risk. This represents the level of risk before we have considered any planned 'countermeasures' and / or mitigating controls. Inherent risks generally relate to the nature of the activity involved. Certain areas of Council business will be more inherently risky, such as safeguarding children and vulnerable adults, information security and health and safety.

Once we have an assessment of the inherent risk we need to assess the value of our existing controls in order to arrive at a current / residual risk score.

- ▶ **Inherent risk** represents the risk in its uncontrolled state, before any current controls have been considered.
- ▶ **Residual risk** is the remaining level of risk after current risk mitigation and control measures have been taken into consideration.

The residual risk takes into account the value of the controls you already have in place to manage the risk. It is this current risk value which is used for considering what further actions are necessary and the level of reporting and escalation required.

### Risk Analysis

- It is likely that you will have a mixed impact rating from which an assessment of 'best fit' will be required for the overall risk rating. For example the impact of a risk happening may be moderate in terms of financial implications but may have a significant impact on the Council's Reputation.



To ensure a consistent approach to assessing risks a standard 4 x 5 risk matrix is used across the Council. The assessment is translated into a 'traffic light' score for simplicity in understanding the risk prioritisation.

The risk matrix is included below, but the matrix and full guidance tables are included in **Figure 2**.

- ▶ **'Likelihood'** is measured based on probability of the risk materialising, scored as 'very unlikely', 'unlikely', 'possible', 'likely' or 'very likely'.
- ▶ **'Impact'** is measured against the severity of a potential risk event, scored as 'major', 'significant', 'moderate' or 'minor'.

#### ***i. Threat (Negative) Risk Analysis***

A standardised 4 x 5 risk matrix is used by the Council to measure and report on the threats to the delivery of Council objectives, and to prioritise risk actions.

Directorate, Corporate, Programme and Project risks are measured using a threat (negative) risk assessment, and a number of key Council decisions on investments, savings and divestment are informed by a risk assessment in this format.

		IMPACT			
		1	2	3	4
LIKELIHOOD	A	A1	A2	A3	A4
	B	B1	B2	B3	B4
	C	C1	C2	C3	C4
	D	D1	D2	D3	D4
	E	E1	E2	E3	E4

**Likelihood:**  
A Very Likely  
B Likely  
C Possible  
D Unlikely  
E Very Unlikely

**Impact:**  
1 Major  
2 Significant  
3 Moderate  
4 Minor

At the analysis stage it is useful to have an awareness of stage four (risk response) of this strategy, as we typically have four risk responses available to us in order to manage the likelihood and / or the impact of the risk (*transfer, treat, tolerate, terminate*).

**ii. Opportunity (Positive) Risk Analysis**

In seeking to enhance the Council’s risk management maturity and gain the greatest strategic value from risk analysis, there is an increasing need to assess the opportunity (positive) risks available, and to include opportunities within our risk registers.

When assessing, monitoring and reporting opportunity risks, the risk matrix can be broadly reversed (with a few adjustments) i.e. **we want to increase the likelihood and / or the impact of the positive outcome.**

		IMPACT			
		1	2	3	4
LIKELIHOOD	A	A1	A2	A3	A4
	B	B1	B2	B3	B4
	C	C1	C2	C3	C4
	D	D1	D2	D3	D4
	E	E1	E2	E3	E4

**Likelihood:**  
A Very Likely  
B Likely  
C Possible  
D Unlikely  
E Very Unlikely

**Impact:**  
1 Major  
2 Significant  
3 Moderate  
4 Minor

At the risk analysis stage it is useful to have an awareness of stage four (risk response) of this strategy, as we typically have four opportunity risk response strategies available to us (*enhance, exploit, accept, share*). We can use these strategies to increase the likelihood and / or impact of realising an opportunity.

It is possible to analyse and manage all risks and opportunities through the traditional threat (negative) risk register. Opportunities can be converted into the negative risks associated with their successful delivery, and managed and tracked on this basis. However, holding separate opportunity (positive) and threat (negative) risk registers may appeal to some functions/managers to help maintain a distinct strategic focus on managing threats and opportunities.

### Integrated Risk Assessments

The Council does not operate in a vacuum, and there are a number of interdependencies at play in the management of risks to Cardiff and the wider region. A significant amount of cross organisational working takes place to manage risks associated with emergency management, safeguarding and public safety in particular. Efforts will continue to be made to build upon and enhance the collaborative approach to risk management.

Over the last few years we have seen changes in the methods of service delivery, with greater exploration and use of collaborative, partnership, arms-length and contractual arrangements. This is in addition to shared governance such as the Public Service Board and Joint Cabinet arrangements for the CCR City Deal.

When measuring risk it is essential that we consider the wider risk perspective and are not constrained by organisational boundaries. Risk Registers should be informed by integrated risk assessments, which systematically use risk information from public service forums, boards and partners together with wider intelligence, in order to effectively identify, assess and manage risk.

### Key Risk Indicators

It has become second nature to capture and monitor a series of performance measures and indicators across Council services. This provides important data and information on our progress in meeting the objectives set. It is possible to support traditional performance indicators with the use of Key Risk Indicators (KRIs). KRIs are an opportunity to develop and use indicators to assist functions, services and projects in managing their risks.

KRIs are leading indicators, they let us know how we are managing threats associated with our ongoing activity and objectives. A simple example below on increasing online services demonstrates how our traditional performance measures may give us confidence that availability has improved and back office savings have been delivered, but in order to capture rates of usage dropout by certain demographic groups, or service downtime we could introduce supplementary KRIs.

Making use of both KPI and KRI measures will enable us to adjust our actions and manage risks before they become an issue.

### Key Risk Indicator (KRI) Example

**Objective** - To make a certain key services fully accessible online and to reduce back office costs.

**Key Performance Indicators (KPIs)**

- 1) The percentage of services accessible online
- 2) The realised back office saving

**Key Risk Indicators (KRIs)**

- 1) Service user loss rate by demographic group.
- 2) The online service downtime rate.

### Decision Making

It is vital that decisions are strongly informed by a robust identification and assessment of risks and opportunities. A clear identification of the risks to our overall objectives can help us to frame our strategies and decisions to best effect in exploiting opportunities and managing threats.

- Firstly, we need to know the current context i.e. what vulnerabilities could we face or opportunities could we miss if we continue as we have been and do not change.
- Secondly, we need to identify and assess the risks associated with our proposed decisions.

The level of resource dedicated to risk identification needs to be proportionate to the nature and value of the decision being made. However, each risk perspective must be separately considered in each business decision to ensure a complete assessment.

As set out in the risk management statement, the key principle is one of accountability, whereby those providing risk information to support decision makers are responsible for robust risk assessments and clear communication of decision-related risk.

### Investment, Savings and Pressure Bids

Risk assessments form an important part of the decision making process for investments, savings proposals and financial pressure bids. They can be an important means of informing decision makers of the suitability, acceptability and feasibility of proposals and of prioritising limited resources. Typical risk assessments are as follows.

- Achievability - This refers to the extent of risk-based assurance that we have on delivering a saving. This is typically based on whether the saving has already been effectively achieved (such as the deletion of a vacant post), whether a detailed plan is in place with strong confidence of delivery, or if there are only general plans in need of refinement. The higher the degree of certainty the lower the risk rating.
- Inherent Risk - This refers to the decision related risk before mitigating controls are put in place. In respect of a savings proposal, it is the risk the Council will face if

the savings proposal is accepted. In the case of an investment / financial pressure bid, it is the risk the council will face if the bid is rejected.

- **Mitigated Risk** - This refers to the level of inherent risk once the control actions have been taken into account. In the case of a savings proposal it refers to the risk the Council will face if the saving is taken, after taking into account the measures that will be put in place to reduce the potential impact. In the case of an investment / financial pressure bid it is the remaining risk if funding is not provided, but again following any planned mitigating action to reduce the risk.
- **Equality Impact Assessment** - An assessment of equalities risk is undertaken on an equalities screening form. Where the equalities risk is assessed to be red or red-amber a supplementary equalities impact assessment (EIA) is completed. In communication with the Equalities Team the impact assessment is completed, with all EIA proposals signed off by the relevant Director.

### Savings / Pressure Bids

In each instance the risk score should be used to support a case for change.

- **For savings**, we are measuring the risk associated with accepting the proposal.
  - *Firstly, what is the risk to successfully delivering the full saving?*
  - *If delivered, what risk does the saving pose to delivering our objectives and priorities?*
  - *What actions will we take to manage these risks?*
- **For investments and financial pressures**, we are measuring the risk of not approving the bid.
  - *What are the potential risks to our objectives and priorities if the bid is not accepted?*
  - *What actions will we take to manage these risks?*

## 3. Risk Evaluation

Risk evaluation is a process that is used to interpret the risk analysis and to consider whether the risk is acceptable or tolerable.

To guide the risk evaluation there is a systematic risk escalation process in place for all risks, which is based on the risk assessment. This means that risk are evaluated in an appropriate forum relevant to the risk assessment. The reporting and evaluation process is outlined in stage 3, as follows.

## **Stage 3 – Reporting and Escalation**

Risks are systematically reported and escalated on a risk priority basis each financial quarter (at minimum). This is to ensure that there is timely awareness of the most significant risks at both directorate and corporate levels.

The Council holds Directorate Risk Registers and a Corporate Risk Register and the purpose of each is outlined below.

### **The Corporate Risk Register (CRR)**

The CRR is a register of the main risks to the delivery of corporate objectives and priorities.

The CRR is used as a strategic tool, to identify, monitor and manage the key risks facing the Council so that elected Members and senior management can make informed decisions and prioritise actions, with these high level risks in mind.

The CRR is reviewed quarterly by Senior Management Team, the Risk Champion Network and the Audit Committee, and biannually by the Risk Management Steering Group, and Cabinet to ensure the register remains relevant and accurate.

### **Directorate Risk Registers (DRR)**

Each directorate holds a DRR, which is a register of the key risks that they need to monitor and manage in order to effectively deliver their functions and discharge their responsibilities.

Directorate risks are reviewed and reported each quarter by Directors, Managers and Risk Champions. Directors escalate risks to Senior Management Team (SMT) upon quarterly review.

Once directorate risks are escalated to SMT, a decision is made on whether they will become corporate risks, or if they will remain on directorate risk registers, but with collective SMT ownership and quarterly review.

SMT determine if any changes are required to the CRR each quarter in consideration of the risk assessments reported and escalated. The remaining escalated risks continue to be held on Directorate Risk Registers (DRR) and reviewed by SMT each quarter until it is agreed that mitigation is sufficient for risk ownership to transfer back to the Directorate.

**i. Standard Risk Escalation and Reporting**

In managing day-to-day threat (negative) risks within risk appetite, a risk escalation process is in place to report risks from Directorate Risk Registers (DRRs) to SMT. The risk escalation process represents the delegated risk appetite, and sets out the minimum standards of risk reporting and risk ownership.

The delegated risk appetite means that:

1. Each Director reviews and has responsibility for their directorate risks with a residual (current) rating of red/amber and above.
2. SMT reviews and has collective responsibility for all 'red' risks from all DRRs.

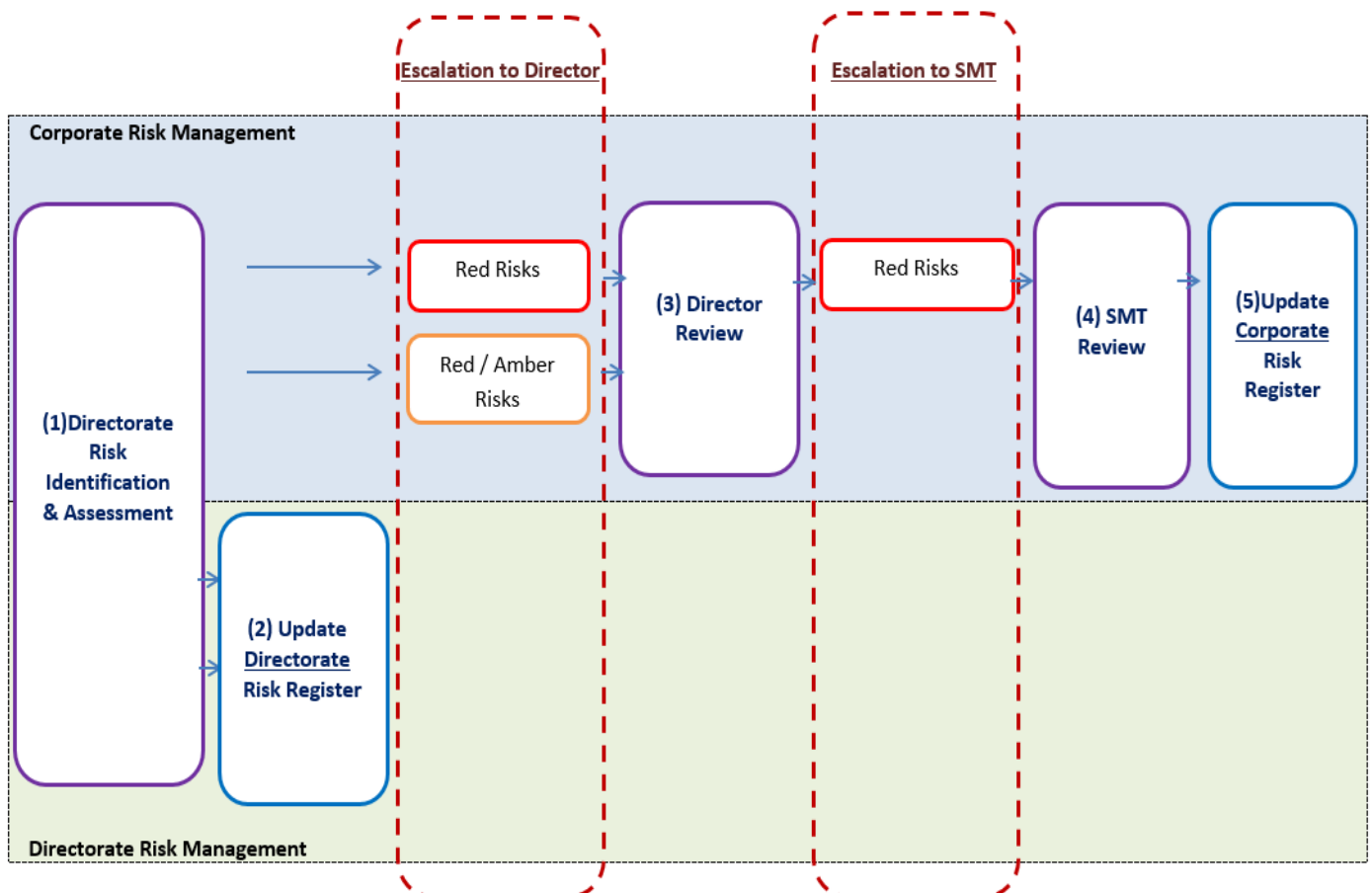
The minimum standards for risk escalation are as follows:

**a) Director Review**

- Each Director must review each 'red' and 'red/amber' residual risk on their DRR each quarter.
- Each Director must then escalate all 'red' residual risks from their DRR to SMT each quarter.

**b) SMT Review**

- SMT review all escalated risks and determine the appropriate method of reporting and mitigations required.





Each financial quarter, SMT collectively determine whether or not any changes are required to the CRR. When making this consideration they consider the extent to which the risk has a strategic link to the corporate plan, corporate values and priorities.

Decisions on whether to escalate or de-escalate risks from the corporate risk register are made by SMT in the interests of being open about key strategic risks facing the Council.

## ***ii. Fast Track Risk Escalation and Reporting***

As part of the Council's risk aware culture, risks need to be identified and reported on a priority basis to the extent required in order to manage the risk effectively and proportionately.

There will be times when potential risk events materialise perhaps with little or no prior warning or awareness. This sort of risk awareness can present itself following a regulatory or compliance review, an incident within the Council or elsewhere or via a number of other internal or external risk indicators.

### **Key Principle - Risk Reporting and Escalation**

The standard quarterly risk management reporting process is a base-level process.

Risks should be reported and managed to the extent required to proportionately address relevant threats.

Risk should be a standing item on the agenda of management team meetings across the Council, and addressed and discussed daily.

## ***iii. Capital Ambition Delivery Programme - Risk Escalation and Reporting.***

Programme and Project Risk Registers are used to identify, manage, monitor and report risks for all projects within the Capital Ambition Delivery Programme. These risks are escalated on a systematic basis through the corporate Project Quality Assurance (PQA) process (PQA Handbook - CIS 5.PQA.708).

All risks identified by the Project Manager/Business Change Manager are reported to the relevant Project Board and Project Executive. Typical escalation points are to the Project Board and Project Executive → Programme Board and Senior Responsible Officer → Senior Management Team (acting as the Sponsoring Group for the Capital Ambition Delivery Programme).

***iv. Risk Control within Partnerships / Collaboration Activities***

Each Directorate participates in partnership / collaborative activities, for which clear governance arrangements are necessary to ensure the effective delivery of scope and objectives with clear accountabilities in place.

Each partnership / collaboration requires:

- Adoption of this Risk Management Policy and Strategy, or a robust alternative.
- A clear risk appetite, through which the risks to Cardiff Council do not exceed the risk appetite boundary levels as set out in this policy.
- A clear means of allocating risk ownership and accountability.
- A clear and robust risk escalation and reporting process.

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## Stage 4 - Risk Response

When deciding how to control a traditional or opportunity risk there are four typical options available. The risk control measures to deal with a threat risk are commonly known as the four T's; Tolerate, Treat, Transfer or Terminate. There are four additional risk management options for opportunity risks and each are outlined as follows.

Threat (Negative) Risk Control Measures			
<b>Transfer</b> Insurance, Outsource, Partnerships.	<b>Treat / Control</b> Mitigation, Likelihood & Impact.	<b>Tolerate / Accept</b> Understand & live with the risk.	<b>Terminate</b> Avoid the risk.

### Risk Response Strategies for Threat (Negative) Risks

1. **Tolerate / Accept the Risk** – The current (residual) risk is managed to a level which is tolerable and within appetite. No further actions are considered necessary to manage the risk beyond the normal management routines that are in place, and subject to ongoing monitoring.
2. **Treat / Control the Risk** - The risk is identified as outside of tolerance, so controls need to be put in place that effectively manage the risk and reduce the risk to an acceptable level. There are four typical types of controls:
  - ▶ *Preventative* controls help to stop the risk from occurring in the first place. Examples include restricting access to buildings or IT systems, requiring two signatures on cheques, ensuring segregation of duties (i.e. at least two officers are involved in a system / process) and implementing authorisation limits.
  - ▶ *Detective* controls can alert you that the risk event is becoming more likely to occur. Examples include quality checks, alarms, exception reports, accident / error reports, budget monitoring reports and insurance claims reports.
  - ▶ *Directive* controls offer guidance on how to carry out processes in conformance with particular requirements, such as procedure manuals, guidance notes, instructions, supervision and training.
  - ▶ *Corrective* controls are intended to limit the extent of damage caused by an incident or a risk trigger that has taken place. Examples include error, incident, complaint handling, virus isolation, business continuity / recovery plans or processes.
3. **Transfer the Risk** -The traditional approach is to transfer risks to an insurer e.g. legal liability, property, motor vehicle etc. There are other examples such as service delivery being transferred to the private sector or delivered jointly with partners. Where this approach is considered the risk needs to be carefully considered, as it is often the case that some risk can be transferred whilst major risks such as responsibility for delivery of the service and the reputational risk remains with the Council.
4. **Terminate / Eliminate the Risk** - The risk is so serious that adding controls or modifications do not reduce the risk to an acceptable. An option at this point could be to withdraw from the activity.

## Risk Response Strategies for Opportunity (Positive) Risks

Opportunity (Positive) Risk Control Measures			
<p><b>Realise / Exploit</b> Maximise likelihood.</p>	<p><b>Enhance</b> Improve likelihood</p>	<p><b>Share</b> Collaborate to exploit opportunity.</p>	<p><b>Accept</b> Do not directly influence opportunity.</p>

1. **Exploit / Realise** – Exploiting is about doing everything that you can to make sure that the opportunity is realised. In an exploit risk strategy, you increase the chance of achieving the opportunity to 100%.

*Example – You have a short time window to bid for Welsh Government grant funding. You secure a dedicated multi-disciplined project team of specialist officers and a resource budget to develop a robust bid on time and of high quality. You take every possible step to deliver the very best bid with close engagement with the grant provider.*

2. **Enhance** – Enhancing is about increasing the probability of the occurrence of the opportunity, by taking measures to increase the chance of the event happening. Whilst there is no guarantee that you will realise the opportunity, you take action to increase the likelihood.

*Example – You have a short time window to bid for Welsh Government grant funding. The officer responsible for the bid is given additional short-term resources to focus on developing a bid to meet the challenging deadline and improved viability.*

3. **Share** – Sharing is about seeking collaborations or using contractual arrangements, as you are unable to realise the opportunity alone.

*Example – You may lack the technical ability to successfully bid for Welsh Government grant funding. An option is seek collaboration / input from an organisation that delivers the skills and support required.*

4. **Accept** – Accepting is about leaving the opportunity open, without taking particular action to realise it. If the opportunity happens you realise it, but otherwise you will not take action.

*Example – As lead officer, you have been advised that if available you may be allocated specialist officers to support you in developing a bid for Welsh Government grant funding. You do not actively request the specialist officers, but will utilise them if they are allocated to you by senior management.*

## Stage 5 – Monitoring and Review

In accordance with the Council's risk aware culture, we seek ongoing mechanisms and indicators to identify, assess and report risks, as outlined in the preceding sections of this Policy and Strategy. Risks should be monitored, discussed and reviewed on a priority basis to the extent required for effective and proportionate management.

Risks constantly change, so it is necessary to monitor and regularly report on the progress being made in managing risks and opportunities, so that the achievement of business aims and service objectives are maximised and losses are minimised.

Risk should be a standing item on the agenda of management team meetings across the Council, and addressed and discussed daily as part of an ongoing monitoring and review process.

Each risk owner is accountable for communicating an accurate picture of the nature, source, cause and controls for threat (negative) and opportunity (positive) risks. It is important that risk registers are kept up to date and accurate with robust risk analysis which enables meaningful monitoring and review.

The risk escalation process is designed and operated in accordance with the Council's risk appetite, which informs the extent of risk monitoring and review as outlined in stage 4 above. Additionally, for wider risk management oversight and assurance:

- SMT and Audit Committee review the full Corporate Risk Register each quarter
- Cabinet and Risk Management Steering Group review the full Corporate Risk Register biannually

At each review stage attention should be prioritised to considering high (red risks) and medium risks (red / amber risks). Particular attention should be paid the sufficiency of the proposed improvement actions to manage risks within the Council's risk appetite in an acceptable timeframe.

### Monitoring and Review of Existing Risks

As outlined previously, existing risks should be monitored regularly and formally reviewed at least quarterly. At all levels of review the nature, source and cause of the risk needs to be reconsidered to ensure ongoing accuracy, adequacy of focus and a clear understanding of the root cause of the risk.

The risk owner is principally responsible for reviewing and updating the risk description, inherent risk and current controls, whilst setting out clear and proportionate improvement actions, where merited, in accordance with the risk assessment (stage 2) process.

At each stage of the review, consideration should be given to business objectives, risk appetite, risk ownership, risk interdependencies and the sufficiency of risk management controls and proposed actions.

If it is collectively considered that the risk no longer represents a key strategic priority upon which greater oversight and public reporting is merited, SMT may decide to de-escalate corporate risks. Typically, risks are de-escalated when their effective management is

considered to be embedded in business as usual routines, at which point their reporting transfers to directorate risk register(s).

#### Monitoring and Review of New / Escalated Risks

All Council processes, functions, contracts, programmes and projects require effective mechanisms to identify and assess the risks to their effective delivery. New threats and opportunities may be identified from new or existing activities through the risk assessment (stage 2) process.

Risk ownership should be allocated for all new risks to ensure clear accountability for the risk assessment and reporting process. Risks should then be escalated for monitoring and review in accordance with the reporting and escalation (stage 3) process.

## **Risk Management Roles and Responsibilities**

The roles and responsibilities of individuals and groups to implement the strategy are as follows:

### **Cabinet**

- Approve the risk appetite of the Council.
- Ensure relevant risks are considered as part of every Cabinet report decision and that in approving such decisions, the Council's risk appetite is not exceeded.
- Review the content, and effective management, of risks on the Corporate Risk Register biannually.
- Periodically review the Council's approach to Risk Management and approve changes or improvements to key elements of its processes and procedures.

### **Elected Members**

- Consider relevant risks associated with recommendations in decision making reports through Committee roles.
- Engage in active risk management debate with the Portfolio lead (Member Risk Champion), Risk Management Officers and relevant Committee roles.

### **Member Portfolio Lead (Risk Champion)**

- To promote risk management within the Council's corporate and service priorities.
- To promote the needs of the client group represented in risk management to the decision makers within the Council.
- To work with the decision makers in the Council to establish strategies / policies / work plans connected with risk management.
- To maintain an awareness of all matters connected with risk management.
- To engage with members in matters related to risk management such as attending Overview and Scrutiny / Cabinet / Full Council meetings etc.
- Raising awareness of and taking a lead role in the development of all members and officers in relation to risk management.

### **Scrutiny Committees**

- Providing a challenge to the Cabinet that risks have been managed within appetite and that risks have been appropriately identified and considered in decision making.

### **Audit Committee**

- Provide independent assurance of the adequacy of the Risk Management Policy and Strategy and the associated control environment within the Council.

### **Chief Executive**

- Support in raising the profile of risk management and promoting the accountability of all staff within the Council.

### **Officer Risk Champion**

- The Section 151 (Officer Risk Champion) is responsible for raising the profile of Risk Management and promoting the accountability and responsibility of all Members and officers within the Council.

## **Senior Management Team**

- Work with their risk champion(s) and management team each quarter to identify risks relevant to their functions and areas of responsibility.
- To promptly escalate risks to SMT in accordance with the risk escalation requirements.
- Take ownership for the management of corporate risks within the organisational risk appetite.
- To review the content of the Corporate Risk Register at least quarterly and provide assurance to stakeholders that the risks are being effectively mitigated.
- Allocate sufficient resources to address strategic risks.
- Create and support an environment and culture where risk management is promoted, facilitated and appropriately undertaken within the Council.
- Integrate risk management into performance management, business planning, business change projects, partnership and collaborative activities Senior Management.

## **Risk Management Steering Group**

The key roles of the Risk Management Steering Group are to:

- Support the development and implementation of the Risk Management Policy and Strategy and good practice risk management initiatives.
- Ensure an effective framework for managing risks throughout the Council including partnerships.
- Review the content of the Corporate Risk Register biannually to ensure risks are being managed within the corporate risk appetite.
- Ensure effective training and development of managers and staff on Risk Management processes, procedures and implementation.

## **Risk Management Team**

The Risk Management Team is responsible for supporting and promoting a corporate, and enterprise approach to risk management through.

- Developing strategic risk management initiatives and approaches for review in SMT, Risk Management Steering Group, Audit Committee and Cabinet.
- Delivering risk management advice, guidance, coaching and training.
- Overseeing the Risk Champions network, its activities and reporting.
- Co-ordinating the risk management review, escalation and reporting process with the Risk Management Steering Group, SMT, Audit Committee and Cabinet.
- Reporting on risk management development, initiatives and outcomes.

## **Risk Champions**

The Council has established a network of officers representing each Directorate, the role of a Risk Champion is to:

- Attend Risk Champion meetings and any required training, and contribute to and support risk management development.
- Work with managers within their Directorate to identify, assess and maintain an accurate DRR each financial quarter.



- Raise the profile of risk management and promote its benefits, within their Directorate.
- Keep up to date with risk management requirements, in order to support the delivery of consistent, accurate and timely risk identification, assessment and reporting.

### **All Staff**

All staff have a responsibility for identifying threat risks in performing their day to day duties and at a minimum reporting the risk to their Line Manager or Risk Champion.

Management must report risks to Risk Champions, and work with them to complete a timely and accurate risk assessment which can be reporting through the DRR review process.

Staff have a personal responsibility to mitigate and / or report certain risks in accordance with other corporate policies, such as Financial Procedure Rules and the Health and Safety policy.

If further clarification is required on your responsibilities please contact:

- Vivienne Pearson (OM, Information Governance and Risk Management) (029) 2087 3340, or
- Chris Pyke (Principal Auditor – Risk and Governance) (029) 2087 2276.

## Glossary of Terms

<b>Corporate Risks</b>	Risk to the delivery of corporate objectives and priorities.
<b>Current Controls</b>	The combination of policy, procedure, practice, process, technology, technique, method and device that has modified or managed the risk.
<b>Directorate Risks</b>	Risks to the delivery of directorate functions and priorities.
<b>Impact</b>	The effect or result of a risk taking place (risk event).
<b>Inherent Risk</b>	The risk score before the countermeasures (current controls) have been taken into account.
<b>Likelihood</b>	The chance / probability of the risk taking place.
<b>Opportunity</b>	An uncertain event that would have a favourable impact on objectives or benefits if it occurred.
<b>Residual / Current Risk</b>	The remaining level of risk after you have implemented your current controls.
<b>Risk</b>	<p>The effect of uncertainty on objectives.</p> <p>An effect is a positive or negative deviation from what is expected.</p>
<b>Risk assessment</b>	<p>Made up of three processes: risk identification, risk analysis, and risk evaluation.</p> <ol style="list-style-type: none"> <li>1. <u>Risk identification</u> the process used to find, recognise, and describe the risks that could affect the achievement of objectives.</li> <li>2. <u>Risk analysis</u> is a process used to understand the nature, sources, and causes of risks and to study impacts and consequences.</li> <li>3. <u>Risk evaluation</u> is a process that is used to interpret the risk analysis and to consider whether the risk is acceptable or tolerable.</li> </ol>
<b>Risk Appetite</b>	The level of risk that the Council and its leadership team are willing to take on, accept, tolerate or be exposed to in pursuit of Council objectives.
<b>Risk Response</b>	The process of developing strategic options, and determining actions, to increase opportunities and reduce threats to objectives.

<b>Risk Escalation</b>	The systematic process of risk reporting, ownership, review and oversight.
<b>Risk Matrix</b>	Used to measure the 'Likelihood' and 'Impact' of a risk occurring.
<b>Risk Owner</b>	The person or function that has been given the authority to manage a particular risk and is accountable for doing so.
<b>Risk Tolerance</b>	The acceptable variance from risk appetite.
<b>Enterprise risk management</b>	An approach to embedding risk management into day to day business processes and practices.
<b>Threat</b>	An uncertain event that could have a negative impact on objectives or benefits.

## Further Information

If you would like to know more about Risk Management, please contact the following:

Cllr Chris Weaver  
 Cabinet Member for Finance, Modernisation and Performance  
*Member Risk Champion*

Vivienne Pearson  
 OM, Information Governance and Risk  
 029 2087 3340

Chris Pyke  
 Principal Auditor – Risk and Governance  
 029 2087 2276

Mark Hansen  
 Operational Risk Management Officer - Insurance  
 029 2087 2333

Donna Jones  
 Health and Safety Manager  
 029 2087 2635

Gavin Macho  
 Principal Emergency Management Officer  
 029 2087 1831

Huw Owen  
 Business Continuity Officer  
 029 2087 1835

Figure 1

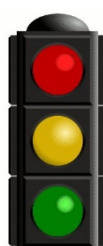
# Risk Appetite - Decision Matrix

General characteristics at each risk appetite.

Risk Type	Averse	Minimalist	Cautious	Open	Hungry
Type	Averse	Minimalist	Cautious	Open	Hungry
	Where we focus on avoiding risk & uncertainty	Where we seek to deliver very safe options with a low degree of risk which will return a very limited reward.	Where we seek to deliver safe options with a low degree of risk and limited reward.	Where we consider all potential delivery options, seek greater reward, are aware of the risks and can put in place actions to moderate these risks.	Where we seek out innovative delivery options and choose options offering the highest reward despite significant risks which are not able to be managed.
<b>Legal &amp; Regulatory</b> Risks to the Council's sheet, assets and liabilities, awards or income and spending levels by the general public and Cardiff residents.	existing service / business models for reasonable legal or compliance-based challenge. Very low residual risk from strategic decision. No challenge expected but any challenge will be managed by the Directorate(s) concerned.	existing services and delivery models possibility of legal or compliance-based challenge. Low residual risk from strategic decision. The limited, if any challenge, can be managed effectively by the Directorate(s) concerned.	incremental changes to service / business legal or compliance-based challenge. Possible legal or compliance-based challenge. Challenges expected to reach the ombudsman. Moderate / low residual risk from strategic decision. Some risk sharing and / or transfer likely. Whilst not expected, any successful legal challenge(s) represent low overall risk.	changes to service / business legal or compliance-based challenge. Moderate residual risk from strategic decision. Impact of successful challenge is moderate. Risk sharing and / or transfer likely.	service / business / Very likely legal or compliance-based challenge. Characteristics and high levels of strategic autonomy. Impact of successful challenge is high. High residual risk from strategic decision. Risk sharing and / or transfer very likely.
<b>Financial</b> Risk to the Council's sheet, assets and liabilities, awards or income and spending levels by the general public and Cardiff residents.	Negligible risk to funding, financial loss and asset impairment.	Low risk to funding, financial loss and asset impairment.	Moderate / low risks to funding, financial loss and / or asset impairment.	Moderate risk to funding, financial loss and / or asset impairment.	High risk to funding, financial loss and / or asset impairment.
<b>Reputational</b> Risks to the effective and efficient delivery of Council services and business continuity.	Likely related to the lowest cost option. Possibilities of even minor member regulatory, media or public scrutiny / adverse criticism.	Eliminated possibilities of moderate member regulatory, media or public scrutiny / adverse criticism. Very unlikely	Eliminated possibilities of significant member regulatory, media or public scrutiny / adverse criticism. Possible but unlikely moderate criticism such as incremental statutory changes to existing services. Seek some improvement to service quality.	Eliminated possibilities of major member, regulatory, media or public scrutiny / adverse criticism. Possible but unlikely significant criticism, such as local publicity of a significant and persistent nature. Moderate criticism is likely to increase service quality.	Invest in option with best possible return; regulatory, media or public scrutiny and financial outcomes. Likely adverse local publicity of a significant and persistent nature. Possible major service disruption to a statutory service(s).
<b>Service Delivery</b> Risks to the effective and efficient delivery of Council services and business continuity.	adverse criticism. Focus on maintaining existing services and making only essential changes. Negligible disruption possible.	minor criticism Focus on minor changes to existing services. Possible minor and brief non-crucial service disruption.	unlikely moderate criticism such as incremental statutory changes to existing services. Seek some improvement to service quality.	publicity of a significant and persistent nature. Moderate criticism is likely to increase service quality.	Focus on major service delivery changes. Possible major service disruption to a statutory service(s).
			Possible short term disruption to an important service.	Possible disruption to important services for a short period.	

Figure 2

### Risk Matrix and Definitions



<b>High Priority</b>	<b>Red</b> - Significant management action, control, evaluation or improvements required with continued proactive monitoring.
<b>Medium Priority</b>	<b>Red / Amber</b> - Seek cost effective management action, control, evaluation or improvements with continued proactive monitoring.
<b>Medium Priority</b>	<b>Amber / Green</b> - Seek cost effective control improvements if possible and/or monitor and review regularly.
<b>Low Priority</b>	<b>Green</b> - Seek control improvements if possible and/or monitor and review.

		<b>IMPACT</b>				
		1	2	3	4	
<b>LIKELIHOOD</b>	A	<b>A1</b>	<b>A2</b>	<b>A3</b>	<b>A4</b>	<b>Likelihood:</b> A. Very Likely B. Likely C. Possible D. Unlikely E. Very Unlikely  <b>Impact:</b> 1. Major 2. Significant 3. Moderate 4. Minor
	B	<b>B1</b>	<b>B2</b>	<b>B3</b>	<b>B4</b>	
	C	<b>C1</b>	<b>C2</b>	<b>C3</b>	<b>C4</b>	
	D	<b>D1</b>	<b>D2</b>	<b>D3</b>	<b>D4</b>	
	E	<b>E1</b>	<b>E2</b>	<b>E3</b>	<b>E4</b>	

The 'LIKELIHOOD' table below provides a framework by which you can use to score the likelihood of your risk occurring giving a score of A being very likely to E being very unlikely.

Description	Probability	Criteria
A. Very Likely	75% + chance of occurrence	<ul style="list-style-type: none"> <li>Expected to occur in most circumstances</li> <li>Circumstances and near misses frequently encountered (e.g. daily / weekly / monthly / quarterly)</li> </ul>

<b>B. Likely</b>	<b>50% - 74%</b> chance of occurrence	<ul style="list-style-type: none"> <li>• Will probably occur in most circumstances</li> <li>• Circumstances frequently encountered</li> <li>• Near misses regularly encountered (e.g. once or twice a year)</li> </ul>
<b>C. Possible</b>	<b>30% – 49%</b> chance of occurrence	<ul style="list-style-type: none"> <li>• Not likely to occur but a distinct possibility</li> <li>• Circumstances regularly encountered</li> <li>• Near misses occasionally experienced (e.g. every 1 - 3 years)</li> </ul>
<b>D. Unlikely</b>	<b>10% - 29%</b> chance of occurrence	<ul style="list-style-type: none"> <li>• Not expected to happen but there is the potential</li> <li>• Circumstances occasionally encountered</li> <li>• Any near misses are infrequent (e.g. 3 years +)</li> </ul>
<b>E. Very Unlikely</b>	<b>Less than 10%</b> chance of occurrence	<ul style="list-style-type: none"> <li>• May only happen in exceptional circumstances</li> <li>• Has rarely / never happened before.</li> </ul>

The 'IMPACT' table:

Description	1 - Major	2 - Significant	3 - Moderate	4 - Minor
<b>Implications for Service and / or Achievement of Key Targets / Objectives</b>	<p>Major loss of service, including several important areas of service and / or protracted period</p> <p>Service Disruption 5+ Days</p> <p>Major impact on achievement of several key targets / objectives</p>	<p>Complete loss of an important service for a short period</p> <p>Significant effect to services in one or more areas for a period of weeks</p> <p>Service Disruption 3-5 Days</p> <p>Significant impact on achievement of a key target / objective or some impact on several</p>	<p>Moderate effect to an important service for a short period</p> <p>Adverse effect to services in one or more areas for a period of weeks</p> <p>Service Disruption 2-3 Days</p> <p>Moderate impact on achievement of one or more targets / objectives</p>	<p>Brief disruption of service</p> <p>Minor effect to non-crucial service</p> <p>Service Disruption 1 Day</p> <p>Minor impact on achievement of targets and objectives</p>
<b>Reputation</b>	<p>Adverse and persistent national media coverage</p> <p>Adverse central government response, involving (threat of) removal of delegated powers</p> <p>Officer(s) and / or Members forced to resign</p>	<p>Adverse publicity in professional / municipal press, affecting perception / standing in professional / local government community</p> <p>Adverse local publicity of a significant and persistent nature</p>	<p>Adverse local publicity / local public opinion</p> <p>Statutory prosecution of a non-serious nature</p>	<p>Contained within Directorate</p> <p>Complaint from individual / small group, of arguable merit</p>
<b>Health &amp; Safety</b>	<p>Fatality (ies)</p>	<p>Incidents reportable to the HSE (i.e. specified injuries to workers, over seven days lost from work accidents, specified non-fatal accidents to non-workers, specified occupational diseases / dangerous occurrences / gas incidents). Cases of other injury's (not reportable to HSE).</p>	<p>Minor injuries</p> <p>No time lost from work</p>	<p>No injuries but incident has occurred</p>
<b>Failure to provide statutory duties / meet Legal Obligations</b>	<p>Multiple Litigation</p>	<p>Litigation</p>	<p>Ombudsman</p>	<p>Individual claims</p>
<b>Financial</b>	<p>Corporate Budget re-alignment</p>	<p>Budget adjustment across Directorates</p>	<p>Contained within Directorate</p>	<p>Contained within Section / Team</p>
<b>Implications for Partnership (e.g. objectives / deadlines)</b>	<p>Complete failure / breakdown of partnership</p>	<p>Significant impact on partnership or most of expected benefits fail</p>	<p>Adverse effect on partnering arrangements</p>	<p>Minimal impact on partnership</p>
<b>Implications for the Community or the Environment</b>	<p>Extensive, long-term impact</p> <p>Major public health / environmental incident or loss of significant community facility</p>	<p>Long-term environmental or social impact such as a chronic and / or significant discharge of pollutant</p>	<p>Short-term, local environmental or social impact such as a major fire</p>	<p>No lasting detrimental effect on the environment or the community e.g. noise, fumes, dust etc.</p>
<b>Stakeholders</b>	<p>Stakeholders would be unable to pursue their rights and entitlement and may face life threatening consequences</p>	<p>Stakeholders would experience considerable difficulty in pursuing rights and entitlements</p>	<p>Some minor effects on ability of stakeholders to pursue rights and entitlements, e.g. other sources or avenues would be available to stakeholders</p>	<p>The interests of stakeholders would not be affected</p>

Figure 3

Standard Risk Register Template

Ref	Risk Description	Inherent Risk			Current Controls	Residual Risk			Proposed Management Actions	Target Risk Rating	Risk Owner
		Likelihood	Impact	Priority		Likelihood	Impact	Priority			
1.											
2.											
3.											
4.											





# Cardiff Council

# Risk Management Essentials



Gweithio dros Gaerdydd, gweithio gyda'n gilydd  
Working for Cardiff, working together

## What is Risk Management?

Risk management is the process we follow to identify and control the factors that could affect our success.



## How do we apply Risk Management?

Risk management needs to be a **part of our everyday thinking** and play an important part in how we make decisions.

- ✓ We have risk registers for our functions, partnerships, contracts, programmes and projects.
- ✓ We report and escalate risks on a priority basis, so that the right people are aware of our risks in good time.
- ✓ We assess the risks of all major Council decisions.

## Who is responsible for Risk Management?



**Everyone** has a responsibility for identifying risks in performing their day-to-day duties, and making sure that they are discussed with their line manager.

You also have a personal responsibility to make sure that you manage risk in line with other corporate policies, such as the Health and Safety Policy and Financial Procedure Rules.

To support our risk management culture there are dedicated risk management roles across the Council. For further information, please see the RM Strategy and Policy ([LINK](#)).

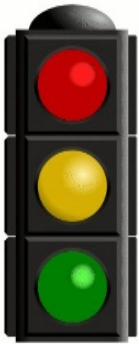
## How do we identify Risk?

- ✓ We use internal reviews to understand and build upon what we are good at, and to address areas of weaknesses.
- ✓ We review what is happening outside of the Council, to make sure that we develop our services with good awareness.



To explore the approaches available please see the RM Strategy and Policy ([LINK](#)).

## How do we assess Risk?



We use a 'traffic light' score to translate all risk assessments into a simple and easy to understand risk rating.

The basic principle is that 'red' risks are the most significant for prioritisation and 'green' are the least.

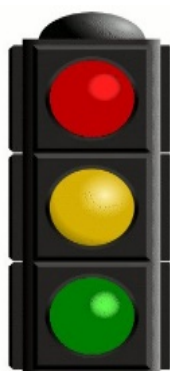
The Council's risk assessment matrix and risk register template are included in the Risk Management Strategy and Policy ([LINK](#)).

**Worked Example** - Imagine that you did not clean up or include appropriate warning signs for a wet floor in a Council building, with the risk that someone could slip and sustain an injury. If we were to ask different people what the impact of the risk is, answers are likely to demonstrate different levels of awareness of the full potential risk impact. In reality, the risk could quite possibly include the following implications:

1. Damage to delivery of the Council's **strategic** vision where we do not apply our corporate values.
2. **Financial** penalties, legal costs and compensation payments from a potential incident.
3. **Legal and/or regulatory action**, resulting in fines, losses and sanctions.
4. **Disruption to services** whilst investigations and health and safety reviews take place.
5. **Reputational damage** from public criticism and negative media attention affecting the Council's image.

## So how much Risk can we take?

The amount of risk that we are prepared to take is known as our Risk Appetite. We use it as a guide to decide which risks we can accept, and to identify those that we need to directly manage and reduce.



**Above Risk Appetite**



**Within Risk Appetite**

Broadly speaking, any risk that has a 'Red' risk rating exceeds our risk appetite, and requires targeted risk reduction. We have however set a lower appetite for risks of a legal and regulatory, and reputational nature.

### Worked Example Continued....

Our risk assessment identified that a health and safety incident could have a significant impact on the Council.

When we considered each potential component of the risk, we identified that the impact could be wide ranging.

Aside from the fact that we would not wish to injure anyone, we would have failed to meet health and safety requirements and the public perception and confidence in the Council could be damaged.

This particular scenario represents an unacceptable overall level of risk.

We have health and safety procedures in place to guide us and avoid this particular risk.

## **How we record our risks.**

### **Directorate Risk Registers**

Did you know that each directorate holds a register of the key risks that need to be monitored and managed to effectively deliver their functions?

If not, how do you know if it captures the risks that you need to know about to deliver your role?

Ask your line manager about how you can get involved.

### **Corporate Risk Register**

Did you know that the Council holds a register of the main risks to the delivery of our corporate objectives and priorities?

The Corporate Risk Register is reviewed by the Senior Management Team and Audit Committee four times a year and by the Cabinet twice a year.

### **Programme and Project Risk Registers**

Did you know that many programmes and projects are set up to manage the Council's risks and capitalise on opportunities?

Programme and project risk registers are used to identify, manage, monitor and report these risks.

## **Who can I contact for more information?**

If you would like to discuss the risk management approach further, and explore the opportunities for you and your team, please contact a Risk Champion for your Directorate from the following listing.

# Risk Champions

## Resources



Chris Pyke (Finance)	2087 2276	<a href="mailto:cpyke@cardiff.gov.uk">cpyke@cardiff.gov.uk</a>
Abby King (Performance)	2087 8496	<a href="mailto:aking@cardiff.gov.uk">aking@cardiff.gov.uk</a>
Chris Botticelli (ICT)	2087 2114	<a href="mailto:cbotticelli@cardiff.gov.uk">cbotticelli@cardiff.gov.uk</a>
Dean Thomas (Programme & Project)	2087 3988	<a href="mailto:Dean.Thomas@cardiff.gov.uk">Dean.Thomas@cardiff.gov.uk</a>
John Paxton (Procurement)	2087 3713	<a href="mailto:jpaxton@cardiff.gov.uk">jpaxton@cardiff.gov.uk</a>
Graham Craven (HRPS)	2034 6215	<a href="mailto:gcraven@cardiff.gov.uk">gcraven@cardiff.gov.uk</a>

## People and Communities



Nick Blake	2087 2696	<a href="mailto:nblake@cardiff.gov.uk">nblake@cardiff.gov.uk</a>
Katie Prichard	2087 2664	<a href="mailto:kprichard@cardiff.gov.uk">kprichard@cardiff.gov.uk</a>

## Governance and Legal Services



Erica Painter	2087 3335	<a href="mailto:Erica.Painter2@cardiff.gov.uk">Erica.Painter2@cardiff.gov.uk</a>
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## Economic Development



Tamar Wilson	2087 3207	<a href="mailto:twilson@cardiff.gov.uk">twilson@cardiff.gov.uk</a>
Rob Ellis	2078 8422	<a href="mailto:REllis@cardiff.gov.uk">REllis@cardiff.gov.uk</a>

## Education and Lifelong Learning



Jackie Turner	2087 2460	<a href="mailto:jacqueline.turner@cardiff.gov.uk">jacqueline.turner@cardiff.gov.uk</a>
Neil Hardee	2087 2802	<a href="mailto:n.hardee@cardiff.gov.uk">n.hardee@cardiff.gov.uk</a>

## Planning, Transport & Environment



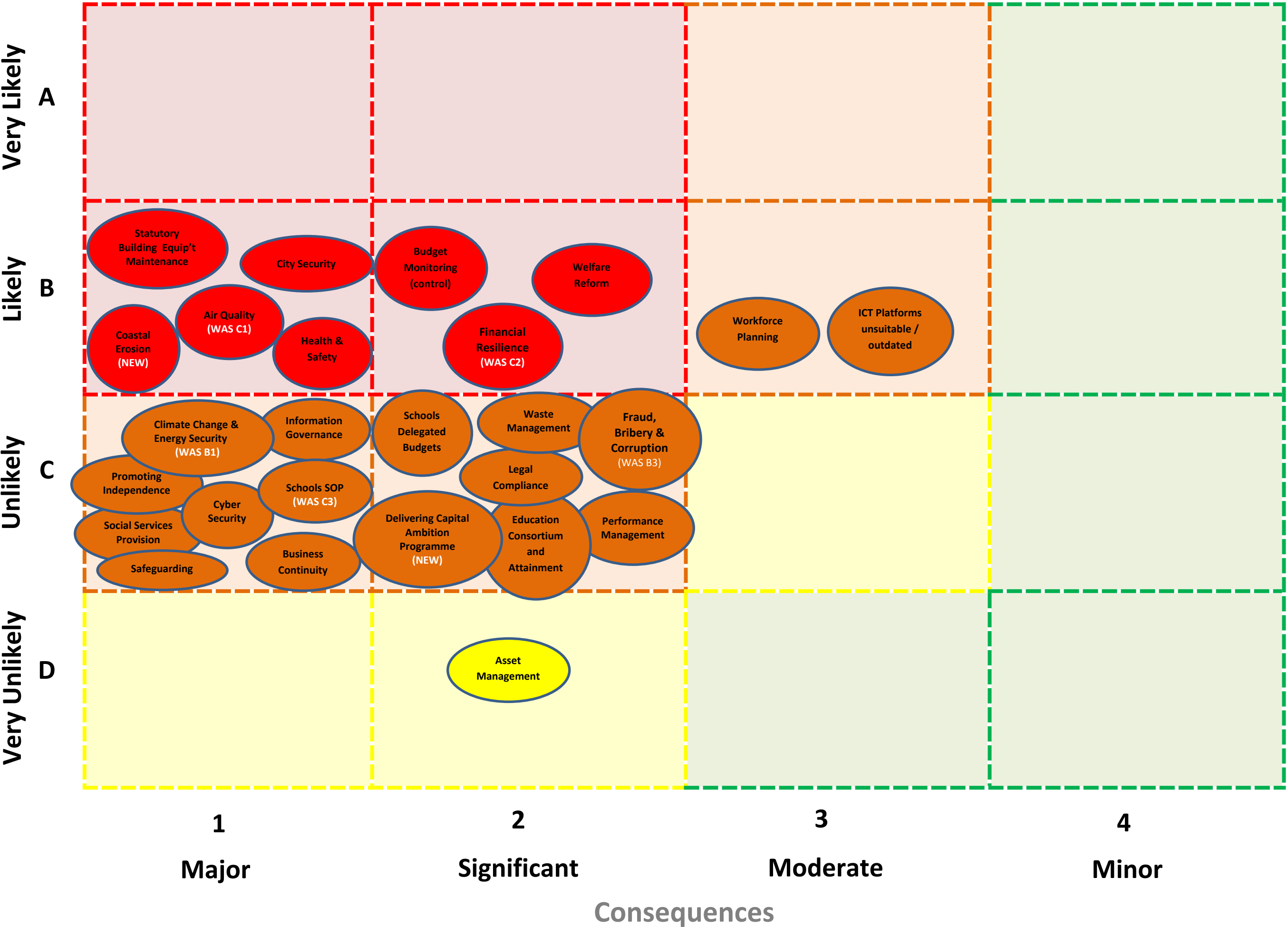
Steve Parker	2087 3282	<a href="mailto:sparker@cardiff.gov.uk">sparker@cardiff.gov.uk</a>
Deborah Samuel	2087 3127	<a href="mailto:Desamuel@cardiff.gov.uk">Desamuel@cardiff.gov.uk</a>
Ruth Lloyd	2087 3211	<a href="mailto:RuLloyd@cardiff.gov.uk">RuLloyd@cardiff.gov.uk</a>

## Social Services



Kim Brown (Children)	2087 3841	<a href="mailto:KimBrown@cardiff.gov.uk">KimBrown@cardiff.gov.uk</a>
Lynne Walsh (Adults)	2087 3045	<a href="mailto:lynWalsh@cardiff.gov.uk">lynWalsh@cardiff.gov.uk</a>

# Corporate Risk Map – 2017/18 (Quarter 4 Position)



1 Major

2 Significant

3 Moderate

4 Minor

Consequences

Mae'r dudalen hon yn wag yn fwiadol



Risk Description	Inherent Risk	Residual Risk	Risk Owner	Cabinet Member
<b>EVENT DRIVEN RISKS</b>				
<p><b>City Security</b></p> <p>Major security-related incident in the city as a result of international or domestic terrorism.</p>	High Priority A1	High Priority B1	Christine Salter (Joseph Reay) Andrew Gregory	Councillor Huw Thomas Leader.
<p><b>Welfare Reform</b></p> <p>That the Council cannot meet its statutory obligations with the increased demands and reduced budgets placed upon it by the Welfare Reform including: Universal Credit, further reduction in Benefit Cap, size restrictions for social tenants, removal of automatic entitlement to housing costs for under 21s and changes to funded for supported housing. Lack of information, short timescales for implementation and the large number of citizens affected makes these changes a significant risk.</p>	High Priority A2	High Priority B2	Sarah McGill (Jane Thomas)	Councillor Lynda Thorne Housing & Communities.
<p><b>Cyber Security</b></p> <p>The ability to protect information systems (hardware, software and associated infrastructure), the data on them, and the services they provide, from unauthorised access, harm or misuse. This includes harm caused by the operator of the system (intentionally or accidentally) as a result of failing to follow security processes.</p> <p>The principal external threat groups to information systems are categorised by HM Government as cyber criminals, states and state-sponsored, terrorists, hackers and script kiddies.</p>	High Priority A1	Medium Priority (Red/Amber) C1	Christine Salter (Phil Bear)	Councillor Christopher Weaver Finance Modernisation and Performance
<p><b>Waste Management</b></p> <p>Failure to achieve targets for Landfill allowance, specifically for Biodegradable Municipal Waste and WG statutory Recycling Targets. Ineffective delivery of recycling targets and residual waste treatment. Failure to comply with EU recycling waste directive.</p>	High Priority B1	Medium Priority (Red/Amber) C2	Neil Hanratty (Tara King)	Councillor Michael Michael Clean Streets, Recycling and Environment.
<p><b>Schools Organisation Programme (Band B)</b></p> <p>Very large scale Capital Programme – Band B (£284m) with tight timescales for delivery, in context of very rapidly growing primary age school population.</p>	High Priority B1	Medium Priority (Red/Amber) C1	Nick Batchelar (Janine Nightingale)	Councillor Sarah Merry Deputy Leader & Education, Employment & Skills
<p><b>Business Continuity</b></p> <p>Large scale incident/loss affecting the delivery of services.</p> <p>The potential risk is that our most time sensitive activities are not sufficiently resilient and fail, following an incident which impacts on their delivery and that our incident management structure, used in response to internal incidents and external emergencies, also fails in response to an incident</p>	High Priority B1	Medium Priority (Red/Amber) C1	Christine Salter	Councillor Huw Thomas Leader
<b>ONGOING RISKS</b>				
<p><b>Non completion of Statutory Building Equipment maintenance</b></p> <p>Currently statutory obligations testing is not organised consistently or a centrally managed process across the Council, partly due to a lack of understanding on who is responsible for arranging the testing and any remedial works identified. Consequently, there is a risk that the required testing and remedial works resulting may not be undertaken and completed correctly. Also, a complete up-to-date accurate register of all statutory obligations testing requirements does not exist. Furthermore, there is no embedded technology in use consistently to manage the statutory obligations work or the storing of relevant statutory obligation documentation.</p>	High Priority A1	High Priority B1	Neil Hanratty (Tara King)	Councillor Russell Goodway, Investment & Development
<p><b>Air Quality</b></p> <p>Poor air quality is the most significant environmental determinant of health.</p> <p>UK Government has placed the improvement of Air Quality very high on their agenda and it has been made clear that they consider the responsibility for addressing the issue is at the door of Local Authorities.</p>	High Priority A1	High Priority B1	Andrew Gregory (Gary Brown)	Councillor Caro Wild, Strategic Planning & Transport.
<p><b>Education Consortium &amp; Attainment</b></p> <p>The Central South Consortium does not deliver effective services that challenge and support Cardiff schools to improve and Educational Attainment does not improve at the required rate.</p>	High Priority B1	Medium Priority (Red/Amber) C2	Nick Batchelar (Angela Kent)	Councillor Sarah Merry, Deputy Leader & Education, Employment & Skills
<p><b>ICT Platforms Unsuitable/ Outdated</b></p> <p>The ICT platforms (desktop, software, network, servers, and telephones) will not be able to support the technologies required by the corporate change programme and deliver effective service to the council, or will not provide a reliable service due to age and condition of equipment and systems.</p>	High Priority A2	Medium Priority (Red/Amber) B3	Christine Salter (Phil Bear)	Councillor Christopher Weaver Finance Modernisation and Performance.
<p><b>Safeguarding</b></p> <p>Systemic failure in the effectiveness of the Council's safeguarding arrangements together with other statutory safeguarding partners.</p>	High Priority B1	Medium Priority (Red/Amber) C1	Sarah McGill & Davina Fiore	Councillor Susan Elsmore Social Care, Health & Well-being Councillor Graham Hinchey Children & Families. Councillor Christopher Weaver Finance Modernisation and Performance.
<p><b>Financial Resilience</b></p> <p>Failure to deliver a balanced annual budget and a fully informed Medium Term Financial Plan which would significantly weaken the financial resilience of the Council.</p> <p>The current outlook is that there is a Budget Gap of £91 million for the period 2019/20 to 2021/22.</p>	High Priority A1	High Priority B2	Christine Salter (Ian Allwood)	Councillor Christopher Weaver Finance Modernisation and Performance.
<p><b>Budget Monitoring (Control)</b></p> <p>Failure to achieve the budget set, inclusive of budgeted spend and savings across Directorates, with increased use of emergency finance measures and the drawdown of reserves.</p>	High Priority A1	High Priority B2	Christine Salter (Allan Evans)	Councillor Christopher Weaver Finance Modernisation and Performance.
<p><b>Performance Management</b></p> <p>After considerable progress in both developing the way the organisation manages performance and in actual performance improvement, there is a need to focus on ensuring Performance Management practices are mature, embedded and consistently applied as the organisation looks to continue improving outcomes in the face of significant financial pressures.</p>	High Priority B2	Medium Priority (Red/Amber) C2	Christine Salter (Joe Reay)	Councillor Christopher Weaver Finance Modernisation and Performance.
<p><b>Health and Safety</b></p> <p>Ineffective compliance of health and safety through poor application and embedding of the 'Framework for Managing Health and Safety in Cardiff Council.</p>	High Priority A1	High Priority B1	Christine Salter (Donna Jones)	Councillor Christopher Weaver Finance Modernisation and Performance.

<b>Climate Change &amp; Energy Security</b> Un-preparedness to the effects of climate change due to lack of future proofing for key (social and civil) infrastructure and business development, and inability to secure consistent energy supply due to rising energy costs and insecurity of energy supply.	High Priority B1	Medium Priority (Red/Amber) C1	Andrew Gregory	<b>Councillor Michael Michael</b> Clean Streets, Recycling and Environment.
<b>Coastal Erosion</b> Breach of current defences resulting in widespread flooding.	High Priority B1	High Priority B1	Andrew Gregory	<b>Councillor Michael Michael</b> Clean Streets, Recycling and Environment
<b>Information Governance</b> Information handled inappropriately leaves the Council exposed to intervention and financial penalties issued by the Information Commissioner (ICO). This includes information held by Cardiff Schools.	High Priority A1	Medium Priority (Red/Amber) C1	<b>Christine Salter (Vivienne Pearson)</b>	<b>Councillor Christopher Weaver</b> Finance Modernisation and Performance..
<b>Social Services – Provision</b> Failure to provide robust and adequate social services in the context of increasing costs and limited resources.	High Priority B1	Medium Priority (Red/Amber) C1	Sarah McGill	<b>Councillor Susan Elsmore</b> Social Care, Health & Well-being <b>Councillor Graham Hinchey</b> , Children & Families
<b>Promoting Independence</b> Failure to sustain an effective whole system approach that enables adults with significant health needs to remain in, or return to, their own homes and reduces the need for / length of hospital stays.	High Priority B1	Medium Priority (Red/Amber) C1	Sarah McGill	<b>Councillor Susan Elsmore</b> Social Care, Health & Well-being
<b>Delivering Capital Ambition Programme</b> Projects within the Programme fail to deliver the change required to ensure the implementation of the Administration's agenda and to refocus services to meet the challenges faced by the Council and the city's wider public services.	High Priority B1	Medium Priority (Red/Amber) C2	<b>Christine Salter (Dean Thomas)</b>	<b>Councillor Christopher Weaver</b> Finance Modernisation and Performance.
<b>Legal Compliance</b> Changes in services and staff roles across the Council resulting in: - gaps in Council wide knowledge of the local authority framework of responsibilities and duties within which we have to operate; - inability to deliver the services in accordance with all duties and responsibilities due to lack of resource: In each case leading to increased risk of challenges. Reduction and changes in front-line services, discretionary and statutory, will lead to increased risks of challenge from users and other stakeholders affected.	High Priority B2	Medium Priority (Red/Amber) C2	Davina Fiore	<b>Councillor Huw Thomas</b> , Leader.
<b>Education – Schools Delegated Budgets</b> Secondary Schools with deficit budgets do not deliver agreed deficit recovery plans, impacting on the overall budgets for all schools.	High Priority A2	Medium Priority (Red/Amber) C2	<b>Nick Batchelar (Neil Hardee)</b>	<b>Councillor Sarah Merry</b> Deputy Leader & Education, Employment & Skills
<b>Fraud, Bribery and Corruption</b> Fraud, financial impropriety or improper business practices increase as internal controls are weakened as resources become severely stretched.	High Priority B2	Medium Priority (Red/Amber) C2	<b>Christine Salter (Ian Allwood)</b>	<b>Councillor Christopher Weaver</b> Finance Modernisation and Performance.
<b>Asset Management</b> Ensure effective operation of the Council's Asset Management Board to achieve effective strategic oversight and identified savings.	High Priority B2	Medium Priority (Amber/Green) D2	Neil Hanratty	<b>Councillor Russell Goodway</b> , Investment & Development
<b>Workforce Planning</b> Importance of forecasting and planning to build capability and capacity for the future is not fully recognised and embedded.	Medium Priority (Red/Amber) B2	Medium Priority (Red/Amber) B3	<b>Christine Salter (Philip Lenz)</b>	<b>Councillor Christopher Weaver</b> Finance Modernisation and Performance.

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
<b>EVENT DRIVEN RISKS</b>										
<p><b>City Security</b></p> <p>Major security-related incident in the city as a result of international or domestic terrorism.</p>	<p>Service Delivery / Reputation / Legal / Financial / Health &amp; Safety / Financial / Partnership / Community &amp; Environment / Stakeholders</p> <p>Potential for:</p> <ul style="list-style-type: none"> <li>Large numbers of fatalities, injuries to public in crowded place.</li> <li>Extensive structural damage and/or collapse of surrounding buildings.</li> <li>Major fire.</li> <li>Damage/disruption to utilities (gas, electricity, water etc.)</li> <li>Immediate impact to businesses in the Cardiff area.</li> <li>Media coverage affecting public perception, leading to a loss of public confidence directly resulting in reduced business, retail and tourism revenues generated in the city.</li> <li>Area to be viewed as a risk for potential future business investment.</li> <li>Inability to attract major future national and international events (political, sporting etc.)</li> <li>Increase in demand for council services/support for all affected.</li> <li>Current economic climate to reduce the effectiveness of any recovery/regeneration of the area.</li> </ul>	<b>A</b>	<b>1</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>All existing identified high risk; crowded places have been formally assessed.</li> <li>Some crowded places have an extremely limited and in some cases 'third party managed' access control process to operate them; providing little/no challenge.</li> <li>Crowded places have varying standards of boundary treatments protecting them; providing a limited/cursory visual deterrent but little/no protection from a hostile vehicle.</li> <li>CONTEST Protect/Prepare Task &amp; Finish Group maintains the City Gateways Public Realm Enhancement Scheme, with agreed options for suitable PAS 68/69 mitigation for appropriate boundary locations; referred to as 'gateways'.</li> <li>19 (38%) of the identified 'gateways' into the crowded places already benefit from PAS 68/69 mitigation in place, implemented as a direct result of Home Office (Crowded Places) and Olympic Legacy funding.</li> <li>The estimated cost for the procurement and installation of the PAS 68/69 mitigation and ancillary services is £3.6 Million.</li> <li>Work is ongoing with City Operations to advise developers across the city in relation to appropriate mitigation required.</li> <li>The Cardiff City Centre Access Control Protocol is currently operating at the heightened response level, reflecting the UK National Threat Level; permitting vehicles onto the pedestrianised areas within Cardiff City Centre using strict parameters.</li> <li>The Tabernacle Access Control Document is fully operational and sits and as an annex document to the main City Centre Access Control Protocol. It enables the Urban Traffic Control Officers to better manage Tabernacle 'users', covering their requirements whilst adhering to the existing Traffic Regulation Order.</li> <li>Wales Extremism and Counter Terrorism Unit (WECTU) Counter Terrorist Security Advisor's (CTSA's), the Emergency Services &amp; Cardiff Council provide Project Argus and EVAC/Griffin training across the city to raise awareness for likely impacts associated with major incidents and in particular, terrorist attacks. The sessions also cover the support likely to be immediately available from the emergency services and Cardiff Council, the practical and simple preparations people/organisations can make prior to incident occurring to help themselves manage and recover from its impacts.</li> <li>As the above shows, the work done in the city to address security concerns has been predominantly focused on the provision of physical assets to mitigate against the threat of hostile vehicles. Although this area remains important, a more holistic approach is needed to develop the city's response to and management of a wider range of potential threats.</li> </ul>	<b>B</b>	<b>1</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>The CONTEST Protect/Prepare Group will continue to monitor and review the city's Hostile Vehicle Mitigation scheme to ensure it is fit for purpose until it is fully installed.</li> <li>The CONTEST Protect/Prepare Group will give a status report to the Cardiff CONTEST Board</li> <li>The CONTEST Board will continue to try identify external funding sources/opportunities from Welsh Government and UK Central Government to conclude scheme and appropriately mitigate the risk.</li> <li>£1m of work to enhance the city's HVM scheme (match-funded by Welsh Government and Cardiff Council) to be completed by Spring 2018. Progress is on track to meet this target.</li> <li>The work that will be completed will improve the protection of the City Centre public realm but further funding will be required to conclude the protection of identified public realm.</li> <li>A holistic security strategy for the city is being developed through the city's CONTEST partnership mechanisms. This strategy will extend the perspective of the city's security beyond hostile vehicle mitigation to incorporate a range of security measures, including the continuing development and agglomeration of the city's CCTV and the deployment of new technological solutions</li> <li>Once the strategy has been completed it will provide a suite of costed business cases that will allow the continued incremental development of the city's security provision</li> <li>This in turn will allow partners to be more responsive to emerging funding opportunities</li> </ul>	<p><b>Christine Salter</b> <b>(Joseph Reay)</b></p> <p><b>&amp;</b></p> <p><b>Andrew Gregory</b></p> <p><b>Councillor Huw Thomas, Leader.</b></p>
<p><b>Welfare Reform</b></p> <p>That the Council cannot meet its statutory obligations with the increased demands and reduced budgets placed upon it by the Welfare Reform including: Universal Credit, further reduction in Benefit Cap, size restrictions for social tenants, removal of automatic entitlement to housing costs for under 21s and changes to funded for supported housing. Lack of information, short timescales for implementation and the large number of citizens affected makes these changes a significant risk.</p>	<ul style="list-style-type: none"> <li>Private landlords stop renting to benefit claimants</li> <li>Social housing rents become unaffordable to some claimants, in particular those with large families.</li> <li>Increased homelessness and demand for temporary accommodation</li> <li>Increased rent arrears, increased evictions</li> <li>Redeployment / Severance for 140 benefits staff</li> <li>Changing demands on Council stock resulting in increased voids and/or undersupply of smaller properties.</li> <li>Barriers to building additional affordable housing</li> <li>Supported accommodation becomes unaffordable impacting on social services and vulnerable homeless clients.</li> </ul>	<b>A</b>	<b>2</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>Communities staff continue to work closely with private landlords and advice agencies to mitigate wherever possible the reduction in benefit.</li> <li>Discretionary Housing payments are being used to top up the benefit claims of those most affected by the changes and to pay rent in advance and bonds to help tenants to move accommodation where necessary.</li> <li>Timely information is being given to claimants to help them respond to the changes.</li> <li>A streamlined process is in place for re-housing tenants who need to downsize as a result of the social housing size restrictions. DHP is being used to pay removal costs and to cover shortfall while tenants are waiting to move.</li> <li>The Welfare Liaison team within the housing service is in place to assist tenants affected by the changes. Work has been carried out to identify those affected by the reduced Benefit Cap and to advise them accordingly and to identify the most vulnerable families and award DHP.</li> <li>Universal Credit has commenced in Cardiff. The scheme has been changed to include more information sharing for landlords and this should offset some of the risk. The council is providing face to face services on behalf of the DWP including digital inclusion and budgeting advice, these services are greatly in demand.</li> <li>The Advice Hub in Central Library is providing comprehensive advice services for those affected by Welfare Reform and this is being rolled out across the city in Community Hubs and foodbanks .</li> <li>The Tackling Poverty Group and subgroups are working well in coordinating multi-agency activity and developing appropriate interventions during a difficult transition period for many people affected.</li> <li>Briefings continue to be provided to Members on Welfare Reform and further information is sent as appropriate.</li> <li>Digital inclusion training and banking support has been successfully implemented and will continue to be monitored.</li> <li>Into Work Services are providing services across the city and helping people get back to work with particular focus on those families affected by the benefit cap.</li> </ul>	<b>B</b>	<b>2</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>Additional resource has been agreed for supporting council tenants with the Universal Credit changes, staff have been recruited to assist with this and the new team is working well. Rent arrears procedure has been reviewed to include a more preventative and flexible approach and more assistance for more vulnerable tenants.</li> <li>Work has been undertaken to cost the potential risks of Universal Credit and this will continue to be updated as the more information is known.</li> <li>Working groups are ongoing to support social tenants affected by ongoing Benefit Caps, involving RSLs, children's services, families first and a range of other partners who may be able to help support these families.</li> <li>Regular meetings are held with social housing providers to monitor and improve processes.</li> <li>DHP spend is being monitored carefully. Expenditure for 18/19 will continue focusing on the most vulnerable individuals or helping people with the transition into work.</li> <li>The detailed information about the removal of automatic entitlement for under 21s is now known and procedures and guidance are being reviewed as appropriate</li> <li>Sub group in place to consider the impact of changes on Supported and temporary accommodation.</li> <li>Following the roll out of Full Service Universal Credit at the end of February, the Action Plan will be continually reviewed as more information is known. Meetings have taken place with private landlords and stakeholders to find out how the council can help support them. Facilities in Hubs have been reviewed to take a more "digital support" approach to customer service. On line HB form should be in place shortly to support this new approach.</li> </ul>	<p><b>Sarah McGill</b> <b>(Jane Thomas)</b></p> <p><b>Councillor Lynda Thorne, Housing &amp; Communities.</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
<p><b>Cyber Security</b></p> <p>The ability to protect information systems (hardware, software and associated infrastructure), the data on them, and the services they provide, from unauthorised access, harm or misuse. This includes harm caused by the operator of the system (intentionally or accidentally) as a result of failing to follow security processes.</p> <p>The principal external threat groups to information systems are categorised by HM Government as cyber criminals, states and state-sponsored, terrorists, hacktivists and script kiddies.</p>	<p>Reputational / Legal / Financial / Stakeholder / Service Delivery / Health &amp; safety</p> <p>The intent of cyber attackers includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>financial fraud;</li> <li>information theft or misuse,</li> <li>activist causes to render computer systems intolerable and to disrupt critical infrastructure and vital services.</li> </ul> <p>The impact of a cyber-attack / incident has the potential to involve the realisation of the risks associated with:</p> <ul style="list-style-type: none"> <li>An information governance breach (i.e. Stop Now Order, Information Notice, Enforcement Notice, Financial Penalty etc.)</li> <li>A business continuity incident – with a potential for major loss of service and legal, health and safety and financial implications.</li> <li>A financial / fraud related attack.</li> </ul> <p>A malicious attack could result in loss of confidence from those transacting with the Council (reputation), as well as legal, asset, system, operational and financial implications.</p>	A	1	High Priority	<ul style="list-style-type: none"> <li>A cyber security maturity assessment is regularly reviewed against 11 risk factors following the National Cyber Security Centre approach (based on network security, user education and awareness, malware prevention, removable media controls, secure configuration, privileged accounts, incident management, monitoring, home and mobile working policy, risk management regime and corporate cloud security).</li> <li>The maturity self-assessment concludes that the Council has: <ul style="list-style-type: none"> <li>strong malware prevention, user privileges and home and mobile working controls.</li> <li>adequate / mature risk management regime, network security, user education and awareness, removable media controls and incident management.</li> <li>a need for senior management team (SMT) to collectively assess the effectiveness of secure configuration, monitoring and corporate cloud security controls.</li> </ul> </li> <li>The cyber security maturity assessment underpins this summary corporate risk and regular monitoring has commenced to drive risk-based prioritisation and actions.</li> <li>Escalated risks to SMT around secure configuration, monitoring and corporate cloud security controls and support for improvements agreed at the meeting.</li> <li>Risks monitored and escalated via Information Security Board as well as directorate management meetings and Senior Management Team (SMT)</li> <li>As part to improving user education and awareness Information Asset Owners receive compliance reports relating to Bob's Business Data Protection training (this is going to change as when we use Active Directory there is not the ability to report in this way)</li> <li>Privacy Impact Assessments which include Cloud Impact Assessments are in place</li> </ul>	C	1	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>ICT and Information Governance (IG) Teams to continue to liaise with FM for physical security assurances and to promote an incident reporting culture.</li> <li>To enhance user education and awareness Information Governance Seminars will be held for each Directorate during April and May 2018.</li> <li>To ensure strong ICT security, monitoring and cloud security controls: <ul style="list-style-type: none"> <li>ICT lifecycle and notification targets are being monitored and managed through the 'ICT Platforms' risk actions.</li> <li>Collaboration between ICT and IG to develop and map current ICT system providers in phased development of an Information Asset Register.</li> <li>Privacy Impact Assessment / Cloud Impact Assessments to be reviewed to ensure compliance with the requirements of the General Data Protection Regulation (GDPR) Action Plan being managed by the Information Governance Team.</li> <li>Governance and management requirements to be formalised for periodic and systematic review of all ICT systems.</li> <li>SIRO to review / consider Cloud Infrastructure to ensure: <ul style="list-style-type: none"> <li>Effective governance and management.</li> <li>Resource, risk appetite and outcomes required.</li> <li>Education of business systems owners in risk and management of cloud based services.</li> </ul> </li> </ul> </li> </ul>	<p>Christine Salter (Phil Bear)</p> <p>Councillor Christopher Weaver, Finance Modernisation and Performance.</p>
<p><b>Waste Management</b></p> <p>Failure to achieve targets for Landfill allowance, specifically for Biodegradable Municipal Waste and WG statutory Recycling Targets. Ineffective delivery of recycling targets and residual waste treatment. Failure to comply with EU recycling waste directive.</p>	<p>Reputational / Financial / Stakeholder / Service delivery / Legal / Environmental / Community</p> <ul style="list-style-type: none"> <li>Significant financial penalties for failure at up to £200/tonne or incorrectly capture tonnage data.</li> <li>Procure disposal elsewhere with additional costs.</li> <li>Reputation damage</li> <li>Increased costs of landfill and alternative treatment markets</li> <li>Risk to grant funding (currently £6.9m 2017/18), potential in year cuts, future year grant reductions and changing terms and conditions</li> <li>No MTFP for future grant funds or capital confirmed by WG</li> <li>Reducing Grants; reducing worldwide market values for recyclates; market collapse for recycling outlets</li> <li>Risk of legal challenge</li> <li>The risk of fines remains high due to seasonality of recycling performance and green waste which could lead to a status quo in recycling performance or at worse a drop in performance.</li> <li>The targets for statutory recycling in 2016/17 was 58% rising to 64% by 2019/20, therefore, the risk rating remains high.</li> <li>Waste growth and commercial expansion remains a challenge as it brings in new residual waste.</li> <li>A high risk remains in the materials market where fluctuations are influenced by world-wide pricing which is affecting the volume of material recycled.</li> </ul>	B	1	High Priority	<ul style="list-style-type: none"> <li>Previous updates contain the policy position improvements between 2008/2015.</li> <li>Waste Management Strategy 2011/2016 was approved on 13th January 2011 and was revised and approved in April 2015. Keys aspects continue to be implemented from the strategy.</li> <li>Several progress reports have been made to Cabinet and Environmental Scrutiny in that period.</li> <li>Monthly performance tracking of recycling has been established to help predict the end of year position.</li> <li>Steps taken to improve MRF processing rates means less waste to treatment.</li> <li>Commercial recycling centre opened March 2014, its performance is increasing with more commercial HWRC being identified. Growing the customer base continues.</li> <li>Focus on pre-sort on the HWRCs is showing improvements in site recycling. Target of 80% recycling and reuse.</li> <li>The outline waste strategy has been approved by Cabinet April 2015. The first phase of reducing residual waste capacity to force higher dry recycling and food and green waste recycling was completed in 2015/16. The Flats/ HMOs Strategy to improve waste and recycling collections from flats is designed to enable greater recycling and food waste from hard to capture areas, was implemented in 2016/17. This included a business case on current recycling methods.</li> <li>The sweepings contract is secured and operating.</li> <li>Seasonal hours changes and proof of residency at the HWRCs has resulted in tonnage reductions and savings from not processing non Cardiff waste and recycling.</li> <li>The first phase of the Waste Management strategy was delivered in December 2016, which was the free reuse and recycling bulky collection service.</li> <li>Restrictions to Cardiff domestic householders for residual waste through the introduction of 140 litre bins have reduced residual waste tonnage profiles in 2016/17.</li> </ul> <p><b>Risk of Fines</b></p> <ul style="list-style-type: none"> <li>The risk of failing the biodegradable limits to landfill has been significantly minimised due to the current treatment and disposal routes.</li> <li>Secondary recycling is being carried out on residual waste to increase recycling rates.</li> </ul> <p><b>Contracts / Projects</b></p>	C	2	Medium Priority (Red/Amber)	<p><b>Policy / Strategy</b></p> <ul style="list-style-type: none"> <li>The next Recycling Strategy is being developed and will be presented to Cabinet in May, this will seek to address in year financial pressures regarding glass quality and market costs through separate collections as well as other measures to improve recycling performance in 2018/19 onwards. The changes will be subject to consultation and Welsh Government discussions, regarding the Blueprint and Environment Bill.</li> </ul> <p><b>Risk of Fines</b></p> <ul style="list-style-type: none"> <li>Ensure correct recording of waste tonnages from Neighbourhood Services to ensure exclusion of Non MSW waste that was not previously counted towards the targets.</li> </ul> <p><b>Contracts / Projects</b></p> <ul style="list-style-type: none"> <li>implementation &amp; training for the new In-Cab and tachograph system have commenced.</li> </ul> <p><b>Prosiect Gwyrdd</b></p> <ul style="list-style-type: none"> <li>Continued management of the contract to ensure treatment and diversion of residual waste in line with the contracted positions.</li> <li>Working in partnership with Viridor to ensure appropriate wastes are presented for treatment, to reduce rejects and increase recycling.</li> </ul> <p><b>Cardiff Organic Waste Treatment Contract</b></p> <ul style="list-style-type: none"> <li>Continued management of the contract to ensure treatment and diversion of residual waste in line with the contracted positions.</li> <li>Working in partnership with our contractor to reduce levels of contamination and ensure appropriate wastes are presented for treatment, to reduce rejects from the process and for other wastes to be recycled by the appropriate routes.</li> </ul> <p><b>Household &amp; Commercial Waste Collections</b></p> <ul style="list-style-type: none"> <li>Set and achieve new commercial recycling opportunities for new materials and new income opportunities – targeting</li> </ul>	<p>Neil Hanratty (Tara King)</p> <p>Councillor Michael Michael, Clean Streets, Recycling and Environment.</p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
					<ul style="list-style-type: none"> <li>Several Contracts have been put in place for additional materials to be recycled from the HWRC's.</li> <li>Interim contract in place for disposal of biodegradable green/food waste</li> <li>Aggregate recycling is now in place.</li> <li>Recycling litter bins are in place in the city centre.</li> <li>New initiatives such a charging for bulky waste, commercial recycling centre, sweepings, skip hire, mattress and carpet recycling schemes are all underway.</li> <li>New HWRC delivery model is underway. The new Lamby Way HWRC has been officially launched.</li> <li>New free reuse and recycling bulky collection services strategy 2016.</li> <li>The new reuse partner has been announced and launched in December. British Heart Foundation provide a network of shops, free home collection and reuse facilities and outlets across Cardiff.</li> <li>New markets for mattresses have been tendered and awarded in 2016/17.</li> <li>Contract now in place for new materials at Lamby Way and Bessemer Close HWRCs e.g., carpets, tyres and UPVC windows.</li> <li>Recycling Waste Management focus on pre-sort high quality recycling and removing the reliance on post sorting of waste.</li> <li>Tracking market prices weekly and monthly. Impact of the Chinese market of global prices has seen a reduction in UK based prices for the same of recyclables.</li> </ul> <p><b>Prosiect Gwyrdd</b></p> <ul style="list-style-type: none"> <li>Financial Close occurred December 2013 Viridor are the appointed contractor which commenced Sept 2015. Removes risk of failing biodegradable waste limit to landfill.</li> </ul> <p><b>Cardiff Organic Waste Treatment Project</b></p> <ul style="list-style-type: none"> <li>The procurement of a processing contract and facility for food and green waste was completed for both Cardiff and the Vale of Glamorgan, with Kelda Organic Energy being appointed contractor. Full Service Commencement was achieved 1st April 2017, providing sustainable diversion of organic waste from landfill.</li> <li>The Council has secured an additional £250K of a one off income stream to support the transition of Kelda to Dwr Cymru Welsh Water as the new contracting company for the treatment of food and green waste for both the Vale of Glamorgan Council and Cardiff Council.</li> </ul> <p><b>Household &amp; Commercial Waste Collections</b></p> <ul style="list-style-type: none"> <li>Implemented changes to household waste collections to align service with the WG recycling blueprint e.g., smaller fortnightly black waste collection (with accompanying hygiene services) and weekly food and dry recycling and fortnightly green waste.</li> <li>Commercial waste operations have refined the marketing package for recycling in the commercial sector to increase recycling from commercial waste collected by the Waste Collection Authority that is included in the total MSW (and therefore relevant to statutory targets).</li> </ul> <p><b>Collaboration work</b></p> <ul style="list-style-type: none"> <li>Working and engaging with Welsh Government on legal and policy changes.</li> </ul>				<p>commercial food collections and schools.</p> <ul style="list-style-type: none"> <li>National government discussions are underway regarding co-mingled recycling issue. Modelling has been undertaken on the best option for Cardiff and concluded a twin stream is the best option. Further steps will be developed to assure compliance with the WG blue print.</li> <li>New domestic and commercial skip hire service is now available.</li> </ul> <p><b>MRF</b></p> <ul style="list-style-type: none"> <li>Complete procurement and installation of Auto Sorter for mixed plastics and fibre products e.g. paper and cardboard. Contract award completed and installation to take place in quarter 1.</li> <li>Arranged for Glass trial to reduce our current cost per tonne. The glass trial recycling yield was &gt; 70% which represents better value to the authority as currently paying £60 per tonne with a 65% recycling yield.</li> </ul>	

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
<p><b>Schools Organisation Programme (Band B)</b></p> <p>Very large scale Capital Programme – Band B (£284m) with tight timescales for delivery, in context of very rapidly growing primary age school population.</p>	<p>Reputational / Legal / Financial / Social / Stakeholder / Health &amp; safety.</p> <ul style="list-style-type: none"> <li>Insufficient secondary places in some central area of the City.</li> <li>Insufficient places in ALN settings across the City, leading to costly placement in out of county &amp; private settings.</li> <li>School Buildings that are not suitable for teaching and learning</li> <li>Further degeneration of school buildings &amp; rise in assert management backlog</li> <li>Three category “D” condition buildings, that are classed as end of life failing &amp; being closed with hundreds of displaced students across the City.</li> <li>Reducing educational standards.</li> <li>Risk that insufficient capacity in team to deliver the very large programme.</li> <li>Project cost and time overruns</li> <li>Risk that Welsh Government do not approve individual project funding if not satisfied with Business Cases.</li> </ul>	B	1	High Priority	<ul style="list-style-type: none"> <li>21<sup>st</sup> Century Schools Band B funding bid was submitted to Welsh Government in July 2017 and the Strategic Outline Case for £284m was approved in November 2017. Two Cabinet Reports in October and December 2018 outlined the priorities for this second phase of funding.</li> <li>Robust governance model, in line with Corporate Landlord being agreed.</li> <li>Arup report commissioned to look at Governance &amp; capacity issues within the SOP team, will report on recommendations to Cabinet in May 2018.</li> <li>Head Teachers &amp; Chairs of Governors of those schools involved in Band B briefed on process and timescales.</li> <li>Band B Delivery Group and School Development group formed internally to look corporately at issues including legal title, highways &amp; transportation and planning.</li> <li>Technical feasibility and design work underway with assistance from Mott McDonald and Stride Treglown architects.</li> <li>Finance preparing the capital profiles for submission to Welsh Government and to monitor draw down and spends.</li> <li>Strategic Estates Department commissioned to achieve capital receipts of £25m to assist in funding the capital programme.</li> <li>Developing an enhanced asset management regime for the three “D” category High Schools, Fitzalan, Cantonian and Willows, in order to ensure that they remain as safe teaching and learning environments until such time as the buildings are replaced.</li> <li>Developing a robust procurement strategy for this large scale programme.</li> </ul>	C	1	Medium Priority (Red/Amber)	<p>All risks are being monitored and reported to Band B Delivery Group.</p> <p>Formal Governance via a Schools Programme Board and Project Boards, being established.</p> <p>Strengthening of the capacity of the SOP team critical to ensuring effective delivery of the programme. This includes ensuring that corporate colleagues in departments including legal, strategic estates, ICT, planning and highways and transportation are available.</p> <p>Continued active dialogue with Welsh Government and other professional parties to support progress and development.</p> <p>Prioritise population data development to support accurate projections and forecasts for existing resident populations and to support effective s106 negotiations going forward.</p> <p>Ensure consistent monitoring and reporting of all risks to Schools Programme Board.</p>	<p>Nick Batchelar</p> <p>(Janine Nightingale)</p> <p>Councillor Sarah Merry, Deputy Leader &amp; Education, Employment &amp; Skills</p>
<p><b>Business Continuity</b></p> <p>Large scale incident/loss affecting the delivery of services.</p> <p>The potential risk is that our most time sensitive activities are not sufficiently resilient and fail, following an incident which impacts on their delivery and that our incident mangement structure, used in response to internal incidents and external emergencies, also fails in response to an incident</p>	<p>Reputational / Legal / Financial / Stakeholder / Service delivery / Health &amp; safety</p> <ul style="list-style-type: none"> <li><b>Health and Safety</b> – potential impact on staff and on the public relying on our most, time sensitive, critical services.</li> <li><b>Legal action</b> -Failure of key services could lead to Legal action against the council.</li> <li><b>Financial</b> - Failure of key services could led to significant financial cost both in terms of Ombudsman action and Enforcement action from regulatory bodies as well as individual legal action against the corporate body where service failure leads to legal action against us from private claimants.</li> <li><b>Reputational</b> - Impact on key services to the public could lead to significant reputational damage to the organisation.</li> <li><b>Stakeholder</b> – Impact on key stakeholders as result of failure.</li> <li><b>Service delivery</b> – Potential significant impact on service delivery to the public, impact of key services could lead to significant impacts to the public and the corporate body un delivering its services.</li> </ul>	B	1	High Priority	<ul style="list-style-type: none"> <li>The Council has a BCM Champion who sponsors BCM at a strategic level and is actively supporting the BCM Programme.</li> <li>We have an approved Business Continuity Policy which is aligned to ISO22301.</li> <li>BCM Intranet web page.</li> <li>BCM toolkit is now available on CIS allowing all service managers to develop an appropriate BCM response for their services allowing future effective maintenance and audit. BCM workshops are available from the BC Officer on request.</li> <li>The Council has employed a Business Continuity Officer (appointed October 2010). The officer is a qualified ISO22301 lead auditor.</li> <li>The Emergency Management Unit has developed an Incident Management Plan (Cardiff Councils Emergency Management Plan) to ensure alignment with ISO22301 this has been distributed to all Directorates.</li> <li>The Council has a 24 hour Incident Management structure for Gold and Silver Officers.</li> <li>The Red and Amber activities were last reviewed in July 2014. The BCM Champion presented a report to the SLT on the position on all the Red and Amber activities. Directors, Assistant Directors and Chief Officers were tasked with ensuring that their Red and Amber activities had business continuity plans produced and audited by the end of 2014/2015.</li> <li>A partnership approach between the Emergency Management Unit and the Corporate Risk Steering Group is helping to raise awareness and drive forward the BCM programme.</li> <li>48 % of our most time sensitive activities (Reds) now have Business Continuity plans which have met, or are going through, audit. Work on the remaining plans is ongoing to close gaps and bring them up to date and in line with the corporate audit requirement</li> <li>23 % of our Amber activities now have business continuity plans which meet the business continuity audit requirement.</li> <li>Cardiff Council is a member of the Core Cities Business Continuity Group and has been for the last 8 years. This membership allows the sharing of best practice and joint initiatives between group members.</li> <li>The Business Continuity Officer has been working closely with the procurement section of Resources to ensure that the resilience of suppliers is considered carefully when procuring services which are important to our most time sensitive activities, our Red and Amber activities.</li> <li>Internal Audit conducted an audit of the Business Continuity Risk in the first 2 quarters of 2015 / 2016 a briefing note has been issued to SLT on the current position and actions moving forward to further enhance our organisational resilience.</li> <li>The BC Officer is actively supporting the development of an appropriate Threat and Response Policy to support council security arrangements.</li> <li>The Business Continuity corporate risk has just gone through a further Internal Audit review and the BC Officer has worked closely with Internal Audit to</li> </ul>	C	1	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>The BC Officer is working closely with Facilities Management to ensure they have effective plans in place to help manage possible business disruptions to our core buildings.</li> <li>Work with ICT to ensure our core infrastructure is as resilient as practical to support a resilient and effective delivery of essential ICT services and the effective planning for recovery of critical IT services after an incident that affects our IT.</li> <li>The Emergency Management Unit are planning a piece of partnership work with ICT to support areas that provide red activities in assessing the impact the loss of technical services, and ensuring suitable mitigation is in place to make our red services more resilient, where this is possible.</li> <li>Work with the teams involved with looking at the potential of using alternative delivery models for council services. Identifying risks associated with alternative delivery models for specific services and recommend potential risk management solutions for implementation, to protect the delivery of our most critical services.</li> <li>The Business Continuity Officer is working to develop and enhance individual Directorate response capability to ensure Directorates are in a stronger position to respond to incidents which could impact on the Council and our most time sensitive activities.</li> <li>The Business Continuity Officer is proposing working closely with Education and Life Long Learning to support them in developing a school specific Business Continuity Plan template to enhance schools resilience capability.</li> <li>The Emergency Management Unit propose enhancing our wider Busienss Continuity and Resilience work through the development of a sepreate but council hosted and developed EVAC Cardiff website, building on the strength of our existing EVAC Cardiff work which will support our main resilience work streams, building on the success of the EVAC Cardiff APP. This will compliment our existing work with partner agencies in this area and aims to support the wider public in being more aware and empowered around their own and their communities resilience. This work should be complete by end of Quarter 2 2018/2019.</li> </ul>	<p>Christine Salter</p> <p>Councillor Huw Thomas, Leader.</p>

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					<p>provide them with the support, evidence, and guidance needed to allow them to review this risk.</p> <ul style="list-style-type: none"> <li>The Corporate Emergency Management Plan was fully revised and updated in March 2017. The Corporate Incident Management structure and Emergency Management Plan, and the Corporate recovery plan were exercised and validated in a corporate wide exercise on the 29<sup>th</sup> of March 2017, this exercise also provided an opportunity for individual Business Continuity plans to be activated.</li> <li>The Corporate Incident Management structure which is a critical piece of our business continuity work was successfully implemented during the Uefa Cup Final in 2017.</li> <li>The Corporate Incident Management structure and many individual team Business Continuity Plans were tested in the two extreme snow events of March 2018, the value of the incident management structure and the business continuity work was recognised in the outcomes of the structured debrief following the two snow incidents.</li> </ul>					
<b>ONGOING RISKS</b>										
<p><b>Non completion of Statutory Building Equipment maintenance</b></p> <p>Currently statutory obligations testing is not organised consistently or a centrally managed process across the Council, partly due to a lack of understanding on who is responsible for arranging the testing and any remedial works identified. Consequently, there is a risk that the required testing and remedial works resulting may not be undertaken and completed correctly.</p> <p>Also, a complete up-to-date accurate register of all statutory obligations testing requirements does not exist.</p> <p>Furthermore, there is no embedded technology in use consistently to manage the statutory obligations work or the storing of relevant statutory obligation documentation.</p>	<p>Potential consequences:</p> <ul style="list-style-type: none"> <li>Fatalities or serious injuries</li> <li>Closure of part or whole of facilities with major disruption to service delivery</li> <li>HSE interventions and consequential actions including fines and prosecution;</li> <li>Significant additional expenditure requiring realignment of Corporate budgets;</li> <li>Temporary relocation of staff</li> <li>Temporary loss of operational service</li> <li>Invalidation of insurance policy</li> <li>Serious adverse impact on reputation</li> <li>Damage to fabric of building or other equipment</li> </ul>	<b>A</b>	<b>1</b>	<b>High Priority</b>	<p><b>CONTRACTOR</b></p> <ul style="list-style-type: none"> <li>Statutory Planned Preventative Maintenance (PPM) undertaken by competent contractor. Consequential remedial work identified on test certificates.</li> <li>Improved statutory maintenance contracting arrangements in place in Qtr 1 inc. use of SFG 20 as specification for statutory obligations testing and new risk based specification for legionella management supported by RAMIS.</li> <li>FM competent person(s) review all test certificates, remedial work captured and communicated to client as necessary/applicable.</li> </ul> <p><b>RAMIS IT Software</b></p> <ul style="list-style-type: none"> <li>RAMIS Statutory PPM Compliance software system procured and commissioned, replacing spreadsheet system previously used;</li> <li>Staff training has commenced</li> <li>Property Portfolio uploaded to the system, Access for Technical Officers and contractors arranged in Qtr 3.</li> <li>Rollout of the system commenced in Qtr 3 along with Building Managers Training.</li> <li>Recruitment of Implementation Officer, Management and administration of the system moved to H&amp;S to provide a central governance system for statutory maintenance.</li> <li>The process of programming RAMIS system with PPM notification frequencies, remedial action alerts and approval hierarchy will commence in 2018.</li> <li>RAMIS anticipated to go live in May 2018</li> </ul> <p><b>Compliance Audits</b></p> <ul style="list-style-type: none"> <li>School compliance audits completed in Qtr 3</li> <li>Gap analysis completed and rectification follow up.</li> <li>Spreadsheet database established to record status of statutory PPM compliance across whole Council estate</li> <li>Desktop audit of compliance completed March 2017 to improve understanding of the current level of statutory compliance. On-site audits of schools buildings completed.</li> <li>Above actions have generated the most up-to-date, accurate and holistic view of the corporate property portfolio PPM data to date.</li> <li>Ongoing cycle of gathering and updating PPM data has improved the organisations FM compliance &amp; stewardship.</li> </ul> <p><b>Statutory Obligation Compliance</b></p> <ul style="list-style-type: none"> <li>Electrical testing and works monitored/supervised by qualified internal staff.</li> <li>Electrical certificates received and reviewed by qualified internal staff.</li> <li>C1/C2 electrical remedial works identified through testing dealt with appropriately and immediately by contractor undertaking electrical works.</li> <li>PPM Certificates held centrally, readily available computer access (being transferred to RAMIS).</li> <li>Spreadsheet database recording property holdings and the status of statutory obligation compliance across entire Council estate integrated into RAMIS.</li> <li>On-site audits of schools buildings is now complete and RAMIS system updated with information.</li> <li>As a result of the audits, appropriate statutory PPM is now arranged where these issues were previously unidentified;</li> <li>All Council directorates have completed desktop building equipment and statutory maintenance audits of all non-domestic buildings for which they are the duty holder or have control over. RAMIS updated with audit information which permits benchmarking of compliance against 5 main PPM functions;</li> <li>Gas boilers</li> <li>Fire (all aspects)</li> <li>Legionella</li> <li>Fixed electrical systems</li> </ul>	<b>B</b>	<b>1</b>	<b>High Priority</b>	<p>Strengthen monitoring and supervision of contractors undertaking statutory PPM and works;</p> <p>Complete installation of RAMIS:-</p> <p>Upload of all current statutory certs via. FTP transfer.</p> <p>Continued rollout of the system of in 18/19</p> <p>In respect of schools, the following documentation is to be completed in Qtr 1 18/19:</p> <ul style="list-style-type: none"> <li>Occupancy agreement between the Council and Headteacher/Governing Body to detail roles and responsibilities in law for management and maintenance of school premises. The Occupancy Agreement will be accompanied by a permission to undertake work protocol to seek the Council's permission to make changes to building fabric/services etc. This will be in place for Qtr 1.</li> </ul> <p>Continue with Statutory Compliance Audits on Corporate Estate to review current compliance position – target completion Qtr1 18/19</p> <p>Continue to commission investigations / work to complete required compliance testing (and works required) in respect of 'gaps' in compliance status identified through the audits across the estate.</p> <p>Implement new In house Statutory Obligations Team to manage the undertaking of the statutory obligations surveys/work across the Council.</p> <p>Engage with CLAW (Consortium of Local Authorities in Wales - supports the professional and technical interests of property management in local government in Wales) to benchmark statutory obligation compliance performance and benefit from experience of other Welsh authorities This is being progressed through the proposed Corporate Landlord Programme.</p> <p>Undertake appropriate training to ensure that all Council building Duty Holders have a clear understanding of their statutory obligations compliance responsibilities (by end 17/18)</p> <p>Continue with the conditions surveys of the non-domestic buildings (complete 18/19).</p> <p>Introduce new technology to assist in improving the scheduling, commissioning, monitoring and auditing of statutory obligations work – award of contract scheduled for Qtr 1 18/19.</p>	<p><b>Neil Hanratty</b> <b>(Tara King)</b></p> <p><b>Councillor Russell Goodway, Investment &amp; Development</b></p>

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					<ul style="list-style-type: none"> <li>Asbestos</li> <li>The audit programme has enabled reporting on PPM compliance using category or service area filter, which enables measurement of compliance and effective allocation of available resources.</li> </ul> <p>Corporate Landlord Programme</p> <ul style="list-style-type: none"> <li>Corporate Landlord Model Programme Brief approved by the Programme Board – objective to create one point of contact in the Council to lead on all property matters across the Council's estate.</li> <li>Implementation of the Corporate Landlord Programme commenced 2017/18.</li> <li>Development of the new corporate management structure to deliver a corporate Landlord role and delivery programme is ongoing.</li> </ul> <p>HSE</p> <ul style="list-style-type: none"> <li>HSE concerns regarding work undertaken by Allianz (company appointed by Council Insurers) have been addressed.</li> </ul> <p>Health &amp; Safety Model</p> <ul style="list-style-type: none"> <li>Corporate Health &amp; Safety restructure approved, advisers appointed who will support directorates and independently 'police' statutory obligations compliance across the building estate.</li> </ul> <p>Landlord / Occupancy Agreement</p> <ul style="list-style-type: none"> <li>Work commenced on the draft Landlord/Occupancy Agreement template, expected full roll out in by April 2018.</li> <li>This will set out principle occupant and landlord permissions responsibilities and Permission for Works arrangements required</li> </ul> <p>Schools Building Maintenance</p> <ul style="list-style-type: none"> <li>Updated handbook detailing roles and responsibilities for safe management and maintenance of school premises, plant and equipment has been issued to schools for consultation</li> </ul> <p>Conditions Survey of Non Domestic Buildings</p> <ul style="list-style-type: none"> <li>This work has commenced with priority school buildings and will continue for the remainder of 2017/18 and into 2018/19.</li> </ul> <p>Client Liaison Officers</p> <ul style="list-style-type: none"> <li>Client Liaison Officers appointed in quarter 3 with the remit to build and promote positive relationship with schools and other customers/clients, in particular the management/commissioning of statutory PPM.</li> </ul>					
<p><b>Air Quality</b></p> <p>Poor air quality is the most significant environmental determinant of health.</p> <p>UK Government has placed the improvement of Air Quality very high on their agenda and it has been made clear that they consider the responsibility for addressing the issue is at the door of Local Authorities.</p>	<p>Cardiff does not comply with legal standards of NO2, and the primary source of the pollution is road transport emissions, particularly diesel vehicle emissions.</p> <p>Cardiff currently falls short of the required limits and although improvements are being seen, non-compliance of the legal limits is projected beyond 2020.</p> <p>The UK and devolved Governments have a legal obligations to achieve nitrogen dioxide (NO2) annual average limit value (40ug/m3 AA) as set out in the EU Ambient Air Quality Directive (2008/50/EC) in the shortest possible time, and their continued failure to meet this has been subject to a number of legal challenges.</p>	A	1	High Priority	<p>Monitoring - Cardiff have 4 existing declared 4 Air Quality Management Areas (AQMA's) all as a result of elevated NO2 concentrations resulting from road traffic emissions.</p> <p><b>Development of a Clean Air Strategy:</b></p> <p>A multi-sectorial approach is needed to develop and effectively implement long term policies and strategies that reduce risks of air pollution to health and hence the development of a Clean Air Strategy.</p> <p>The strategic measures to address the air quality issues in Cardiff that will be detailed in the Clean Air Strategy can be summarised as follows:</p> <ul style="list-style-type: none"> <li>LDP Policies adhered to (KP18, EN13), Develop and finalise relevant SPG to improve AQA, additional relevant SPGs</li> <li>Transport strategy- reducing congestion, Car clubs, 20mph zones, influencing behavioural change</li> <li>Active Travel Improvements - increase Cycling and Walking. Public Transport Improvements - Buses, Metro, Trains, school travel plans, influencing behavioural change</li> <li>Increase EV infrastructure, alt fuels (H2), fleet changes (CCC to lead), industry change, influence behavioural change. Non idling zones, parking permit reform, taxi policy review.</li> <li>Full investigation and feasibility study of potential mitigation measures including the implementation and management of a Clean Air Zone (funding dependant)</li> </ul> <ul style="list-style-type: none"> <li>Working Group in place and meeting regularly.</li> <li>Meetings have taken place with WG and DEFRA and will assist with development of strategy.</li> <li>Funding to undertake a full feasibility study into the potential mitigation measures, including a Clean Air Zone, is being pursued with WG.</li> <li>Effective communications strategy, focus on promoting and marketing the wider health and environmental benefits of tackling air quality - inclusive of green paper development</li> </ul>	B	1	High Priority	<p>Following the receipt of the Formal Direction from Welsh Government, received on 09<sup>th</sup> March 2018 but signed by the Minister on 14<sup>th</sup> February 2018, a Cabinet Report titled Air Quality – Welsh Government Direction was submitted and approved by Cabinet on 28<sup>th</sup> March 2018.</p> <p>The initial proposal setting out the case for change was submitted to Welsh Government on the 28<sup>th</sup> March 2018 to meet the requirement to submit before the 31<sup>st</sup> March 2018. This included the identification of governance, associated resource requirements, the scope of work, procurement approach, indicative costing's and timeline.</p> <p>Under this Direction, we now need to provide:</p> <p>An initial plan identifying, exploring, analysing and developing options for measures which your local authority will need to implement to deliver compliance in the shortest possible time, with indicative costs for those options by 30 September 2018 .</p> <p>The Final Plan will need to identify in detail the preferred option for delivering compliance in the shortest possible time, including a full business case setting out value for money considerations and implementation arrangements and timings. The deadline for this is intended to be as soon as possible and by 30 June 2019 at the latest.</p>	<p><b>Andrew Gregory</b> (Gary Brown)</p> <p><b>Councillor Caro Wild, Strategic Planning &amp; Transport.</b></p>



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					<ul style="list-style-type: none"> <li>An officers working group has made progress on developing the Clean Air Strategy and work is focusing on finalising strategic measures that the Council needs to implement to improve air quality in Cardiff.</li> <li>The strategy will set out specific action plans to implement these measures and will develop a set of performance measurements to demonstrate the effectiveness of the strategy.</li> <li>An additional Working Group which now includes members of the Cabinet and Senior Management has been established to help develop and steer the Strategy.</li> <li>Following full feasibility study (funding dependant) a decision will be made and a full business case produced for the introduction of mitigation actions to improve air quality in the shortest possible time.</li> </ul> <p>During January 2018 Welsh Government agreed a Legally Binding Consent Order with Client Earth and although this doesn't entirely remove the judicial influence, essentially WG have agreed to implement measures within very specific timescales.</p> <p>A meeting took place between the WG Minister the Leader, Cabinet Member and Senior Officers from both parties on 1<sup>st</sup> Feb 2018. It was confirmed that WG will be issuing a Direction on Cardiff Council to provide:</p> <ul style="list-style-type: none"> <li>An initial proposal setting out the case for change by 31 March. This will involve identifying governance and associated resource requirements, the scope of work, procurement approach, indicative costing's and timeline.</li> <li>An initial plan identifying, exploring, analysing and developing options for measures which your local authority will need to implement to deliver compliance in the shortest possible time, with indicative costs for those options by 30 September 2018 .</li> <li>The Final Plan will need to identify in detail the preferred option for delivering compliance in the shortest possible time, including a full business case setting out value for money considerations and implementation arrangements and timings. The deadline for this is intended to be as soon as possible and by 30 June 2019 at the latest.</li> </ul> <p>Funding mechanisms were discussed, along with the requirements for frameworks, procurement arrangements and specifications. Assurance was provided that this would be forthcoming with the Direction which is expected mid to late February.</p>					
<p><b>Education Consortium &amp; Attainment</b></p> <p>The Central South Consortium does not deliver effective services that challenge and support Cardiff schools to improve and Educational Attainment does not improve at the required rate.</p>	<p>Reputational / Legal / Financial.</p> <ul style="list-style-type: none"> <li>Budget implications.</li> <li>Educational standards falling behind other LA's.</li> <li>Potential impact on Estyn judgement for LA.</li> <li>Intervention from WG</li> </ul>	B	1	High Priority	<p>There have been continuous improvements in nearly all the outcome indicators at all key stages, although the performance of a few of Cardiff secondary schools is still a significant concern. The work of the school improvement service commissioned from the regional consortium is now based on clear priorities and a good understanding of Cardiff schools. Cardiff schools are being challenged more rigorously and supported more effectively to improve.</p> <p>A Secondary Senior Challenge Adviser with well-developed knowledge and skills to build on the progress made to date has been appointed on an interim basis. There is a new Primary Senior Challenge Adviser in post.</p> <p>The Schools Causing Concern processes have been revised in partnership with the Consortium and the Local Authority. The systems and processes to secure improved joint service delivery is now in place, with regular meetings calendared with the Assistant Director and the Senior Challenge Advisers, Primary and Secondary.</p> <p>There is a strong working relationship between the local authority and the regional consortium. The local authority has moderated the outcomes of categorisation, in partnership with the regional consortium. This has led to a more accurate view of school performance, an improved model of differentiated support and challenge, and earlier intervention in schools causing concern. Through school improvement meetings, challenge advisers are developing a better understanding of the role that wider services in the local authority play in improving schools.</p> <p>A number of Cardiff schools have been appointed as Pioneer Schools to develop the new curriculum over the next three years in line with "Successful Futures".</p>	C	2	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>There will continue to be a regular interface with the Senior Primary and Secondary Challenge Advisers for Cardiff. The AD is participating in interviews to secure the recruitment of a replacement for the Secondary and Special Challenge Advisers on the 27.04.2018.</li> <li>All parties are waiting for WG to clarify the key performance indicators that will be used to judge progress for KS2,4 and 5. Currently this situation is unclear and is a threat to all stakeholders.</li> <li>Cardiff has continued to make good progress in securing positive outcomes for Estyn inspections. However, a review of the inspectorate in Wales is currently underway. This is likely to be published in May/June 2018.</li> </ul>	<p><b>Nick Batchelar</b> <b>(Angela Kent)</b></p> <p><b>Councillor Sarah Merry, Deputy Leader &amp; Education, Employment &amp; Skills</b></p>
<p><b>ICT Platforms Unsuitable/ Outdated</b></p> <p>The ICT platforms (desktop, software, network, servers, and telephones) will not be able to support the technologies required by the corporate change</p>	<p>Reputational / Financial / Stakeholder / Service delivery.</p> <ul style="list-style-type: none"> <li>Loss of PSN services.</li> <li>Service delivery impacts from unreliable/unavailable ICT systems</li> <li>Cardiff seen as unable to deliver on aspirations</li> <li>Poor morale from frustrations with inability to deliver services.</li> </ul>	A	2	High Priority	<ul style="list-style-type: none"> <li>Spending complete for renewal/upgrade of highest risk items, in particular firewalls, core servers/switches and external bandwidth.</li> <li>New system down analysis process in place to ensure that key pressure points are rapidly identified and fixed at minimum cost until full programme can be initiated. Recent issues with telephony have resulted in retargeting of some resources to focus on weak points now identified.</li> <li>New deliveries are all being designed for a 99.99% minimum uptime, with critical systems targeted at 99.999% (equating to less than 6 minutes per year).</li> </ul>	B	3	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Development of lifecycle monitoring and clearer customer engagement.</li> <li>Pilot leasing scheme within schools to be considered for corporate desktop estate.</li> <li>Breakdown of costs to remediate to be generated and reviewed. To include workstation replacement costs, supporting network infrastructure and server infrastructure.</li> </ul>	<p><b>Christine Salter</b> <b>(Phil Bear)</b></p> <p><b>Councillor Christopher</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
programme and deliver effective service to the council, or will not provide a reliable service due to age and condition of equipment and systems.	<ul style="list-style-type: none"> <li>Potential for income losses from revenue collection impacts.</li> <li>Unable to meet delivery deadlines on both business as usual and transformation projects.</li> </ul>				<ul style="list-style-type: none"> <li>Active projects underway and the current aged file storage solution have been replaced and cloud based storage for additional resilience and flexibility is being assessed. Other projects underway to replace many of the core older back end servers.</li> <li>Corporate file storage systems replaced and new disk to disk backup option installed to improve performance and resilience.</li> <li>Due to mitigation actions so far to reduce the risk, the risk of critical service downtime has been reduced.</li> <li>Additional load balancers to be purchased for application resilience in key systems.</li> <li>Full renewal programme for all desktop, software, network, servers, and telephones, appropriate to Cardiff's ambitions and resources.</li> <li>Continued assessment of priorities for replacement – applications infrastructure and servers are the next priority.</li> <li>Completed refresh of existing SAP, thin client and virtual server farms.</li> <li>Assessment of equipment required replacing to maintain PSN compliance.</li> <li>Further revenue and capital investment in 2018-20.</li> <li>Completed migration of VM infrastructure over to Pure Storage.</li> <li>Completed migration of users from old remote access service to new solution.</li> </ul>					<b>Weaver, Finance Modernisation and Performance.</b>
<b>Safeguarding</b>  Systemic failure in the effectiveness of the Council's safeguarding arrangements together with other statutory safeguarding partners.	Reputation / Financial / Stakeholders / Service delivery / Legal / Partnership / Community <ul style="list-style-type: none"> <li>A child/ren or adult/s suffers avoidable significant harm or death.</li> <li>Reputation of Council and partners.</li> <li>Severe adverse publicity.</li> <li>Potential regulator intervention.</li> <li>Loss of confidence by the community in the safety of children and adults.</li> <li>Loss of confidence of staff in the overall "safety" of the service, impacting on morale, recruitment and retention.</li> <li>Potential litigation with associated financial penalties.</li> </ul>	<b>B</b>	<b>1</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>Embedding the Social Services &amp; Wellbeing (Wales) Act 2014 in relation to the strengthening of adult safeguarding.</li> <li>Strategic review of safeguarding governance across the region completed in partnership with the Vale of Glamorgan Council.</li> <li>Strategic review of the functioning of the Regional Safeguarding Adults Board completed.</li> <li>Ongoing implementation of the Child Sexual Exploitation Strategy.</li> <li>Implementation of the Corporate Safeguarding Board work programme.</li> <li>Growth proposals for operational safeguarding capacity included in 2017/18 budget</li> <li>Cardiff Council hosting the All Wales Adult and Child Protection Procedure re-write.</li> <li>Raising profile of Adult Sexual Exploitation (ASE) in Adult Services in line with the Child Sexual Exploitation (CSE) Strategy.</li> </ul>	<b>C</b>	<b>1</b>	<b>Medium Priority (Red/Amber)</b>	<ul style="list-style-type: none"> <li>Training staff in relation to Adult Protection Orders.</li> <li>Draft Annual Plan for Regional Adults / Childrens Safeguarding Board.</li> <li>Review of Adult Protection procedures.</li> </ul>	<b>Sarah McGill &amp; Davina Fiore</b>  <b>Councillor Susan Elsmore, Social Care, Health &amp; Well-being</b>  <b>Councillor Graham Hinchey, Children &amp; Families.</b>  <b>Councillor Christopher Weaver, Finance Modernisation and Performance.</b>
<b>Financial Resilience</b>  Failure to deliver a balanced annual budget and a fully informed Medium Term Financial Plan which would significantly weaken the financial resilience of the Council.  The current outlook is that there is a Budget Gap of £91 million for the period 2019/20 to 2021/22.	Reputational / Financial / Legal / Service delivery / Stakeholder <ul style="list-style-type: none"> <li>Risk of failing to meet statutory obligations.</li> <li>Risk that service delivery impacted due to uncertainty in the budget planning process resulting in decreasing resources or failure to effectively prioritise spend in line with Corporate Plan Objectives.</li> <li>Risk that settlement figures will not be as anticipated giving an element of uncertainty to any proposals from Cabinet during public consultation and beyond.</li> <li>Risk that savings identified as part of business as usual and efficiencies have not been robustly reviewed for achievability and will not deliver as planned.</li> <li>Risk that financial constraints and budget proposals result in unintended consequences such as increased instances of non-compliance and financial impropriety.</li> <li>Risk that annual budget settlement frustrates medium / longer-term planning and that the cycle does not integrate with other business cycles and vice versa.</li> <li>Risk that Medium Term Savings are not identified in a coherent, strategic way which impacts on service delivery.</li> <li>Risk of unbalanced budget as savings required over the medium term become harder to achieve and their impact on service delivery more difficult to manage.</li> </ul>	<b>A</b>	<b>1</b>	<b>High Priority</b>	<b>2018/19 and Medium Term</b> <ul style="list-style-type: none"> <li>The 2016/17 settlement allowed the Council to reduce risk and improve resilience through addressing the pace and scale of the most challenging saving proposals, reviewing planning assumptions and introducing a new financial resilience mechanism.</li> <li>This mechanism has been used for 2017/18 and 2018/19 and will be a key part of the assurance for 2019/20 and future planning.</li> <li>The final 2017/18 Budget was underpinned by Directorate Savings of £13.264m and Addressable Spend Savings of £3.743m; a total of £17.007m. Robust monitoring are and will take place during 2017/18 in order to inform the 2018/19 budget position.</li> <li>The final 2018/19 Budget was approved in February 2018 and was underpinned by Directorate Savings of £14.296 m savings.</li> <li>The MTFP set out in the July 2017 Budget Strategy Report was reviewed for the 2018/19 Budget Report and now highlights an estimated Budget Reduction Requirement of £91.403m for the medium term (2019/20-2021/22)</li> <li>Work has already commenced in considering potential savings for 2019/20 which will be further developed through the first half of 2018/19. There are also outline proposals for 2020/21.</li> <li>Close working with Policy team in respect of alignment with Corporate Plan and duties under Wellbeing of Future Generations Act.</li> <li>Chief Digital Officer appointed and need for a digital roadmap to inform the 2019/20 budget proposals</li> <li>Service Reviews commencing in order to identify savings.</li> <li>The Council regularly reports in relation to its financial performance and monitoring.</li> <li>The Wales Audit Office's Report into financial resilience scored the Council as low risk in terms of financial governance and control and medium risk in terms of financial planning. Subsequent report received stated that the Council has a transparent and effective savings approach which supports financial resilience being achieved.</li> </ul>	<b>B</b>	<b>2</b>	<b>High Priority</b>	<b>2019/20 and Medium Term</b> <ul style="list-style-type: none"> <li>Continue the work that has commenced in respect of developing proposals for 2019/20, 2020/21 and the Medium Term. This will include alignment with the Digital Board, Service Review board and Senior Management Team.</li> <li>Budget work will also need to link in with the demands of the Wellbeing of Future Generations Act as well as building on further work to ensure greater visibility of engagement with Cardiff citizens through events and the Ask Cardiff Survey.</li> <li>Ensuring closer alignment with objectives of the Corporate Plan and the Capital Ambition Delivery Team in order to ensure resources are allocated appropriately and that longer term financial savings are developed in enough time to be realised in the medium term.</li> <li>Continue to refresh assumptions at key stages as relevant information becomes available..</li> <li>Key stakeholders are briefed on this position and financial triggers against this snapshot continue to be developed and reviewed.</li> <li>Work in respect of improving savings plans continues in order to increase the % of savings proposals accepted that deliver. The key focus is due diligence, challenge and development of detailed plans but with an emphasis and accountability to the directorate which proposed the saving. Savings documentation has also been reviewed and developed with the aim of ensuring consideration and capture of key factors relating to savings proposals.</li> <li>Links between the MTFP, OD Programme, Service Plans and Improvement Plans continue in order to further build on work already undertaken in the Budget Strategy Work</li> </ul>	<b>Christine Salter (Ian Allwood)</b>  <b>Councillor Christopher Weaver, Finance Modernisation and Performance.</b>

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	<ul style="list-style-type: none"> <li>Additional obligations such as Wellbeing of Future Generations Act leading to Council failing in statutory duty.</li> <li>The risk that the Council will not be able to react to adverse situations through a combination of poor imprudent planning and significant challenges such as increasing demands for services such as social services, education, roads etc.</li> <li>The risk is that the Council will not be able to operate within the financial funds available to it and fail in its statutory duty to deliver services.</li> <li>Reputational risk of defaulting on creditor / payroll payments thus creating uncertainty across the community of Cardiff and beyond.</li> <li>The risk that this leads to intervention and increasing adverse impacts on the community of Cardiff that rely on the services being delivered by the Council.</li> </ul>				<ul style="list-style-type: none"> <li>Further Improvement actions associated with the medium risk for financial planning related to 1) Fully developing savings proposals prior to start of year, with realistic timescales set and 2) Continuing to improve and further develop links between the MTFP and Organisational Development Programme.</li> <li>A financial snapshot is used to report the financial resilience of the Council and is reviewed 3 times a year and reported at Budget Report (Feb17 &amp; Feb 18), Budget Strategy (Jul) and to Audit Committee.</li> </ul>				Programme.	
<p><b>Budget Monitoring (Control)</b></p> <p>Failure to achieve the budget set, inclusive of budgeted spend and savings across Directorates, with increased use of emergency finance measures and the drawdown of reserves.</p>	<ul style="list-style-type: none"> <li>Inability to balance spend, against budget, for the financial year.</li> <li>Requirement to implement emergency measures to reduce spending during the financial year thus adversely impacting on ability to meet corporate plan objectives.</li> <li>Requirement to drawdown from General Reserves at the year end.</li> </ul>	A	1	High Priority	<ul style="list-style-type: none"> <li>Clear financial procedure rules setting out roles and responsibilities for budget management are in place.</li> <li>In recognition of the quantum of savings and the risks posed a £3 million General Contingency was allocated in the Budget.</li> <li>Availability of General Reserve should this be required.</li> <li>The final 2016/17 outturn showed a balanced position. However this included an overspend of £7.63m in relation to directorate budgets with shortfalls of £6.475m against 2016/17 savings targets and £1.881m against shortfalls carried forward from 2015/16.</li> <li>The Corporate Director of Resources, Chief Executive and Cabinet Members have continued to hold challenge meetings going forward into 2017/18 in all areas both to address shortfalls against budget proposals accepted but also the overall financial position of each directorate.</li> <li>Full financial monitoring processes is in place for month 3 to 11 of the financial year including achievement of budget savings with months 3 to 10 completed.</li> <li>The balance of any 2015/16, 2016/17 or 2017/18 savings targets were discussed as part of the budget process and a limited amount were written off. The majority of these proposals were deemed to be achievable going forward by the respective Director. The 2016/17 and 2017/18 savings proposals will be monitored as part of the 2018/19 budget process</li> <li>SMT discussed those overspend areas (not as a result of saving proposals not being delivered) of 2017/18 in order to provide assurance of mitigations in place for 2018/19</li> </ul>	B	2	High Priority	<ul style="list-style-type: none"> <li>The balance of any 2016/17 or 2017/18 savings targets designated as not being achievable have been provisionally allocated and will continue to be reviewed as the 2018/19</li> <li>Continue regular review and challenge sessions in order to provide assurance of financial monitoring position during the year.</li> </ul>	<p>Christine Salter (Allan Evans)</p> <p>Councillor Christopher Weaver, Finance Modernisation and Performance.</p>
<p><b>Performance Management</b></p> <p>After considerable progress in both developing the way the organisation manages performance and in actual performance improvement, there is a need to focus on ensuring Performance Management practices are mature, embedded and consistently applied as the organisation looks to continue improving outcomes in the face of significant financial pressures.</p>	<p>Reputational / Service delivery / Stakeholder</p> <ul style="list-style-type: none"> <li>The strategic and corporate level changes do not have the intended impact because they are not fully embedded in operational practices.</li> <li>Council unable to accelerate performance improvement as planned/desired.</li> </ul>	B	2	High Priority	<ul style="list-style-type: none"> <li>The Council's improved approach to the way it manages its performance was recognised by the Wales Audit Office's follow-on report, but it is also clear there is more work to be done to build on the success achieved so far. A Performance Management programme has been put in place to deliver the required change to address three key areas relating to Reporting, Planning and Challenge.</li> <li>The project teams have ensured their work incorporates the requirements of The Well-Being of Future Generations Act 2015, and the managed transitions between the Local Government (Wales) Measure 2009 and the requirements of the new legislation.</li> <li>Increasing the transparency with which we manage our performance</li> <li>The Self-Assessment process has been established and fed into the SMT Corporate Plan workshop which identified high level key themes that link the Wellbeing &amp; Future Generations Act.</li> <li>Consistent RAG ratings have been agreed and developed for Corporate Plan commitments</li> <li>A consistent RAG methodology has been developed to enable a mathematical approach be applied to performance indicators</li> <li>Directorate scorecards were introduced for the Quarter 2 performance report and presented to PRAP, these were well received and will continue to be used and developed</li> <li>PSG (Performance Support Group) has been established. This group reviews the Quarterly Performance Report to identify where and how performance can be improved. The group also identify areas for further discussion at SMT</li> <li>Wellbeing objectives have been developed in line with the Corporate Plan development timeline and endorsed by SMT and presented to informal cabinet</li> <li>A target setting process and pro forma has been developed to support the use of appropriate measure and accurate targets in the Corporate Plan and Directorate Delivery Plan</li> <li>A new Directorate Delivery Plan template has been developed which also incorporates the Future Generations requirements and the 5 ways of working. This has been presented to PSG and the template has been endorsed by SMT</li> </ul>	C	2	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Ongoing work continues to launch and embed the PMF, work has been undertaken with Comms to align the PMF with the Capital Ambition Branding</li> <li>New governance structures have been put in place to ensure Performance Management continues to be embedded across the organisation, including regular meetings of SMT to look at Assurance matters, and the formation of a Cabinet-level group that will look at performance holistically.</li> </ul>	<p>Christine Salter (Joe Reay)</p> <p>Councillor Christopher Weaver, Finance Modernisation and Performance.</p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
					<ul style="list-style-type: none"> <li>Reporting scorecards have been trialled by representatives of PSG. These were presented at PSG and were well received.</li> <li>The Corporate Plan has been developed and approved by Full Council</li> <li>A reporting framework has been developed that allows the right audiences to focus on the right level of detail to better aid decision-making. Some elements of this were used in the Q4 2016-17 performance reporting cycle and will be fully implemented for the reporting of performance for Q1 2017-18 to ensure robust reporting arrangements for the WBFG Act</li> <li>A Directorate Delivery Plan template was developed, that incorporates the Future Generations requirements and the 5 ways of working. All directorates have developed these plans</li> <li>Discussions have commenced with key representatives to further develop the self-assessment process which will contribute to the development of the Corporate Plan.</li> <li>Service Level scorecards have been developed across the Council and combine planning and reporting elements. These Scorecards are used, where appropriate, to provide additional detail to supplement the reporting against the Strategic Directorate Priorities and the Corporate Plan Wellbeing Objectives</li> <li>Directorate Delivery Plans were developed and in use from April 2017. They will be used and monitored throughout the year to ensure they represent a clear and up to date statement of what the directorate is aiming to deliver and the progress it is making</li> <li>Building on the work carried out in 2016-17 a new quarterly reporting template has been developed in collaboration with key stakeholders.</li> <li>A Members training session regarding the Performance Management Framework was developed and carried out at the end of the September</li> <li>The Performance Management Framework and Strategy has been finalised. A soft launch has taken place via the Corporate Performance Team's Public SharePoint Page and will be officially launched in Quarter 3 The Framework will ensure greater effectiveness of planning and reporting, with clearer accountabilities and enhanced 'line of sight'. A cascading matrix system of reporting has been developed through DDPs, Service Plan Scorecard and the reporting framework to demonstrate the golden thread.</li> <li>The high level Performance Management Framework documents are available on the Performance Team's Public SharePoint page</li> </ul> <p>The Self-assessment process from 2016-17 has been built on and is being rolled out in September 2017. The outputs from this will be used to develop the Corporate Plan and the Directorate Delivery Plans.</p>					
<p><b>Health and Safety</b></p> <p>Ineffective compliance of health and safety through poor application and embedding of the 'Framework for Managing Health and Safety in Cardiff Council.</p>	<p>Reputational / Legal / Financial / Service delivery</p> <ul style="list-style-type: none"> <li>Fatalities</li> <li>Serious injuries</li> <li>Prosecution – fines for body corporate and/ or fines/imprisonment for individual</li> <li>Claims</li> </ul>	<b>A</b>	<b>1</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>H&amp;S Manager and 3 additional H&amp;S Officers appointed in Qtr 4. To re-staff the Corporate Health and Safety Team, officers to take up post in 18/19 Qtr. 1.</li> <li>Health and Safety Support Service for schools has taken longer than expected to approve due to lengthy consultation process. Approval provided in Qtr. 4. Adverts to be placed for 12 H&amp;S Officers providing support to all Cardiff schools in 18/19 Qtr 1. Schools have been assessed on their current H&amp;S standards, building condition etc. and their support package agreed which will commence in September 2018. Key areas of improvement will be:- <ul style="list-style-type: none"> <li>Asbestos Management</li> <li>Fire Safety</li> <li>Electrical Safety</li> <li>Gas Safety</li> <li>Legionella Control</li> </ul> </li> <li>Responsibility for Implementation of RAMIS transferred to H&amp;S in September 2017 and is currently being rolled out to all corporate buildings and schools. RAMIS4Schools has been made available to all schools and holds all up to date H&amp;S information specific to Education/schools.</li> <li>Quality of Risk Assessments across the Council is varied and improvements are required in consistency and quality in some areas, particularly those relating to high risk activities.</li> <li>Due to the lack of resources general health and safety audits have not been undertaken in the last Qtr. however a number of reports have been provided in relation to schools sites and other high risk issues.</li> <li>Review of Health and Safety Policy and Guidance, further work required in this area going forward to ensure that all policies are up to date and reflect current practice within the Council.</li> </ul>	<b>B</b>	<b>1</b>	<b>High Priority</b>	<ul style="list-style-type: none"> <li>Health and Safety Team to establish key priorities for support in Service area's, to improve standards to H&amp;S compliance across the Council. Corporate H&amp;S Objectives issued for 18/19.</li> <li>Health and Safety Support Service for Schools to be established from September 2018, with officers to be appointed and trained in readiness for the start of term. Funding agreed and budgets transferred, HR recruitment process to be completed ASAP.</li> <li>Implementation of RAMIS Statutory Maintenance system in schools will be held up until H&amp;S school support officers are in place, due to the resource required to implement the system in schools. Education Compliance work has now been merged into Health and Safety to ensure a co-ordinated approach to all compliance issues in schools.</li> <li>RAMIS Live which manages Statutory Maintenance is being rolled out to all building managers by the end of July 2018, along with building management training. Compliance statistics on high risk disciplines are reported to SMT on a bi-monthly basis, minimum of 80% compliance to be achieved by September 2018. More work required from duty holders in order to achieve this target</li> <li>H&amp;S to work with statutory maintenance contractors to ensure they upload statutory reports and close down reactive tasks on RAMIS, therefore reducing the administration burden on duty holders.</li> <li>Fire Risk Assessments for schools are being undertaken via. RAMIS. One full time Fire Safety Officer has been recruited via. Citrix to support Fire Risk Assessments in schools, which are a high priority in response to post Grenfell WG requirements.</li> <li>Building Control Officers have been trained to support with use of RAMIS for risk assessment of Corporate Buildings to upload the assessment findings and remedial tasks. FRA's still to be uploaded for Corporate Buildings.</li> <li>Expertise required internally on asbestos to reduce the reliance on external specialist contractors, improving quality and reducing costs. This will also permit improved asbestos management across the Council, including incident</li> </ul>	<p><b>Christine Salter</b></p> <p><b>(Donna Jones)</b></p> <p><b>Councillor Christopher Weaver, Finance Modernisation and Performance.</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
									investigation, advice on asbestos removal works, as well as developing in-house staff competency to deal with low level asbestos works. Report to be submitted to SMT on the options available for improved management of asbestos in Council premises, seeking agreement on the way forward.	
<p><b>Climate Change &amp; Energy Security</b></p> <p>Un-preparedness to the effects of climate change due to lack of future proofing for key (social and civil) infrastructure and business development, and inability to secure consistent energy supply due to rising energy costs and insecurity of energy supply.</p>	<p>Reputational / Financial / Stakeholder / Service delivery / Legal / Partnership / Community / Health &amp; Safety</p> <p>Climate change will result in more intense and frequent rainfall events causing flooding, impacting:</p> <ul style="list-style-type: none"> <li>• Loss of life and personal injury;</li> <li>• Direct damage to property, infrastructure and utilities;</li> <li>• Contamination and disease from flood and sewer water and flood on contaminated land;</li> <li>• Increased cost of insurance;</li> <li>• Break up of community and social cohesion;</li> <li>• Blight of land and development.</li> </ul> <p><b>SHORT TERM RISKS</b></p> <p>Climate change is noted to already be affecting the frequency and intensity of rainfall events, making storm events flashier and increasing the rainfall volume. Our existing drainage network has not been designed to accommodate this increase in rainfall and in the short term, there will be an increase in flood events from urban drainage systems.</p> <p><b>LONG TERM RISKS</b></p> <p>The influence of climate change will increase in the future and continue to have a growing influence on rainfall intensity and frequency. The urban drainage network in Cardiff will increasingly underperform and not be able to accommodate the increase in surface water runoff response time and volume from storm events. Storms will become flashier and carry higher rainfall.</p> <p>Poor management of new development will exacerbate the potential flood risk by not reflecting natural drainage catchments and by not dealing with rainfall at source.</p> <p><b>Fluvial Flooding</b></p> <p>There are 3 main rivers impacting the City - whilst main rivers are the responsibility of Natural Resource Wales, and as a Local Flood Authority we are not responsible for them, the affects of climate change will result in more flooding i.e. the same short term and long term risks will apply in relation to fluvial flooding.</p> <p>Increased summer temperatures:</p> <ul style="list-style-type: none"> <li>• An increase in heat related discomfort, illness and death, increasing pressure on health and emergency services</li> <li>• An increase in demand for limited water supplies</li> <li>• Damage to temperature sensitive infrastructure (transport systems, electrical systems).</li> <li>• Migration of biodiversity.</li> </ul> <p>Inconsistent energy supply and cost:</p> <ul style="list-style-type: none"> <li>• Inability to deliver public services</li> <li>• Decrease in economic output</li> <li>• Disruption to the supply of utilities</li> <li>• Increased transport costs</li> <li>• Increased costs for heating / providing services to buildings</li> <li>• Increased fuel poverty</li> </ul>	B	1	High Priority	<p><b>Emergency Management Unit</b></p> <p>Cardiff Council Emergency Management Unit is working through the Local Resilience Forum (LRF) structure to ensure planning is carried out with consideration of flood risk.</p> <ul style="list-style-type: none"> <li>• Cardiff Area Community Risk Register is developed and reviewed on a regular basis by the Cardiff Area Risk Group. It takes into account changes in the national risk register and how those changes affect Cardiff.</li> <li>• We are engaging internally with The Welfare of Future Generations Act to integrate the community work with the Councils strategy and externally with voluntary organisations such as C3SC to provide training to community groups across Cardiff</li> <li>• Cardiff Council Emergency Management Unit have in place a long term communication strategy in Cardiff in conjunction with multi agency partners highlighting flood awareness alongside other emergency eventualities such as extreme temperatures and how residents, businesses and communities can be aware of the risks in their area and hence better prepare for them should that risk materialise. Cardiff has 5 active community flood plans with others in the planning stage. We have produced a 'Preparing for Emergencies – A Guide for Communities' document which is now available to all agencies and organisations. It provides information on how to prepare, respond and recover from an incident including flooding. The document can be found via the following link; <a href="https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Emergency-Planning-and-Resilience/Emergency-Planning-and-Resilience/Pages/default.aspx">https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Emergency-Planning-and-Resilience/Emergency-Planning-and-Resilience/Pages/default.aspx</a></li> </ul> <p>We have further developed our capability to communicate with the public with the development of the EVAC Cardiff App which is now available for both android and apple systems. Alongside the App we are developing a stand-alone website to offer further advice and information to back up the information available via the App.</p> <p>We have procedures in place to alert relevant departments within the council to extreme temperatures and work with partner agencies in line with Welsh Governments Heatwave Plan, this can be found via the following link; <a href="http://www.wales.nhs.uk/docopen/218909/">http://www.wales.nhs.uk/docopen/218909/</a></p> <p><b>Energy Management Unit</b></p> <ul style="list-style-type: none"> <li>• The Council procures competitive energy contracts through the Crown Commercial Services on a 6 monthly purchasing window for the following 12 month financial year.</li> <li>• Key sites are fitted with back-up generators for emergency backup, specifically for IT systems.</li> <li>• The Carbon reduction Strategy 2022 identifies projects and activities through 4 strands in order to achieve a 35% reduction in the council's carbon emissions from electricity and gas by 2022. These include; Renewables, energy Efficiency, Design and Asset Management and Behaviour Change.</li> <li>• The new strategy is accompanied by a project programme which is currently being implemented with projects categorised across all strands.</li> <li>• Key project achievements include 16 LED lighting upgrades to schools, 700kW of solar PV installed across the estate as well as the commissioning of the Radyr Weir Hydroelectric scheme with a capacity of 400kW.</li> </ul> <p><b>Flood management</b></p> <p>"Local Flood Risk Management Strategy</p> <p>A Local Flood Risk Management Strategy was produced as a requirement of the Flood and Water Management Act 2010 in accordance with WG's Flood &amp; Coastal Risk Strategy guidance. The LFRMS integrates; the PFRA, a coastal protection strategy, stakeholder communications and sets a clear corporate approach to flood management.</p> <p><b>Flood Risk Management Plan</b></p> <p>In 2013, as a requirement of the Flood Risk Regulations 2009, the Environment Agency, working with Natural Resources Wales and Lead Local Flood</p>	C	1	Medium Priority (Red/Amber)	<p><b>Emergency Management Unit</b></p> <ul style="list-style-type: none"> <li>• To consider flood risks recognised in the Community Risk Register in the Community Planning/Integrated Partnership process. Community resilience workshops continue in high risk areas</li> </ul> <p><b>Energy Management Unit</b></p> <ul style="list-style-type: none"> <li>• Deliver development of local power generation within city boundaries and with neighbouring LAs by securing heat networks, Deliver the Affordable Warmth Strategy through measures such as ECOT2 and Green Deal opportunities, provide supplementary planning guidance on passive and renewal heating systems to new build and retrofit schemes.</li> <li>• Energy security related issues to inform corporate financial systems revised buying and power consumption monitoring arrangements to save money and reduce demand and provide corporate &amp; community planning for Energy City Wide to Business and public sector.</li> <li>• Further guidance to be disseminated to service areas on energy security and energy savings opportunities such as implementation of Carbon Culture, delivering extensive energy invest to save programmes on the Council Estate.</li> <li>• Delivering renewables within larger properties to lower dependency to grid supply.</li> <li>• Energy Performance certificates undertaken to Council owned stock to improve understanding along with a variety of energy efficiency measures (cavity / loft / external wall insulation and boiler upgrades) funded via ARBED, ECO and Green Deal.</li> <li>• Increase Council renewables. Renewables should provide storage solutions for energy that could be utilised at times when grid supply is at risk, or when it is economically advantageous.</li> </ul> <p><b>Flood Management Planning</b></p> <ul style="list-style-type: none"> <li>• Atkins have completed the Surface Water SPG and it is with CCC officers for review. Consideration of the document for release in conjunction with Schedule 3 of the Flood and Water Management Act 2010 is to be considered.</li> <li>• Data collation for monitoring flood risk indicators ongoing and on target for completion to feed into the next LDP AMR and wider processes.</li> <li>• Capital bid for flood defence works successful confirming Cardiff Council's 25% match funding. Formal application for funding and approval from WG to be submitted in the next month.</li> </ul> <p><b>Sustainable Development Unit</b></p> <ul style="list-style-type: none"> <li>• Climate Change is referenced in the Well-Being Assessment and an action included in the draft Well-Being Plan.</li> <li>• Work to be undertaken with both the Covenant of Mayors and the Compact of Mayors (merging to become the Global Covenant of Mayors for Climate Change) to agree a consistent method of emissions reporting and action planning so as to not duplicate efforts and get maximum benefit from the commitments.</li> </ul>	<p><b>Andrew Gregory</b></p> <p><b>Councillor Michael Michael, Clean Streets, Recycling and Environment.</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
					<p>Authorities, produced the updated Flood Map for Surface Water (uFMfSW). The maps identify the risk, extent, velocity and hazard posed to Cardiff for a series of rainfall events.</p> <p>These maps have been used to inform the Flood Risk Management Plans, which Cardiff have produced as a requirement of the Flood Risk Regulations 2009. The plan sets out how Cardiff Council will over the next six years manage flooding so that the communities most at risk and the environment benefit the most. The plan does this by:</p> <ul style="list-style-type: none"> <li>• Highlighting the areas most at risk of flooding from surface water, ordinary watercourses and groundwater in Cardiff Council's area;</li> <li>• Draws conclusions from these risks; and</li> <li>• Sets out the measures that will be implemented over the 6 year cycle to mitigate these risks and make our communities more resilient.</li> </ul> <p><i>Planning</i></p> <p>Project Management techniques and partnership working are being used to effectively manage the process of preparing the LDP Annual Monitoring Report (AMR) and a programme of Supplementary Planning Guidance (SPG). In addition a process has been identified and tested to collect data relating to the flood risk indicators. TAN15 of Planning Policy Wales requires the consideration of climate change by increasing the rainfall depth. This allows new development to take future impacts of climate change into account in the design process.</p> <p><i>Retrofit of SuDS</i></p> <p>Retrofit of Sustainable Drainage to remove surface water from piped systems and control surface water at source through schemes such as Greener Grangetown. Consideration needs to be given to potential locations where sustainable drainage retrofit can be considered and to communicate with Dwr Cymru Welsh Water to obtain support for such schemes to prevent the overloading of hydraulic systems. been identified and tested to collect data relating to the flood risk indicators.</p> <p><i>Sustainable Development Unit</i></p> <p>The Council has signed up to both the Compact of Mayors and the Covenant of Mayors. Reporting year 2 data submitted for the Compact of Mayors Carbon Disclosure Project and a Monitoring Emissions Inventory for the Covenant of Mayors Sustainable Energy Action Plan.</p>					
<p><b>Coastal Erosion</b></p> <p>Breach of current defences resulting in widespread flooding.</p>	<p>Health &amp; Safety/ Service Delivery / Reputation / Legal / Financial /Community &amp; Environment /</p> <p>The coastal defences across Cardiff's foreshore are in very poor condition and erosion is already taking place at a rapid rate. The area concerned is the Rover Way foreshore to Lamby Way and the risks to the authority are:</p> <ul style="list-style-type: none"> <li>• Continued coastal erosion along the coast threatening the Rover Way Traveller site and critical infrastructure including Rover Way and the Rover Way/Lamby Way roundabout;</li> <li>• Erosion to two decommissioned land fill sites, with risk of releasing landfill material into the Severn Estuary and having significant environmental impacts;</li> <li>• Flood risk to 1,116 residential and 72 non-residential properties over 100 years, including risk to life, property, infrastructure and services.</li> </ul> <p>N.B. the predicted rates of erosion threaten the Rover Way Travellers Site and the adjacent electrical substation <u>within 5 years</u>, and further release of large volumes of unknown tip material from the Frag Tip into the Seven Estuary.</p>	B	1	High Priority	<ul style="list-style-type: none"> <li>• There are no current controls in place to mitigate the flooding and coastal erosion risk.</li> <li>• The current adhoc defences along the area are in a very poor condition.</li> <li>• The necessary works are holistic and cannot be phased, therefore the residual risk rate cannot be lowered until the completed construction of the coastal defence scheme in its entirety.</li> <li>• An Outline Business Case (OBC) has been submitted to Welsh Government for review as part of the WG Coastal Risk Management Programme that provides a funding mechanism for 75% of onward capital costs.</li> <li>• A 25% capital matchfunding bid for 18/19 has been submitted.</li> <li>• A Cabinet Office Forward Plan was submitted for March 2018 Cabinet Meeting for funding approval.</li> </ul> <p>The total costs associated with the design, Early Contractor Engagement and construction phases have been estimated at <b>£10.9M</b> (WG 75% funding = £8.2M and CCC 25% funding = £2.7M )</p>	B	1	High Priority	<ul style="list-style-type: none"> <li>• A 25% capital matchfunding bid for 18/19 has been approved</li> <li>• Formal application for WG funding and approval to be submitted in the next month.</li> </ul> <p>The total costs associated with the design, Early Contractor Engagement and construction phases have been estimated at <b>£10.9M</b> (WG 75% funding = £8.2M and CCC 25% funding = £2.7M )</p> <p>Subject to securing this funding, current project timeframes run between 2018 and 2021, with proposed actions as follows:</p> <ul style="list-style-type: none"> <li>• Tender process for detailed design to determine the exact scheme</li> <li>• Tender process for construction of works</li> <li>• Construction of coastal defences</li> </ul>	<p><b>Andrew Gregory</b></p> <p><b>Councillor Michael Michael, Clean Streets, Recycling and Environment</b></p>
<p><b>Information Governance</b></p> <p>Information handled inappropriately leaves the Council exposed to intervention and financial penalties issued by the Information Commissioner (ICO). This includes</p>	<p>Reputational / Financial / Legal / Service delivery / Stakeholder</p> <ul style="list-style-type: none"> <li>• Leads to the Information Commissioner issuing notices of non-compliance</li> <li>• These could consist of:</li> <li>• a Stop Now Order which would mean that no</li> </ul>	A	1	High Priority	<ul style="list-style-type: none"> <li>• Information Security Board chaired by the SIRO held quarterly.</li> <li>• Suite of Information Governance Policies in place and annually updated.</li> <li>• Processes for Information Requests, Data Loss in place.</li> <li>• The Information Governance Training Strategy in place and training provided to staff with access to electronic personal data</li> <li>• Information Requests and Training compliance monitoring reports provided</li> </ul>	C	1	Medium Priority (Red/Amber)	<p>1) Completion of the GDPR Implementation Plan (6 months)</p> <p>2) Improve the IG Training compliance to meet the target of 100% (3 months)</p>	<p><b>Christine Salter</b></p> <p><b>(Vivienne Pearson)</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
information held by Cardiff Schools.	<p>personal data could be processed by the Council in its entirety</p> <ul style="list-style-type: none"> <li>An Information Notice which would mean that a service would have to provide information in a very limited period thereby impacting on service delivery</li> <li>Undertaking which requires an Action Plan of Remedial Measures which would be subject to ICO Audit</li> <li>Enforcement Notice requires immediate improvement action to be put in place</li> <li>Financial Penalty up to £500,000 (currently)</li> <li>The General Data Protection Regulation will come into force in May 2018 and puts in place a new Enforcement Regime and financial penalty structure. The maximum fine will be 4% of turnover or 20,000,000 euros</li> </ul>				<p>and reported to Information Security Board, SIRO.</p> <ul style="list-style-type: none"> <li>ICO Consensual Audit determined that the Council is considered to have a 'reasonable level of assurance' in place</li> <li>Standard Contracts include a clause regarding 3rd Parties processing personal data and obligations in respect of Freedom of Information</li> <li>Processes established through procurement and ICT acquisition processes for ensuring Privacy Impact Assessments are completed if personal data is being processed, including Data Processing Agreement with third party contractors</li> <li>Privacy Impact Assessment Board established to ensure that the Council, when changing systems and processes where personal data is involved, considers relevant legislation.</li> <li>Advice provided to the National Adoption Service, and Service Level Agreements in place for service provisions to Rent Smart Wales and Cardiff Capital Region City Deal as Cardiff Council is the Data Controller for these services</li> <li>Advice and assistance provided to collaborative services of the Educational Consortium, Vale, Valleys and Cardiff Regional Adoption Service and Shared Regulatory Service where Cardiff is not the Data Controller</li> <li>Advice and Guidance Service in operation to Cardiff Schools (with the exception of Eastern High and St Illytds) to support compliance within schools and governing bodies</li> <li>Advice and guidance available to Directors and Lead Officers on the Information Governance aspects of Alternative delivery Models</li> <li>Digitisation of Records forms part of the considerations of the OD Programme for services becoming 'digital by default' and programmes of digitisation support provided to services where contracted.</li> <li>Corporate Retention schedule in place and updated annually in line with any legislative changes</li> <li>Information Governance Maturity Model established to monitor risks against areas of information governance to feed into corporate risk status</li> <li>The Digitalisation of Paper Records Strategy and associated business process changes is in place</li> <li>A Corporate external storage contract is in place to improve processes and financial spend on storage of paper records externally</li> <li>The Council's Data Processing Agreement template has been updated to ensure that this remains compliant with the requirements of the Data Protection Act</li> <li>GDPR Implementation Plan is in place and a GDPR Implementation Group has oversight of progress and will escalate issues to the Operational Manager Information Governance and Risk Management and the Council's SIRO.</li> </ul>					<b>Councillor Christopher Weaver, Finance Modernisation and Performance.</b>
<p><b>Social Services – Provision</b></p> <p>Failure to provide robust and adequate social services in the context of increasing costs and limited resources.</p>	<p>Reputational / Community / Legal / Financial / Stakeholders / Service delivery</p> <p>Quality and range of services and interventions compromised, e.g.:</p> <ul style="list-style-type: none"> <li>Safety and welfare of individuals in the community compromised.</li> <li>Achievement of good outcomes for service users compromised.</li> <li>Shortage of appropriate services including placements.</li> <li>Inability to meet key objectives and performance targets.</li> <li>Increase in challenges from carers, including financial challenges.</li> <li>Increase in Delayed Transfers of Care (DToC).</li> </ul>	<b>B</b>	<b>1</b>	<b>High Priority</b>	<p>Strategic service improvement governance arrangements including:</p> <ul style="list-style-type: none"> <li>Adult Social Care Strategic Commissioning Programme.</li> <li>Internal Review team within Assessment &amp; Care Management continues to focus on delivery of targeted reviews and reviewing packages of domiciliary care for individuals.</li> <li>Disability Futures Programme in place to transform futures for disabled children.</li> <li>Community Resource Team moved to 7 day working.</li> <li>Director has commissioned the Institute of Public Care (IPC) to facilitate strategic development as follows: <ul style="list-style-type: none"> <li>Develop outreach Community Resource Team services.</li> <li>Support the development of an Older People's Housing Strategy.</li> <li>Redesign of Day Opportunities for Learning Disabilities to include capital programme.</li> <li>Development of a Reablement Strategy.</li> </ul> </li> <li>Comprehensive Integrated Care Fund (ICF) funded interventions designed to strengthen domiciliary care capacity in place.</li> <li>Workforce augmented as a consequence of funded pressures and additional posts.</li> <li>Financial 5-10 year analysis of growth and pressures completed.</li> <li>Key strategies to promote independence, manage demand and enhance prevention in place as follows: <ul style="list-style-type: none"> <li>Early Help Strategy (for children).</li> <li>Multi-Agency Safeguarding Hub (MASH).</li> <li>Child Sexual Exploitation (CSE) Strategy</li> <li>Adolescent Resource Centre.</li> <li>Signs of Safety.</li> <li>Asset Based Approaches in Adult Services.</li> </ul> </li> <li>Enhanced First Point of Contact with Communities &amp; Housing Directorate.</li> </ul>	<b>C</b>	<b>1</b>	<b>Medium Priority (Red/Amber)</b>	<ul style="list-style-type: none"> <li>Implementation of strategic review facilitated by the Institute of Public Care with a view to agreeing a 5-10 year Financial Strategy for adult social care.</li> <li>Inter-agency, city wide preventative strategy for children under development to include: <ul style="list-style-type: none"> <li>Further enhancement of the Early Help Strategy.</li> <li>Pilot locality initiative with third sector partners.</li> <li>Extension of Signs of Safety.</li> <li>Linking to realignment of Families First programme.</li> </ul> </li> <li>CSE Strategy to be reviewed to incorporate wider exploitation issues and young adults.</li> </ul>	<p><b>Sarah McGill</b></p> <p><b>Councillor Susan Elsmore, Social Care, Health &amp; Well-being</b></p> <p><b>Councillor Graham Hinchey, Children &amp; Families.</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
<p><b>Promoting Independence</b></p> <p>Failure to sustain an effective whole system approach that enables adults with significant health needs to remain in, or return to, their own homes and reduces the need for / length of hospital stays.</p>	<p>Reputational / Legal / Financial / Community / Stakeholders / Service delivery</p> <ul style="list-style-type: none"> <li>Increase in Delayed Transfers of Care (DToC).</li> <li>Poorer outcomes for adults.</li> <li>Potential ministerial intervention incurring significant reputational and political risk.</li> </ul>	B	1	High Priority	<ul style="list-style-type: none"> <li>Leadership group established to tackle DToC - consisting of Cabinet Members from the Cardiff, Vale of Glamorgan, Chair of UHB and relevant officers.</li> <li>Performance challenges set to improve DToC - includes ongoing close monitoring of DToC Plan.</li> <li>Joint action plan received and agreed by the Health Minister under frequent review to monitor progress.</li> <li>Health &amp; Social Care Integration - continued progression on integration with Health - partnership / governance.</li> <li>Community Resource Team moved to 7 day working.</li> <li>Comprehensive ICF funded interventions designed to strengthen domiciliary care capacity in place.</li> <li>Strategy to engage more proactively with the market in order to support better sustainability in domiciliary care established.</li> <li>Winter Pressures Planning undertaken for 2017/18.</li> </ul>	C	1	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Wales Audit Office (WAO) Review endorsed improvements in partnership landscape in Cardiff and establishment of a senior 'Virtual Team' now bringing benefits in terms of shared operational 'grip'.</li> <li>Performance continues to improve subject to winter pressures.</li> <li>Market management impacting effectively and containing 'price'.</li> <li>Strategic review of reablement with Institute of Public care (IPC).</li> <li>Strategic review of Matrix (Adam) and Proactis commissioning platform under way with a view to considering new arrangements.</li> <li>Review of Community Resource Teams.</li> <li>Implementation of Strengths Based Approach.</li> </ul>	<p>Sarah McGill</p> <p>Councillor Susan Elsmore, Social Care, Health &amp; Well-being</p>
<p><b>Delivering Capital Ambition Programme</b></p> <p>Projects within the Programme fail to deliver the change required to ensure the implementation of the Administration's agenda and to refocus services to meet the challenges faced by the Council and the city's wider public services.</p>	<ul style="list-style-type: none"> <li>Failure to deliver the Administration's Capital Ambition statement.</li> <li>Failure to respond to the key financial and organisational challenges that dominate the medium term planning horizon of the Council.</li> <li>Vital services will not be protected if we fail to find more efficient ways of working.</li> <li>Reputational impact if services do not meet increasing customer expectations.</li> <li>Public services are not delivered efficiently or effectively and fail to deliver joined up services to the public.</li> <li>Lack of a programme management approach to the delivery of these significant projects will result in lack of governance and failure to report project progress to relevant stakeholders in a timely manner.</li> </ul>	B	1	High Priority	<ul style="list-style-type: none"> <li>Governance arrangements established and led by the Chief Executive. The Modernisation component of the Capital Ambition Delivery Programme is led by the Corporate Director Resources; and the Resilient Services component is led by the Corporate Director People and Communities.</li> <li>Disciplined approach, where risk assessment forms an integral part of the approach to change.</li> <li>Programmes and projects initiated with dedicated resources.</li> <li>Experienced gained by managing programmes and projects over a number of years, building on lessons learned.</li> <li>An extensive training programme for the Capital Ambition Delivery Team has been rolled during 2017/18 to ensure both project management and business analyst's skills and knowledge are enhanced.</li> <li>Building capacity and capability across the organisation through development opportunities and skills transfer.</li> <li>Appropriate engagement and stakeholder management, including Trade Union meetings and updates for PRAP, Scrutiny and Internal Audit.</li> <li>Continued implementation of Programme &amp; Project Management Database to enhance management information and reporting. Investment Review Board review/approve Business Cases and prioritise resources.</li> <li>SMT acts as the Sponsoring Group and receives regular updates on programme and project progress. All Programme Briefs are submitted to SMT for discussion prior to them being signed off at the relevant programme board.</li> <li>Cabinet report dated 14th December 2017, approved the Delivering Capital Ambition Programme.</li> <li>The Cabinet Performance and Delivery Group has been established and will receive Programme updates on a quarterly basis.</li> <li>The Capital Ambition Delivery Programme (CADP) supersedes and replaces the Organisational Development Programme that had been in place since May 2014.</li> </ul>	C	2	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>All programme briefs for the CADP have been reviewed by SMT. They have/will now be reviewed and then signed off by the relevant Programme Board.</li> <li>Each project within the CADP will have a project brief developed by the end of Q1 18/19.</li> <li>All projects within the CADP will be captured on the Council's PPPM database.</li> <li>The current Organisational Development Programme will be closed down with programme closure reports being developed during Q1 18/19.</li> <li>A criteria for how projects will be accepted into the CADP will be developed with SMT and/or the relevant Programme Board.</li> <li>Governance arrangements will be reviewed to ensure the projects within the CADP are managed effectively.</li> <li>The Organisational Development Team has been renamed the Capital Ambition Delivery Team, to reflect the new delivery programme for the Council.</li> <li>A new Programme Manager's post was recruited into in May 18.</li> </ul>	<p>Christine Salter</p> <p>(Dean Thomas)</p> <p>Councillor Christopher Weaver, Finance Modernisation and Performance.</p>
<p><b>Legal Compliance</b></p> <p>Changes in services and staff roles across the Council resulting in:</p> <ul style="list-style-type: none"> <li>gaps in Council wide knowledge of the local authority framework of responsibilities and duties within which we have to operate;</li> <li>inability to deliver the services in accordance with all duties and responsibilities due to lack of resource;</li> </ul> <p>In each case leading to increased risk of challenges.</p> <p>Reduction and changes in front-line services, discretionary and statutory, will lead to increased risks of challenge from users and other stakeholders affected.</p>	<p>Reputational / Legal / Financial / Service delivery</p> <ul style="list-style-type: none"> <li>Increase in number of challenges and complaints with consequences in terms of already stretched resources and impact of adverse decisions</li> <li>Implementation of decisions delayed due to challenges and potentially fatally disrupted.</li> <li>Impact on projects if reputation for sound management and implementation of projects is damaged</li> <li>Major incident.</li> <li>Adverse press/media reaction</li> <li>Involvement from Welsh Government in terms of performance standards or measures.</li> <li>Increased costs</li> <li>Impact on capacity to deal with proactive legal work</li> </ul>	B	2	High Priority	<ul style="list-style-type: none"> <li>Professional internal legal and financial advice provided to a high standard.</li> <li>Maintaining robust decision making process with legal implications on all Council, Cabinet and Committee reports and Officer Decision Reports at Director level.</li> <li>Appropriate use of NPS Legal Services by Solicitors Framework to increase resilience.</li> <li>Dedicated teams in specialist areas e.g. equalities, FOI / DPA.</li> <li>Sharing training/publications received.</li> </ul>	C	2	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Prioritisation of work to make best use of internal expertise (including programme of projects in accordance with SMT decision)</li> <li>Further development of standard precedents with guidance for use in cases of low value/low risk/repetitive matters</li> <li>Provide legal training to Directorates to develop knowledge within Directorates of specific statutory functions.</li> <li>Encourage Directorates to ensure reports are discussed at preliminary stage in development to ensure all legal issues are addressed early.</li> </ul>	<p>Davina Fiore</p> <p>Councillor Huw Thomas, Leader.</p>



Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
<p><b>Education – Schools Delegated Budgets</b></p> <p>Secondary Schools with deficit budgets do not deliver agreed deficit recovery plans, impacting on the overall budgets for all schools.</p>	<p>Reputational / Legal / Financial.</p> <ul style="list-style-type: none"> <li>Budget implications.</li> <li>Reducing educational standards.</li> <li>Intervention from WG</li> </ul>	A	2	High Priority	<ul style="list-style-type: none"> <li>The 2018/2019 delegated budget allocations were issued to schools in early March 2018 and monitoring arrangements put in place for those schools showing financial concern.</li> <li>Officers from Education and Financial Services have started to work with individual schools through Headteachers and Governing Bodies to formulate Medium Term Financial Plans (MTFP) to seek to either balance individual school deficits within four financial years or to ensure that the accumulated deficits were frozen or slowed as much as possible.</li> <li>The previous fall in pupil numbers for certain schools made it clear that a longer period than four years was needed in order to achieve a balanced medium term position</li> <li>Officers continue to monitor and challenge those schools in deficit before allowing any additional financial commitments, both staffing and other expenditure.</li> <li>Work ongoing with all schools but focussed targeting on specific secondary schools to continue to dampen the growth in deficits and ensure that those that do occur are recoverable.</li> <li>Reviewing closely with Education Management Team and SOP in particular as to the opportunities available to address short medium term fall in pupil numbers for certain secondary schools</li> <li>For each school in deficit, the Council has identified a monitoring officer to provide an independent challenge to the school. This is in addition to the LFM Officer currently supporting that school</li> <li>Individual school budget monitoring positions reported to Education Management Team on a quarterly basis</li> <li>Officers have previously exercised the statutory powers of intervention in three secondary school governing bodies which is beginning to have a positive impact on the ability of the Council to ensure schools meet the targets set out in their deficit recovery plans.</li> <li>School Budget Forum agreed a revised protocol for responding to schools in deficit and this needs regular review with a tightening on the number of deficit budgets accepted. This has been reflected in the harder message contained within the 2018/19 school budget letters and the 2018/19 Budget Report.</li> <li>Finance Officers continue to meet with Challenge Advisers to discuss individual schools in respect of their financial and school standard performance.</li> <li>The Council has been able to protect school delegated budgets over and above the Welsh Government threshold and a smaller number of schools than in 17/18 have been identified as requiring meeting with S151 officer and senior education officers. These meetings will place in April and early May.</li> <li>The Council has also introduced an increased level of scrutiny of school curriculum plans through support identified with the Central South Consortium.</li> </ul>	C	2	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Council make full use, if necessary, of formal warnings and powers of intervention.</li> <li>Officers exercise the statutory powers of intervention on a school or schools in deficit who are unable to provide a medium term financial plan, this may involve removing delegation from a Governing Body.</li> <li>Officers explore through the School Organisation Planning process how different organisational arrangements for schools would affect the supply of pupils to schools thus affecting their delegated budgets. This will include an understanding of the long term impact of any unused school supply places on the funding formula.</li> <li>Work is continuing with the School Budget Forum and consortium to ensure that the formula funding mechanism is transparent and remains fit for purpose whilst considering any interaction or impact of any grant allocation decisions.</li> <li>Maintaining the need for financial probity whilst ensuring that each school has the opportunity to improve school standards.</li> <li>Working with consortium to ensure that maximising value from constituent parts of Education Improvement Grant is secured and that there is clarity of allocation mechanism for 2018/19 and beyond.</li> <li>Following consultation with the School Budget Forum an audit of budget impact on individual schools was undertaken during the Summer Term 2017. Unfortunately the response rate was not sufficient enough to identify any further specific impacts or trends arising from the schools budget settlement. The audit will be undertaken again for the 2018/19 settlement during the Summer term.</li> <li>Developing the medium term budget strategy for 2019/20 and providing early notification to budget forum and individual schools of likely impact of said strategy.</li> </ul>	<p><b>Nick Batchelar</b> <b>(Neil Hardee)</b></p> <p><b>Councillor Sarah Merry, Deputy Leader &amp; Education, Employment &amp; Skills</b></p>
<p><b>Fraud, Bribery and Corruption</b></p> <p>Fraud, financial impropriety or improper business practices increase as internal controls are weakened as resources become severely stretched.</p>	<p>Reputational / Financial / Legal / Service delivery / Stakeholder</p> <ul style="list-style-type: none"> <li>Increase in frauds and losses to the Council.</li> <li>Reputational risk as more frauds are reported.</li> <li>Increased time investigating suspected fraud cases.</li> </ul>	B	2	High Priority	<ul style="list-style-type: none"> <li>The Council communicates a zero tolerance approach to fraud, bribery and corruption.</li> <li>Regular review of relevant policies and procedures e.g. the Fraud, Bribery and Corruption Policy, Money Laundering Policy and Disciplinary Policy.</li> <li>Financial Procedure Rules and Contract Standing Order and Procurement Rules frameworks for staff to follow.</li> <li>Dedicated team of professionally trained and experienced investigators to prevent deter and detect fraud against the Council.</li> <li>Proactive work on National Fraud Initiative exercises led by the Internal Audit team, in collaboration with the Cabinet Office and Wales Audit Office.</li> <li>Receipt and dissemination of fraud intelligence alerts from law enforcement agencies.</li> <li>Regular reports to the Section 151 Officer and Audit Committee and the Chief Executive.</li> <li>Audit Committee review and assess the risk management, internal control and corporate governance arrangements of the authority.</li> <li>Independent assurance from Internal and External Audit on the effectiveness of governance, risk and control.</li> <li>Procurement team compliance role relating to contract procedure rules.</li> <li>Savings proposals are reviewed and supported by a robust business case and process in consideration of risks to the operation.</li> <li>Ongoing delivery of briefings to Schools on fraud and control risks.</li> <li>Cardiff Manager Programme includes session on risk management and compliance / control.</li> <li>Senior Management Assurance Statements – challenge to Directors and the Chief Executive.</li> <li>Provision of disciplinary management information on DigiGov.</li> <li>Multi-team collaboration in the development of the updated Disciplinary Policy and supplementary guidance materials.</li> <li>Mandatory disciplinary e-learning module for all managers to complete and a programme of mandatory e-learning modules and training for Disciplinary Hearing Chairs, Investigating Officers and Presenting Officers.</li> <li>Reported to Audit Committee September 2016, raising awareness of the</li> </ul>	C	2	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Look at raising profile of Fraud awareness and ensuring that consequences of weak controls in place are fully understood across the organisation.</li> <li>Publish the Fraud Bribery Corruption Policy with awareness and education sessions.</li> <li>Fraud Team to liaise with the Monitoring Officer and agree a policy for monitoring employees at work and a management framework for its enactment.</li> <li>Fraud Team to liaise with Monitoring Officer to produce a policy for undertaking online investigations.</li> <li>Continue to deliver the mandatory face to face training for Investigating Officers, Presenting Officers and Disciplinary Hearing Chairs.</li> <li>Develop and deliver a programme of training for investigatory interview note takers.</li> <li>Review process for ensuring appropriate fraud, bribery and corruption awareness for Council officers.</li> <li>Fraud Team to review a sample of Disciplinary Hearing outcomes, challenge consistency of disciplinary sanctions and report findings to the Section 151 Officer and Audit Committee.</li> <li>HRPS to enhance DigiGov to facilitate changes introduced by the new Disciplinary Policy and the production of management information, by the end of quarter 1 2018/19.</li> <li>Measure the effectiveness of fighting fraud and corruption against the CIPFA strategy by the end of Q2 2018/19.</li> </ul>	<p><b>Christine Salter</b> <b>(Ian Allwood)</b></p> <p><b>Councillor Christopher Weaver, Finance Modernisation and Performance.</b></p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
					<p>three documents published by CIPFA and an Executive Summary on Fighting Fraud and Corruption Locally.</p> <ul style="list-style-type: none"> <li>A Fraud Publicity Strategy has been approved, to publicise the Council's approach to counter fraud work / sanction activity and explain the roles and responsibilities of key parties.</li> <li>A Prosecution Policy has been in place since mid-2016.</li> <li>Undertake a skills assessment of the investigation team and invest in training as appropriate.</li> <li>Delivery of Cardiff Manager Programme</li> </ul>					
<p><b>Asset Management</b></p> <p>Ensure effective operation of the Council's Asset Management Board to achieve effective strategic oversight and identified savings.</p>	<p>Reputational / Legal / Financial / Health &amp; Safety / Stakeholders</p> <ul style="list-style-type: none"> <li>Poor use of assets / VFM.</li> <li>Lost opportunity for capital receipts.</li> <li>Increased maintenance.</li> <li>Prosecutions / fines.</li> </ul>	B	2	High Priority	<ul style="list-style-type: none"> <li>Cabinet formally approved a new Property Strategy in November 2014.</li> <li>Corporate Asset Management Board and supporting Working Group now set up to raise property profile and introduce more structured, disciplined approach to management of property and the Office Accommodation Rationalisation Programme.</li> <li>Established rolling programme of 'Fitness for Purpose' reviews of all council properties providing high level assessment of the current performance and value of buildings.</li> <li>Carbon Management / Energy Efficiency - Certificates / General Awareness / Introduction of Energy Renewables Strategy.</li> <li>Established Implementation Plan for the new Property Strategy.</li> <li>Determined governance and work programme updates for new Corporate Asset Management Board at meeting in January 2015.</li> <li>Review of Investment portfolio completed. Report on future strategy and direction of non-operational estate presented to PRAP in January 2015 for onward consideration by Cabinet in June 2015.</li> <li>Asset Management Plan considered by Cabinet in July 2015.</li> <li>Future Strategy and direction of the Council's non – operational Investment Estate approved by Cabinet in November 2015.</li> <li>Asset Management Board and Partnership Board fully operational.</li> <li>Delivered targets in Corporate Asset Management Plan in 2015-17 as follows: <ul style="list-style-type: none"> <li>Gross internal floor area reduced by 3.5%</li> <li>Maintenance backlog reduced by @£4.4m</li> <li>Running cost reduced by £1m</li> <li>Delivered £6.7 million capital receipts</li> </ul> </li> <li>Corporate Asset Management Plan 2016/17 considered by Cabinet in July 2016.</li> <li>A property investment board has been established comprising officers from Strategic Estates, Capital and Revenue Accounts and also an external property advisor. The external property advisor was appointed in March 16.</li> <li>Advisor appointed in Q1 to assist with the review of all investment assets and to develop an Investment Estate Strategy.</li> <li>Completed Insole Court community asset transfer (CAT), which was the largest CAT in Wales.</li> <li>Progressing Corporate Asset Management Plan targets. In quarter 2 we achieved a 0.9 reduction in GIA, 2.2% reduction in running costs, £3,054,000 reduction in maintenance backlog, and £2,401,710 in capital receipts.</li> <li>Inaugural Investment Estate Strategy completed. Approved by Cabinet and Scrutiny.</li> <li>Regular monthly Investment Estate Board meetings are taking place to manage implementation of the Strategy.</li> <li>On course to achieve the 5 year Corporate Property Strategy targets by April 2020. CAMP achievements for 2016/17 - 7.9% reduction in GIA (617,593 sqft), 9.2% reduction in running costs (£3.3m), £4,500,000 reduction in maintenance backlog and £6m capital receipts.</li> <li>Investment Review Board approved a business case to procure a software system to hold appropriate asset management information.</li> <li>Investment Estate Manager recruited.</li> <li>The Corporate Land and Property Management Plan (CLPMP) for 2018/19 was published in Q4.</li> </ul>	D	2	Medium Priority (Amber/Green)	<ul style="list-style-type: none"> <li>Asset Management Software System - Following instruction from Investment Review Board (IRB), a detailed business case relating to the acquisition and implementation of a new property Asset System has been compiled as part of the Corporate Landlord Programme. The business case will be presented back to IRB in May for final approval, after which implementation will commence immediately..</li> <li>Investment Strategy action plan reviewed and assets RAG rated. Progressing priority actions resulting in an improved capital and revenue position. Rental income has increased and progress is being made to analyse the net yield of the estate.</li> <li>The Council remains on track to meet the targets defined in the 5 year Corporate Property Strategy (2015-2020).</li> <li>The Corporate Land and Property Management Plan (CLPMP) results for 2017/18 show that the targets for GIA, Revenue, maintenance backlog reduction and capital receipts were not achieved in year. Delays in completing a number of key transactions has resulted in slippage. All of these transactions are being processed and will complete early in 18/19 rather than 17/18. On track for 5 year strategy.</li> </ul>	<p>Neil Hanratty</p> <p>Councillor Russell Goodway, Investment &amp; Development.</p>
<p><b>Workforce Planning</b></p> <p>Importance of forecasting and planning to build capability and capacity for the future is not fully recognised and embedded.</p>	<p>Reputational / Financial / Stakeholder / Service delivery</p> <ul style="list-style-type: none"> <li>Poor service delivery due to ineffective use of resources.</li> <li>Lack of resources with the knowledge and skills the Council requires for future delivery</li> <li>Loss of resources and recruitment problems.</li> <li>Poor morale</li> <li>Loss of experienced staff members including managers</li> <li>Reduce the likelihood of attracting high calibre managers to Cardiff Council</li> <li>Risk of not meeting statutory and legislative requirements in relation to specific workforce requirement e.g. social care.</li> <li>Risk of workforce not representing the</li> </ul>	B	2	High Priority	<ul style="list-style-type: none"> <li>Workforce Strategy developed and agreed by Cabinet in April 2015 and programme developed to encompass a number of projects relating to the requirements around this risk, including Workforce planning, Learning &amp; Development, PPDR review and Employee Voice.</li> <li>The Workforce planning project has a completed project brief identifying a number of key outputs</li> <li>Workforce planning dashboard data provided to each Directorate to inform Directorate Delivery Planning discussions and development.</li> <li>Research and benchmarking undertaken to help inform WFP approach going forward; including – attendance at WLGA – Work Force Planning Wales event - LGA/ Skills for Local Government hosted COP event.</li> <li>HR working with Directorates where required, to help identify appropriate strategies to support their WFP agenda.</li> <li>Children's Services have developed a Workforce Strategy for their area which is being reviewed on a regular basis.</li> <li>Resources have held a workshop which focussed on Professional and</li> </ul>	B	3	Medium Priority (Red/Amber)	<ul style="list-style-type: none"> <li>Renewed Workforce strategy for 2018-2021 due to be presented to Cabinet June 2018</li> <li>Revised toolkit to be presented to SMT in April 2018, and then rolled out across the Council during May and June 2018</li> <li>The Council is reviewing its resourcing strategies to ensure that it is a considered employer for young people leaving school, college and universities.</li> <li>Recruitment advertising to be reviewed and processes put in place to ensure that adverts are reaching hard to reach groups</li> <li>Work is taking place to identify areas where the employee group is not representative of the communities and actions identified of what could be done to improve this</li> <li>Actions being taken to improve the accessibility to Welsh language either through the recruitment process or through</li> </ul>	<p>Christine Salter</p> <p>(Philip Lenz)</p> <p>Councillor Christopher Weaver, Finance Modernisation and Performance</p>

Risk Description	Potential Consequence	L	C	Inherent Risk	Current/Existing Controls	L	C	Residual Risk	Proposed Management Action	Risk Owner
	communities to which services are delivered.				<p>Technical areas to inform the key skills required for the Directorate going forward.</p> <ul style="list-style-type: none"> <li>• Work has taken place with Cardiff and Vale College to roll out an Essential Skills diagnostic tool to frontline employees through Commercial Services</li> <li>• A programme of NVQ study is being discussed with Cardiff &amp; Vale College and Commercial Services are coming forward with cohorts of employees to attend.</li> <li>• Employee surveys carried out to identify areas where further employee engagement / development can be focused.</li> <li>• Work has been carried out with WLGA and WAO to look at a Wales wide workforce planning process for use within Local Authorities.</li> <li>• Project brief for Workforce Planning provides full details of milestones and implementation dates.</li> <li>• A review of the courses provided by the Cardiff Academy has taken place to ensure that these meet the skills requirements for the future.</li> <li>• The Council is committed to providing apprenticeships and traineeships for young people and this programme will be enhanced further with a specific target of 100 opportunities for 2017/18.</li> <li>• Workforce planning tool kit has been rolled out to pilot areas and workshops taking place between May and September 2017.</li> <li>• Feedback from pilots has been received and allowed for the toolkit to be reviewed.</li> <li>• Full rollout of Workforce planning toolkit to take place in 2018/19.</li> </ul>				<p>the training and development of current employees</p> <ul style="list-style-type: none"> <li>• Development to take place of a corporately agreed skills set for the future delivery of services so that all employees and posts can be measured against this skill set to identify learning and development gaps</li> <li>• An IT solution to be sourced during 2018/19 in order to develop workforce planning further and to ensure that the Council has available the data it requires to ensure efficient workforce planning in the future.</li> </ul>	

Mae'r dudalen hon yn wag yn fwiadol

**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**MANAGEMENT OF THE COUNCIL'S NON-RESIDENTIAL  
PROPERTY ESTATE – EMBRACING A CORPORATE LANDLORD  
MODEL**

**INVESTMENT & DEVELOPMENT (COUNCILLOR RUSSELL  
GOODWAY)**

**AGENDA ITEM: 9**

**Reasons for this Report**

1. To confirm Cabinet's commitment towards the full implementation of the Corporate Landlord model across all areas of the Council's non-domestic estate and to highlight some proposed changes required to accelerate progress.
2. To agree Cabinet's response to the recommendations of the Policy Review & Performance (PRAP) Scrutiny Committee as contained in the report of its Task & Finish Group "*Managing the Estate Under a Corporate Landlord Model*", a copy of which is attached at Appendix 1.
3. To report progress in addressing the recommendations of the September 2017 Independent Review of Health Safety Compliance across the Council's operational estate.
4. To seek Cabinet approval of the process to be followed to identify and deliver capital receipts required to meet the commitments set out in the Medium Term Financial Plan.

**Background**

5. The Council manages an estate of some 1000 non-residential properties with a current use value of circa £1.2 billion. Approximately 450 properties (circa 2,000 buildings) are currently being used for operational purposes. However, the estate presents significant challenges in terms of its annual running costs, now in the region of £60 million and in terms of the ever growing maintenance backlog currently estimated at some £370 million. The position is compounded by a mixed picture in terms of statutory compliance, particularly in respect of health and safety requirements, which has taken over 12 months of corporate focus to understand and manage.

6. As a result, in recent years, the manner in which the Council manages, operates and maintains its estate has come under internal and external scrutiny including a detailed review by the Wales Audit Office that led to a series of recommendations designed to improve the way in which the estate is managed. In response the Council developed its 2015-2020 Corporate Property Strategy which WAO has acknowledged should go some way to addressing the current issues.
7. As part of the strategy, a new approach which aims to centralise all property related functions under one directorate to improve decision making, governance and financial management is being implemented. This approach, which has become known as the Corporate Landlord model, will result in the “ownership” of all property assets (other than those managed by the Housing Revenue Account) being transferred from individual directorates to the County Estates within the Council’s Economic Development Service.
8. Alongside the development of the Corporate Landlord model, the Council has also established a programme of property modernisation, rationalisation and collaboration with other service areas and other partner organisations designed to improve the efficient use of the overall estate. This process is managed via the annual Corporate Land and Property Management Plan (CLPMP). The 2018/19 CLPMP was presented to Cabinet in February 2018 and sets out in a clear and transparent way, the process by which a detailed programme of disposals, relinquishments and investments will be delivered during the current year. The Medium Term Financial Plan presented to Council in February this year, as part of the detailed 2018/19 budget proposals, includes an ambitious target for the delivery of some £40 million of useable capital receipts over the medium term. The Administration is conscious that, if this target is to be achieved then, a programme of disposals will need to be agreed at an early date. Although it will undoubtedly prove to be controversial, the detailed list of the properties to be disposed of will need to be presented to Cabinet in the autumn in order to allow for a realistic and manageable timetable to be agreed and appropriate marketing arrangements to be put in place. The proposed approach for identifying the list of disposals is presented later in this report.

### **Policy Review and Performance Scrutiny Task and Finish report**

9. The PRAP Scrutiny Committee, at its meeting on the 20 September 2017 established a Task & Finish Group charged with undertaking an inquiry into the Council’s approach to managing the estate under a Corporate Landlord model within the following Terms of Reference:
  - To examine Cardiff Council’s proposal to adopt a Corporate Landlord model and ascertain the benefits for residents, community groups, and the organisation by:
  - Establishing the reasons for introducing the model
  - Identifying the scale of benefits for community organisations in terms of access to facilities

- Identifying the scale of benefits for the Council in terms of capital and revenue budgets
  - To identify the key challenges overcome by other Local Authorities who have adopted the Corporate Landlord model
10. The Task & Finish group collected and assessed evidence obtained from a number of expert witnesses as well as elected members and council officials and has now reported its findings and its associated recommendations to the PRAP Scrutiny Committee which has endorsed the report. The report has been forwarded to Cabinet for its consideration. The Task & Finish Group has recommended:
- R1. *Cabinet agrees, within three months of the Assistant Director (Corporate Landlord) taking up post, a clear statement of its vision for the Corporate Landlord model in order to counter contradictory interpretations. The statement, based on ensuring that there is complete corporate “buy-in” for the model if it is to be successful, should be a key component of future Corporate Land and Asset Management Plans and must give an unambiguous message that the Corporate Landlord model is fundamental to the future operation of the Council.*
  - R2. *The Council Leader must ensure that political responsibility for the Corporate Landlord sits within a single Cabinet portfolio. There can be no “partial” Corporate Landlord.*
  - R3. *Cabinet tasks the new Assistant Director (Corporate Landlord) with creating a centralised Corporate Landlord management structure, to ensure that central management of all corporate assets is in the hands of property experts.*
  - R4. *A Corporate Landlord executive summary is produced annually as part of the budget setting process in order to identify the resources available to meet the asset maintenance backlog. The executive summary should include:*
    - *Value of the current maintenance backlog*
    - *Prioritised list of asset maintenance projects*
    - *Investment estate market value*
    - *Current revenue generated from the investment estate*
    - *Capital receipt targets*
    - *How increased revenue will be allocated*
    - *Should there be a gap between capital receipts (source of funds) and maintenance costs (allocation of funds) the executive summary should enable estate managers to close the gap if needed.*
  - R5. *The Chief Executive should review and refresh as required the roles and responsibilities of the senior management team to reflect*

*the centralised management of assets under a Corporate Landlord Model.*

*R6. A preventative maintenance programme must be in place for all Council assets. Cabinet should ensure that:*

- Proposals for new buildings factor in preventative maintenance at the planning stage*
- A preventative maintenance is in place for retained assets*

*R7. Cabinet should ensure that, during the first 12 months following the appointment of the Assistant Director (Corporate Landlord), Landlord and Occupancy Agreements are put in place for all Council properties and the terms agreed by relevant parties. For schools, in particular, agreements must make explicit where responsibility lies for the management and maintenance of school buildings. The implications of the Corporate Landlord model for school budgets must be made clear by the start of the 2019/20 school financial year.*

11. As the Cabinet Member responsible, I welcome the report and I am minded to advise Cabinet to agree its recommendations in full with one partial exception, and subject to the review of senior management arrangements outlined later in this report. In relation to R6 above, whereas I am minded to recommend acceptance in regard to new buildings, I am advised that, given the current condition of the estate, to attempt to put in place a preventative maintenance programme for retained assets would be neither affordable nor deliverable. However, I am prepared to recommend that Cabinet agrees that the Council adopts a condition based regime in relation to existing assets which will maintain the correct priority asset at the relevant time. I am advised that this approach uses real-time data including, cyclical inspection requirements (e.g gas boiler service reports) health and safety inspections (e.g. fire risk assessments) and property condition monitoring reports, combined, to prioritise and optimise maintenance resources and funding.

## **Issues**

12. The Council is currently part way through the implementation of the Corporate Landlord model which essentially vests ownership and responsibility for all of the Council's non domestic land and property assets centrally with the County Estates based in the Economic Development Directorate. As part of this, nearly all (non-domestic) property related budgets have been centralised and the majority of (non-domestic) property related staff across the authority have also been transferred into the Economic Development Directorate. In addition, numerous strands of work have also been initiated:
- Work to better understand and collate the value, costs and utilisation associated with all of the Council's buildings and land assets;



- Work to ensure the Council's buildings are safe and comply with statutory Health and Safety regulations;
  - Work to ensure better value for money is achieved for every pound spent on property by the Council;
  - Work to improve the reputation of the Council as a Landlord through better communication with users of buildings and more clearly defined responsibilities.
13. In November last year Cabinet approved the Strategic Outline Business Case for Band B of Welsh Government's 21<sup>st</sup> Century Schools Programme. This will result in the replacement of a number of the Council's secondary, primary and additional leaning needs school buildings which are currently in an extremely poor condition. In the February 2018 budget, Council also approved a substantial increase in the asset improvement budgets available for schools over the next 5 years.
  14. Work has since been initiated by the Education Service and County Estates to consider how this investment will be implemented effectively. External advice has been commissioned to review the skills, capacity and governance that will be required and is attached as Appendix B. In summary, it is proposed to introduce a new wrap of governance to ensure robust decision making involving all relevant areas of the Council and ensuring better review by relevant Cabinet members, as outlined in Appendix C. It is also proposed to bolster capacity within both the Education Service and County Estates. In particular it is proposed to appoint a new senior manager within the Education Service to provide the Senior Responsible Officer programme management oversight of the whole Band B programme.
  15. County Estates will support the Education Service to deliver all of the the property elements of the Band B programme. Essentially a client – contractor relationship will be established, with the Education Service as client and County Estates as contractor. In addition to this, budgets relating to the maintenance of schools will now be held by County Estates, with spend prioritised jointly by the Education Service and County Estates to ensure educational priorities are considered equally alongside property condition priorities when deciding where to invest. Given the scale of the programme, additional senior management capacity will also be required within County Estates. To that end it is proposed to review existing senior management arrangements in County Estates to enhance management capacity which may include the deletion of the vacant Assistant Director Corporate Landlord post to enable current allocated resources to be reallocated in accordance with the findings of the review.
  16. In addition to bolstering staff capacity, there is a need to further centralise control over property related spend across the Council. At present there remains opportunity for service areas to spend budgets without proper approval through the Corporate Landlord processes. This creates significant budget management issues which tend to manifest in overspends at year end. It is therefore proposed that financial control

mechanisms are put in place to ensure sign-off of all property related spend is undertaken by the Director of Economic Development or officers with the appropriate delegated authority from the Director of Economic Development.

### Health & Safety and Statutory Compliance

18. Following the unplanned closure of three secondary schools in 2016/17 the Council commissioned an independent review of health and safety compliance across the schools estate which was subsequently extended to cover the whole of the operational estate. The review is attached as Appendix D. In March 2018 the Council commissioned the same independent advisor to undertake a further review to report on progress against the original recommendations. The March 2018 report is attached as Appendix E.

#### *Statutory Obligations*

19. The key recommendations made in the original report of September 2017 can be summarised as follows:
- Increase visibility of the Property Portfolio as a corporate asset and service enabler.
  - Provide absolute clarity in key areas of risk and the management, mitigation, visibility and reporting thereof under a single point of control and communicated properly.
  - Provide absolute clarity in accountability, responsibility, competence, control, and effective communication thereof.
  - Overcome the complexity of financial resources, financial constraints and drivers for cost savings and lack of resources being channelled correctly into reinvestment and preventative activities.
  - Invest in Health and Safety of property management, buildings and operations, creating a culture where Health and Safety is accepted and embraced as part of everyone's role.
  - Address Governance and Assurance: Enhance visibility, control and assurance at senior management level in Health and Safety, Compliance and Regulations.
20. Work has been taken forward on addressing all of these key matters, however assurance was more recently sought by the Chief Executive to review whether substantive progress has been made (see Appendix E).
21. The March 2018 report observes that the introduction of the Corporate Landlord programme is a major step forward in the management and control of the Council's estate. It recommends however, that its role must be communicated effectively across the Council and that the correct controls are put in place. The report recognises that the Corporate Landlord programme is in itself a significant programme that will take a number of years to fully implement and pointed out that there needs to

be vigilance in the intervening period around commissioning of works, compliance and health & safety.

22. Whilst the report noted that controls and processes have been put in place, it also noted that there are still instances occurring where works are commissioned on the estate outside of these controls, that has the potential to undermine this progress. Significantly, whilst the corporate health and safety team has expanded and will expand further, schools are still able to utilise unapproved contractors and this represents an ongoing risk. The report acknowledges that the newly drafted Education Schools Handbook and Memorandum of Understanding helps to clarify roles and responsibilities and that the new Property Services Service Level Agreement 2017, issued to schools offers a proactive solution that seeks to both support and address the issue.
23. The report also supports the introduction of the RAMIS system, noting that: *“the recent purchase and installation of the RAMIS compliance management system is an important ‘enabler’ for improving performance in the area, in particular, the development of an Inspection and Testing Forward Plan to assure compliance.”*
24. The independent advisor recognised that further improvements will be achieved through the establishment of the fully funded internal Statutory Obligations team within Property Services, together with the establishment of separate contractual arrangements specifically for the delivery of statutory obligations testing and remedial works. These actions are both progressing.
25. The corporate Health & Safety team has been strengthened with the appointment of a new Head of Health & Safety and an agreed new structure has been agreed and is being appointed. This team will add specific expertise on property related statutory obligations, provide advice into the Corporate Landlord functions and conduct regular audits and inspections on internal and external contractors. To further support this approach the Corporate Health and Safety team and the Education Service have agreed a new Service Level Agreement for providing robust health & safety advice to schools at a local level with dedicated officers currently being recruited.
26. While many actions identified both internally and by the external independent advisors are either underway or completed, there remains a significant set of improvement actions that will take a number of years to complete in full. The next steps in this area of the Corporate Landlord programme are as follows:
  - Fully populate the new RAMIS system covering all health & safety inspection scheduling regimes and complete the training of all users, managers and contractors for all safety related inspections and remedial works.
  - Establish a Corporate Asset Management Commissioning Group to compliment other Commissioning Groups such as the Education or Community Asset Commissioning Groups.

- Complete the separation of the Statutory Obligations team from an income generation approach.
  - Set up and resource a fully committed Customer Account Management system to further support embedding health & safety delivery for customers, while building on customer relationships.
  - Set up a cogent Contractor Account Manager hierarchy for robust contract safety management relationships.
27. The outcome of these changes will bring about:
- Assurance of strong risk management of our buildings and safety for all their users.
  - Provision of a buildings portfolio which is fully compliant with statutory obligations.
  - Provide a 100% pre-planned compliance works and deliver above 95% compliance at any one time.

#### Medium Term Disposals Programme

28. As stated above, a key part of the strategy to improve the quality of the Council's estate and health & safety compliance is to dispose of the poorest quality assets in the Council's ownership. This strategy relates directly to the recent commitment in the Council's budget 2018/19 to deliver an enhanced programme of disposals to generate additional capital receipts to support the Council's Medium Term Financial Plan and the Band B schools investment programme.
29. The delivery of the projected capital receipts will come from the release of assets across the operational estate, the non-operational estate and the Council's land assets. In accordance with the Council's Property Strategy, a schedule of audits, which provide greater intelligence on all assets including occupancy, suitability and safety compliance are underway and will be used to identify opportunities to generate windfall receipts as well as opportunities to reduce the maintenance backlog.
30. It is anticipated that once the estate is fully reviewed sufficient assets will be identified for release to deliver the enhanced capital receipt programme. However, it is important to note that to enable the programme for the delivery of capital receipts, funding will be required for supportive estate management costs, transition maintenance costs and the costs of relocating services or community provision where they are deemed essential to continue. Further work is required to develop a detailed funding plan for this enabling expenditure in particular identifying the extent to which this expenditure can be capitalised by top-slicing capital receipts. Any enabling costs that are appropriate to be capitalised, will require an even greater level of receipts to be achieved to off-set these costs.
31. A detailed report setting out the full capital receipt programme will be the subject of a further report to Cabinet in the Autumn. However, whilst the

work to audit the estate is undertaken, a level of immediate control is required forthwith if the future targets are to be achieved. In particular, it will require all historic and future property and land uses to be sufficiently challenged. It is therefore proposed for the following controls to be put in place with immediate effect across the entire operational estate:

- All requests for design work to have corporate visibility through the new governance arrangements.
- All requests for property improvements/investment to have corporate control through the new governance arrangements.
- All requests for Community Asset Transfers, Third party occupancies, licences or leases of any part of the estate to have corporate visibility through the new governance arrangements.
- Change of use and occupancy on all of the estate (schools, community and all other users) to be agreed and asserted through the governance arrangements.
- It is imperative all underutilised, surplus and or vacant properties must be reported through the new governance arrangements.
- All works on any asset are managed through one set of agreed governance processes to assess and assure compliance and suitability.

32. In order to support the disposals programme through the release of operational property, there will be a requirement for Service Areas to produce Service Area Property Plans, linked to Service Area Workforce Strategies, outlining how they will support delivery of the Council's strategic property targets. Further to this, it is proposed that all decisions made by the Council will properly consider the property implications of decisions. As such, it is proposed that all relevant Cabinet Decision reports and Officer Decision reports will consult with Corporate Landlord in a similar way to financial, legal and HR advice.

### **Reason for Recommendations**

33. To continue the implementation of the Corporate Landlord programme and to update Cabinet on progress in regard to health and safety compliance.

### **Legal Implications**

34. The Council has an underlying fiduciary duty to ensure value for money from the acquisition, management and disposal of public assets.

### **Financial Implications**

35. The report identifies a number of areas where additional Corporate Landlord resources, or amendments to budgetary arrangements, are proposed but the funding mechanism to deliver these changes has not been identified. The Statutory Obligations section of the report specifically refers to the separation of the Statutory Obligations team from

the income generation funding approach, which applies to the remainder of Building Services, without identifying how it is proposed that this team would be funded. Paragraph 14 refers to proposals to bolster capacity within both the Education service and the Council's Property functions. Again how this increased capacity will be funded will need to be developed and included in the future review of the relevant management arrangement. Given the financial pressures facing the Council in the short and medium term any additional capacity or resources will need to be funded from existing resources including from delivered savings. Any risks to the Council with regard to the delivery of these savings, such as the generation of additional income, and the timing of these savings in relation to the costs they are financing will need to be identified in the relevant detailed Implementation Plans. A joint approach is proposed for the delivery of the property elements of the Schools Plan B programme. The successful delivery of this programme will be conditional on a clear understanding and clarity of the respective parties roles and responsibilities including their financial roles and responsibilities.

36. The Medium Term Disposals Programme section of the report outlines an approach to generating additional capital receipts. This potentially involves an element of "top slicing" to fund enabling expenditure to deliver this enhanced programme of receipts. The details of what is included in this enabling expenditure will need to be developed in order to ensure that it meets the criteria for being classified as capital expenditure. The use of Capital Receipts is restricted to funding capital expenditure or the repayment of debt. If it is not possible to fund this expenditure from capital receipts then alternative funding sources will need to be identified for this expenditure.
37. The PRAP Scrutiny recommendations include endorsing the switch from a reactive maintenance regime to one that is focused on a planned preventive maintenance programme. The transition will take a number of years to fully embed and will be driven by the Corporate Landlord Operating Model underpinned by the improved management information obtained from the property condition surveys. With the financial pressures facing the Council over the MTFP horizon the planned preventive maintenance programme will need to remain affordable as emphasised in paragraph 11 above. This will involve the prioritisation of maintenance works which in turn will be informed by the Council's Disposal programme, the Service Areas Property Plans and the property condition surveys.

## **RECOMMENDATIONS**

Cabinet is recommended to:

1. Accept the recommendations of the PRAP Scrutiny Task & Finish Group Report attached as Appendix F, except for Recommendation 6 which is partially accepted as explained in this report.

2. Note the recommendations of the independent review of statutory obligations and health and safety compliance set out in Appendices 2 and 3 and the on-going work to address the key recommendations.
3. Approve the strategy outlined in this report for commencing the identification of disposals and relinquishments to deliver the capital receipts required to meet the Medium Term Financial Plan.
4. Agree to the proposals set out in this report to enable the full implementation of the Corporate Landlord model, including:
  - a) Tighter controls over all building related spend.
  - b) The delivery of all new build projects through the Corporate Landlord team based in the Economic Development directorate.
  - c) Requirement for Property Implications to be included in all Cabinet Reports and Officer Decision Reports where there is an impact upon Council owned land and buildings.
- (v) Delegate authority to the Chief Executive, in consultation with the Cabinet Member for Investment & Development and the Cabinet Member for Finance, Modernisation & Performance, to review and implement new senior management arrangements for the Council's Property Functions within the Economic Development Directorate, including if required the deletion of the vacant Assistant Director post.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Neil Hanratty Director of Economic Development</b>
	<b>6 July 2018</b>

*The following appendices are attached:*

- Appendix A: Schools Building Handbook & Memorandum of Understanding
- Appendix B: Education Delivery Strategy Review
- Appendix C: Property Governance Arrangements
- Appendix D: Independent report on health & safety compliance
- Appendix E: Progress report on the implementation of the compliance Action Plan
- Appendix F: Managing the Estate under A Corporate Landlord Model - PR&P Scrutiny Committee. May 2018
- Appendix G: Equality Impact Assessment

Mae'r dudalen hon yn wag yn fwriadol



# DRAFT

## Cardiff Council

# School Building Handbook

For Maintained, Voluntary Aided, Voluntary Controlled  
and Foundation Schools in Cardiff



# Our Duties

## Managing School Property

School buildings constitute a significant element of the Council's assets in Cardiff. The importance of the school learning environment is recognised in Cardiff 2020: a renewed vision for education and learning in Cardiff as one of five goals. The goals states:

### ***21<sup>st</sup> Century learning environments***

“There are appropriate, high quality school places for children and young people which meet the needs of Cardiff's growing and changing population. Schools provide a safe and inspiring environment for learning and are strongly connected to their communities”.

The Local Authority, Governing Bodies, Head Teachers, as Duty Holders, along with their staff all have mutual responsibilities in ensuring that school buildings and facilities are maintained, that the required operational health and safety standards are met and that statutory obligations are complied with.

### **Purpose of this document**

In respect of school buildings, the Council as ‘the Landlord’ has developed a new Memorandum of Agreement for School Buildings that sets out the high-level obligations of the Council and School. This is supported by this refreshed School Building Handbook which is intended to better define the operational and statutory requirements for each party in meeting their obligations in relation to school buildings. It is important to note that this handbook applies to every school irrespective of whether they are purchased a service from the Council via a Service Level Agreement.

### **Health & Safety**

The Health & Safety at Work Act 1974 & The Management of Health and Safety at Work Regulations 1999 outline the need for employers to manage health and safety by ensuring that the arrangements they have in place are planned, organised, controlled, monitored and reviewed appropriately.

Effective health and safety management is a key element of wider management practice in all organisations. This includes schools, where key responsibilities fall under the delegated powers and duties of the governing body, with some remaining with the Council.

Where the local authority is the employer (community, voluntary controlled, community special schools and maintained nursery schools), it may give a direction concerning the health and safety of persons (including pupils) on the school's premises or taking part in any school activities elsewhere. Under section 29(5) of the Education Act 2002, governing bodies of such schools must comply with any such direction from the local authority.

Any contractors appointed to provide advice, guidance and support in respect of the management and maintenance of the school site must be competent to provide such advice and support. Prior to engaging third party premises management support any school must seek the advice of the Council due to the responsibilities placed on the Authority in relation to health and safety of school premises.

subject to prior Council/Landlord consent. Works include anything that requires certification, involves utilities, services (such as gas and electricity), is structural in nature and/or is a physical alteration to the fabric of the property. Decoration works to the property do not require prior Landlords approval. Decoration involves work that affects the cosmetic appearance of the property without altering the fabric of the property in any way, for example painting.

## **Construction, Design, Management (CDM) - Roles and Responsibilities**

These regulations were introduced to tackle the high level of accidents that occur on construction sites. They affect only certain types of work, but where they do they are mandatory, enforceable by the Health and Safety Executive (HSE), whilst non-compliance is a criminal offence.

For many Schools this can often appear to be a daunting piece of legislation. Its function is to capture all aspects of health and safety through the inception, design, construction, and ongoing management arising from a project. In particular, it places important duties on services including Schools, as they represent the employer (the Council) and introduces an unfamiliar role to many.

It is important to stress the need to seek the consent of Corporate Landlord via the (to be decided) as an essential first step before embarking on any project, regardless of whether the School wishes to use Corporate Landlord for the management of the Project, the funding is from the Local Authority, or from the School.

### **Consent for building works**

Regardless of whether works requested by Schools are planned or responsive, the initial point of contact within Corporate Landlord should be the ( to be decided). Likewise, if you are unsure on whether Landlord Consent is necessary, the xxxxx will be able to provide confirmation within xxxx weeks of the initial enquiry being submitted. If Landlord Consent is required, the School will need to fill in a Landlord Consent form. However, if consent is not required, the School will not need to fill in a LCC form, but the xxxxxxx will still supply the School with some advice and guidance on how works should be approached, and the relevant qualifications and competencies which will need to be present.

Cardiff Council is the Landlord for all buildings within the Council's portfolio. As the landlord there are certain responsibilities in law for which they are accountable. Any works undertaken on council buildings may introduce risks either to those carrying out the work or to the future safety of the building to its occupants. Examples may be the disturbance of asbestos, undermining fire mitigation arrangements or even coming into contact with electricity.

There are certain statutory requirements which need to be met when undertaking certain works. Non-compliance with these statutory requirements can make the council and/or individuals liable to action by enforcing bodies.

## **RAMIS**

To assist in the effective management of all buildings the Council has implemented RAMIS (Risk Assessment Management Information System) to hold relevant statutory inspection/testing information on all Council premises, including schools. The Council and schools will support the uploading of relevant information to the system as well as closing down the remedial tasks which have been identified by the statutory inspection undertaken on services /equipment as required by relevant legislation.

The Council and schools will also have access to a RAMIS for Schools Module which will enable school staff to access information, advice, guidance and support to assist in reaching decisions about maintenance needs and to facilitate risk assessments.

## **Finance**

The delegation of responsibilities for asset management of schools derives from the principles underpinning Local Management of Schools (LMS). This was one of the most significant of the reforms introduced by the Education Reform Act 1988. The two fundamental principles of LMS were:

- The allocation of resources to schools using a common, transparent funding mechanism
- The delegation of responsibility to Governing Bodies to manage those resources

The Education Reform Act of 1988 was replaced by the Schools Standards and Framework Act of 1998 (Fair Funding) and refined by the School Funding (Wales) Regulations 2010. The Schools Standards and Framework (SSAF) Act recognised the strengths of the previous legislation. It built on the foundations provided by Local Management of Schools (LMS) in giving schools more control over the services they were using by delegating to schools the budgets for those services.

Both the Council and schools have a common purpose in using the resources made available to them to meet to promote high achievement for all and continuous improvement in standards. The Council and Governing Bodies share a statutory duty in carrying out their functions to promote high standards of educational achievement.

Since April 2000, Governing Bodies have been delegated the budget and responsibility for all revenue recurrent repairs and maintenance of school premises. Only capital expenditure has been retained by the Council. For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the local authority for financial accounting purposes in line with the CIPFA Code of Practice on Local Authority accounting. For school building schemes the minimum value for a capital shall be £10,000.

Annually Schools receive a delegated budget with which to carry out all recurrent repairs and maintenance as defined in Appendix A to this handbook, which sets down in detail the respective responsibilities of the Council and of the Governing Body.

Voluntary Aided schools will continue to be eligible for grant from the Welsh Government in respect of their statutory responsibilities for buildings and premises. In addition they will have responsibility for other repairs and maintenance items on the same basis as Community and Foundation schools.

## **SOP Asset Commissioning Group**

Within the Education Directorate the SOP Asset Commissioning Group oversees the prioritisation of the School Asset Renewal Programme, funded from the Directorate's capital budget and the commissioning of works against an agreed programme of works. All request for school building schemes to be funded by the capital budget are considered and agreed by this group.

## **Statutory Maintenance and Inspection**

Since April 2017 the budget and responsibility for the five statutory obligation inspection and testing services, listed below, have been retained by the Local Authority for all schools.

It is important to note that the cost of any remedial works identified as necessary following each of these inspections will be the responsibility of the school as identified in Appendix A of this handbook.

### Statutory Inspections undertaken by the Local Authority

- Asbestos – asbestos survey and on-site management plan provision
- Legionella (water) Risk Assessment
- Fire Risk Assessment
- Gas Installations (including boilers) testing and servicing
- 5 Year Fixed Electrical Testing

The details of these inspections and identified works will be entered onto the Council's RAMIS system. Schools will be responsible for all other statutory Inspection and the Council (through the Health and Safety Support Service) will monitor all statutory inspections and associated remedial works using the RAMIS system and report on compliance on at least a quarterly basis to the Council's Senior Management Team.

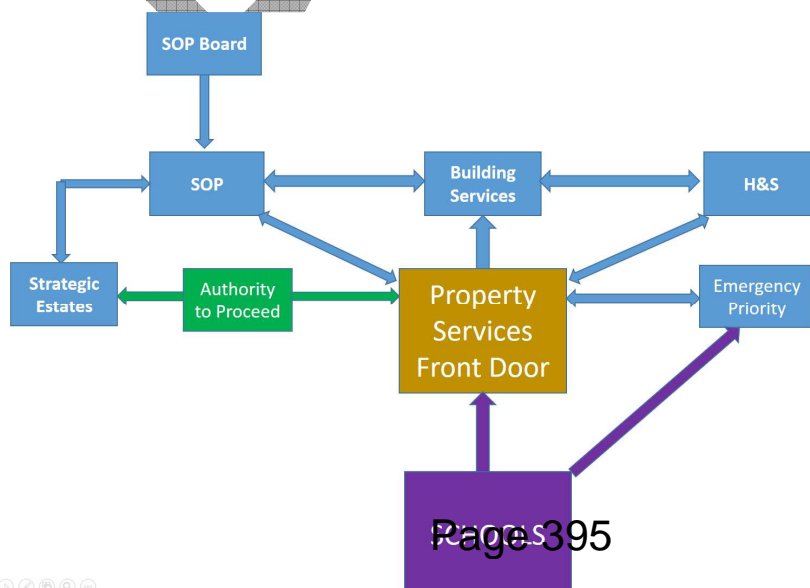
### Memorandum of Agreement for School Buildings

The Council has drafted a Memorandum of Agreement for School Buildings setting out the main responsibilities of the Headteacher and Governing Body with respect to the management of the school premises. This agreement recognises that Cardiff Council as owner of the school premises has legal duties relating to the safe operation of the school site and that appointed officers will work in partnership with the Headteacher and Governing Body of the school to ensure that these legal duties are discharged and the school site is maintained in a safe and legally compliant condition. A copy of the draft Memorandum can be found at Appendix B.

### Local Authority Contact Details

From September 2018 it is proposed that all enquiries and requests for building works on all school sites will be directed to a Property Services Front Door. Each enquiry and request will be triaged and passed onto the relevant section or team within the Council. The Support Desk will facilitate all communication regarding each request and ensure that there is online visibility for request status at all stages, and flow back to schools, Diagram 1 below.

Diagram 1



Until September 2018 all enquiries and request should be passed to the Client Services Support Manager.

## Council Services

Since 1990 Cardiff Council has offered a range of services to schools including those which are associated with the maintenance of school buildings. Since April 2000, and the greater delegation of the budget and responsibility for all revenue recurrent repairs and maintenance of school premises, the Council has enhanced the scope of buildings maintenance services to schools, usually on a traded basis.

Each of the services has a specific Service Level Agreement which outlines the scope of the service offer, benefits to schools, contact details and any charges.

Up to date details of each of the Services Level Agreements (SLA's) can be found on the Education Directorate Services portal – [cardiff.sla-portals.co.uk](http://cardiff.sla-portals.co.uk).

For information these services are;

### **Non-traded**

#### **Schools Health and Safety Support Services**

From April 2018 each school will be provided with a competent health and safety officer for 1 day per fortnight, the officer will provide support to the school in undertaking health and safety tasks which are delegated to the school in managing health and safety at the school on a day to day basis. The named officer will undertake a range of health and safety tasks which may include:-

- Health and Safety Site Inspection
- Health and Safety audit of school processes and policy in relation to health and safety
- Development of school policy/guidance in relation to health and safety
- Risk Assessments
- Accident investigation
- DSE Assessments
- Legionella monthly Temperature monitoring
- Emergency lighting monthly flick tests
- Support with Fire Evacuation exercises
- Support and risk assessment of Caretaker Activities
- Implementation of RAMIS
- Support with risk assessment of Educational Visits
- Provide onsite training and briefing sessions as required
- Attend Governing Body meetings to report on Health and Safety performance as and when required
- Provide the Headteacher with reports on Health and Safety Compliance

It is envisaged that although officers will assist with planning of works on school premises outside of school hours, the monitoring and maintenance undertaken by the Authority on school premises will be supported by the Corporate Health and Safety officer who will be

supporting the Council's Director of Economic Development who carries the Council's Corporate Landlord role.

## Property Services

The new Property Services Service Level Agreement (SLA) has been developed in conjunction with our colleagues in the Education Directorate and Corporate Health and Safety. This SLA is designed to offer a range of professional and advisory services that can assist the Schools to undertake their Health and Safety legislative compliance responsibilities, ensuring the school buildings are safe, well maintained and properly cleaned. The SLA link with the Roles and Responsibilities set out in Appendix A, which sets out the responsibilities of the Council and the responsibilities of the Schools. We also work closely with Health and Safety teams to support this SLA.

As part of the new Service Area, the new Property Services team consist of:-

- Building Services
- Statutory Compliance and Cyclic Maintenance
- Building Repairs & Maintenance Services
- Cleaning and support Services
- Security Services
- Caretaking Services
- Courier services
- Fabrication (Specialist metal and carpentry work)
- Fleet Services
- Pest Control
- Recycling & Waste Services

The Property Services teams include fully trained surveyors, contract supervisors, plumbers, electricians, carpenters, gas fitters, cleaning staff, security operatives and technical administration, who are all fully committed to providing the Schools with a quality service at all times. The teams have supervisors who are performance checked monthly against targets, who regularly monitor the quality and standard of both our internal work and also any projects undertaken by the approved contractors.

## APPENDIX A

### Division of responsibilities

	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
A	<b>Access controls</b>		✓	✓	✓
	<b>Aerials</b>		✓	✓	✓
	<b>Alarms (Fire) – Provision/ Installation</b>	✓			
	<b>Alarms (Fire) All maintenance and repair</b>		✓	✓	✓
	Extending or upgrading system		✓	✓	✓
	<b>Alarms (Intruder)</b>				
	Provision / Installation	✓			
	Upgrades, repair and routine maintenance		✓	✓	✓
	Resetting		✓	✓	✓
	<b>All weather pitches</b>		✓	✓	✓
	Artificial turf/Doltrack		✓	✓	✓
	Other ie macadam/asphalt games surfaces		✓	✓	✓
	<b>Amenity horticulture eg flower beds, grass cutting</b>		✓	✓	✓
	<b>Amenity horticulture (permanent construction, e.g. brick, retaining walls).</b>	✓			
	<b>Amplifying system</b>		✓	✓	✓
	<b>Art Equipment including Kilns (Servicing and Testing)</b>		✓	✓	✓
	<b>Art Equipment including Kilns repairs arising</b>		✓	✓	✓



	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
B	<b>Balustrades (Stairs/Landing)</b>		✓	✓	✓
	<b>Bells</b>		✓	✓	✓
	<b>Blinds School</b>		✓	✓	✓
	<b>Boards:</b>				
	Notice Boards fixed		✓	✓	✓
	Notice Boards portable		✓	✓	✓
	Pinboards fixed		✓	✓	✓
	Whiteboards fixed		✓	✓	✓
	Whiteboards portable		✓	✓	✓
	<b>Boiler room plant and equipment – Installation / Provision</b>	✓			
	<b>Boiler room plant and equipment – Statutory Obligations annual Servicing and testing</b>	✓			
	<b>Boiler room plant and equipment – Upgrading/ Repair and routine maintenance</b>			✓	✓
	<b>Boundary fences and walls – Provision / Installation</b>	✓			
	<b>Boundary fences and walls – Upgrading/ Repair and routine maintenance</b>			✓	✓
C	<b>CCTV Cameras – security</b>		✓	✓	✓
	<b>Car parks</b>		✓	✓	✓
	<b>Caretaker’s house (WHQS compliance)</b>	✓			
	<b>Caretaker’s house (repairs as per tenancy agreement)</b>		✓	✓	✓
	<b>Carpets (loose or adhered)</b>		✓	✓	✓
	<b>Cavity wall insulation</b>		✓	✓	✓
	<b>CCTV systems : Provision / Installation Hardwiring, brackets, fixings, columns</b>	✓			
	Camera/video recorders	✓			✓
	<b>CCTV systems : Upgrading/ Repair and routine maintenance. Hardwiring, brackets, fixings, columns</b>			✓	✓
	Camera/video recorders			✓	✓
	<b>CCTV Cameras – security</b>			✓	✓

	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
	<b>Ceilings – Repairs to ceiling tiles and finishes. Provision of new suspended ceilings</b>		✓	✓	✓
	<b>Chairs/Desks</b>		✓	✓	✓
	<b>Chimneys – Structural replacement or removal</b>	✓			
	<b>Chimneys – Repair and repointing</b>		✓	✓	✓
	<b>Class change system</b>		✓	✓	✓
	<b>Classroom sinks</b>		✓	✓	✓
	<b>Cleaning</b>		✓	✓	✓
	<b>Cloakroom fittings (fixed)</b>		✓	✓	✓
	<b>Clocks (permanently fixed to the exterior of the building)</b>		✓	✓	✓
	<b>Clocks (internal)</b>		✓	✓	✓
	<b>Compressors – Including Servicing, testing and repairs</b>	✓	✓	✓	✓
	<b>Compressors repairs arising</b>		✓	✓	✓
	<b>Computer network cables</b>		✓	✓	✓
	<b>Culvert installations to built structures</b>	✓			
	<b>Culvert repairs and maintenance to built structures</b>		✓	✓	✓
	<b>Cupboards:</b>				
	Fixed		✓	✓	✓
	Free standing		✓	✓	✓
	<b>Curtains and tracks</b>		✓	✓	✓
	<b>Cycle sheds</b>		✓	✓	✓
D	<b>Damp proof course – Installation / Provision</b>	✓		✓	
	<b>Damp proof course – repairs / maintenance</b>		✓	✓	✓
	<b>Decorations:</b>				
	External		✓	✓	✓
	Internal (including School Meal Areas)		✓	✓	✓
	<b>Design and Technology Workshop Equipment (Servicing and Testing)</b>		✓	✓	✓

	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
	<b>Design and Technology (fixed work benches and sinks)</b>		✓	✓	✓
	<b>Design and Technology Workshop Equipment Repairs arising</b>		✓	✓	✓
	<b>Desks/Chairs</b>		✓	✓	✓
	<b>Disabled access, lifts &amp; fixed hoists – Provision / Installation</b>	✓			
	<b>Disabled access, lifts &amp; fixed hoists repairs, servicing and testing</b>		✓	✓	✓
	<b>Portable hoists, slings and changing tables Servicing and testing</b>		✓	✓	✓
	<b>Ditches:</b>				
	Cleaning and routine maintenance		✓	✓	✓
	<b>Doors (non Fire Doors)</b>		✓	✓	✓
	<b>Drains and gullies:</b>				
	Drain repairs (within Boundary)		✓	✓	✓
	Clearing and rodding		✓	✓	✓
	Surface water drainage to buildings and paved areas		✓	✓	✓
	<b>Drinking water – water coolers &amp; fountains</b>		✓	✓	✓
	<b>Ductwork - Cleaning of extract systems serving School Meal Areas</b>		✓	✓	✓
	<b>Recycling &amp; Refuse enclosure</b>		✓	✓	✓
<b>E</b>	<b>Electrical Testing of Fixed Installation Including High risk areas:</b>				
	5 year test Boards and circuits	✓			
	External Lighting 3 years	✓			
	Annual 1 year	✓			
	<b>Electrical Repairs of Fixed Installation Including High risk areas</b>				
	5 year test Boards and circuits		✓	✓	✓
	External Lighting 3 years		✓	✓	✓
	Annual 1 year		✓	✓	✓
	<b>Electrical heating systems (fixed) – Installation / Provision</b>	✓			

	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
	<b>Electrical heating systems (fixed) – Upgrading, repairs and routine maintenance</b>		✓	✓	✓
	<b>Electrical testing, repairs and maintenance of portable appliances</b>		✓	✓	✓
	<b>Electrical testing associated with public entertainment licence</b>		✓	✓	✓
	<b>Electrical testing of fixed installations</b>	✓			
	<b>Entrance/Exit steps and ramps – Provision / installation</b>	✓			
	<b>Entrance/Exit steps and ramps – repairs and adaptations</b>		✓	✓	✓
	<b>Extractor fan – installation</b>	✓			
	<b>Extractor fan – Repairs and routine maintenance</b>		✓	✓	✓
<b>F</b>	<b>Fan convectors (fixed installations) – Provision / installation</b>	✓			
	<b>Fencing (internal)</b>			✓	✓
	<b>Fire (Actions arising from Fire Risk Assessment):</b>				
	Alarms –Provision / installation	✓			
	Alarms - Upgrading, repairs and routine maintenance		✓	✓	✓
	Fire Doors		✓	✓	✓
	All Fire Signage Exit signs (illuminated)		✓	✓	✓
	Guards		✓	✓	✓
	Provision and Servicing of Fire Extinguishers		✓	✓	✓
	Repairs arising to, or provision of extinguishers, fire buckets, blankets, break glass etc		✓	✓	✓
	Hydrants and mains (external)	✓			
	Sprinkler system – New installations		✓	✓	✓
	Sprinkler systems – Upgrades, testing, repairs and routine maintenance		✓	✓	✓
	<b>Floor covering:</b>				
	Damaged from unprotected chairs/desk legs/ equipment		✓	✓	✓

Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
Flexible finish eg carpet, vinyl sheet or tiles, floating timber/ laminated (seek advice from the Council if vinyl flooring contains asbestos)		✓	✓	✓
Rigid finish eg block, quarry tiles, granwood, fixed timber.		✓	✓	✓
Sanding and sealing floors		✓	✓	✓
Structural floor eg screed, boards, blocks etc		✓	✓	✓
<b>Flowerbeds</b>		✓	✓	✓
<b>Flues – Provision / Installation (replacement?)</b>	✓			
<b>Flues - Upgrading, repairs and routine maintenance (to be undertaken by a Gas Safe Engineer).</b>		✓	✓	✓
<b>Fuel bunker &amp; oil tanks</b>		✓	✓	✓
<b>Fume cupboards- Upgrading, repairs and routine maintenance (tested every 14 months)</b>		✓	✓	✓
Fixed		✓	✓	✓
Moveable		✓	✓	✓
<b>Furniture:</b>				
Fixed School		✓	✓	✓
Movable School		✓	✓	✓
<b>G Gas Mains, pipework and meters – New installation</b>	✓			
<b>Gas Mains, pipework and meters – repair and maintenance</b>		✓	✓	✓
<b>Gas Appliances:</b>				
Gas Boiler Appliance and flue Replacement, Testing & Servicing	✓			
Gas Boiler Appliance and flue repairs		✓	✓	✓
Fixed Gas Cookers, laboratory gas taps, room and water Heaters, Kilns - _Gas Safety Testing	✓			

Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
Fixed Gas Cookers, laboratory gas taps, room and water Heaters, Kilns – Replacement, Servicing, Repair and maintenance		✓	✓	✓
Gates (all) – Upgrading, repairs and routine maintenance		✓	✓	✓
Glazing (excluding rooflights)		✓	✓	✓
Glazing Film (inspection every 5 years)		✓	✓	✓
<b>Green Technology i.e.</b>				
Biomass Boilers'		✓	✓	✓
Heat Pumps		✓	✓	✓
Photo Voltaic Cells		✓	✓	✓
Rainwater harvesting		✓	✓	✓
Solar Panels		✓	✓	✓
Wind generation		✓	✓	✓
<b>Gratings: Leaf/silt clearing</b>		✓	✓	✓
<b>Gutters:</b>				
Repairs		✓	✓	✓
Cleaning		✓	✓	✓
<b>Gym equipment (fixed and portable):</b>				
Inspections of equipment		✓	✓	✓
Repairs of equipment		✓	✓	✓
Any consequential repair of structural fixings (anchors) following inspection		✓	✓	✓
<b>H Handrails</b>		✓	✓	✓
<b>Heating equipment fixed (i.e. room heating) – Provision / Installation/ replacement?</b>	✓			
<b>Heating equipment fixed (i.e. room heating) – Upgrades, repairs and routine maintenance</b>		✓	✓	✓
<b>I Ironmongery – doors and windows</b>		✓	✓	✓
<b>Interrupted Utility Services:</b>				
Empty Oil/LPG Supply (purging/resetting)		✓	✓	✓
Mains supplies (utility services)		✓	✓	✓

	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
<b>K</b>	<b>Commercial Kitchens</b>				
	<b>Building shell</b>	✓			
	Environmental health improvements (by agreement)		✓	✓	✓
	Floor finishes (as floor coverings)		✓	✓	✓
	Internal fabric		✓	✓	✓
	Internal decorations		✓	✓	✓
	<b>Kitchen equipment:</b>				
	Servicing and Testing – Breakfast Club	✓			
	Servicing and Testing – School meal provision (subject to Catering SLA)		✓	✓	✓
	Servicing and Testing – School meal provision (outside of Catering SLA)		✓	✓	✓
	Domestic kitchen equipment (curriculum, staffroom etc.) Repair and replacement		✓	✓	✓
<b>L</b>	<b>Laboratory benches (including utility supplies)</b>		✓	✓	✓
	<b>Land drainage to playing fields</b>		✓	✓	✓
	<b>Leaf/litter silt clearance - to gullies and channels</b>		✓	✓	✓
	<b>Lifts Installation/ replacement Or Statutory Upgrade Requirement</b>	✓			
	<b>Lifts – Insurance inspection</b>	✓			
	<b>Lifts – Insurance inspection – remedial repairs</b>		✓	✓	✓
	<b>Stair Lifts – Upgrades, repairs and routine maintenance</b>		✓	✓	✓
	<b>Lighting (Drama etc.) – see stage lighting</b>		✓	✓	✓
	<b>Lighting – External areas</b>		✓	✓	✓
	<b>Light fittings</b>		✓	✓	✓
	<b>Lighting – Floodlighting</b>				
	Light bulbs/lamps/tubes and starters including access		✓	✓	✓
	Lighting - Emergency – see Fire section		✓	✓	✓

	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
	Local exhaust ventilation, fume and dust extraction - Installation/ replacement	✓			
	Local exhaust ventilation, fume and dust extraction – Insurance Inspection	✓			
	Local exhaust ventilation, fume and dust extraction – Insurance Inspection – remedial actions		✓	✓	✓
	Local exhaust ventilation, fume and dust extraction – Upgrades, repairs and routine maintenance		✓	✓	✓
M	Mains supply (water, electricity and gas)		✓	✓	✓
	Mat wells (excluding mat)		✓	✓	✓
	Meters Provision/ Installation (gas, electricity and water) – public utilities	✓			
	Meters – sub-meters (gas, electricity and water)		✓	✓	✓
	Meter cupboards		✓	✓	✓
	Mobile classrooms Provision Installation and Removal	✓			
	Mobile classrooms Repair and Maintenance (as per permanent building)		✓	✓	✓
N	Name boards:				
	Repair/replacement of board Sign writing changes		✓	✓	✓
P	Painting:				✓
	External (including repairs arising)			✓	
	Internal (including preparatory work)		✓		
	Partitions:				
	Permanent		✓	✓	✓
	Temporary/folding/extra wide doors		✓	✓	✓
	Paved surfaces				
	Gullies/gratings leaf/silt clearing		✓	✓	✓
	Play equipment indoor and outdoor:				
	Provision/ Installation?		✓		✓
Inspections of equipment		✓	✓	✓	



	Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
	Repairs of equipment		✓	✓	✓
	<b>Repair of structural fixings (anchors) following inspection</b>			✓	
	<b>Power points (rewiring)– New installation</b>	✓			
	<b>Power points – adaptation / extension</b>		✓	✓	✓
	Portable electrical - Servicing and Testing – (unless Council provision in emergency situation)		✓	✓	✓
	Portable electrical repairs arising – (unless Council provision in emergency situation)		✓	✓	✓
<b>R</b>	<b>Radiators – pipework / valves</b>		✓	✓	✓
	<b>Railings</b>		✓	✓	✓
	<b>Rainwater pipes &amp; gutters</b>		✓	✓	✓
	<b>Maintenance of:</b>				
	Roads, paths & playgrounds		✓	✓	✓
	Roofs		✓	✓	✓
	Roof trusses and roof structure generally		✓	✓	✓
	<b>Rooflights (including glazing materials)</b>		✓	✓	✓
	<b>Roof tiles/coverings</b>		✓	✓	✓
	<b>Roof replacement (end of life)</b>	✓			
<b>S</b>	<b>Safer surfaces below play equipment for curriculum support:</b>				
	<b>Fixed surfaces BMP</b>		✓	✓	✓
	<b>Loose or removable surfaces eg sand, bark</b>		✓	✓	✓
	<b>Security alarms – Provision / installation</b>	✓			
	<b>Security alarms – Upgrades, repairs and routine maintenance</b>		✓	✓	✓
	<b>Security cameras</b>		✓	✓	✓
	<b>Security – CCTV systems – hardwiring, brackets, fixings, columns – Provision / installation</b>		✓	✓	✓

Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
<b>Security – CCTV systems – hardwiring, brackets, fixings, columns – minor Upgrades of the installation, camera repairs and routine maintenance</b>		✓	✓	✓
<b>Security Monitoring Service - including links</b>		✓	✓	✓
<b>Sewerage – treatment plant and pumps repairs and maintenance</b>		✓	✓	✓
<b>Daily monitoring</b>				
<b>Sewage disposal – septic plants, cesspools</b>		✓	✓	✓
<b>Solar/safety film for glass</b>		✓	✓	✓
<b>Staging:</b>				
Fixed		✓	✓	✓
Portable		✓	✓	✓
<b>Stage lighting:</b>				
Inspection and repair		✓	✓	✓
<b>Staging Services:</b>				
Stage curtain winches		✓	✓	✓
Stage curtains		✓	✓	✓
Stage Scenery systems		✓	✓	✓
<b>Sun blinds (external)</b>		✓	✓	✓
<b>Sun blinds (internal)</b>		✓	✓	✓
<b>Swimming pools:</b>				
-Pool Plant replacement, including boiler	✓			
-Fixed handrails		✓	✓	✓
-Fixed access steps		✓	✓	✓
-Loose access steps		✓	✓	✓
-Basincovers		✓	✓	✓
-Basin cover fixings		✓	✓	✓
-Basin linings		✓	✓	✓
-Pool Plant Inspection & Maintenance		✓	✓	✓
-electrical Testing (annually)	✓			
-Microbiological Water Testing (monthly)		✓	✓	✓
<b>T Thermostatic controls</b>		✓	✓	✓
<b>Toilets (wc, basin, urinal)</b>		✓	✓	✓

Area of Work Responsibility	Council	Maintained school	Voluntary Aided School	Foundation School
<b>Trees (Including Safety Inspections) Maintaining Tree Preservation Orders</b>		✓	✓	✓
<b>U Utility Services:</b>				
Interrupted – empty oil/LPG supply (purging/resetting)		✓	✓	✓
Interrupted – mains supplies.		✓	✓	✓
<b>V Vandalism Repairs</b>		✓	✓	✓
<b>Vehicle access ways</b>		✓	✓	✓
<b>W Water:</b>				
Legionella Control Risk Assessment	✓	✓	✓	✓
Maintenance of distribution pipework, including removal of dead legs		✓	✓	✓
Installation of point of use water heaters		✓	✓	✓
Water quality works including Tank clean, shower descale, water testing		✓	✓	✓
Main from meter connection	✓			
Cold Water Storage tank replacement and insulation	✓			
Replacement clarifier		✓	✓	✓
Installation of heat tracing systems		✓	✓	✓
Additional water pumps to improve circulation		✓	✓	✓
<b>Windows</b>		✓	✓	✓
Windows blinds and screens		✓	✓	✓
<b>Worktops</b>		✓	✓	✓

## APPENDIX B

### Memorandum of Agreement – School Buildings

The following draft memorandum of agreement sets out the main responsibilities of the Headteacher and Governing Body with respect to the management of the school premises. This agreement recognises that Cardiff Council as owner of the school premises has legal duties relating to safe operation of the school site, appointed officers will work in partnership with the Headteacher and Governing Body of the school to ensure that these legal duties are discharged and the school site is maintained in a safe legally compliant condition.

1.	<b>Property Name and Address</b>	<i>(Provide a red line plan of property)</i>		
2.	<b>Council Contact Details</b>	Cardiff Council County Hall Atlantic Wharf, Cardiff, CF10 4UW  <i>Contact email/tel?</i>		
3.	<b>School Contact Details</b>	Contact	Name	Tel Number
	<b>Key Property Contact Details</b>	Headteacher		
		GB Representative		
		Deputy Headteacher		
		Estates Staff/ Caretaker		
4.	<b>Permitted Use</b>	For the purpose of education and community activities  Any change of use within the building must be subject to prior Council consent		
5.	<b>Repairs, Maintenance and Alterations</b>	Any repairs, installation, upgrades, works or alterations to the building must be subject to prior Council consent  Works include anything that requires certification, involves utilities, services (such as gas and electricity), is structural in nature and/or is a physical alteration to the fabric of the property  Decoration works to the property do not require prior Council approval. Decoration involves work that affects the cosmetic appearance of the property without altering the fabric of the property in any way, for example painting.  If there is any doubt the Council must be contacted		

6.	<b>Subletting and hiring of premises</b>	<p>Individual rooms may be hired out using the 'Hire Agreement' form. This Agreement Form will be suitable for room bookings on an hourly basis. The form can be found on the Councils CIS system ref :xxxx</p> <p>Where third party occupation of School premises is required on a more permanent basis, prior Council consent will be required so that appropriate advice is given as to whether the Hire agreement is appropriate or whether a lease or licence would be more suitable.</p> <p><b><i>It is imperative that third parties are not permitted to occupy premises (other than as above) without prior landlords consent, as occupiers may acquire statutory rights and security of tenure</i></b></p>
7.	<b>Compliance</b>	<p>The School is responsible for ensuring the property is fully compliant with all statutory requirements</p> <p>The Council will carry out annual audits for statutory compliance</p>
8.	<b>Insurance</b>	<p>The School is responsible for the contents insurance</p> <p>For Voluntary Aided and Foundation Schools, the School is responsible for the buildings insurance. For all other schools the Council is responsible for all buildings insurances.</p> <p>The Council is responsible for liability and indemnity insurance.</p>
9.	<b>Rates and Utilities</b>	<p>The School is responsible for all charges in respect of utilities and business rates.</p>

This memorandum of agreement must be signed annually by the School to acknowledge roles and responsibilities.

Signed Chair of Governors:

Printed:

Date:

Signed Headteacher:

Printed:

Mae'r dudalen hon yn wag yn fwriadol

Cardiff Council  
**Education Delivery Strategy  
Review**

Report Ref 259925-00 PW/CF/SE

Issue V2 | 18 May 2018

This report takes into account the particular instructions and requirements of our client.

It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

Job number 259925-00

**Ove Arup & Partners Ltd**  
4 Pierhead Street  
Cardiff Waterside  
Cardiff  
CF31 3NR  
[www.arup.com](http://www.arup.com)

## Contents

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	Page
<b>Executive Summary</b>	<b>1</b>
<b>1 Introduction</b>	<b>5</b>
<b>2 Education Delivery Vision</b>	<b>7</b>
2.1 Band A phase of the Welsh Government 21st Century Schools Programme	7
2.2 Local Development Plan (LDP) Expansion for Cardiff County Council	8
2.3 Band B phase of the Welsh Government 21st Century Schools Programme	8
2.4 Asset Management Programme	8
2.5 Commentary on the scale of this programme	8
<b>3 Education Delivery Process Review</b>	<b>10</b>
3.1 Need Phase	10
3.2 Scheme Phase	11
3.3 Delivery Phase	11
3.4 Operation Phase	12
<b>4 Governance and Capacity Review</b>	<b>14</b>
4.1 Governance	14
4.2 Capacity	16
<b>5 Conclusions and Recommendations</b>	<b>18</b>
5.1 Conclusions	18
5.2 Recommendations	19
5.3 Observations	21

## Appendices

### Appendix A

BSRIA Soft Landings Framework



## Executive Summary

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Schools comprise a significant proportion of Cardiff Council's overall estate. The city's rapidly growing school age population combined with high levels of backlog maintenance in ageing schools creates significant challenges to meet the education delivery vision of the Council.

These challenges have three aspects, namely:

- i. The delivery of the 21st Century Schools Band A (£164m) and Band B (£284m) new build school programmes. These relate to population growth that is already in the system at primary phase. Band A is already in the delivery stage whilst Band B is due to start shortly.
- ii. The delivery of extra school capacity to address the growth within the Local Development Plan (LDP). This involves additional new build schools to deal with this future population growth in the city.
- iii. The commitment to tackle the condition of the remaining school estate. There is currently £68m of backlog maintenance within the estate. A significant proportion of which will not be addressed by item i above.

Arup has been commissioned to provide an external review of the proposed governance and the capacity required to ensure Cardiff Council can deliver a programme of this size and scale effectively. As part of this study, the current process of school delivery within the authority was also reviewed. This was done in consultation with a cross section of stakeholders from across the Council and its schools.

Cardiff Council have recently reviewed how they manage their school assets once operational. A new process for delivering the asset management of their schools is currently being implemented. This must address the backlog maintenance within the estate. The programme of investment in new school buildings will inevitably help to address this issue where ageing schools are replaced with new buildings. However, as new school buildings are completed, they too will require asset management. The process for integrating this into the new asset management programme is key to the successful management of the Council's maintenance liability going forward.

The conclusions and recommendations of this review are summarised below along with some lower level observations.

## Governance

We have reviewed the Governance structure proposed by the Council as set out in section 4.1 of this report. We believe it provides a robust overall Governance arrangement for the education estate.

The Schools Asset Commissioning Group provides a key Governance link between the teams commissioning the new schools and those tasked with their ongoing maintenance. This link is essential to the successful Governance of the process.

We understand that currently the budget for asset management of the schools includes funding for both suitability adaptations and back log maintenance. We would recommend that the funding for these two distinct priorities is separated so that each has a clear budget.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Whilst it is outside the scope of this report to advise on which group within the Councils Governance structure leads this process, it is important that this is clear within the terms of reference of that group to avoid any confusion on the responsibility for this key function.

The integration of cross Council initiatives related to Digital, Sustainability and Active Travel objectives must be embedded into the Governance structure. This will ensure a holistic approach to the school modernisation programme.

Our key Governance recommendation is that the structure outlined in section 4.1 of this report, where not already in place, is fully implemented and supported with clear terms of reference for each group within that structure.

## Capacity

We have reviewed the existing capacity within the Council to implement a school delivery programme of the scale proposed. Our overall conclusion is that additional capacity is required and our recommendations are as follows:

- a) For a programme of this scale and speed of delivery, we recommend the Council strengthens the management of its delivery team with the appointment of a Programme Director for the Education School Organisation Programme (SOP). This person should have experience of successfully managing a capital works programme of this scale. Therefore, it may require an external appointment, potentially on a temporary basis for the period of the programme. An appointment at this level will have significant short-term revenue costs. This essential expenditure must be viewed against the scale of the programme and the benefits that such an appointment offers. The right appointment will reduce the risk of non-delivery in terms of time, cost and quality. We would recommend that the appointment is funded from the programme budget, as it directly relates to the programme.
- b) We also support the Council's proposal to increase the capacity of current senior management arrangements for the Corporate Landlord function to deliver the Asset Management programme. We believe it is essential to add capacity to the team in order to deal effectively with the asset management of a major council estate, containing significant back log maintenance.
- c) For clarity, we would recommend that the current SOP Project Manager title should be renamed to reflect the 'client liaison' role they perform and to distinguish them from the external project manager roles noted in item e) below.

- d) Due to the scale of the programme a significant team will be required to manage the various internal/external stakeholders and the external delivery partners. From our experience on other programmes of this scale it is likely that an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report, will be required. We believe these roles should be internally resourced, as with the current roles, due to the extent of internal interface required.
- e) From our experience of delivering programmes of this scale across the UK, and smaller programmes within Wales, we would recommend that the day to day project management and technical advice for the new build schools is externally sourced, as happens presently. This will minimise any over capacity within the education team at the end of the programme. It will provide the skills, knowledge and experience to project manage new build programmes of this scale. It will also provide the necessary resource to enable schools to be delivered concurrently, as required by the programme.
- f) We would recommend that additional internal capacity is identified to produce a standardised strategic approach to IT across the school estate for integration into the programme as a matter of urgency. This can then be tailored at a school level to suit their specific requirements. It should be available for use from the outset of the programme.
- g) We would recommend that the current capacity within other parts of the Council that are essential to the successful delivery of the programme e.g. legal, procurement, planning, highways etc. are urgently reviewed and supplemented where necessary before the programme commences.
- h) We would recommend that additional internal capacity is identified to deal with land disposal in terms of legal agreements, decommissioning of sites, security prior to sale, insurance etc.

## Observations

In addition to the conclusions and recommendations above, the review also identified several operational issues that need to be addressed as the programme moves forward. These are outlined below;

## Governance

Whilst a strong governance proposal is to be adopted, a clear balance needs to be struck between this over-arching process and addressing the inevitable need to get urgent approvals at SMT and/or cabinet level for changes proposed by the SOP Board. Consideration should be given to how this flexibility can be introduced into the governance structure. This will ensure that the programme is not impacted nor costs incurred due to delays caused by the internal approval process.

Provision is made within the governance structure for interfacing between the asset management and SOP teams. However, from the discussions we had with various stakeholders during this review, at an implementation level this interface could be improved, particularly at site selection and site handover stages.

We would recommend that the site selection process for new schools involves a formal sign-off by all internal stakeholders. This is a key decision relative to ensuring value for money from the programme. This should be included in the terms of reference of the SOP Board and a sign-off required for each site.

## Process

Transformational changes are currently in progress for the asset management of schools and the other parts of the Council estate. These will be delivered through a refreshed approach to deliver the Council's responsibilities as Corporate Landlord with an enhanced focus on ensuring health and safety compliance. Successful implementation of this function is key, with completed 21st Century Band A projects already in this phase and additional schools currently moving into the lifecycle process. To assist with this, we recommend that the description for the 'client liaison' role includes leading the adoption of the BSRIA Soft Landings (SL) for each school. The BSRIA SL methodology (see Appendix A) is designed to assist with a smooth transition between the delivery and operational phases and, in our experience, when successfully implemented makes this transition significantly more effective. This will lead to lower costs for the Council and better outcomes for the users.

As part of the BSRIA SL process it is recommended that (as already underway for existing assets) an Asset Register for each new school is fully developed to improve this interface at handover.

Maintenance responsibilities for schools are currently being clarified with a School Building Handbook which is out for consultation. Successful implementation of this handbook is key for the asset management programme to clarify accountability of delegated/non-delegated responsibilities, including health and safety statutory compliance issues. It should be given full support.

From our previous experience of successful school delivery programmes both in Wales and across the UK, we recommend that robust Employers Requirements (ER's) are developed for each school. We understand that this approach was adopted for the Band A schools. Whilst a detailed review of this Band A documentation is outside the scope of this study, from discussions on the current scope of these ER's we believe investment in more detail going forward would help successfully manage the cost and quality risks of the programme. To maximise the value of this investment, the Technical Advisor team that produces the ER's should stay in place throughout the delivery and hand over phases of the programme. This will ensure that the requirements of the ER's are correctly interpreted and implemented.

# 1 Introduction

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Cardiff has a large education estate with over 127 school properties. Cardiff Council have a duty to ensure that schools comply with appropriate statutory, regulatory and corporate standards.

The rapidly growing school age population in the city sits against a background of many of the existing school buildings requiring significant further investment to bring them up to an acceptable standard. This creates significant challenges for the delivery of education for Cardiff Council.

These challenges have three aspects, namely:

- i. The delivery of the 21st Century Schools Band A (£164m) and Band B (£284m) school programmes. The Band A programme is already in the delivery phase with two secondary schools and six primary schools. The Band B programme is about to start and includes four new primary schools, four new secondary schools, three additional learning needs (ALN) schools and one new combined secondary/ALN school. These programmes relate to population growth that is already in the system at primary phase.
- ii. The Local Development Plan (LDP) adopted by Cardiff Council will see the city grow significantly up to 2026. This will also generate significant increases in the demand for school places across the city over the next ten years.
- iii. The commitment by the Council to tackle the condition of the remaining school estate. There is currently £68m of back log maintenance within the estate. The investment in new buildings through the Welsh Government 21st Century School programme, outlined in item i above, will address some of the condition issues of the estate. However, there is still considerable residual back log maintenance across the remainder of the estate which must be addressed.

During the 14 December 2017 Cabinet meeting the following recommendation, in the report on 21st Century Schools: Cardiff Council's Band B priorities, was agreed:

*“A subsequent report to Cabinet will propose arrangements to secure sufficient capacity and appropriate governance to deliver the Cardiff Band B 21st Century Schools Programme.”*

Arup was therefore commissioned in January 2018 by the Education Directorate to provide an external review of the proposed governance and capacity required to ensure Cardiff Council can effectively deliver a programme of the size and scale outlined above, whilst securing value for money. The study also reviewed the proposed delivery process of the schools, as this is also key to the success of the school delivery programme. This was done in consultation with a small cross section of stakeholders from across the Council and the schools.

The report starts by summarising the scale of the programme. It then reviews the current delivery process and the governance and capacity proposals before providing conclusions, recommendations and observations.

## 2 Education Delivery Vision

In recent years, Cardiff has undergone an astonishing transition which has established the city as one of the best places in the UK to live. Whilst the city has undoubtedly done well, the Council recognises the need to trigger the next phase of regeneration for the city. This will ensure the quality of life currently enjoyed is retained and enhanced, and more and better jobs are available to all Cardiff residents. The provision of high quality schools is key to delivering this vision.

The 12th October 2017 Cabinet Meeting Report for Developing the Education Estate in Cardiff, summarised the vision as follows;

*“The Council and its partners outlined in 2016 a clear vision for education in the city in Cardiff 2020: a renewed vision for education and learning in Cardiff. All children and young people in Cardiff attend a great school and develop the knowledge skills and characteristics that lead them to become personally successful, economically productive and actively engaged citizens. The Council’s Capital Ambition strategy has made a clear commitment to continue in the investment and improvement of Cardiff schools to make sure every child has the best possible start in life. The delivery of 21st century learning environments will ensure that there are appropriate, high quality school places for young people which meets the needs of Cardiff’s growing and changing population.”*

The four key components of delivering this vision are summarised in Fig 1 below:



**Fig 1. Summary of the key components of the Cardiff Council Education Delivery Vision**

The scale of these four components are described in more detail below.

### 2.1 Band A phase of the Welsh Government 21st Century Schools Programme

The Cardiff schools Band A programme is a new build school delivery programme that is already in process. It has a value of £164m and is delivering additional English and Welsh medium school places to cope with existing

population growth. This includes two new secondary schools, Eastern High School and Cardiff West Community High School, as well as six new primary schools.

## **2.2 Local Development Plan (LDP) Expansion for Cardiff County Council**

The LDP adopted by Cardiff Council will see further significant growth in the city's population up to 2026 which in turn will generate increased demand for school places across the city.

It is projected that ten new primary schools and two new secondary schools are required from this growth. Some temporary measures may also be required to accommodate demand from the early phases of this additional growth.

## **2.3 Band B phase of the Welsh Government 21st Century Schools Programme**

This is the next phase of the school new build programme which meets population growth already in the system in the primary phase.

The Cardiff Band B 21st Century schools programme is due to commence shortly and is scheduled to run until 2024. It has a value of £284m and is proposing to deliver additional school places and new build facilities in both English and Welsh medium in the primary, secondary and special school sectors.

## **2.4 Asset Management Programme**

Cardiff has a very large education estate, with over 127 school properties. Many these schools are in a poor state of repair. Some of the maintenance and condition issues of the estate will be addressed through the Band A and B new build school programmes outlined above. This nonetheless leaves a significant maintenance backlog of approximately £68m, of which circa £8m is Equality Act 2010 compliance. The Local Authority's current spend on school asset renewal has been circa £3m per annum. This resource is allocated on a priority basis and is predominantly limited to keeping properties safe and watertight.

External Project Management Consultants were engaged by the Council in 2017 to update the 2010 conditions surveys and their findings form the basis of the major asset management programme that will be implemented over the next 5 years. From April 2018, the Council has agreed an additional £25m of capital funding over 5 years to assist with this asset management programme, of which circa £6m will be used to implement additional ALN places across the city.

## **2.5 Commentary on the scale of this programme**

The programme for successfully delivering the education vision of the Council and its four components outlined above will require adequate capacity and a clear governance structure. This Governance structure and the capacity provided to



deliver the programme must ensure good value for money, whilst maintaining the existing assets in good condition.

It is highlighted that investment in new school buildings will only address some condition/suitability issues. There will remain ongoing asset management challenges with the current high backlog maintenance in other school properties.

Table 1 below summarises the scale of the new build programme that is planned.

<b>NEW BUILD SUMMARY</b>	<b>BAND A</b>	<b>BAND B</b>	<b>LDP</b>	<b>TOTAL</b>
<b>PRIMARY</b>	6	4	10 +3 finance contribution	20 +3 finance contribution
<b>SECONDARY</b>	2	4	2 finance contribution	6 +2 finance contribution
<b>ALN</b>	-	3	-	3
<b>COMBINED SECONDARY AND ALN</b>	-	1	-	1

**Table 1 – Summary of the scale of the Cardiff Council new build school programme**

This table clearly illustrates the significant scale of the new build school programme that Cardiff is delivering. From our experience, this will require significant capacity if it is to be successfully delivered.

Arup has worked on a variety of school new build programmes in Wales and England, including Birmingham & Sandwell, Hertfordshire, Newport and Vale of Glamorgan, the scale of which is summarised below;

- Birmingham & Sandwell – Eight secondary schools
- Hertfordshire – Seven secondary schools
- Newport – Three secondary schools
- Vale of Glamorgan – Three secondary schools, one ALN and one primary school

These schools were a combination of new builds and part new build part refurbishment (adding complexity).

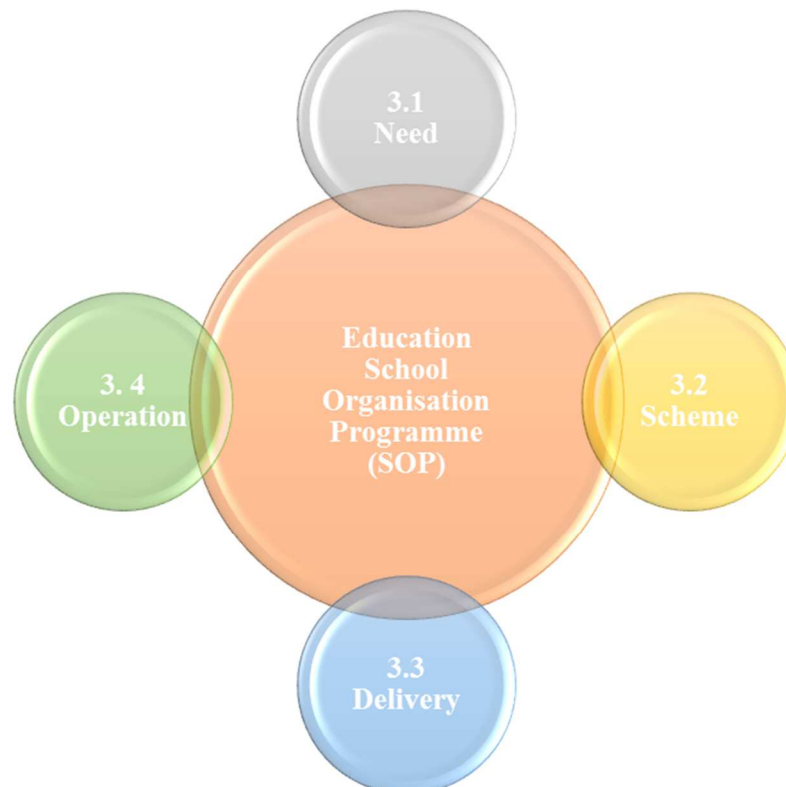
The components of the Cardiff programme that include new build schools are of a similar scale to the English school programmes and these all required significant additional capacity for their successful delivery (either internal or external). This experience has been drawn on to review the capacity requirements of the Cardiff programme.

The Welsh school programmes both involved new schools but they were not delivered concurrently as is intended for the Cardiff programme. Hence, they didn't involve additional capacity requirements. However, the Governance requirements were very similar and these have been compared as part of this review.

### 3 Education Delivery Process Review

The delivery process for the Education School Organisation Programme (SOP) was reviewed using the four key stages in the lifecycle process of a typical new build school. This was done in consultation with a small cross section of stakeholders from across the Council and its schools.

Fig 2 below summarises the four key stages of the typical life cycle of a new build school, namely need, scheme, delivery and operation.



**Fig 2. Summary of the four key stages in a typical school life cycle**

#### 3.1 Need Phase

This phase begins the life cycle by the identification of the need for a new school and is led by the Education Directorate. Any new scheme or modifications of existing provisions must be consulted on as set out in the School Organisation Code for Wales.

Band B schools are currently in progress with a robust estimate of cost developed via external consultants. The submission to Welsh Government for match funding for band B schools has been successful, with £284m approved in principle. For the Local Development Plan (LDP) schools in the areas of new housing, the building of new facilities is delivered or financed via Section 106.

This phase of the process seems well developed and we understand that it is operating well with adequate capacity. However, the scale of future school

provision, including the consultation requirements, will inevitably place additional demands on this function.

## 3.2 Scheme Phase

This second phase of the process relates to deciding the high-level details of the new schools, such as site selection and is again led by the Education Directorate. There is extensive input from other areas of the Council, such as strategic estates, planning, highways etc. through the SOP Board. Statutory consultation for this stage is an estimated nine-month process with allowance of up to one year, based on the Welsh Government guidance.

The building of new schools due to the Local Development Plan are delivered via Section 106 contributions. Primary schools are delivered generally by contract. The housebuilders will provide capital contributions for the two new secondary schools. However, the phasing, consultation and delivery will be undertaken by the Council when deemed appropriate for sufficiency in each location.

The key finding of the review of this stage was the importance of a formal sign off of the site location decision by all internal stakeholders across the Education and Economic Development Directorates. This is a key decision relative to ensuring value for money from the programme. This should therefore be included in the terms of reference of the SOP Board and a formal sign off required for each site, without exception.

## 3.3 Delivery Phase

The third phase of the process is again led by the Education Directorate. The delivery of the Band A schools is already in this delivery phase.

The SOP project groups undertake the internal and external consultation via the SOP Project Managers. They also manage any external resource employed in the delivery team.

For primary schools the Projects, Design, Development (PDD) team in the Economic Development Directorate is currently utilised to define the brief. Whereas for the secondary schools and additional learning needs (ALN) schools external project management and technical support is utilised.

From the review, we believe that the SOP Project Manager role should be renamed to reflect the 'Client Liaison' nature of the role and to avoid any confusion with the external project manager role.

Standardised solutions for schools has delivered considerable value for money on some of the other school programmes listed in section 2.5. From our consultation, whilst the SOP team managing this phase aspire to utilise such solutions across the new schools, there is pressure from the schools to deliver bespoke solutions. This needs careful management by the 'client liaison' role and should be a deliverable within their job description.

The site selection for a new school should be by the School Organisation Programme (SOP) Board for reporting to the Asset Management Board for a sign off through the CEX/SMT and ultimately the Cabinet.

From our previous experience of the successful delivery of the school programmes outlined in section 2.5 of this report a key success factor is the use of robust Employers Requirements (ER's). On these school programmes, this role was always completed by an experienced Technical Advisor (TA) team for each school. We understand that this approach was adopted for the Band A schools. Whilst a detailed review of the Band A procurement documentation is outside the scope of this study from discussions on the current scope of these ER's we believe investment in more detailed documents is required to reduce the risk to cost escalation and reduced quality.

Furthermore, to maximise the value of this investment, we recommend that the Council ensure the technical advice continues throughout the delivery and hand over phases of the programme. This will ensure that the requirements of the ER's are correctly interpreted and implemented.

With the scale of the Cardiff programme we believe that it is likely that an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report, will be required, particularly as many schools are delivered concurrently under the programme. Our experience from other programmes is that a 'client liaison' role can only effectively manage a maximum of two secondary schools at any one time (for complex schools this would reduce to one).

Whilst a skills audit was outside the scope of this review, it is likely that some of the staff currently in the Projects, Design, Development (PDD) team would have the experience and skills to undertake the 'client liaison' role with some training. We believe that this resource would be better deployed in these roles rather than developing the briefs for the new primary schools. The brief development for the primary schools could instead be undertaken by the external TA team. In our opinion, the use of external resource will ensure there is no resource over capacity within the Council at the end of the programme and will also allow adequate suitably skilled resource to be cost effectively obtained to deal with the simultaneous delivery of the numerous schools in the programme.

It was also noted during the review that no standardised strategic approach to IT for infrastructure/managed service was currently in place across the school estate. This can then be tailored at a school level to suit their specific requirements. From our experience, this is a critical success factor for a school programme and additional capacity should be made available urgently to develop this approach for the programme and make it available at the outset of the programme.

### 3.4 Operation Phase

This is a key phase of the Education Delivery Strategy as the facilities come into use. Since April 2000, school governing bodies have been delegated the budget and responsibility for all revenue recurrent repairs and maintenance for school

premises. Only capital expenditure has been retained by the Council for schemes over £10,000.

This is different for Voluntary Aided (VA) schools, where each Diocese has a responsibility to contribute to the upkeep and development of the fabric of the building.

We understand that the maintenance responsibilities for schools are currently being clarified with a School Building Handbook, which is out for consultation and aims to clarify accountability of delegated/non-delegated responsibilities including health and safety statutory compliance issues. In our opinion, the successful implementation of this handbook is key to the success of the asset management programme, with clarity of responsibility essential.

Transformational changes are currently in progress for the asset management of schools. This will be through a refreshed approach to deliver the Council's responsibilities as Corporate Landlord. There will be an enhanced focus on ensuring health and safety compliance. Successful implementation of this function is key as completed 21st Century Band A projects are already in this phase and additional schools are currently moving into the lifecycle process. To assist with this, we recommend that the role description for the 'client liaison' role includes leading the adoption of the BSRIA Soft Landings (SL) for each school. The BSRIA SL methodology (see Appendix A) is designed to assist with a smooth transition between the delivery and operational phases. In our experience, when successfully implemented, it makes this transition significantly more effective. This would lead to lower costs for the Council and better outcomes for the user.

We also recommend that an Asset Register, in a common format, is developed prior to handover to improve the asset management interface. This should be a requirement of the ER's for each school.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Therefore, there is a need for capacity within the Council to deal with this land disposal in terms of legal agreements, decommissioning of the site, security prior to sale, insurance etc. Whilst it is outside the scope of this report to advise on which group within the Councils Governance structure leads on this, it is important that this is clear within the terms of reference of that group to avoid any confusion on the responsibility for this key function.

The Schools Asset Commissioning Group oversees the prioritisation of the School Asset Renewal Programme and the commissioning of works against an agreed programme. A skills audit was outside the scope of this review. However, it is likely that some of the staff currently in Projects, Design, Development (PDD) team would have the facilities management experience and skills to assist in this role with some training and this could assist with the capacity shortfall in this area.

We understand that currently the budget for asset management of the schools includes funding for both suitability adaptations and back log maintenance. We would recommend that the funding for these two distinct priorities is separated so that each has a clear budget.

## 4 Governance and Capacity Review

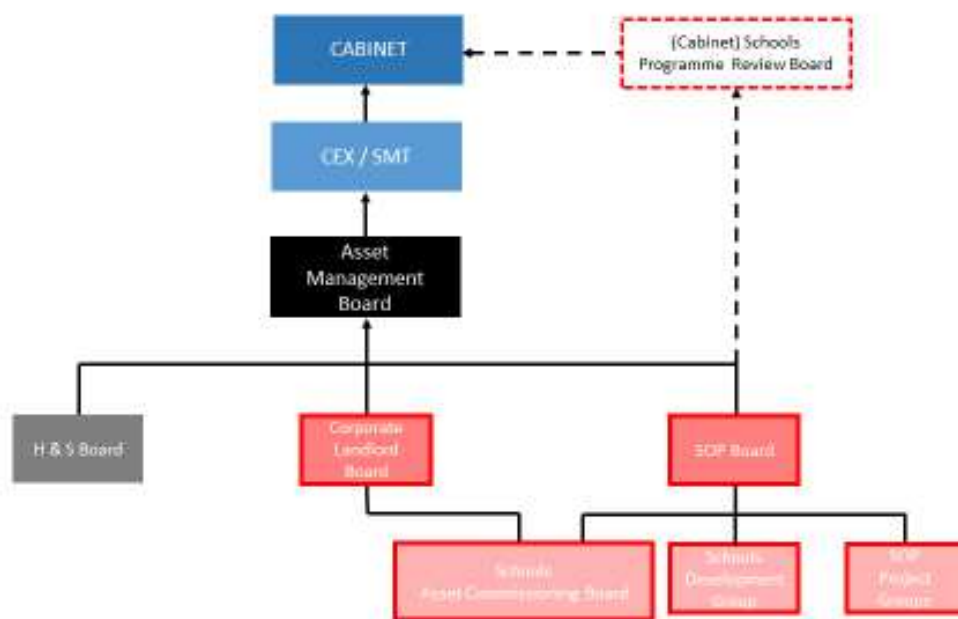
This section outlines the proposed governance and current capacity Cardiff Council has available to deliver the school programme and comments on its adequacy.

### 4.1 Governance

#### 4.1.1 Governance description

Figure 3 below summarises the proposed transitional governance structure and reporting procedures which the Council are in the process of implementing.

### Schools Property Governance



**Fig 3 Proposed transitional governance structure and reporting procedures**

The key governance groups relating to the education estate are outlined below;

#### Schools Development Group

This group formulates proposals for the strategic development of the school estate in the context of the Councils Place Strategy for the City.

#### SOP Project Groups

These groups lead the new school project delivery for the Education Directorate.

### **School Organisational Programme (SOP) Board**

This board provides high level governance for the Council's School Organisation Programme to ensure effective use of available resources in delivering the objectives agreed by Cabinet for the development and maintenance of the school estate in Cardiff.

The other key groups that relate to the delivery of the education vision are;

### **School Asset Commissioning Group**

Once the new school buildings are completed they move into the operational phase of the lifecycle process. This key interface is administered by the School Asset Commissioning Group highlighted in orange in Fig 3. This group will oversee the prioritisation of the School Asset Renewal Programme and the commissioning of works against an agreed programme.

### **Asset Management Board**

As part of the governance structure, the School Organisation Programme (SOP) Board (and the other boards highlighted in Fig 3) report to the Asset Management Board which contains the Director of Education and Director of Economic Development and is chaired by the Chief Executive. This board reports to the CEX/SMT and ultimately to the Cabinet every quarter.

## **4.1.2 Governance Review**

The Council have a governance structure with a broad range of skills across Directorates to deliver the Council objectives and education vision.

During the review, past issues with governance appear to have been identified and rectified in the proposed governance structure in Fig 3.

The major weakness highlighted in the review was the interface between the Education and Economic Development Directorates at hand over of the new school buildings. The School Asset Commissioning Group terms of reference should include the management of this interface to ensure a smooth transition between the delivery and operational phases.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. It is important that the roles within this disposal process are clearly defined within the terms of reference of the groups within the Governance structure to avoid any confusion on the responsibility for this key function.

The programme of delivering the education vision through the construction of new buildings requires a clear governance structure to deliver a programme of this scale and ensure good value for money whilst maintaining existing assets in good condition. This proposed governance and the associated reporting processes are a sensible approach. They should be fully implemented, including finalising the terms of reference for each group.

The terms of reference of the groups identified in Fig 3 should ensure that the Council wide initiatives of Digital, Sustainability and Active Travel objectives are integrated into the delivery process to ensure a holistic approach to modernisation, as highlighted by some of the stakeholders consulted during this review.

## 4.2 Capacity

The Education Directorate has developed a team to manage the large Cardiff school estate. However, the introduction of this major programme, as summarised in section 2 of this report, introduces a significant additional work stream which we don't believe can be delivered within this existing capacity.

From our experience on similar new school delivery programmes in England, as outlined in section 2.5 of this report, we believe that the team managing the delivery of the school projects will need to be significantly supplemented, with an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report. We believe these roles should be internally resourced, as with the current roles, due to the extent of internal interface required.

We also believe that the team will need additional leadership in the form of a senior appointment to direct the programme. This person will need experience of delivering a new build school programme of this scale and an external appointment maybe necessary. Relative to the financial size of the programme, the revenue costs for such a post, for the life of the programme, are relatively small and would provide stronger assurance of getting value for money from the overall budget.

As noted in section 3.3 we believe that the current SOP project manager title should be renamed to reflect the 'client liaison' role (for clarity) and that the programme will need additional resource of this type to deliver the number of schools planned. Whilst a skills audit was outside the scope of this review, it is likely that some of the staff currently in Projects, Design, Development (PDD) team would have the experience and skills to undertake the 'client liaison' role with some training. In our opinion, this resource would be better deployed in these roles than developing the brief for the primary schools. The brief development function for primary schools could be undertaken by an external TA team as currently happens for the new secondary schools. In our opinion, the use of external resource for this short-term role will ensure there is no resource over capacity within the Council at the end of the programme and will also allow adequate suitably skilled resource to be cost effectively obtained to deal with the simultaneous delivery of the numerous schools in the programme.

With the extent of back log maintenance within the remaining estate there is also a need to supplement the capacity of the team undertaking the asset management of the estate. Hence, we would support the current Council proposal to increase the capacity of senior management for the Corporate Landlord function to deliver this Asset Management programme. As noted in section 3.4 it is likely that some of the staff currently in Projects, Design, Development (PDD) team would have the facilities management experience and skills to assist in this team with some training and could assist with the capacity shortfall in this area.



An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Therefore, there will be a need for additional capacity within the Council to deal with this land disposal in terms of legal agreements, decommissioning of sites, security prior to sale, insurance etc.

In addition to the need to increase the capacity of the SOP team and the Corporate Landlord function other parts of the Council will need to increase their capacity for the essential roles they undertake for the successful delivery of the programme. There will inevitably be a need for increased capacity in some teams such as but not limited to legal, procurement and highways.

## 5 Conclusions and Recommendations

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### 5.1 Conclusions

#### 5.1.1 Governance

We have reviewed the Governance structure proposed by the Council as set out in section 4.1 of this report. We believe it provides a robust overall Governance arrangement for the education estate. This includes the methodology proposed for the incorporation of the major new build school programme and the ongoing management of all school building assets.

From our discussions with various stakeholders there have been issues previously with the transition of the asset management process, specifically at the hand-over stage of new and refurbished buildings. The Schools Asset Commissioning Group provides this key Governance link between the teams delivering the new schools and those tasked with their ongoing maintenance. It is essential to the successful Governance of the process.

An inevitable consequence of the proposed programme will be the need to decommission old schools and dispose of some of the sites. Whilst it is outside the scope of this report to advise on which group within the Councils Governance structure leads this process, it is important that this is clear within the terms of reference of that group to avoid any confusion on the responsibility for this key function.

The integration of cross Council initiatives related to Digital, Sustainability and Active Travel objectives must be embedded into the Governance structure to ensure a holistic approach to the school modernisation programme.

We understand that currently the budget for asset management of the schools includes funding for both suitability adaptations and back log maintenance. We believe that the funding for these two distinct priorities should be separated so that each has a clear budget.

We also have some observations on the practicalities of the successful implementation of this Governance structure and these are summarised in section 5.3.

#### 5.1.2 Capacity

We have also reviewed the current capacity within the Council to implement a school delivery programme of the scale proposed. Our conclusion is that additional capacity is required, particularly in the areas below:

- a) From our experience of other school delivery programmes across the UK we believe that the current management team of the programme needs supplementing with the appointment of a Programme Director for the Education School Organisation Programme (SOP) to deliver a programme of this scale, with its proposed speed of delivery.

- b) From our review of the current delivery process we support the Council's proposal to increase the capacity of senior management for the Corporate Landlord function to deliver the Asset Management programme. From our experience, it will be essential to add capacity to the team dealing with the asset management of the council's estate, given its scale, and the significant back log maintenance.
- c) It is our view that the current SOP Project Manager role title has the potential to cause confusion with the external project manager roles noted in item e) below.
- d) Due to the scale of the programme a significant team will be required to manage the various internal/external stakeholders and the external delivery partners. From our experience on other programmes of this scale the current capacity will need to be significantly supplemented, with an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report. We believe these roles should be internally resourced, as with the current roles, due to the extent of internal interface required. One potential option would be to utilise staff currently in the Projects, Design, Development team (PDD) as they are likely to have a similar skill set to that required for this role.
- e) From our experience of delivering programmes of this scale across the UK, and smaller programmes within Wales, the day to day project management of the new build schools is normally externally sourced. This minimises any over capacity within the education team at the end of the programme and provide the skills, knowledge and experience to project manage new build programmes of this scale without the need for any training of the internal staff that would have to move into the team to deal with the scale of this programme. It will also provide the resource to enable schools to be delivered concurrently as required by the programme. We understand this is how the Band A schools were delivered by the Council.
- f) From the feedback, we received during the review and from our experience on other programmes, a standardised strategic approach to IT across the school estate needs to be developed for integration into the programme as a matter of urgency. This can then be tailored at a school level to suit their specific requirements. It should be available for use from the outset of the programme.
- g) With the scale of the programme, from our experience, other parts of the Council will also need to increase their capacity for the essential roles they undertake for the successful delivery of the programme. There will inevitably be a need for increased capacity in teams such as, but not limited to, legal, procurement and highways.

## 5.2 Recommendations

### 5.2.1 Governance

- a) We recommend that the structure outlined in section 4.1 of this report, where not already in place, is fully implemented and supported. Clear terms of reference for each group within that structure should be developed.
- b) We recommend that the funding for the two distinct priorities of back log maintenance and suitability adaptations should be separated so that each has a clear budget.
- c) We recommend that there is clarity in the Governance structure regarding which group leads the school disposal process (an inevitable consequence of the new build school programme). The various roles in the process should be included within the terms of reference for the groups in the Governance structure in Fig 3.

## 5.2.2 Capacity

- a) We recommend the Council strengthens the management of its delivery team with the appointment of a Programme Director for the Education School Organisation Programme (SOP). This person should have experience of successfully managing a capital works programme of this scale. Therefore, it may require an external appointment, potentially on a temporary basis for the period of the programme. An appointment at this level will have significant short-term revenue costs. This essential expenditure must be viewed against the scale of the programme and the benefits that such an appointment offers. The right appointment will reduce the risk of non-delivery in terms of time, cost and quality. We would recommend that the appointment is funded from the programme budget, as it directly relates to the programme.
- b) We recommend that the Council expedites the appointment of additional senior management capacity for the Corporate Landlord function to deliver the Asset Management programme for the Council estate.
- c) We recommend that the current SOP Project Manager title should be renamed to reflect the 'client liaison' role they perform and to distinguish them from the external project manager roles noted in item e) below.
- d) We recommend an increase in the number of 'client liaison' roles and in the role of school programme development manager, to whom they report. We also recommend that consideration is given to the reallocation of existing staff into this role, with the staff potentially drawn from PDD as their skills are likely to be transferable.
- e) We recommend that the day to day project management and technical advice for the new build schools programme is externally sourced, as happened on the Band A school programme.
- f) We recommend that additional internal capacity is identified to develop a standardised strategic approach to IT across the school estate. This can then be tailored at a school level to suit their specific requirements. This resource should be made available at the beginning of the programme.

- g) We would recommend that the current capacity within other parts of the Council that are essential to the successful delivery of the programme e.g. legal, procurement, planning, highways etc. are urgently reviewed and supplemented where necessary before the programme commences.
- h) We would recommend that additional internal capacity is identified to deal with land disposal in terms of legal agreements, decommissioning of sites, security prior to sale, insurance etc.

## 5.3 Observations

In addition to the conclusions and recommendations above, the review also observed several operational issues that we feel it is essential are also addressed before the programme moves forward. These are outlined below:

### 5.3.1 Governance

Whilst a strong governance proposal is to be adopted, a balance needs to be struck between this over-arching process and addressing the inevitable need at times within the delivery programme to get urgent approvals at SMT and/or cabinet level for changes proposed by the SOP Board. Consideration should be given to how this flexibility can be introduced into the governance structure. This will ensure that the programme is not impacted nor costs incurred due to delays caused by the internal approval process.

Provision is made within the governance structure for interfacing between the asset management and SOP teams. However, from the discussions we had with various stakeholders during this review, at an implementation level this interface could be improved, particularly at site selection and site handover stages.

We would recommend that the site selection process for new schools involves a sign off by all internal stakeholders. This is a key decision relative to ensuring value for money from the programme. This should be included in the terms of reference of the SOP Board and a formal sign off required for each site.

### 5.3.2 Process

Transformational changes are currently in progress for the asset management of schools and will be delivered through a refreshed approach to deliver the Council's responsibilities as Corporate Landlord. There will be an enhanced focus on ensuring health and safety compliance. Successful implementation of this function is key, with completed 21st Century Band A projects already in this phase and additional schools currently moving into the lifecycle process. To assist with this, we recommend that the role description for the 'client liaison' role includes leading the adoption of the BSRIA Soft Landings (SL) for each school. The BSRIA SL methodology (see Appendix A) is designed to assist with a smooth transition between the delivery and operational phases and in our experience when successfully implemented makes this transition significantly more effective. This leads to lower costs for the Council and better outcomes for the user.

As part of the BSRIA SL process it is recommended that (as already underway for existing assets) an Asset Register for each new school in a common format is fully developed to improve this interface at handover.

We understand that maintenance responsibilities for schools are currently being clarified with a School Building Handbook, which is out for consultation. Successful implementation of this handbook is key for the asset management programme to clarify accountability of delegated/non-delegated responsibilities including health and safety statutory compliance issues. It should be given full support by the Council.

From our previous experience of successful school delivery programmes both in Wales and across the UK we recommend that robust Employers Requirements (ER's) are developed for each school. We understand that this approach was adopted for the Band A schools. Whilst a detailed review of this documentation is outside the scope of this study, from discussions on the current scope of these ER's, we believe investment in more detail would reduce the risk to cost and quality delivered by the process. To maximise the value of this investment, the Technical Advisor team should stay in place throughout the delivery and hand over phases of the programme to ensure that the requirements of the ER's are correctly interpreted and implemented. Whilst a skills audit was outside the scope of this review, it is unlikely that sufficient suitably skilled internal resource will be available to undertake this work and any spare resource that is available would be better utilised in the additional 'client liaison' roles that are required (see section 5.2.2). The use of external resource will ensure there is no resource over capacity within the Council at the end of the programme and will also allow adequate suitably skilled resource to be cost effectively obtained to deal with the simultaneous delivery of the numerous schools in the programme.

## Appendix A

### BSRIA Soft Landings Framework

## A1

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Adopting BSRIA Soft Landings framework with a Council Champion through the delivery process would assist in highlighting Asset Management operational considerations.

- The Soft Landings Framework is a joint initiative between BSRIA (Building Services Research and Information Association) and UBT (Usable Buildings Trust). It is an open-source framework that is intended to '...smooth the transition into use and to address problems that post-occupancy evaluations (POEs) show to be widespread'. It was first published in 2009 and was updated in 2014 to align with the RIBA 2013 work stages.
- The term 'soft landings' refers to a strategy adopted to ensure the transition from construction to occupation is 'bump-free' and that operational performance is optimised.
- This transition needs to be considered throughout the development of a project, not just at the point of handover. Ideally the Council would commit to adopting a soft landings strategy in the very early stages so that an appropriate budget can be allocated and appointment agreements and briefing documents can include relevant requirements. This should include agreement to provide the information required for commissioning, training, facilities management and so on, and increasingly should include requirements for Building Information Modelling (BIM).
- To ensure that a soft landings strategy is implemented properly from the outset, it may be appropriate to appoint a soft landings champion to oversee the strategy. Facilities managers should also be involved from the early stages.
- The framework includes five key stages:
  - Inception and briefing

Ensuring that the needs and required outcomes are clearly defined.

- Design development and review

Reviewing comparable projects and assessing proposals in relation to facilities management and building users.

- Pre-handover

Ensuring operators properly understand systems before occupation.

- Initial aftercare

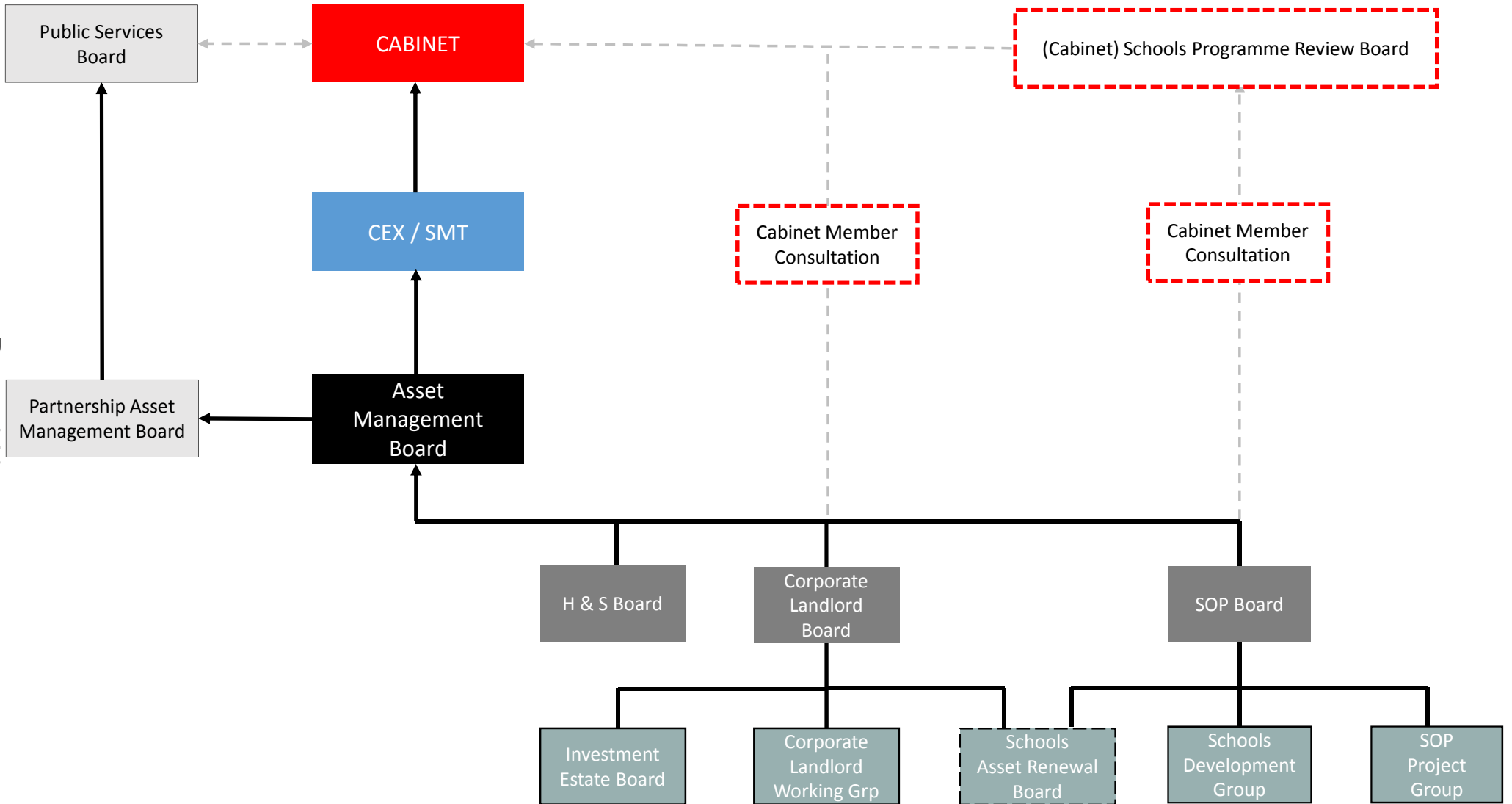
Stationing a soft landings team on site to receive feedback, fine tune systems and ensure proper operation. Typically, this will last four to six weeks, but may be longer for complex buildings such as hospitals and may be shorter for simple buildings such as shops.

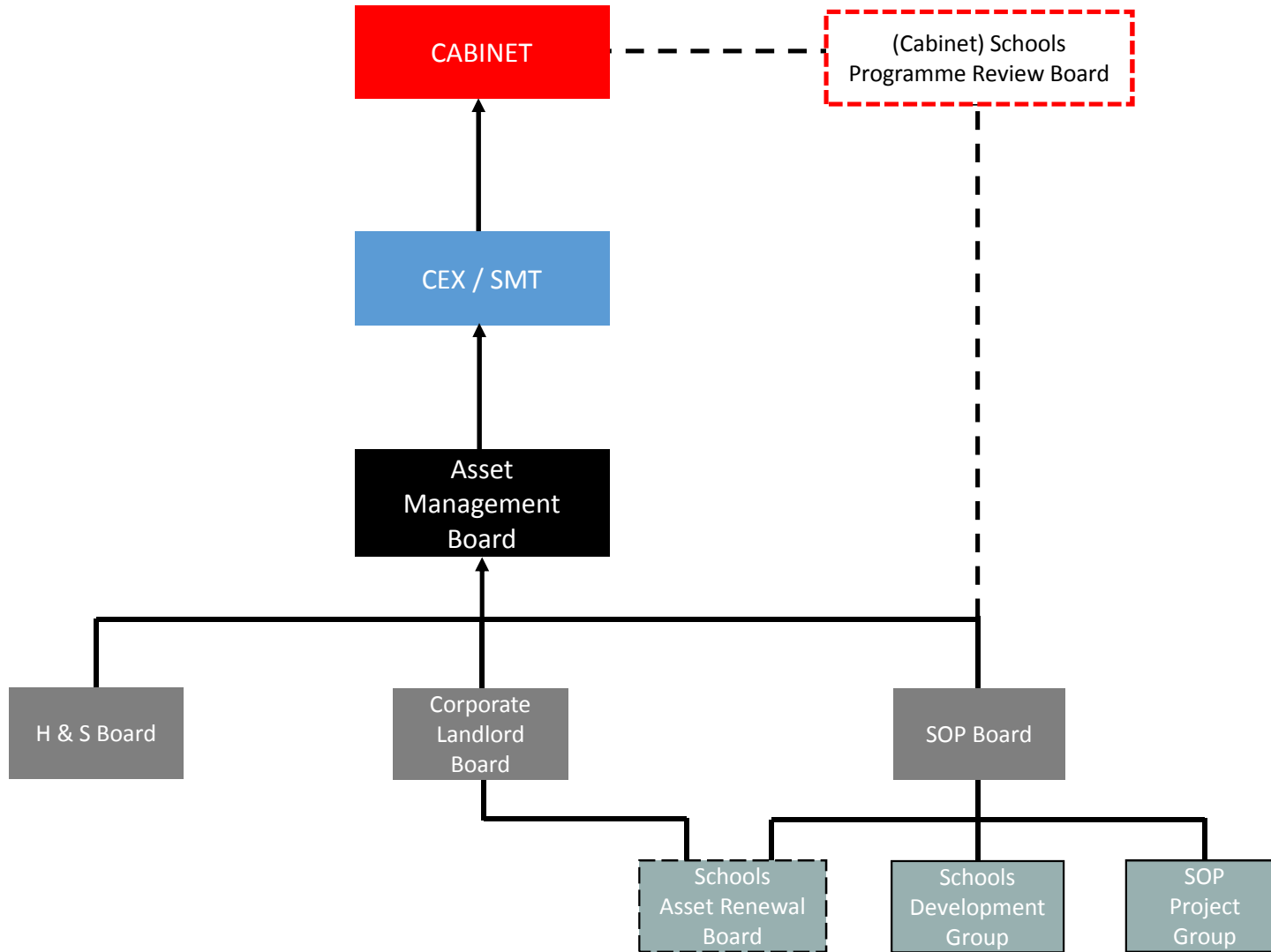
- Extended aftercare and post occupancy evaluation.



Outstanding issues are resolved and post occupancy evaluations are fed-back for future projects. It is suggested that this period lasts for three years. In year one, problems are identified, training provided and systems fine-tuned, with regular reviews. In years two and three, performance is reviewed, and post occupancy surveys carried out, but with reviews becoming less frequent.

Mae'r dudalen hon yn wag yn fwriadol







Appendix D



## **Cardiff Council**

# **Strategic Review & Recommendations into Statutory Obligations and Health & Safety Compliance at Cardiff Council**

**March 2017**

**Nigel McCarthy – Principal – Orion360 Ltd**

## Executive Summary

The statutory obligations applicable to the operation, design and construction of buildings are extensive and complicated. It is critical that the Chief Executive and Senior Management Team have a clear and robust monitoring, reporting and management system in place supported by an embedded Health and Safety culture that controls and mitigates the risks to workers and the public.

Against this backdrop, we have written a report that has reviewed the historic and current statutory obligations performance of Cardiff City Council while focusing upon creating a culture of excellence that reflects a leading city and its standing as a Capital City. We have interviewed directors, senior managers and front line operational personnel so that a true perspective is achieved. The findings have assisted us in creating an action plan which once implemented will result in improved performance. We emphasise however, that we see little value in replicating previous reports commissioned as these have not resulted in any significant change or impact.

This document therefore, whilst giving consideration to how Cardiff City Council has arrived at the current position, is more focused on current challenges and solutions, being a practical call to action for the Senior Management Team to act upon and evidence the actions over a specified period of time.

This is a report with recommendations that must be owned and directed by the senior team. Directors and management need to demonstrate their commitment to making the Council compliant at a minimum, best in class as a target. The first step would be to deliver a prompt message of change to the whole council placing a level of importance upon the collective impact that can be achieved by all so that legislative demands are owned, understood and acted upon by everyone.

This is an opportunity for the Chief Executive and Senior Management Team to evidence that they are addressing historic problems, current shortcomings and future needs. Our findings take into account and mirror elements of past reports. The substance of what we present here in terms of Why this situation has arisen, is known throughout the Council albeit perhaps piecemeal.

Critically, however we have set out a series of recommendations that must be delivered as a coherent program through a focused, identifiable project so that accountability and responsibility are owned within the action plan and there is a common goal and purpose.

The Why, is important and must be clearly stated:

“We, the Officers of Cardiff City Council have an obligation to ensure compliance to statutory obligations and Health & Safety for the collective benefit, to safeguard our assets for the common good of the city’s population and ensure the safe and efficient delivery of services. We are embarking upon an urgent programme of remedial and progressive actions to meet those standards and aspirations and need the engagement, commitment and assistance of all council officers to ensure success.”

We suggest identifying the program as a continual improvement program broken down into short, medium and long term milestones both in the overarching corporate wide plan and in the individual directorates, with particular emphasis on schools, with the aim of delivering significant impact over the next 12 months.

## Recommendations:

Below we provide a brief description of our recommendations. More details behind each recommendation can be found at Page 22.

Strategic Recommendation (SR)	Recommendation	Description	Timeline
SR 1	<b>Governance &amp; Assurance Team</b>	Our key recommendation is the appointment of a Head of Governance and Assurance and the establishment of an independent Governance and Assurance team reporting directly to the Chief Executive Officer of Cardiff City Council.	Immediate
SR 2	<b>Condition Schedules and RAMIS</b>	Post review of the initial pilot Condition Schedules, implement the full programme of Condition Surveys across the Council Estate to develop full assessment of compliance. RAMIS system to be fully implemented as soon as possible.	Urgent
SR 3	<b>Restructure and Re-education: Health and Safety Team</b>	Health & Safety provision and practice at the Council needs improvement. The rebuilding of a well-resourced, funded and effective Health and Safety team must be a key and immediate priority for the Council along with a programme of detailed actions identified in the body of this report. This team will report to the Head of Governance and Assurance.	Immediate
SR 4	<b>Restructure: Schools Organisation and Planning</b>	We recommend that the Schools Organisation and Planning (SOP) team is transferred from the Education Directorate into the Economic Development Directorate as soon as possible to become part of the Corporate Landlord model. Clarify responsibility and accountability for and control of the commissioning of buildings and construction / maintenance / Statutory Obligations work, particularly under Construction Design and Management (CDM) regulations.	Within 6 months



SR 5	<b>Restructure: Project, Design and Development (PDD)</b>	We recommend that PDD is transferred from the Education Directorate into the Economic Development Directorate as soon as possible and becomes part of the Corporate Landlord model. This transfer would then align Building Services, PDD, SOP and Estates in the design and commissioning of buildings and building works, increasing co-ordination between departments and provide a co-ordinated approach to the Estate.	Within 6 months
SR 6	<b>Corporate Landlord Programme</b>	<p><b>SR 6.1 Vision:</b> The Corporate Landlord project could incorporate a “Purpose” incorporating the following key themes; Meeting statutory obligations, Aligning property priorities to service delivery outcomes, Smaller and better quality estate, Optimising asset performance.</p> <p><b>SR 6.2 Carbon reduction:</b> The Council needs a clear and strategic approach to energy and water arrangements across its assets.</p> <p><b>SR 6.3 Building Information Modelling (BIM):</b> Implementing BIM as a standard requirement for all new build and substantial refurbishments would drive significant operational efficiencies and help to populate and manage the RAMIS system currently being introduced.</p> <p><b>SR 6.4 Statutory Obligations Team:</b> We recommend a stand-alone Statutory Obligations Compliance team within Facilities management with a stand-alone Statutory Obligations Framework with a remit to manage all Statutory Obligations not only the “Big Five”.</p>	<p>Within 3 months</p> <p>Within 12 months – 6-month programme</p> <p>Within 12 months – 12-month programme</p> <p>Urgent</p>

SR 7	<b>Accountability, Responsibility, Control and Competence</b>	We recommend that all officers within the Council who have Accountability or Responsibility for Statutory Obligations and or Health and Safety matters are identified. These officers and their responsibilities should be recorded on a register along with the required minimum standards for their responsibilities and a record of their training / competence against that standard.	Within 6 months – 6-month programme
SR 8	<b>HR – Recruitment and appointing personnel to roles</b>	All job descriptions must identify responsibilities for Statutory Obligations and Health and Safety and set minimum standards for potential candidates and appointees in those roles along with recommended training to attain best practice.	Within 6 months – 6-month programme
SR 9	<b>Finance: Visibility and Clarity of Budgets and Control</b>	We recommend that all budgets and associated control points for all budgets relating to maintenance, Statutory Obligations and capital works which impact on Corporate Landlord, Property generally, Health and Safety and Compliance are identified and mapped out to provide visibility and transparency for service users and Corporate Landlord.	Complete within 12 Months
SR 10	<b>Framework Management and Control</b>	We recommend that contract management of the current Frameworks for Building Services is significantly improved as a matter of urgency to improve the service and influence internal clients, especially schools, to utilise those services rather than external unregulated contractors. We have to recognise that the perception of poor service and high prices / low value for money is real and is driving adverse behaviours thereby creating risk for the Council.	Urgent - 6 month set up - 12-month management programme

SR 11	Social Value	<p>The Council should develop a Social Value Impact metric to capture and develop its Social Value Impact and create opportunities for economic and social development across the City.</p> <p>This is not a critical issue but could demonstrate significant economic and social development being driven by Cardiff City Council and should be developed over the next 12 months.</p>	Within 12 months
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Operational Recommendations (OR)	Recommendation	Description	Timeline
OR 1	Health and Safety Competency	A full review of competency at an operational level should be undertaken along with a reinforcement of council policies and procedures to fully embed a Health and Safety culture.	Urgent – 6-month programme
R 2	Resources – Building Services - Statutory Obligations	<p>Operational challenges identified in the section, <a href="#">Operational Process for Statutory Obligations within Cardiff City Council</a> specifically relating to processes and resources within the Statutory Obligations team are high risk and must be resolved without delay.</p> <p>The Statutory Obligations team should be properly resourced as a matter of urgency with full time (not agency) council staff that are fully qualified to review and manage Statutory Obligations reports from Contractors.</p> <p>There must be a proper, urgent engagement with the Statutory Obligations Contractor to resolve inefficiencies and failure points in the management, recording and transmission of Statutory Obligations data and information.</p> <p>There must be a mechanism implemented urgently to check, report and challenge instances where the trail goes cold as identified with remedial actions identified post Statutory Obligations inspections, particularly in schools.</p>	<p>Urgent – 3-month programme</p> <p>Urgent – 3-month programme</p> <p>Urgent – 3-month programme</p> <p>Urgent – 3-month programme</p>

<b>OR 3</b>	<b>Framework Management and Control</b>	<p>A priority must be to implement solid Contract Management processes and procedures to ensure value for money, quality control, service provision, accountability and adequate reporting.</p> <p>We recommend that a new Contract Management process is implemented within the next 3 months prior to expiry of the existing Framework.</p>	Within 3 months – 3-month programme
<b>OR 4</b>	<b>Frameworks</b>	<p>We recommend that ownership of the new Framework and any interim arrangements are allocated to a single individual urgently with a remit to drive this project to an agreed outcome within the required timeframe.</p>	Urgent
<b>OR 5</b>	<b>Building Services - Trading account</b>	<p>We recommend that as part of the Corporate Landlord Model, consideration is given to changing Building Services from a Trading Account to a Base Funded service.</p>	Medium – in conjunction with Corporate Landlord
<b>OR 6</b>	<b>Service Level Agreement</b>	<p>We recommend that a communications plan is developed to clarify and make clear what the existing SLA does and does not cover. This should be done before the end of the current school year with a communication about plans for new SLAs under the Corporate Landlord model.</p>	Within 3 months – 3-month programme

OR 7	<b>Communication with Stakeholders</b>	We recommend that communication and engagement with stakeholders needs to be commenced before the launch of Corporate Landlord.	Within 3 months – 3-month programme
OR 8	<b>School Specific:</b>	<p>Reference SR 10 – The implementation of improvements in contract management for the existing Frameworks with Building Services is critical to keeping schools within the SLA, preventing further leakage form the system and mitigating the risk of schools appointing external contractors to undertake works.</p> <p>HR – Estates managers. We recommend that all appointments of Estate Managers to schools are either made by Corporate Landlord or approved by Corporate landlord with immediate effect.</p> <p>Head teachers and Governors need help and guidance. We recommend an urgent engagement plan with Schools to review current operations, engage with them to understand customer needs and responsiveness and guide the implementation of Corporate Landlord.</p>	Urgent – 6 month set up - 12 month management programme

## Introduction

Property represents a significant element of the Council's assets. The Council has an obligation to ensure compliance to statutory obligations and Health & Safety and to safeguard its assets for the common good of the city's population and the delivery of services in the localities.

In a period of increasing change any service redesigns will ultimately manifest themselves in changes to the property requirements and the property portfolio must be able to support these changes. Similar challenges are being faced by all public agencies and the third sector. It is therefore essential that all of the portfolio is safe, and that service users collaborate to deliver the best, most efficient outcomes.

Orion360 has undertaken a Strategic Assessment of the structure of the council regarding accountability and responsibilities for Statutory Obligations and budgetary control across the organisation and how this has contributed to the current need for change in performance of and compliance with Statutory Obligations and Health and Safety. It has considered current practice to assess existing processes, procedures and risks. Orion360 has made recommendations to enhance compliance in Statutory Obligations and Health & Safety throughout Cardiff City Council with the primary objective of maintaining compliance in Statutory Obligations and Health & Safety, but also in other critical areas of maintenance of the Cardiff City Council property portfolio.

In undertaking this review we have interviewed individuals across the organisation at senior and operating manager level (interviewees are listed at Appendix 1).

We have made a series of recommendations, but more importantly have identified a project implementation plan which we highly recommend is commenced immediately to mitigate current risk and exposure. There is a compact version of this plan above and a more detailed programme at the end of our report.

We have reviewed the Corporate Landlord Programme brief which details actions / projects / work streams which are currently being implemented by the Economic Development Directorate (Refer to Neil Hanratty / Tara King).

Finally, we have reviewed the Cardiff Corporate Property Strategy 2015 – 2020: Fewer, but better buildings.

## Corporate Responsibilities - The Wider Context

Councils have a duty to ensure that buildings under their control comply with appropriate statutory, regulatory and corporate standards. This task has become increasingly complex, onerous and difficult in the context of various potentially competing drivers including:-

- An increasing burden of legislative and regulatory duties falling on building occupiers. Delegation of relevant budgets and responsibilities to individual establishments, notably schools but with ultimate accountability still seen as resting with the corporate body of the Council.
- The consequences of increased delegation which has brought about a significant reduction in resources retained centrally to develop and monitor compliance with appropriate standards. Loss of critical mass and control in delivery of property related services through outsourcing, budget reductions and fragmentation of resources.
- Councils now regularly face challenges in terms of their ability to control and manage what goes on in buildings which they own and which are used by staff or clients for which they have legal responsibility. An example of this is individual schools where there is both the freedom and sometimes the financial resources to enable them to procure very significant building projects without necessarily calling on the assistance of the Local Education Authority.
- In addition to this Councils are faced with a wide range of Health and Safety responsibilities that fall on building occupiers. Even where rigid policies and procedures are set out at corporate level, responsibilities for their implementation are frequently delegated to service managers in individual properties who do not always appreciate the importance of ensuring that regular checks and control measures are carried out and recorded.
- Councils are faced with the situation where day to day responsibility and often, the majority of available resources, are delegated to premises level but with the ultimate accountability remaining at corporate level within the Council. A Corporate Property Officer or Health & Safety Officer can ensure that all relevant policies and procedures are in place but if they do not have an accurate and up to date asset register are faced with the situation of simply not knowing the level of operational compliance across the portfolio. The discovery of non-compliance is often only made as a result of an incident on a particular site, by which time it is too late. In addition to the direct consequences of any incident, the Council could be faced with damage to its reputation, financial loss, individual officers could be faced with legal proceedings and in the worst case, lives of building users could be lost.



## Strategic Observations

At a Strategic Level, our primary observation is that the Council is on a journey of improvement whereby the Council's Property Portfolio is now increasingly being seen as an asset of the Council in terms of an enabler of service provision, to Customers, Service Divisions or the users of services within the Council's area of operation. Each service area has different demands and needs from the portfolio but these have not been considered in designing or delivering the portfolio as an enabler of service. The past has seen limited customer focus in terms of portfolio delivery and a substantial underinvestment in maintenance resulting in an estimated £100 million maintenance backlog driven by conflicting and often mutually incompatible demands. These demands have undermined customer focus and it has been manifest in service divisions, particularly schools, seeking assistance and solutions elsewhere outwith Council control further exacerbating the situation. A significant opportunity for improvement is the transfer of Estates and Facilities Management to the Economic Development Directorate, the development of a corporate asset management strategy and Corporate Landlord Model. There is the opportunity to create a significant shift in perception and purpose of Corporate Landlord with a focus on individual Customer Service, accountability and control.

A second, but critical, strategic observation is that an improvement has been made at corporate level, whereby the previous arrangement where all principle factors of risk and control with regards to both Statutory Obligations and Health & Safety (Estates, Property Services Department / Facilities Management, Health & Safety, Finance, Risk Management and the appointment of competent personnel by Human Resources), and the impact on the portfolio as an enabler of services and hence its operational delivery were managed under a single directorate with conflicting demands which represented a significant ongoing risk to the Council. This is being addressed through the transfer of Estates and Facilities Management to the Economic Development Directorate and also through ongoing work on the Corporate Landlord Model. Nevertheless, governance and assurance of these critical issues from an executive level still need strengthening and will form part of our core recommendations.

Thirdly, there is ongoing work to address the challenge of accountability for Statutory Obligations and Health and Safety having been divorced from responsibility, operational management and budgetary control with increasing delegation resulting in loss of competence, control and visibility of risk associated with these critical elements of the portfolio. This had been further compounded by a lack of clarity as to the responsibility for obligations and the appointment of individuals to positions of responsibility without the competence, knowledge or understanding of those responsibilities. This is again being addressed through the transfer of Estates and Facilities Management to the Economic Development Directorate and also through ongoing work on the Corporate Landlord Model. A programme of budget review, education, communication and review of personnel would be a valuable addition to these initiatives.

Fourthly, in financial terms, budgetary constraints allied to reduction in staff levels in key areas have further eroded capability, visibility and control for Statutory Obligations and Health and Safety. The complexity of budgets and budget holders has led to confusion over visibility, ownership and authorisation of resources. The current programme towards

Corporate Landlord will provide greater visibility of budgets and allocation thereof. If a programme of identification of needs, resources and prioritisation of needs in the portfolio, allied to capability was undertaken then this would enhance that programme.

Fifthly, budgetary constraints have reduced the ability of the Council to invest in Depreciation Budgets for all assets to ensure either compliance or replacement of assets. Establishing a depreciation model as part of the Corporate Landlord model would strengthen the overall improvement in performance.

Sixthly, Health and Safety in general, as covered under the Health and Safety at Work Act and subsequent legislation, starts with the individual. There are concerns that Health & Safety does not have the prominence within the Council that is required to ensure compliance with legislation or good practice. This has not been helped by a gradual reduction in the central Health and Safety function in the Council again driven by budgetary constraints, leaving the current situation where this critical function is under resourced and the Council exposed. A clear programme of Health & Safety leadership, training, education and communication is needed to enhance the prominence of this critical risk across the Council.

Finally, auditing, recording, monitoring and reporting of Statutory Obligations and Health and Safety can be improved to ensure visibility of compliance at corporate level to reduce risk exposure. The introduction of the RAMIS Estate Management System, allied to the Corporate Landlord model, will significantly improve this situation.

In summary, at a strategic level:

- Increase visibility of the Property Portfolio as a corporate asset and service enabler
- Absolute clarity in key areas of risk and the management, mitigation, visibility and reporting thereof under a single point of control and communicated properly
- Absolute clarity in accountability, responsibility, competence and control and effective communication thereof
- Overcome the complexity of financial resources, financial constraints and drivers for cost savings and lack of resources being channeled correctly into reinvestment and preventative activities
- Investment in a Health and Safety in property management, buildings and operations, creating a culture where Health and Safety is accepted and embraced as part of everyone's role.
- Governance and Assurance: Enhance visibility, control and assurance at senior management level in Health and Safety, Compliance and Regulations.

## The Legal Context

Please note: This is not an all-encompassing review of the Legal context. A great deal of the content of this section can be related to all building types. However, there may be specific items that require monitoring in specific building types such as for example industrial units, depots, and workshops.

This summary cannot replace professional advice and a full review of current legislation should be undertaken by qualified professionals to give full visibility of the Council's position.

The basis of British health and safety law is the Health and Safety at Work etc. Act 1974 (HSWA). This HSWA sets out the broad principles for managing health and safety legislation in most workplaces. The HSWA which came into force on 1st April 1975, remains the main health and safety legislation in existence today.

The HSWA places a general duty on employers to "ensure so far as is reasonably practicable the health, safety and welfare at work of all their employees". Section 3 of the Act, **General Duty to Others** requires employers to conduct their undertaking in a way that does not pose risk to the health and safety of non-employees. This section is designed to give protection to the general public and other non-employees such as children at school and contractors. A Local Authority's activities are ones to which Section 3 of the HSWA is likely to be particularly relevant as the majority of premises occupied by local authorities are open to the general public. Section 3 of the HSWA imposes a clear duty on local authorities to conduct their undertakings in such a way as to ensure, so far as is reasonably practicable the safety of the public using the premises.

In addition to the Health and Safety at Work Act there are Approved Codes of Practice (ACOPs) and Health and Safety Executive (HSE) guidance documents and standards to be considered.

ACOPs are codes of practice which are approved by the Health and Safety Commission on consent of the Secretary of State. ACOPs give guidance with regard to the intentions of Acts and Regulations. Non-compliance with an ACOP is not in itself an offence although failure to observe an ACOP can be used in evidence in criminal proceedings. ACOPs are often regarded as an extension of the law.

HSE guidance documents contain advice on requirements to be followed and actions that an employer should take in order to comply with the law.

Although following HSE guidance does not in itself guarantee safety at work nor will it prevent prosecution under HSWA, it is regarded as reflecting best practice at the time of its publication. Care should be taken however to ensure that guidance documents referred to are not out of date or have been superseded by higher standards of practice.

The Health and Safety at Work etc. Act 1974 (HSWA) is the basis of British health and safety law. But there are numerous other Acts and Regulations such as the Health and Safety (Offences) Act 2008 and CDM Regulations 2015 which are incumbent on the Council and should be reviewed by professionals so that the Council has full cognisance of its regulatory environment and this is not an area that this review has covered.

## Duty Holders

A key concept throughout this review will be the identification of duty holders. Often the duty holder is the person or organisation that has clear responsibility for the maintenance or repair of the premises (non-domestic) through an explicit agreement such as a lease or contract.

The actual extent of the duty will depend on the specific details of the agreement. However, where there is no agreement or contract or where one exists but it is silent on such matters, the duty is placed on whoever has control of the premises, or part of the premises. If the premises are empty then the duty falls on whoever has control of them. The duty to manage covers all non-domestic premises, including industrial, commercial, or public buildings such as offices, shops and schools.

In local authorities it can often be unclear as to who the 'duty holder' is and in order to avoid such confusion there should be a named 'duty holder post' at each establishment.

## History

### Overview

It should be noted that the Council Estate has been significantly underfunded over an extended period of time. The current estimate of the maintenance backlog is circa £100m of which circa £73m is in the schools maintenance backlog. Over that period underlying problems with the estate were developing; some due to organisational structure design within the Council, but also due to lack of funding for maintenance, systems and people. These problems were bound to come to prominence at some point. The events outlined below were the catalyst for the emergence of these problems.

At the same time, whilst changes to structure and personnel over the past decade have contributed to the current condition of the Council's Estate and need for change in the management and operational delivery of Statutory Obligations and Health and Safety, there were indications of issues that needed to be addressed. Reports from the Welsh Audit Office in 2010 and 2014 pointed to an insufficiency in the way that the Council had been managing its estate portfolio. At the time portfolio management was paper based with sub optimal condition surveys being conducted and silos of property being managed according to the priorities and capabilities of the resources within the service divisions.

The Constructing Excellence in Wales Report which reviewed the existing Framework Contracts, commissioned by Procurement and dated June 2015, pointed out that the Council was running "significant Corporate Risk" in the way that it was managing its Statutory Obligations. Our understanding is that there is an uncertainty as to when and for how long this risk was included in the Corporate Risk Register and with what prominence.

Finally, it was also apparent that individuals at operational level had voiced concerns, verbally and in writing to their operational managers at the time that risks were present and were not being adequately resolved, but it is unclear as to why these concerns were not acted upon or given sufficient prominence for action to be taken.

Opportunities to avoid escalation of the current risk were not taken. It is understood that some two years ago, the current Mechanical and Electrical Framework Contractor, Kier, made two attempts to offer a full condition survey across the estate, with asset tagging, initially for the price of circa £285,000, and subsequently for free in consideration for an extension to the contract. Neither of these were accepted.

### Methodology

Orion360 interviewed a number of officers at different management levels in the Council. A mixture of officers with varied experience of working within those divisions responsible for Statutory Obligations and Health and Safety, exploring how the estate had arrived at its current condition, what are the current challenges and what needs to change for the future. There were a number of diverging accounts as to "Why", but there was general agreement as to "How".

We have also reviewed the project proposals for the Corporate Landlord model and reviewed the RAMIS Estates Management System which is due to be implemented shortly.

We have set out a summary of “How” in order to avoid repetition of past decision making, to inform understanding of current challenges and to assist in making recommendations for the future.

Included in this report at Appendix 2 and Appendix 3 respectively are an Operational Report and Executive Level Governance and Assurance Report. These reports were generated by following interviews at operational and executive level and their findings and recommendations incorporated into the body of this report.

## The History

Historically, responsibility and budgets for maintenance generally, and specifically Statutory Obligations and Health and Safety for the civic estate, operational buildings and schools were devolved to the service divisions (although Asbestos and Legionella responsibilities and budgets were with, and remain with, the Health and Safety team).

Prior to the formation of what became Facilities Management, Property Services Department (PSD) managed Statutory Obligations, Health and Safety and Construction Design and Management (CDM) on behalf of service divisions and schools which, in the main, opted into the Service Level Agreements. PSD incorporated amongst others Building Services, Cleaning, Catering, Highways and Property Design Department. Whilst Building Services itself was not base funded, being a trading account as it still is, there was no departmental intercharging and the generally accepted view is that this service worked well and was well received within the Council.

It should be re-emphasised however, that, whilst this service may have been working and delivering an acceptable service, lack of investment in maintenance generally was building underlying problems.

Over the past decade changes to the structure and organisation of the delivery of Statutory Obligations and Health and Safety have occurred, but in interviews with a number of staff a common theme has emerged: the most significant changes occurred when PSD was disbanded as a department and its constituent services separated and the subsequent creation some years later of FM, within which Building Services eventually lay and budgets for operational and civic buildings were centralised. These budgets however have proven to be insufficient to provide adequate maintenance. It should also be noted however, that Building Services, whether for Schools or Civic buildings has only been responsible for Gas and Electrical Statutory Obligations. In addition, budgets for these elements were devolved to the separate divisions.

## Civic Buildings / Operational buildings

Service divisions managed their properties and held the requisite budgets for Statutory Obligations and Health and Safety but used what was then PSD for delivery. PSD was disbanded some ten to twelve years ago. We understand that responsibility for civic buildings was transferred to Housing but were then transferred back into the responsibility of FM when it was formed.

With the formation of FM, these budgets were centralised. The existing Statutory Obligations team which then formed part of FM was not strengthened to cope with the significant increase in numbers of buildings and it became apparent that the budgets for maintenance transferred across were insufficient to undertake the work programme required against a background of minimal information on the condition of the estate, what assets were present and what Statutory Obligations checks were needed.

The condition was thereby created where Statutory Obligations and Health and Safety Compliance was compromised by insufficient funding, coupled with insufficient information on the estate and insufficient resources to carry out compliance monitoring, rectification and recording.

## Schools

Schools have posed the greatest risk to compliance for the Council. The delegation of budgets without sufficiently clear accountability or control over spend has been compounded by the structure of arrangements for Schools.

Schools have the option to opt in to or opt out of the FM Service Level Agreement (SLA). There is the perception by some duty holders however that if they sign into the FM SLA Statutory Obligations are covered and managed for them. In reality this is not the case and the SLA itself needs to be redrafted to ensure absolute clarity on expectations and SLA deliverables.

Whether a school opts in or out is made more complex by the fact that schools can opt into or out of the Financial SLA whereby spend can be tracked by the Council. Spend in Schools that opt out, Chequebook Schools, cannot be tracked and hence the Council and in particular Building Services and Estates cannot know what building works or compliance works are being undertaken and when.

When PSD was disbanded, Building Services continued responsibility for Schools and a team of Contact Officers would work with the schools to identify budgets, inform on responsibilities and liaise with the Statutory Obligations team to ensure compliance within the bounds of what was known about the Estate. However, even under this arrangement Schools were not obliged to have PSD undertake cyclical Statutory Obligations checks or implement remediation works.

The key challenge was and remains, that schools whether in or out of the SLA were not obliged to undertake maintenance works identified, since the "agreement" between the schools and the council is not a clearly defined working document and there is no control over school budgets. Further, those schools outside the SLA were not checked for compliance. This is a failing of the form of agreement between schools and the council. In addition, Schools were, and are still not, bound by procurement rules to utilise the services of FM or the Framework Contractors hence giving rise to risk of poor quality or inadequate Statutory Obligations checks and remedial works and any building or maintenance work in general. This complex arrangement is compounded by the Schools Organisation Planning (SOP) team which holds budgets for capital projects and some revenue maintenance. This team can and does commission work for schools but does not always use either Building Services or the Framework and is not obliged to. As a result, changes to school buildings can

and did take place which were not communicated to Building Services and hence situations arose whereby changes to schools were made but no changes to Statutory Obligations compliance checks were made since neither Building Services or Estates had information about the changes. Moreover, commissioning of works by SOP has caused and continues to cause challenges with regards to Health and Safety matters pertaining to Construction Design and Management Regulations with specific reference to the role of Principle Designer.

At the time of the restructuring, driven by the need to make savings, the team of Contact Officers was disbanded and replaced by a service desk thus severing the direct link between the schools and the council on Statutory Obligations and Health and Safety. In addition, the layer of building managers competent in Statutory Obligations and Health and Safety at operational and civic buildings was removed and responsibility given to service managers located within those buildings many of whom had no experience or competency to manage Statutory Obligations or Health and Safety. It has also been noted that the downsizing and effective disbanding of the Central Health and Safety team two years ago reduced the ability of the Council to effectively monitor and manage Statutory Obligations and Health and Safety generally. This service was replaced with a shared service with Caerphilly Council which whilst it has made progress since inception, a part time arrangement with another Council does not adequately fulfill what is a critical function.

The situation within schools was compounded following the introduction of the current Building Framework which was the subject of the Constructing Excellence Wales report. In essence this Framework presented significant operational and financial problems from inception and resulted in poor performance from FM and the Contractors, and a perception of low value for money with high pricing structures. This has over a period of time driven more schools to opt out of the SLA, and driven some schools even within SLA, to commission work outside the Framework with unapproved contractors and suppliers. Given that schools control their own budgets and there is no ring-fenced maintenance budget and little contact with Building Services, the Council lost control and visibility of much of its Estate. There is now a proposal to “Top Slice” the budget for all schools for Statutory Obligations checks. But, Building Services can only check what it knows about (SOP team and lack of Estates Systems) and then cannot directly commission remedial measures since it does not own the remedial budgets.

In terms of background the key points are as follows:

- Budget challenges leading to historic under funding of the Estate
- Insufficient visibility of the extent and condition of the Estate
- Schools or service areas with devolved budgets and responsibilities resulting in no control over mandated spend on Statutory Obligations checks or remedial actions
- Room for improvement in Compliance audits
- Insufficiently clear definition of accountability or responsibility
- An underfunded monitoring / recording system



Key issues from Restructuring to FM:

- Significant increase in workload without commensurate increase in resources
- Contact Officers replaced with Service Desk
- Unqualified staff given inappropriate responsibilities
- M&E section removed
- Senior managers appointed but not qualified in Building Services

## Strategic Recommendations (SR)

### SR 1 Governance & Assurance

A critical Strategic observation noted at the Introduction to this review was:

“at corporate level, all principle factors of risk and control with regards to both Statutory Obligations and Health & Safety (Estates, Property Services Department / Facilities Management, Health & Safety, Finance, Risk Management and the appointment of competent personnel by Human Resources), and the impact on the portfolio as an enabler of services and hence its operational delivery have been managed under a single directorate with conflicting demands representing a significant ongoing risk to the Council”.

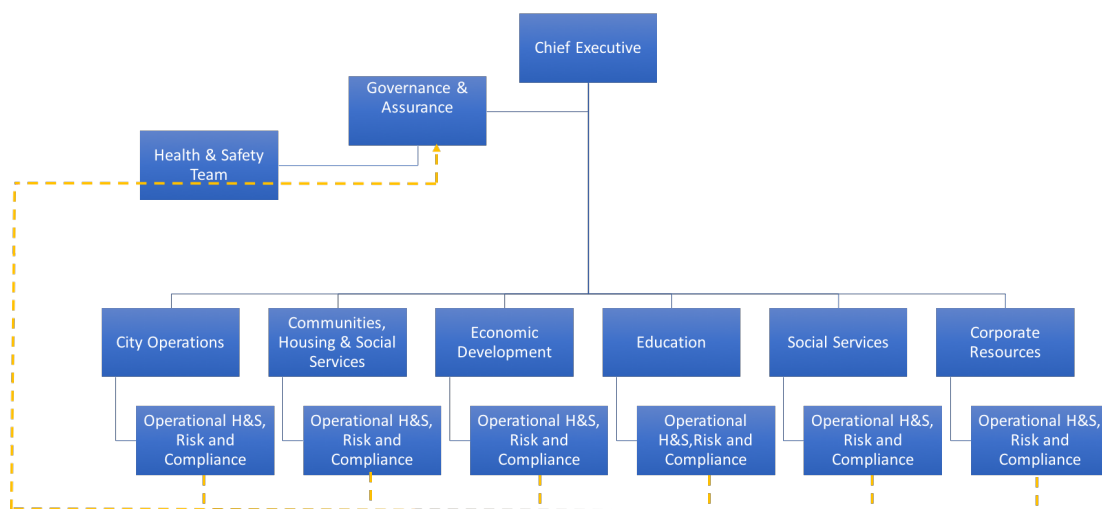
The Chief Executive’s office needs to be assured that all functions, processes, procedures and regulatory mechanisms that are implemented are operating with full transparency and efficiency. It also needs to know that there is progressive activity exploring “what isn’t known”.

Our key recommendation for Cardiff City Council is the appointment of a Head of Governance and Assurance and the establishment of an independent Governance and Assurance team reporting directly to the Chief Executive Officer of Cardiff City Council.

Critically, the Governance and Assurance Team will take a strategic view of the Council’s environment and in doing so will be able to report on interactions between and within Directorates which cumulatively pose strategic as opposed to specific challenges and which would not have otherwise been assessed.



## Incorporation of Governance & Assurance





## Governance & Assurance Structure



The Governance and Assurance Team would initially have three full time officers with administrative support: A Head of Governance and Assurance, a Risk Manager and Compliance Manager with the Health and Safety Team reporting into Governance and Assurance also. This team is not intended to replace or duplicate the individual Directorate Health and Safety, compliance or risk management structures or functions. It is intended to be an independent and impartial monitoring and reporting function to ensure that the Directorate functions are compliant, providing support, advice and guidance where required to achieve best practice in compliance across the Council. There will be clear demarcation lines between day to day “operational” compliance within the Directorates and the Governance and Assurance team.

Once the full remit of the team and the extent of the tasks are established a review of resources should be undertaken to understand whether further resources are required.

This team will have a remit to:

- Be proactive, inherently challenging and supportive
- Discover, record, monitor, guide and advise on all aspects of risk across the County Council, particularly the corporate estate
- Audit and review all operational activities to ensure that there is full transparency and compliance with operational objectives, value for money and the regulatory environment
- Specifically monitor the Statutory Obligations maintenance team and programme to ensure that budgets are available to meet requirements and commitments
- Intervene where contraventions are discovered or remedial actions are not conducted according to set objectives or timescales
- Be the eyes and ears of the Chief Executive and the Council in exposing areas of risk that have not been previously understood, recognised or recorded as a result of changes in amongst other factors, legislation, regulation, operations, staff or the general operating arena of the Council

It may be possible to fill these roles from internal resources. However, we would recommend that the Head of Governance and Assurance has a commercial background with

some experience of internal Governance and Assurance and Audit. A review of internal expertise would highlight appropriate candidates for consideration.

The Governance and Assurance team will report to the Chief Executive Officer every month using a Dashboard with key indicators of performance across its remit and reporting by exception.

**Return on Investment:** The Governance and Assurance Team will incur additional cost to the Council unless these appointments are made from internal resources and those roles not replaced. It is difficult to determine a specific Return on Investment out side of general Risk Mitigation, financial, individual and reputational cost of failure across all service directorates. As an example of this we would site the recent cost of engaging with the Health and Safety Executive, emergency works to three schools (Willows, Cantonian and Michaelstone) estimated at circa £3 million, and the loss on insurance of circa £8 million at Glyn Derw High School due to non compliant site security procedures following decommissioning.

In addition, ensuring compliance and implementation of initiatives across other areas such as Carbon Reduction, BIM, Corporate Landlord will lead to cost efficiencies and savings for the Council. In addition, a better managed and compliant property portfolio can enhance working conditions, morale, staff engagement and enhance productivity and efficiency.

The introduction of the Corporate Landlord model will as already stated deliver significant improvements in Statutory Obligations and Health and Safety compliance across the Council. In addition, there has been some restructuring to mitigate the risk outlined here, most notably the transfer of what is to become Corporate Landlord from the Corporate Resources Directorate to the Economic Development Directorate. Nevertheless, best practice would promote that an independent monitoring unit reporting into the Chief Executive would safeguard against potential failure or shortcomings either human or operational at a single point of control for what is a critical area of the Council's operating environment.

**This is a critical appointment and team and our recommendation is that this is pursued and implemented as soon as practicable.**

## **SR 2 Condition Surveys and RAMIS**

We are aware that a programme of Condition Surveys of the portfolio has commenced and we would suggest that these are completed as soon as possible across the entire Estate in order to get a full picture of compliance and that the RAMIS system is implemented as soon as possible.

### SR 3 Restructure and Reeducation: Health and Safety

Health & Safety provision and practice at the Council is inadequate. The rebuilding of a well resourced, funded and effective Health and Safety team must be a key and immediate priority for the Council.

Central to this rebuild are the following actions:

1. Appointment of an appropriately qualified and senior Health and Safety Officer with the remit to build a central Health and Safety team reporting to the Head of Governance and Assurance.
2. Restructure of Health and Safety with the senior Health and Safety Officer reporting directly to the Head of Governance and Assurance.
3. Full review of Health and Safety Legislation and good practice and operational implementation to benchmark the Council against best in class with the objective of producing a gap analysis and a project plan to improve and attain a leading edge Health and Safety culture.
4. A structure created whereby central Health and Safety integrates with Health and Safety Officers working within directorates and individual service lines on a day to day basis.
5. A strict audit and reporting, monitoring and follow up and close out regime.
6. A full review of the competency and qualifications of all individuals with defined or inherent Health and Safety responsibility across the Council to identify opportunities for training, education or engagement in Health and Safety.
7. Establishment of minimum standards of qualification according to levels of responsibility for Health and Safety and compliance across the council to support point 6 above.
8. The development of a Communications plan to raise the prominence and understanding of Health and Safety across the Council and drive engagement with and a culture of Health and Safety.
9. Development of an appropriate and engaging communications strategy to maintain the prominence of Health and Safety matters, communicate changes to legislation and advances in good practice without overstating or overemphasising Health and Safety and thereby diluting the core messages.
10. Ensuring that training records and training generally are monitored, kept up to date and stored within a Central HR database accessible to all service areas with a clear directive that all records must be kept centrally.
11. Active and mandatory involvement and control over Health and Safety vetting of suppliers during procurement, especially in Construction / FM and Building Services with a programme of active engagement with suppliers to drive continuous improvement.

**This is a critical recommendation and should be implemented as soon as possible.**

#### SR 4 Restructure: Schools Organisation and Planning

We recommend that the Schools Organisation and Planning (SOP) team is transferred from the Education Directorate into the Economic Development Directorate as soon as possible to become part of the Corporate Landlord model. The Education Directorate would continue to commission work from the SOP team but the implementation of plans that impact the Corporate Estate would be managed under Corporate Landlord. This restructure would clarify responsibility and accountability for and control the commissioning of buildings and construction / maintenance / Statutory Obligations work, particularly under Construction Design and Management (CDM) regulations, where there is current extensive confusion and little control over the competency of individuals commissioning work.

**This restructure will provide immediate benefits to the Corporate Landlord model and mitigate against current challenges and should be implemented as soon as possible.**

#### SR 5 Restructure: Project, Design and Development (PDD)

We recommend that PDD is transferred from the Education Directorate into the Economic Development Directorate as soon as possible and becomes part of the Corporate Landlord model. This transfer would then align Building Services, PDD, SOP and Estates in the design and commissioning of buildings and building works, increasing co-ordination between departments.

There have been instances whereby projects proposed /planned by PDD have been in direct conflict with the interests of the Estate simply through lack of understanding and knowledge of the Estate and cross referencing between departments. Incorporating PDD into Corporate Landlord would offer opportunities amongst other benefits for standardisation of design and design materials to reduce maintenance costs in the future for new buildings or refurbishment of buildings and provide a co-ordinated approach to the Estate.

This restructure should be implemented with the Corporate Landlord model or earlier.

#### SR 6 Corporate Landlord Project Brief

We have reviewed the Corporate Landlord Project Brief which is currently being developed and is, subject to final confirmation, to be implemented. From a purely functional point of view the proposals set out in this brief will go a significant way to resolving many of the issues prevalent across the Council with respect to property and Statutory Obligations and Health and Safety in particular.

We do however, have some comments to make which will add to its substance and inherent acceptability.

## SR 6.1 Corporate Landlord Vision

The Corporate Landlord Project as depicted sets out a very functional vision; its strap line is “Fewer, better buildings”. This is a well-defined objective when combined with the Corporate Property Plan and will drive efficiencies within the portfolio. Wider engagement within the Council however, engendering collaborative working and an acceptance of the Corporate Landlord Model requires a common purpose and vision for Corporate Landlord which projects Property as an enabler of service provision for service divisions, Staff, and the public and puts customers and users of property at the forefront of the Corporate Landlord Service thinking.

The Corporate Landlord project could incorporate a Purpose incorporating the following key themes;

Efficiency, performance, customer focus and engagement.

The Corporate Landlord should aspire to the effective management of the Council’s corporate property asset portfolio; strengthening Corporate Property’s role in leading improvement and supporting other services in the delivery of their strategies.

Key objectives should include:

- Meeting statutory obligations;
- Aligning property priorities to service delivery outcomes;
- Smaller and better quality estate; and
- Optimising asset performance.

**Strategic Drivers:** The Council’s property assets are an important resource. Issues which shape this corporate strategy include the following:

- Supporting high quality service delivery which meets the increased demand and expectations of customers;
- Using council property assets as a catalyst for inward investment and economic regeneration;
- Increased partnership working with other public sector and third sector organisations;
- Achieving significant budget savings in property costs while protecting priority services;
- Creating greater visibility of value for money;
- Addressing high levels of backlog maintenance and standards of accommodation;
- Reducing revenue spend on, and consumption of, energy and water
- Financial implications of complying with Carbon Reduction Commitment (CRC) legislation;
- Responding to changing demand for, and flexibility in, operational property.

**We would recommend development of this as soon as possible to coincide with the launch of the Corporate Landlord Model.**

### **SR 6.2 Carbon Reduction Commitment across Council Estate**

The Council needs a clear and strategic approach to energy and water arrangements across its assets.

- Taking full account of the opportunities for energy savings that arise out of the rationalisation of the estate or of individual buildings;
- Ensuring that the Corporate Landlord Strategy promotes and implements good energy management, including data collection and monitoring on carbon impacts;
- Ensuring that carbon impacts are fully taken into account when planning, implementing and reporting on actions under the strategy; and
- Ensuring that energy efficiency options for capital investments are fully appraised on the basis of whole life costing.

In order to comply with the statutory duties set in Climate Change Legislation, the Corporate Landlord Model needs to develop how it will make a positive impact on the following:

- Carbon emissions, such as waste minimisation, reuse, recycling and management – e.g. good water management practice should involve regular meter readings, bill checking, benchmarking, leak detection and repair for all Council buildings;
- Environmental sustainability, such as implementation of sustainable travel plans – e.g. identifying opportunities for neighbourhood offices to deliver the same standard of facilities across the estate; and
- Opportunities for financial savings by reducing costs on energy consumption, water consumption and sewerage.

**We would recommend that this is a core element of the Corporate Landlord remit and is commenced as soon as Corporate Landlord is launched.**

### **SR 6.3: Building Information Modelling (BIM)**

BIM is a process involving the generation and management of digital representations of physical and functional characteristics of places. Building information models are files which can be extracted, exchanged or networked to support decision-making regarding a building or other built asset. Current BIM software is used by individuals, businesses and government agencies who plan, design, construct, operate and maintain diverse physical infrastructures such as water, refuse, electricity, gas, communication utilities, roads, bridges, ports, tunnels, etc.

The advantage of BIM is to increase the ability to track and maintain assets within Corporate Assets, to quickly identify causes and points of failure without intrusion, driving efficiency in



both Planned Preventative Maintenance, Emergency / Responsive Maintenance and refurbishment projects.

Implementing BIM as a standard requirement for all new build and substantial refurbishments design or delivered internally or externally would drive significant operational efficiencies and help to populate and manage the RAMIS system currently being introduced.

We would recommend that BIM is introduced within the next 12 months.

#### **SR 6.4: Statutory Obligations**

Within the Corporate Landlord model, we recommend a stand alone Statutory Obligations Compliance team with a stand alone Statutory Obligations Framework covering all Statutory Obligations not only the “Big Five”. This team should have budgetary control for cyclical testing AND remedial works across the whole of the Corporate Estate to ensure under Corporate Landlord full, consistent and continued compliance.

Consideration should be given to whether budgets for Asbestos and Legionella compliance, currently with Health and Safety should be incorporated into this team to ensure single point of control and management.

**We would recommend that this Compliance team is implemented immediately.**

#### **SR 7 Accountability, Responsibility, Control and Competence**

An exercise should be undertaken to identify all officers within the Council who have Accountability or Responsibility for Statutory Obligations and or Health and Safety matters. These officers and their responsibilities should be recorded on a register along with the required minimum standards for their responsibilities and a record of their training / competence against that standard.

Gaps in training and competence should be identified and addressed as soon as possible as part of a Council wide training programme.

All job descriptions must identify responsibilities for Statutory Obligations and Health and Safety and set minimum standards for potential candidates and appointees in those roles along with recommended training to attain best practice.

This service should be extended to all service areas including schools.

**We would recommend that this exercise is commenced within the next three months.**

#### **SR 8 HR – Recruitment and appointing personnel to roles**

All job descriptions must identify responsibilities for Statutory Obligations and Health and Safety and set minimum standards for potential candidates and appointees in those roles along with recommended training to attain best practice.

This vetting / standardisation should be extended to all service areas including schools, where the appointment of key staff, particular Estates Managers, must be approved by central HR department.

All appointments with Statutory Compliance and Health and Safety responsibilities should be notified to the Governance and Assurance team to ensure that standards of appointment are complied with.

**We would recommend that this exercise is commenced within the next three months.**

### **SR 9 Finance: Visibility and Clarity of Budgets and Control**

We recommend that an exercise is undertaken to map out all budgets and associated control points for all budgets relating to maintenance, Statutory Obligations and capital works which impact on Corporate Landlord, Property generally, Health and Safety and Compliance to provide visibility and transparency for service users and Corporate Landlord.

Where feasible these budgets should be simplified or consolidated and again where feasible, elements identified / reallocated and delegated to appropriate departments for Statutory Obligations and Health and Safety and where possible centralised for prioritisation to reduce the maintenance back log on the Estate.

This exercise should be undertaken in parallel with the development of the Corporate Landlord model.

### **SR 10 Framework Management and Control**

We recommend that contract management of the current Frameworks for Building Services is significantly improved as a matter of urgency to improve the service and influence internal clients, especially schools to, utilise those services rather than external unregulated contractors. This is particularly important as we understand that the existing Frameworks are due to expire in June 2017 and options are being evaluated for an extension of the existing Framework or an interim Framework.

Currently, whilst there are frameworks in place for Statutory Obligations cyclical testing and general building works, no service division is obliged to commission works either through Building Services / FM or the Framework contractors. Commissioning of works by non-competent persons to unvetted contractors / suppliers is a major risk to the Council. It is especially prevalent in schools whether opted into the SLA or not. This is driven as identified previously by a combination of delegated budgets, poor service and a perception of low value / high pricing from FM.

We have to recognise that the perception of poor service and high prices / low value for money is real and is driving adverse behaviours thereby creating real time and continued risk for the Council. It will take time to implement the Corporate Landlord model and rebuild the reputation and confidence in FM.

Implementing contract management procedures aligned with a communications plan with internal clients will improve service delivery and encourage internal clients to use Building

Services rather than external contractors thereby mitigating this risk and forming the basis for the Second-Generation Frameworks.

**This is a critical control mechanism and should be implemented as soon as possible with a deadline of September to coincide with the new school year.**

### **SR 11 Social Value**

The Council should develop a Social Value Impact metric to capture and develop its Social Value Impact and create opportunities for economic and social development across the City. Many opportunities for Social Impact are presently not being exploited, especially within FM, since Social Value does not have a sufficient prominence when procuring services especially through Framework suppliers. The Council could make a significant leap forward in this area if Social Value metrics were incorporated into forthcoming Framework procurement projects.

**This is not a critical issue but could demonstrate significant economic and social development being driven by Cardiff City Council and should be developed over the next 12 months.**

## Operational Recommendations (OR)

### OR 1 Health and Safety

A full review of competency at an operational level should be undertaken along with a reinforcement of council policies and procedures to fully embed a Health and Safety culture.

We have visited five construction / maintenance sites managed by Building Services with a Direct Labour force and with Framework Contractors. Four out of the five were non-compliant with basic Health and Safety procedures. Most worrying is that three of the visits were with contract managers / supervisors from Building Services in attendance none of whom saw the basic flaws in Health and Safety management on site.

Audits and contractor management are inconsistent, inadequate and infrequent.

A full audit programme with procedural methodology to capture and close out identified issues must be implemented within Building Services as a matter of priority

**This recommendation needs to be implemented immediately with a view to completion within 6 months.**

### OR 2 Resources – Building Services - Statutory Obligations

Operational challenges identified in Appendix 2 [Operational Process for Statutory Obligations within Cardiff City Council](#) specifically relating to processes and resources within the Statutory Obligations team are high risk and must be resolved without delay. A significant number of critical staff positions are currently filled with agency staff and under or inappropriately qualified staff representing a risk profile within the operational management of the Statutory Obligations Framework in particular that is unacceptable.

**Our recommendation is that the Statutory Obligations team is properly resourced as a matter of urgency with full time (not agency) council staff that are fully qualified to review and manage Statutory Obligations reports from Contractors.**

**There must be a proper, urgent engagement with the Statutory Obligations Contractor to resolve inefficiencies and failure points in the management, recording and transmission of Statutory Obligations data and information.**

**There must be a mechanism implemented urgently to check, report and challenge instances where the trail goes cold as identified with remedial actions identified post Statutory Obligations inspections, particularly in schools.**

### OR 3 – Framework and Contract Management

As mentioned under SR 10 - Contract management of the current Frameworks is less rigorous than would normally be expected and has led to numerous problems and failures which have been identified in this report and elsewhere and a priority must be to

implement solid Contract Management processes and procedures to ensure value for money, quality control, service provision, accountability and adequate reporting.

It should be noted that whilst the Statutory Obligations Framework has now been extended with Kier until March 2018, other frameworks are due to end in June 2017. Work is currently underway to either extend these frameworks or establish an interim arrangement prior to a new second generation framework being tendered.

**We recommend that a new Contract Management process is implemented within the next 3 months prior to expiry of the existing Framework.**

#### **OR 4 Frameworks**

There is a project currently being run to put in place a new Framework to replace that which expires in June 2017. This will be either an extension of the existing Framework, or an interim solution. At the same time, the full second generation Framework solution needs to be understood, developed and put out to tender within a very limited time frame.

Our concern here is that lack of progress and delays in this project will expose the Council to another sub optimal Framework which will not be a “best in class” service that Directorates and Schools will gravitate towards voluntarily.

Part of the challenge is a lack of ownership of the Framework, one of the problems with the previous Framework where it was seen by Building Services as a Corporate Framework and therefore Procurement’s whilst Procurement perceived it to belong to Building Services – hence no-one owned it or managed it successfully.

There does not at present seem to be a single point of control driving the project with the urgency that is required.

**We recommend that ownership of the new Framework and the interim arrangements are allocated to a single individual urgently with a remit to drive this project to an agreed outcome within the required timeframe.**

#### **OR 5 Building Services - Trading account**

A contentious issue for service divisions and schools is the pricing structure for works managed through the Framework by Building Services and which continuously drives non-compliant behaviours.

**We would recommend that as part of the Corporate Landlord Model, consideration is giving to changing Building Services from a Trading Account to a Base Funded service.**

## OR 6 Service Level Agreement

We have noted that the current Service Level Agreements (SLA) with the schools is the source of significant confusion and ongoing tension. The perception of duty holders is that all Statutory Obligations are taken care of under the SLA by Building Services but are not. Not only does this cause tension it leads to a situation whereby Statutory Obligations testing and remedial works are missed.

**Whilst this is being addressed through the Corporate Landlord model, we would recommend that a communications plan is developed in the interim to clarify and make clear what the existing SLA does and does not cover. This should be done before the end of the current school year with a communication about plans for new SLAs under the Corporate Landlord model. The Council needs to directly address the risk of schools not renewing the SLAs when they technically run out in April but are now being extended to coincide with other SLAs which run from September to September.**

## OR 7 Communication with Stakeholders

Communication with Stakeholders to achieve engagement and buy in to the Corporate Landlord model and dissipate obstacles is critical to ensuring a smooth transition from current arrangements to the new model.

We have mentioned the need for a common Purpose or Vision, over the functional “Fewer, better buildings”.

**We recommend that communication and engagement with stakeholders needs to be commenced before the launch of Corporate Landlord.**

## OR 8 School Specific:

- Contract Management of existing Frameworks: Schools represent the highest risk for the Council either through opting out of the schools SLA or even when within the SLA not utilising Building Services to procure construction or maintenance works. As under SR -10 above, we recommend that contract management of the existing Frameworks is significantly improved urgently to encourage schools to remain within the SLA, utilise Building Services and influence those opted out of the SLA to return.
- HR – Estates managers. As mentioned above, we recommend that all appointments of Estate Managers to schools are either made by Corporate Landlord or approved by Corporate landlord with immediate effect.
- Head Teachers and Governors need help and guidance. We recommend an urgent engagement plan with Schools to review current operations, engage with them to understand customer needs and responsiveness and guide the implementation of Corporate Landlord.

## Appendix 1 Operational Report

The current process of ensuring Statutory Obligations are being met across Cardiff City Council is disjointed. There is little clarity on where responsibility lies to ensure buildings are compliant and legal.

Cardiff City Council has a significant number of property and assets. Primarily they fall into the following areas:

1. Schools signed into the Service Level Agreement (SLA)
2. Schools not signed into the SLA
3. Assets with a BX code.
4. Domestic housing
5. Bereavement Services

The accountability and ownership of the above areas is unclear, and this uncertainty has been the catalyst for the current issues being experienced.

Building Services (BS), part of the FM function, has been tasked with providing much of the Statutory Obligations and Pre-Planned Maintenance (PPM) across the Cardiff City Council portfolio. The areas that they predominantly look after are:

1. Schools signed into the Service Level Agreement (SLA)
2. Assets with a BX code.

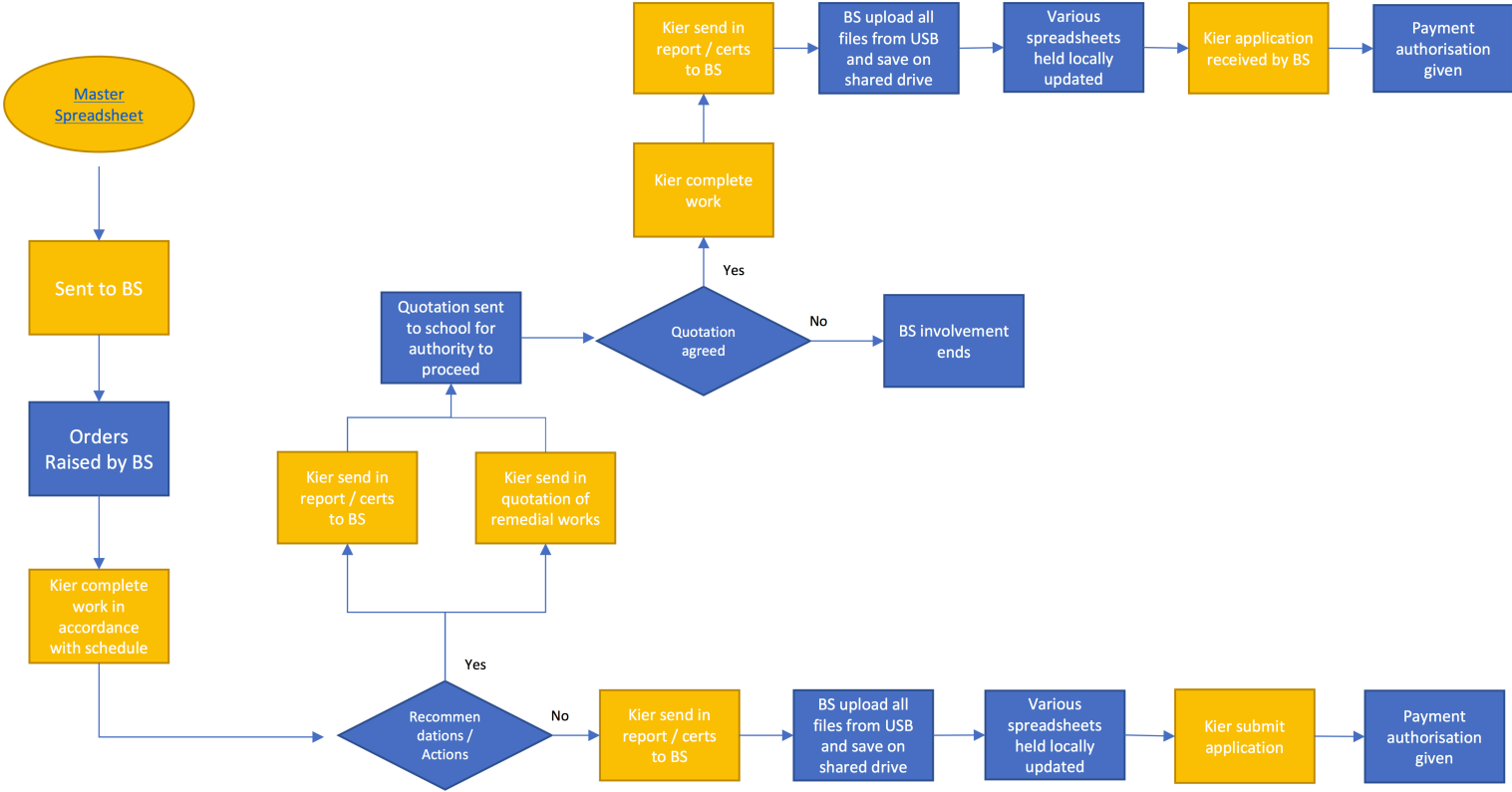
These two areas are managed by the Building Services (BS) team. This is managed by Nicola Pigginn and headed up by Clive Riches. The team consists of 10 posts, of which 9 are filled. These are:

- 4 x Technical Control Officers
- 2 x Finance
- 2 x Statutory Obligations admin (only 1 slot filled)
- 1 x Administrator
- 1 x Works Planner

The following process map demonstrates how BS currently manage the Statutory Obligations requirements for schools signed into the SLA:

Note: The master spreadsheet referred to in the diagrams below is the main spreadsheet that is created by Kier and is used by BS to generate all orders at the start of the year. This was generated at the start of the framework 4+ years ago and is one of the main contributing factors.

Current Process – As Is Schools within SLA



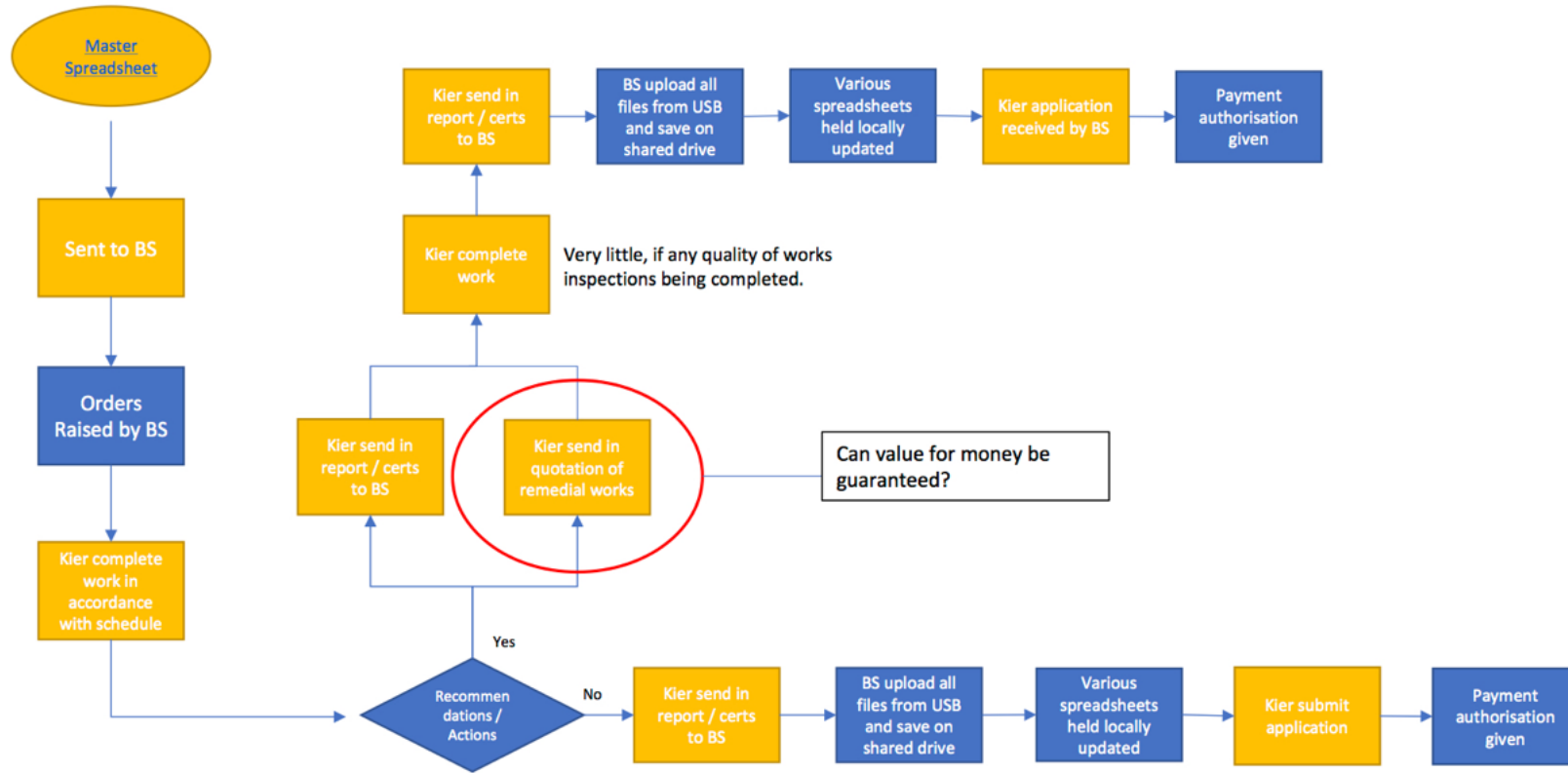


The following Issues have been identified:

1. Kier is using historical data that was initially agreed at the commencement (4+ years ago) of a contract to schedule PPM.
2. No communication between strategic estates and BS. BS are not aware of any changes to buildings, their current occupancy state, extensions etc. This is resulting in Statutory Obligations being overlooked and therefore not completed. Inefficiencies are being created where subcontractors are turning up to complete scheduled maintenance to find that the building is vacant or is not owned by Cardiff City Council anymore and they have not been informed. A call out charge is then generated.
3. Once a recommendation or action is identified, a quote is then raised by Kier and sent to the schools. It is then up to the schools' budget owner to give authority for the works to be completed. BS do not chase up quotes sent to schools, so it could be a matter of months before a response is received, if at all. There is no obligation for the school to use the framework agreement and they are entitled to use any supplier they choose. It is then the sole responsibility of the school to provide updated certificates/reports to BS so records are updated. It will only become apparent that the remedial work has not been completed once the next PPM schedule is required. In some cases, this could be a year. The question needs to be asked, who is ultimately responsible for Statutory Obligations on an asset. Is it the tenant or is it the landlord (Cardiff City Council)? The answer to this question will have a significant impact on future recommendations regarding budgetary control.
4. There are few quality checks of works being completed on any of the subcontractors. Applications are being authorised for payment based on a report being completed.
5. There is a large amount of responsibility being put on one junior person (Statutory Obligations), who is not a permanent member of staff. (Agency). When his colleagues were asked the question 'what would happen if Gareth went on the sick' the response was 'he is not allowed, it would cause mayhem!' This is a challenging scenario, and is a crucial role that is not being given the attention it deserves. Anything that involves Statutory Obligations goes through Gareth and he is the pivot of all activity and not qualified to be so.
6. The administration element of the process is outdated. Paper reports are scanned and uploaded onto a USB stick by Kier and sent to BS every two weeks. These files are then uploaded, renamed, checked for any anomalies, actions/recommendations and saved into individual site files on the server. This way of working is very labour intensive, inefficient, doesn't allow for collaborative working between different services and is subject to considerable risk.

The following process map demonstrates how BS currently manage the Statutory Obligations requirements for assets with a BX code:

### As Is (Property with BX code)



In addition to the above, the following Issues have been identified:

1. If any recommendations/actions are identified, a quote is sent in from Kier. For civic buildings BS can give authority for the commencement of works. For schools and order is required from the school. There are no measures in place to confirm if the quote is competitive and even if the work is required in the first instance.
2. Reports and certifications are not being left on-site by the subcontractors. Due to the aforementioned administration process, the end user has little to no visibility to what has or hasn't been checked or inspected on their site.

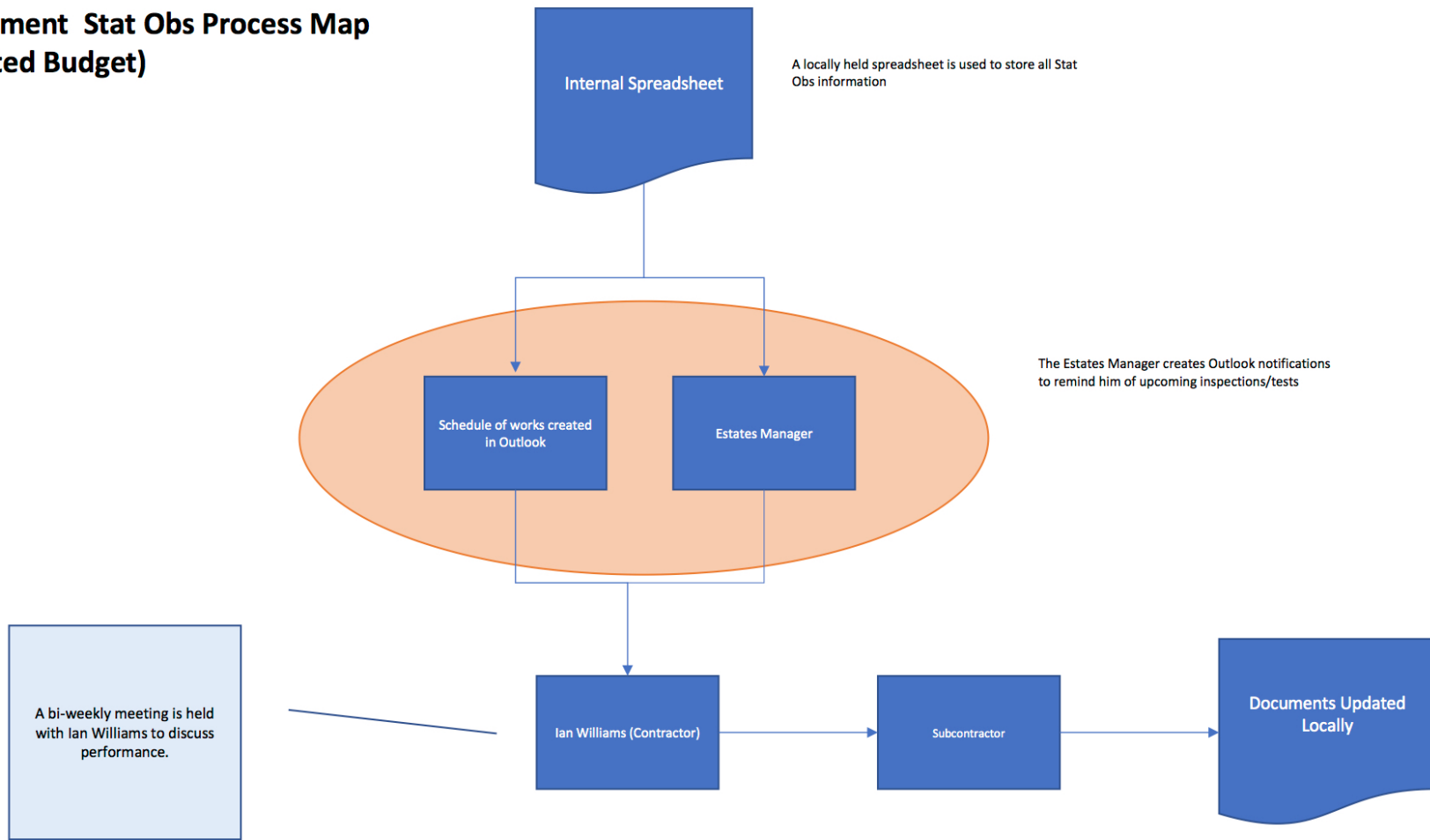
The remaining areas that do not come under BS control are operating in a very sporadic nature; there is some very good practice being demonstrated, to some very questionable. The overarching element that effects the standards of completing Statutory Obligations in a satisfactory manner is the 'responsible' person having a clear understanding of the tasks that are required, the knowledge and training to implement these tasks and the desire to ensure that the asset they are responsible for is both safe and legal.

Due to the very nature of delegated budgets, complete control is passed to the end user. If this is not policed and managed correctly, issues can quickly surface and spiral out of control. An area where good practice was being demonstrated was the Bereavement Service. They have a delegated budget and take complete control of all their buildings and assets maintenance plan. The head of the service has a very good understanding of all the legal requirements that he must comply with, and works in a tight knit team and every member has clear roles and responsibilities. Due to the sensitive nature of the service, he has built a strong relationship with the framework contractor so there is a clear understanding of each other's requirements.

Even with the good practice as demonstrated above, there is a fundamental transparency issue, as everything is stored and managed locally, so senior management have no clear visibility of a buildings/assets compliance status.

The following process map demonstrates how the Bereavement Service currently manage their Statutory Obligations:

# Bereavement Stat Obs Process Map (Delegated Budget)

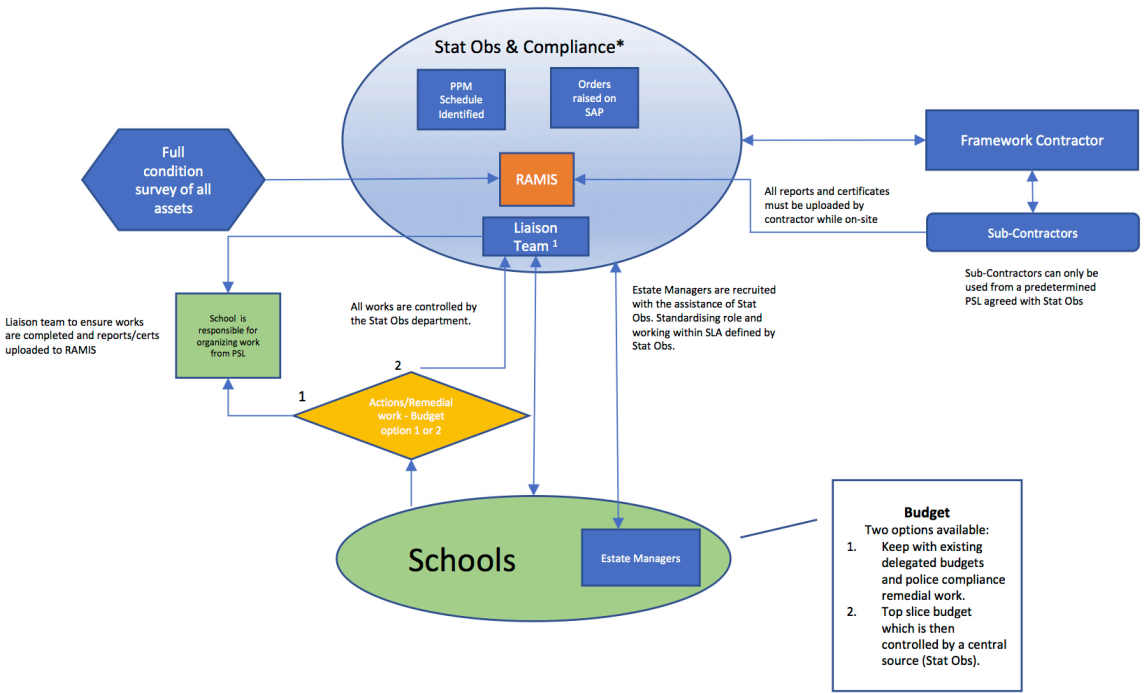


## Recommendations / Process Improvement

To overcome the issues previously mentioned, there are numerous changes that would provide multiple benefits to improving Cardiff City Council Statutory Obligations delivery across its portfolio. Below is a list of potential changes:

1. A stand alone Statutory Obligations team monitored by Governance and Assurance. This will contain a dedicated team of specifically trained and qualified individuals, to include: Surveyors, Interface Managers, H&S Officers, industry specific administrators. A dedicated school liaison team will be created to re-build relationships and trust and to encourage SLA uptake to as close to 100% as possible.
2. Estate Managers – There is a large discrepancy between the quality of Estate Managers that are currently employed on individual assets. There will be an Interface Manager within the new entity who will be responsible for creating a standardised job role; ensuring the individuals have the correct skill set, the relevant knowledge and experience and provide guidance and support when required. This will bring consistency across Cardiff City Council and make the role of an Estate Manager a crucial part of compliance across the portfolio.
3. Budgets – If delegated budgets are to continue, if schools are signed into the SLA, then there needs to be a top slice of budget to allow for remedial work to be authorised and orders raised for a central location. This will ensure full continuity of the inspection and maintenance life cycle; from initial inspection and testing to completion of remedial work and certification. Full visibility and control will be obtained.
4. Budgets – Schools that are not signed into the SLA, there will need to be a top slice of budget to cover all PPM and remedial work. This will be held in a central location and orders will be raised in April for cyclical work and for any remedial work, orders can be raised when required without delay, ensuring building conformity and decreasing the risk of depreciation cost escalating.
5. Framework – To ensure value for money and quality of service delivery, two Principal Contractors should be assigned. This could be done on a geographical location split or contract value split. This will provide contingency if service delivery is failing from one contractor and will provide a useful comparison on quotes for remedial and ad hoc work.

# Recommendation – To be Schools within the SLA



Framework SLA to rigidly state the actions required by the framework contractor of their obligations in regard to record keeping and the updating of information into RAMIS.

The following should be mandatory:

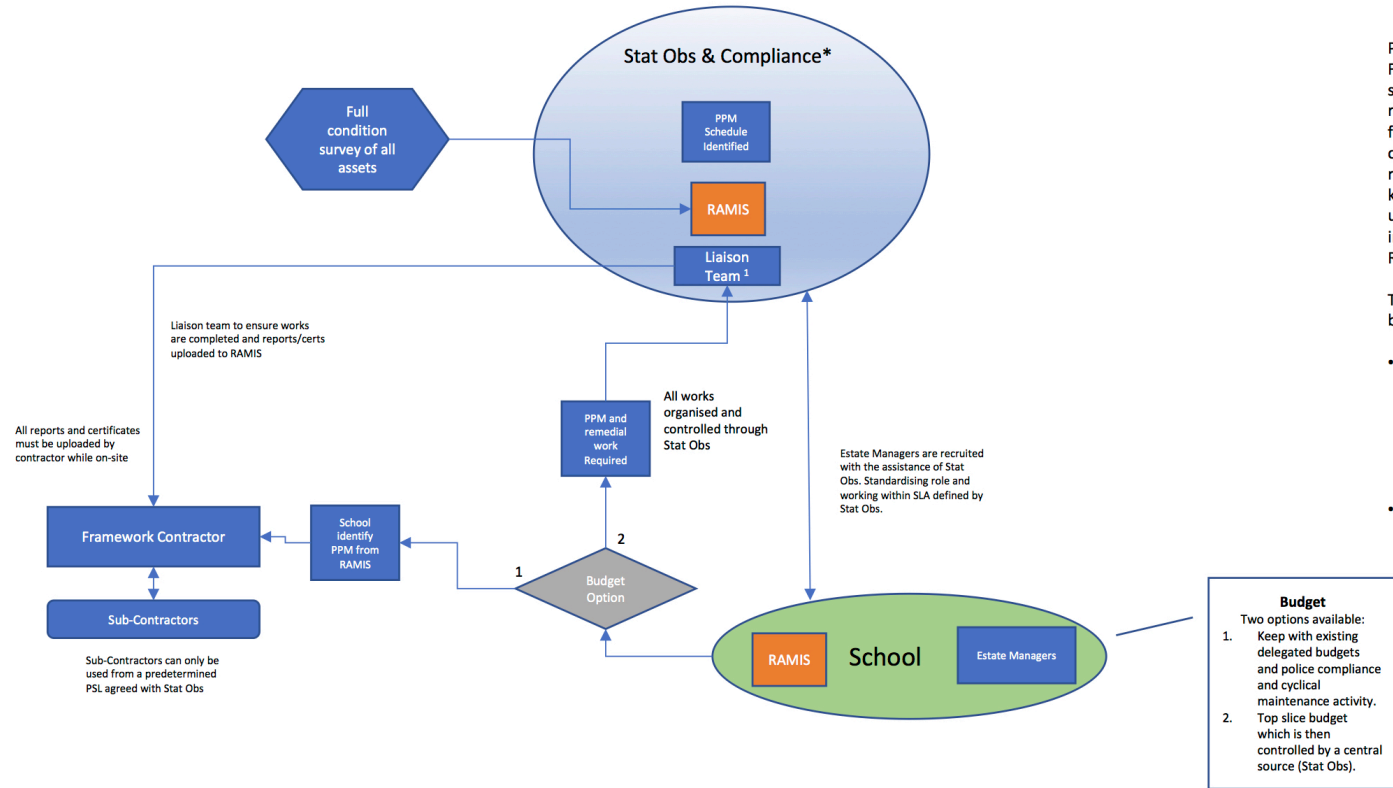
- A definitive time period allowed to update all records into RAMIS once a task has been completed in respect to PPM.
- A copy must be kept on site with the Responsible person

Page 484

\*Newly formed Statutory Obligations and Compliance Team

<sup>1</sup> A school liaison team is required to maintain relationships and ensure compliance

## Recommendations – To Be Schools Not in SLA



Procurement Framework to rigidly state the actions required by the framework contractor of their obligations in regard to record keeping and the updating of information into RAMIS.

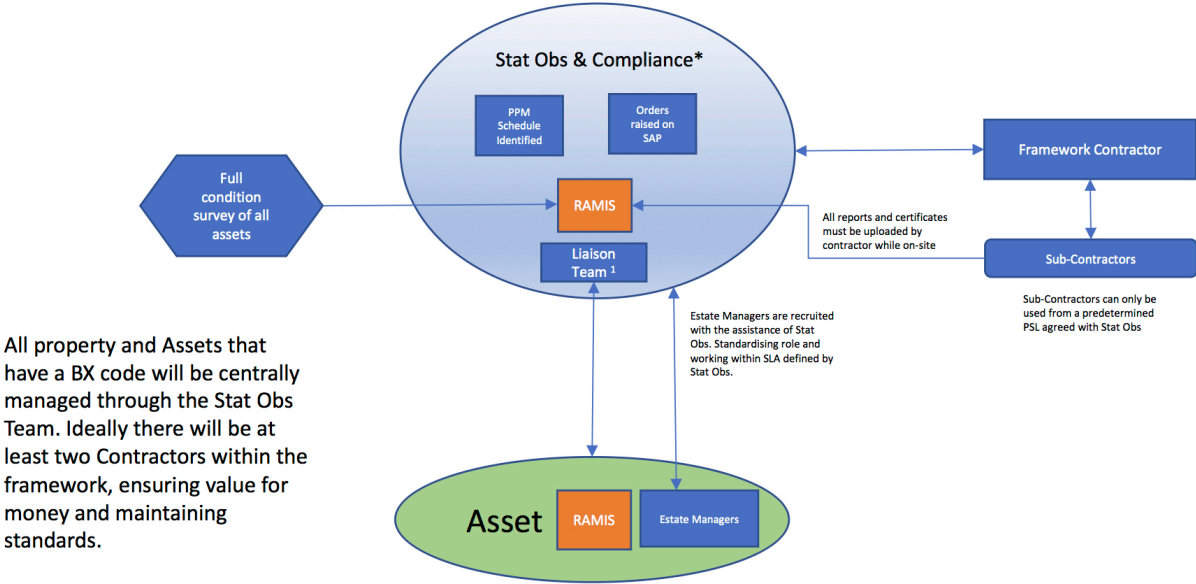
The following should be mandatory:

- A definitive time period allowed to update all records into RAMIS once a task has been completed in respect to PPM.
- A copy must be kept on site with the Responsible person

\*Newly formed Statutory Obligations and Compliance Team

<sup>1</sup> A school liaison team is required to maintain relationships and ensure compliance

### Recommendation – To Be Assets with a BX Code



All property and Assets that have a BX code will be centrally managed through the Stat Obs Team. Ideally there will be at least two Contractors within the framework, ensuring value for money and maintaining standards.

Framework SLA to rigidly state the actions required by the framework contractor of their obligations in regard to record keeping and the updating of information into RAMIS.

The following should be mandatory:

- A definitive time period allowed to update all records into RAMIS once a task has been completed in respect to PPM.
- A copy must be kept on site with the Responsible person

Page 486

\*Newly formed Statutory Obligations and Compliance Team

<sup>1</sup> A school liaison team is required to maintain relationships and ensure compliance



## Appendix 2

### Executive Level Governance & Assurance Report

The move away from a centrally managed property function with full and clear responsibility and accountability for ensuring the council's estate was fit for purpose has resulted in exposing the authority to significant additional risk. The details of why the council finds itself in this unenviable position are dealt with elsewhere in this report, as are our recommendations for improvement.

A consequence of the fragmented and uncoordinated approach of recent years has been the inability of the senior management team to apply effective and appropriately robust governance procedures. The lack of clarity in terms of roles and responsibilities, budget ownership, and operational reporting, combined with little or no independent assurance function, have resulted in a loss of understanding on the condition of the council's property estate, and an increase in the associated risks that that entails.

This situation must be remedied and quickly, not only to ensure full statutory compliance and improve health and safety performance, but also to meet the on-going challenges of budget cuts. A coordinated, safe, well- run property department is also an efficient and cost effective one, capable of delivering leading levels of value for money.

#### Identified issues

There has been no centralised property management function, responsibilities have been devolved down to individual Directorates as have property budgets. This has resulted in departments working to their own agendas rather than collaboratively, leading to negative tension, which is actively promoted by some.

There are two distinct property classifications – Schools and Non-School Estates. The authority has no direct control on how Schools procure property services and where they buy from. They do however have a legal responsibility to ensure they meet their legal and statutory compliance obligations. Further, responsibilities between schools and the council are unclear, particularly with respect to investment. The role of strategic estates is visible by schools but not the non-school estate, giving again a lack of clarity surrounding their terms of reference.

Relationships between the Schools and the council FM team have been, and continue to be, strained. This is predominately due to the cost of the services provided which are higher than the market place and service levels which are below the market. The FM team commercial model needs to be reviewed particularly as a Trading Account which continues to drive unhelpful behaviours.

A severe maintenance backlog which is putting significant pressure on budgets and identifying and managing priorities. In addition, to date there have been no centrally maintained property records, which worryingly includes compliance certificates.

Commissioning, procurement and management of Building Maintenance Frameworks has been criticised for being poor by third party bodies including the Audit office. The importance of ensuring full compliance is not of a sufficiently high profile for Schools and education teams who

are left to balance the cost vs compliance equation. A broader consequence (in addition to personal injury) of non-compliant or poorly maintained buildings is the potential to invalidate insurance policies exposing the authority to significant financial risk.

Ensuring Value for money requires much improvement, throughout the whole process – more rigorous commercial controls need to be embedded. It appears that 120 schools are acting independently rather than collectively.

The arrangement with Caerphilly for the provision of Health and Safety services, whilst beneficial is no substitute for the authorities own full time Health and Safety teams, including a dedicated assurance function. Health and Safety and Compliance training is the responsibility of individual directorates as is ensuring that all qualifications are up to date. However, there is no independent validation or audit of competency. Training records are maintained at directorate level (except for corporate training) and so there is no centralised database of technical capability.

Finally, there is not sufficient visibility of high risk issues at the SMT meetings, nor overarching understanding of the estate condition.

Monthly reporting pack to CEO/Asset Management board to include Health and Safety and Compliance performance statistics together with alert on High Risk issues with recommendations

### The Executive Solution

A centrally managed Corporate Landlord function responsible for property strategy, investment, disposals and lifecycle maintenance including statutory compliance and budget management. Clear definitions of roles and responsibilities for all directorates in terms of their property involvement.

A comprehensive property asset maintenance plan based upon the outputs of a full estate condition survey, identifying statutory compliance and other works required to prevent a serious deterioration in the asset as priorities.

Build a dedicated Health and Safety team under the council's Head of Health and safety, with consistently applied processes and procedures and reporting templates.

An independent (from directorates and asset management board) Governance and Assurance team reporting directly to the CEO. Directorates to maintain responsibility for their own Health and Safety teams but adopting management regimes dictated by new Head of Health and Safety.

A review of the operating model for the FM team to improve efficiency and reduce its cost base. This team to be redirected to focus on compliance and priority works once identified. General maintenance to be delivered by framework providers. Consideration to be given to the authority retaining centrally the budget allowance for undertaking statutory compliance works and removing the requirement to recover said cost through the FM team.

A clear connection with the delegated schools to advise and support them with their requirements, including improved procurement and value for money.

A centralised data capture system for all accidents and incidents and reportable occurrences.

A centralised training records database to allow full visibility, maintenance and cost effective training.

Annual Health and Safety plans for each directorate with targets stipulated and progress monitored.

Introduction of a behavioural safety programme for council employees responsible for managing, supervising and delivering operations.

### Outcomes

An Asset Management Board which has:-

1. A thorough understanding of the Council estate and its condition
2. A Corporate Landlord model under one director
3. Full visibility of all Tenancies and associated terms
4. Full statutory Compliance across the estate
5. Clarity of Directorate roles and responsibilities including relationship matrix.
6. Performance statistics to hand including trends and early warning of potential future problems.
7. Comprehensive asset maintenance plan with agreed hierarchy of priorities to address current backlog
8. Corporate risk register including Compliance, Fire Safety, Security, Insurance risk status.
9. An efficient and cost effective in house FM service offering.
10. Best in class and revenue generating expertise
11. A comprehensive Asset Management Strategy

## APPENDIX 3 - Interviewees



### Independent Strategic Review - Stat Obs & H&S

Directorate/Service	Director/AD	OM	Team Leader	Other
C. Executive	Paul orders			
Education – Schools Organisation Planning	Nick Batchelor/Jackie Turner	Janine Nightingale		
Education – Schools Compliance	Nick Batchelor/Jackie Turner	Neil Hardee	Nathan Willcox / Phil Andrews	
Economic Development - Estates	Neil Hanratty	Helen Jones		
Economic Development – Projects Design and Development	Neil Hanratty	Gavin Traylor (Acting)		
Economic Development – Major Projects	Neil Hanratty	John Worrall		
Economic Development - FM	Tara King	David Lowe	Clive Riches	Nic Olsen
			Nicola Pigginn	Kier framework manager
				Gareth - Stat Obs Admin
				Richard Hyett
				John Crompton
Corporate Resources – HR	Philip Lenz			
Corporate Resources – H & S	Christine Salter	Donna Jones	Andrew Hawkins	
Corporate Resources – Commissioning and Procurement	Christine Salter	Steve Robinson/Chris McLellan		
Corporate Resources - Finance	Ian Allwood			
Communities - Housing	Jayne Thomas	Sue Bartlett		
Former Head of FM		Leslie Ironfield		
Others Identified	Andrew Parry			
	Jon Maidment			



## **Cardiff Council**

# **Strategic Review & Recommendations into Statutory Obligations and Health & Safety Compliance at Cardiff Council**

**Review March 2018**

**Nigel McCarthy – Principal – Orion360 Ltd**

## Status Review – January 2018

### Background

Orion360 was asked to undertake a high-level review of progress on the Strategic recommendations made in its 2017 report “Strategic Review & Recommendations into Statutory Obligations and Health & Safety Compliance at Cardiff Council”.

The review set out below was conducted during the course of two weeks from the 8<sup>th</sup> to the 19<sup>th</sup> January. Due to time constraints, focus was given to Officers within the Council that would have knowledge of and participation in, progress on the Strategic Recommendations. We have where possible extracted that information to inform progress on the Operational Recommendations.

Officers interviewed were:

Paul Orders	Chief Executive
Neil Hanratty	Economic Development Director
Tara King	Assistant Director Economic Development
Jackie Turner	Assistant Director Education
Donna Jones	Health and Safety Manager
Helen Thomas	Estates Manager
Janine Nightingale	Head of SOP
Clive Riches	Senior Surveyor - Building Services

Our Report last year highlighted six key Strategic Observations (SOs) and generated eleven Strategic Recommendations (SRs)– See Appendix 1.

Those Strategic Observations in summary were:

- Increase visibility of the Property Portfolio as a corporate asset and service enabler
- Absolute clarity in key areas of risk and the management, mitigation, visibility and reporting thereof under a single point of control and communicated properly
- Absolute clarity in accountability, responsibility, competence and control and effective communication thereof
- Overcome the complexity of financial resources, financial constraints and drivers for cost savings and lack of resources being channeled correctly into reinvestment and preventative activities
- Investment in Health and Safety in property management, buildings and operations, creating a culture where Health and Safety is accepted and embraced as part of everyone’s role
- Governance and Assurance: Enhance visibility, control and assurance at senior management level in Health and Safety, Compliance and Regulations

We have noted our findings against those eleven Strategic Recommendations set out in Section 1 of this review.

## **Section 1 – Strategic Observations (SO)**

### **SO1: Increase visibility of the Property Portfolio as a corporate asset and service enabler.**

In our view, there has been significant improvement in the visibility of the corporate estate with the continuation of Schedules of Condition and the introduction of RAMIS allied to the resourcing of an effective Health & Safety team, and the Estate is increasingly being seen as a corporate asset and service enabler.

It is clear however, that whilst the Council is travelling in the right direction and making good inroads into understanding and recording the condition of the estate, there is still a large project to complete and gaps still exist in the data and information available. There is a significant amount of work to be done before the data from the surveys becomes operationally effective information across the estate.

Whilst controls and processes have been put in place, there are, from conversations held, still instances occurring where works are commissioned on the estate out with these controls that may have the potential to undermine this progress. This may be due to communication or enforcement of controls.

Significantly, whilst the H&S team has expanded and will expand further, schools are still able to utilise unapproved contractors and this represents an ongoing risk to compliance and the estate.

The size of the project and the recurring theme of resources and funds should not however take away from the obvious commitment at senior levels to bringing the estate into full compliance.

The introduction of Corporate Landlord will be a major step forward in the management and control of the estate. Its role however, must be communicated effectively across the Council and the correct controls put in place. Corporate Landlord is in itself a significant project and will take time to fully implement. There needs to be vigilance in the intervening period around commissioning of works, compliance and Health and Safety.

#### **Observations (Obs):**

- Ob 1: A key theme in our report was the commissioning of works, Statutory, Capital and Maintenance and competency of those designing and commissioning and the direct impact on visibility of the estate and subsequent compliance. Controls over who is authorised to commission such works are critical to future assurance of the compliance of the entire estate. These decisions have to be centralized and controlled.
- Ob 2: The introduction of specific measures, notably the Statutory Obligations team and Framework have been necessarily prolonged for these critical measures. Other restructures have taken time and whilst these controls have been later than would

have been preferred, a reduced level of risk has continued within the Council albeit the awareness of that risk is better understood, managed and communicated.

- Ob 3: Communication of change and new procedures and controls is critical to successful implementation and maintenance of Property Governance. At senior levels within the Council, this appears well managed. At an operational level however, from the limited ability to examine this issue, more could be done to communicate new processes, procedures and control to enhance effectiveness.

**SO 2: Absolute clarity in key areas of risk and the management, mitigation, visibility and reporting thereof under a single point of control and communicated properly.**

The Property Governance structure with the Asset Management Board and sub boards, combined with RAMIS and the new Health and Safety team, are designed to provide this clarity in preference to the single point of control under a Head of Governance and Assurance and associated team.

The various boards will control capital and building and maintenance works going forward and the representatives on these boards should ensure that full visibility on compliance is afforded to the senior management. RAMIS, when appointed to be under the control of Health and Safety, as recommended in this review, should act as the safe guard on compliance management.

Risk management now under the Health and Safety Board should provide further assurances with the Health and Safety Manager having direct access to the Chief Executive.

**Observations:**

- Ob 4: It is paramount that controls and processes implemented as part of Property Governance are communicated effectively across the organisation and that appropriate mechanisms are in place to check that they are consistently adhered to. Ongoing delegated budgets for building and maintenance to service departments and particularly schools represent an ongoing risk for information on the estate to be compromised.
- Ob 5: RAMIS is the repository of all information on the condition of the estate. It is critical that there is a single point of accountability for this system and the data held and that this should be communicated effectively across the Council. Every effort must be made to ensure that data is kept up to date and that there are adequate procedures in place to ensure that full visibility of changes to the estate are reflected in the information held.
- Ob 6: During the implementation period of these new structures there could be opportunities for approved processes and authorisations to be circumvented. The Council needs to be vigilant to minimise these occurrences.



**SO 3: Absolute clarity in accountability, responsibility, competence and control and effective communication thereof.**

We believe that the council has made significant progress on this issue especially in identifying accountability and responsibility. There is still further work to be accomplished specifically around competency and making controls effective and sustainable.

Observations:

- Ob 7: Whilst we have not reviewed communication of these changes and structures across the Council, we believe that more work needs to be done in order to effectively communicate new controls and processes and ensure compliance.

**SO 4: Overcome the complexity of financial resources, financial constraints and drivers for cost savings and lack of resources being channeled correctly into reinvestment and preventative activities.**

We have been told that the Council has mapped out all budgets relating property expenditure and maintenance as part of the Corporate Landlord project and this will have gone towards reducing the complexity of financial resources in terms of visibility if not accessibility and application. We have not been able at this stage to fully review the financial constraints and drivers in terms of reinvestment and preventative activities.

It is clear however, that whilst visibility of budgets has been enhanced, the picture is not complete and control over these budgets still requires further work to control spend and compliance. We are aware that this control is destined to be within the remit of Corporate Landlord.

We understand that significant capital is being channelled into building new schools through 21<sup>st</sup> Century Schools Band B, and that funds (in excess of £20 million) via the Schools Asset Management Group, have been set aside for schools maintenance improvement over a four-year period in addition to existing budgets. Statutory Obligations inspection and testing (Asbestos, Legionella, Fire, Electricity and Gas) for schools has been Top Sliced (although not remedials), and the Health and Safety team is being fully resourced; all of which will reduce exposure to non-compliance. Recent inspections have revealed the need for more detailed mechanical inspections and all boilers are now to be performance rated and subject to long term replacement planning.

Observations.

- Ob 8: The Council has made substantial financial commitments to Property Governance, Health and Safety, and Compliance despite ongoing challenges and competing demands for funds and financial constraints. A key challenge will be priorities and managing the requirements presented when all Condition Surveys are complete, and Health and Safety matters presented, the full condition of the Estate is understood and the financial demands that places on the Council as a result of historic under investment. A prioritisation process is in place for schools with respect

to Statutory Obligations and Health & Safety through the Schools Asset Management Group, but this needs to be more widely applied across all assets in the estate.

**SO 5: Investment in Health and Safety in property management, buildings and operations, creating a culture where Health and Safety is accepted and embraced as part of everyone's role.**

Arguably, the biggest achievement has been in the establishment of and commitment to a well-resourced and funded Health and Safety team which has an open door to the Chief Executive with the tools to monitor Compliance across the estate. This is a major step forward and demonstrates the Council's commitment to compliance and Health and Safety.

Observations:

- Ob 9: The Council needs to be aware of and attempt to mitigate risk whilst the full Health and Safety team is being recruited. Of particular significance here is the clear communication of services on offer and obligations within the new Service Level Agreement. Operationally there will be challenges as this new extended service is implemented and the Statutory Obligations Team within Building Services is resourced to do this.
- Ob 10: The senior team are very clear on the Health & Safety and compliance and their responsibilities and communicating accountabilities across the Council as identified in SOR 3. The planned, concerted programme of reinforcement of Health and Safety Values will underpin this and support with training will assist in raising standards and enhancing compliance.

**SO 6: Governance and Assurance: Enhance visibility, control and assurance at senior management level in Health and Safety, Compliance and Regulations.**

The Draft Property Governance structure (Appendix 2) and reporting lines, allied with the Health & Safety team and RAMIS are designed to be the mechanism for ensuring compliance and visibility of compliance at Senior management levels. The senior management team, specifically the Chief Executive, has expressed a view that there is greater visibility of Health and Safety and Compliance across the Council and that the structures in place will provide the monitoring, reporting and control mechanisms required. The implementation of planned senior management structures, Corporate Landlord, RAMIS and the "open door" policy to Health and Safety to the Chief Executive for all senior staff lends weight to this view. There is however, a full understanding that this is work in progress to bring the Council to full compliance and that it is an ongoing and critical function.

Observations.

- Ob 11: Chief Executive and directors interviewed demonstrate full commitment to Health and Safety and Statutory compliance. This is evidenced in the new structures and processes implemented and the investment in systems and resources. Until such time as full control and monitoring is achieved, and the condition surveys fully populate RAMIS, the senior team needs to remain vigilante for exceptions.

## Section 2: Strategic Recommendations: Update Notes

Strategic Recommendation (SR)	Recommendation	Description	Status Update
<p style="text-align: center;">Page 498</p> <p>SR 1</p>	<p><b>Governance &amp; Assurance Team</b></p>	<p>Our key recommendation is the appointment of a Head of Governance and Assurance and the establishment of an independent Governance and Assurance team reporting directly to the Chief Executive Officer of Cardiff City Council.</p>	<p><b>Status:</b> Property is now seen as a Council project, not just an issue around schools and there is clearer governance. The Council has decided to establish a new Property Governance structure instead of a Head of Governance and Assurance – see Draft at Appendix 2. This includes an Asset Management Board with all the Senior Management Team that reports to Cabinet on a quarterly basis. Reporting into this Board monthly are the Corporate Landlord Board, SOP Board, H&amp;S Board and the Capital Programme Board which report to the Senior Management Team monthly. Each of these Boards considers and makes decisions on building / maintenance and capital projects enhancing visibility of works across the Council. Significantly, there is reciprocal attendance of each of the members of each board. In conjunction with the appointment of a new Head of Health &amp; Safety and attendant changes to this function (SR3) with a direct monthly report to the CEX, this new assessment / analysis and reporting structure will enhance the visibility and control of construction and building works and compliance across the estate and the Council.</p> <p><b>Comment:</b> This is a positive movement for CCC. The decision not to appoint a Head of Governance and Assurance is balanced with the appointment of the Head of H&amp;S at SR3 with direct access to the CEX. The key to progress here is continuation of strict controls over the process and procedures for monitoring commissioning of works, compliance and H&amp;S within the sub-boards and ensuring that the critical information does not get diluted before it reaches the CEX. It is not clear however, whether this structure has been widely communicated at an operational level.</p>

		<p><b>UPDATED RECOMMENDATION.</b></p>	<p>There is also an Assistant Director Corporate Landlord appointment imminent who will be accountable for Compliance and delivery activity on the Estate.</p> <p>Risk Management within the Council has been reviewed and updated.</p> <p>We recommend the inclusion of a Corporate Asset Management Group and within the new Property Governance structure covering capital and revenue budgets to balance the Schools Asset Management Group and Community Asset Management Group.</p>
<p>SR 2</p> <p>Page 499</p>	<p><b>Condition Schedules and RAMIS</b></p>	<p>Post review of the initial pilot Condition Schedules, implement the full programme of Condition Surveys across the Council Estate to develop full assessment of compliance. RAMIS system to be fully implemented as soon as possible.</p>	<p><b>Status:</b> Faithfull &amp; Gould have been instructed to carry out Condition Schedules on all buildings in the portfolio. Circa 83 of 460 have been completed to date and data is being uploaded into RAMIS. Surveys are being analysed and risk assessed for priorities. These surveys will identify all assets that fall within the remit of Statutory Obligations Compliance and will be uploaded onto the RAMIS system to increase visibility and control of compliance across the Estate.</p> <p><b>Comment:</b> This is an ongoing project but already there is better visibility of the Estate. RAMIS has progressed since September of 2017. Building managers and budgets have been identified. The system has been populated although a number of gaps in the information exist. These are being corrected as the Estate Condition Surveys are completed. There is better visibility of the Estate but RAMIS remains a work in progress.</p> <p>Clearly, the main concern here is what is being missed during this implementation period and what new issues may be arising if the controls put in place are not communicated effectively or enforced.</p> <p>The procedures and processes implemented at SR1 and the accurate assessment of the Estate here in SR2 will only be effective if rigorous</p>

			<p>controls given effect with communication across the Council operation are in place to ensure that these initiatives are not undermined by continuity of previous challenges which caused uncertainty and lack of visibility of the Estate.</p>
<p>SR 3</p>	<p><b>Restructure and Re-education: Health and Safety Team</b></p>	<p>Health &amp; Safety provision and practice at the Council needs improvement. The rebuilding of a well-resourced, funded and effective Health and Safety team must be a key and immediate priority for the Council along with a programme of detailed actions identified in the body of this report. This team will report to the Head of Governance and Assurance.</p>	<p><b>Status:</b> Significant progress has been made. A Head of Health &amp; Safety has been appointed, the team expanded and further appointments are to be made. When all appointments are made there will be a team of 21 officers.</p> <p>Comment: This is a significant progression from the situation at the point of our original report in 2017. It demonstrates an improvement in awareness and commitment to H&amp;S and Compliance.</p> <p>These additional appointments need to be made as soon as practicable.</p> <p>Health &amp; Safety has improved significantly and is now a much higher priority for the Council with greater prominence. Whilst some areas remain a challenge and there is more to be achieved across a large organisation, H&amp;S is being actively backed by the CEX and Directors of the Council.</p> <p>H&amp;S is “owned” by the CEX and directors and resources are being made available to make their portfolios compliant. Risk Management is now included within H&amp;S Governance.</p> <p>A Head of Health &amp; Safety has been appointed. Whilst technically reporting to Corporate Resources, this appointee reports to the CEX on a monthly basis and has direct access when required and meets regularly with Directors, Members and Cabinet.</p> <p>At present, alongside the H&amp;S Manager are two staff plus and administration officer. This team will be expanded to comprise:</p> <p>3 H&amp;S Officers (Grade 8) supporting Directorates:</p> <ul style="list-style-type: none"> <li>· Highways &amp; Waste</li> </ul>

- Economic Development (Inc. Parks and Corporate Landlord)
- Social Services and Housing

1 RAMIS Officer (council wide) Grade 8  
 12 Education SLA Officers – supporting 127 schools Grade 8 - to monitor, advise, check and bring all schools up to standard.  
 Education Support Officer (Support for the SLA Team) Grade 5  
 Fire Safety Officer (Fire Risk Assessments) Grade 9  
 H&S Training Officer (Council Wide) Grade 8

There is an approved budget of £500,000 for the first year of operation after which this budget will be reviewed.

This is a significant progression from the status at the point of our original report in 2017. It demonstrates an enhanced awareness and commitment to H&S and Compliance.

The key will be to get these positions filled quickly, communication of the new regime across the Council, but also ensuring that where infringements occur H&S has the necessary powers to deal appropriately without recourse to senior management in every occurrence.

Schools will have access to RAMIS for managing Statutory Obligations but this will be for monitoring only. H&S will own the data and RAMIS and Property Services will act as the contractor. Where schools are using their own appointed contractors, H&S officers will upload data but only after independently checking that the correct inspections and repairs have been carried out.

Head teachers have met with H&S and are very supportive of the new service.

			<p>Focus has been on schools for the right reasons. Now the Council needs to widen its activities and look at Parks, Communities and the operational Estate.</p> <p>Control over the commissioning of all building and property related works needs to be strengthened and widened to include the entire Corporate Estate. It is equally important that rigorous controls are in place to ensure that this new regime is sustainable. Further improvements in Building Services service provision needs to be made to encourage all directorates, and schools, into the Service Level Agreement.</p>
<p>SR 4</p> <p>Page 502</p>	<p><b>Review: Schools Organisation and Planning</b></p>	<p>We recommend that the relationship between the Schools Organisation and Planning (SOP) team and Building Services is reviewed to clarify the responsibility and accountability for and control of the commissioning of buildings and construction / maintenance / Statutory Obligations work, particularly under Construction Design and Management (CDM) regulations and to establish better record keeping within RAMIS and communication between departments.</p>	<p><b>Status:</b> The focus on commissioning of works prioritisation has improved with the Schools Asset Management Group considering the maintenance needs of schools and this is also the main conduit for all school capital spending building requests.</p> <p>Schools however, still have delegated budgets and are not obliged to utilise in-house services which remains a challenge for the Council.</p> <p><b>Comment:</b></p> <p>The new Property Governance structure has increased visibility and control of construction / maintenance and statutory obligations and the commissioning of works. Checks are now in place to control commissioning and authorisation of works on schools. Whilst budgets are Top Sliced for testing and inspection for the Top Five statutory obligations, remedial work is still the responsibility of the or Education, but the data is kept in RAMIS for monitoring purposes.</p> <p>The Asset Management Board considers the maintenance needs of schools and is the main conduit of all school building requests. A programme of agreed works is monitored by the board. Whereas SOP officers previously had autonomy to recommend, authorise or commission works, checks are</p>



			<p>now in place as to who is authorised to commission works along with enhanced control of financial actions and works are prioritised according to Health &amp; Safety matters. Whilst infringements have occurred, these have been quickly dealt with.</p> <p>While there is enhanced monitoring of money going out to schools under delegated budgets, schools can still spend with non-approved contractors and there is still no control over this spend. Money granted to the schools is managed by the Council not the school and so control here is tighter.</p> <p>Significantly, the new schools programme under 21<sup>st</sup> Century Schools Band B funding, is subject to a proposed new procedure whereby once delivered, new schools are handed to the Estate and then maintained and managed under Corporate Landlord.</p> <p>These changes need to be communicated to the Property Services team so that the correct authorisation channels are in place and recognised. It is also noted that under Corporate Landlord a system of Permits to Work is being introduced but the resources plan to deliver this has not been completed yet. It is however, part of the Corporate Landlord change programme and Target Operating Model. It is equally important that rigorous controls are in place to ensure that this new regime is sustainable. Further clarity and communication is required to ensure compliance with procedures.</p>
<p>SR 5</p>	<p><b>Review: Project, Design and Development (PDD)</b></p>	<p>We recommend that the relationship between PDD and Building Services is reviewed to clarify the responsibility and accountability for and control of the commissioning of buildings and construction / maintenance / Statutory Obligations work, particularly under Construction</p>	<p><b>Status:</b> It is recognised that PDD needs to be “repurposed” and a restructure of this function is pending.</p> <p><b>Comment:</b> The relationship with SOP and other key clients needs to be repositioned in order to see what that new demand looks like. The timelines however need to be considered in terms of what controls are in place on the commissioning of works until such time as these changes come into effect. We would recommend that immediate visibility of workload and project requests is obtained.</p>

		<p>Design and Management (CDM) regulations and to establish better record keeping in RAMIS and communication between departments. This review under SR4 and SR5 would then align Building Services, PDD, SOP and Estates in the design and commissioning of buildings and building works, increasing co-ordination between departments and provide a coordinated approach to the Estate.</p>	<p>PDD should be stopped from commissioning works without going through Corporate Landlord.</p> <p>One of the main areas of concern in our initial report was the lack of co-ordination, visibility, competence and control in the commissioning of building works and the subsequent visibility and management of Statutory Obligations particularly between Building Services, SOP and PDD. The changes proposed relating to SR4 along with SR1 and SR3 will, together with a review of PDD, when fully implemented, enhance the safeguards to mitigate risks observed previously. With the work undertaken in SR4, this should provide further visibility of the existing estate and manage the estate moving forward.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">SR Page 504</p>	<p><b>Corporate Landlord Programme</b></p>	<p><b>The Corporate Landlord project considers the wider context of central visibility and management of the estate to enhance decision making and compliance – this should include renting / subletting and hiring of property.</b></p>	<p><b>Status:</b> The corporate landlord project should deliver a safer, more assured position with regards to the Council’s estate. It is progressing. However, it is a large project to implement.</p> <p>A new Schools SLA has been issued and a new Handbook outlining the respective duties and responsibilities of the Corporate Landlord / Council and building users (including schools) under a new Occupancy Agreement, which includes provisions for a Permit to Work – which is intended to control all works undertaken on the Council Estate irrespective of the user.</p> <p><b>Comment:</b> It is critical that during the implementation phase until Corporate Landlord is fully functional, the Council fully communicates new procedures and controls and ensures they are properly enforced to prevent new risks arising in Statutory Obligations and the commissioning of building works.</p>

<p><b>NEW RECOMMENDATION:</b></p> <p><b>SR 6.1 Vision:</b> The Corporate Landlord project could incorporate a “Purpose” incorporating the following key themes; Meeting statutory obligations, Aligning property priorities to service delivery outcomes, Smaller and better-quality estate, Optimising asset performance.</p> <p><b>SR 6.2 Carbon reduction:</b> The Council needs a clear and strategic approach to energy and water arrangements across its assets.</p>	<p><b>We suggest the inclusion of a Corporate Asset Management Group within the new Property Governance structure covering the capital and revenue budgets to balance the Schools Asset Management Group and Communities Asset Management Group.</b></p> <p><b>Status:</b> Vision is completed – communication in progress.</p> <p>Corporate Landlord is part of the Capital Ambition Delivery Board under Property and Assets.</p> <p><b>Comment:</b> At the time of our report in 2017, there were a number of departments commissioning work on buildings across the Council estate and an initial proposal for a Corporate Landlord function to draw these strands together.</p> <p>The Asset Management Strategy was reviewed and Reinforced in February.</p> <p>Corporate Landlord is to be included in a Cabinet paper in April 2018. Communication is progressing.</p> <p><b>We recommend that a Communications Plan for delivering that vision to the wider Council and stakeholders is developed and implemented.</b></p> <p><b>Status:</b> There has been limited progress on this recommendation.</p> <p><b>Comment:</b> Carbon Reduction needs to become a priority for the Council across the estate to comply with legislation, good practice and bring the commissioning of energy management projects under stricter Statutory Obligations and building control.</p>
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**New Recommendation**

**SR 6.3 Building Information Modelling (BIM):**

Implementing BIM as a standard requirement for all new build and substantial refurbishments would drive significant operational efficiencies and help to populate and manage the RAMIS system currently being introduced.

The Council’s vision is Fewer Better Buildings but data gathered through Carbon Culture is used to inform Keep, Treat or Dispose discussions only rather than forward planning on Carbon Commitments and better buildings.

Whilst initiatives are happening these seem to be isolated and there are instances where energy management projects are or have been commissioned in isolation and have led to subsequent challenges in visibility, operation, maintenance and compliance.

Carbon reduction and Energy Management needs to be brought into the remit of Corporate Landlord but in the period until Corporate Landlord is effectively implemented a review of how these projects are commissioned and authorised needs to be undertaken with appropriate control mechanisms put in place.

**We recommend that commissioning of all Energy related projects should be approved through Corporate Landlord**

**Status:** BIM is starting to be utilised.

**Comment:** The new schools being designed and built under Band A and Band B funding should be subject to BIM. The Council should consider this a requirement for contractors tendering for schools projects.

There are economic and environmental benefits from BIM for the whole asset cycle from concept through design, construction and the life of the asset. This would provide significant data for the maintenance and compliance of new assets and significant changes / refurbishments for the Council.

**SR 6.4 Statutory Obligations Team:**

**UPDATED RECOMMENDATION:** We recommend a stand-alone Statutory Obligations Compliance team within Facilities management with a stand-alone Statutory Obligations Framework with a remit to manage all Statutory Obligations not only the “Big Five” AND THAT THIS TEAM SUPPORTS THE ENTIRE COUNCIL ESTATE.

CAD drawings are being updated for all buildings over a three-year period during Fire Risk Assessments and are to be held on RAMIS.

**Status:** A stand-alone base funded Statutory Obligations team is proposed under the current restructuring of Building Services. This team is likely to be formed within the next 3 months. The new Statutory Obligations Framework is due to be issued for Tender mid-February 2018 and to be operational by June 2018. At present control over Statutory Obligations covers schools as mentioned above and those parts of the corporate estate managed by Facilities Management / Building Services. There is limited visibility of budgets and remedials within Communities, Parks, City Operations and particularly Community Asset Transfers at this stage.

**Comment:** We recommend that there needs to be a single central commissioning portal for all Statutory Obligations across the estate to achieve economies of scale, value by volume, Financial and Value for Money scrutiny and ensure Competency of commissioning and hence compliance.

Current Statutory Obligations testing is carried out amongst other works under the M&E framework contract with Kier which expires at the end of March 2018. Temporary arrangements, prior to a long term contract through Tender expected this year, are expected to be in place. The risk is that these short-term arrangements will need to be carefully managed and monitored by the Stat Obs team. A Longer term contract would provide greater assurance.

A fully resourced base funded Statutory Obligations team with a dedicated Statutory Obligations Framework has been agreed and is being implemented. However, we believe that the continuation of the current

			<p>operation at an operational level with the issues identified under our Operational Recommendations relating, resources, management and transfer of data from the contractor, and visibility and recording of remedial works is a continuing risk to the Council.</p>
<p>SR 7</p>	<p><b>Accountability, Responsibility, Control and Competence</b></p>	<p>We recommend that all officers within the Council who have Accountability or Responsibility for Statutory Obligations and or Health and Safety matters are identified. These officers and their responsibilities should be recorded on a register along with the required minimum standards for their responsibilities and a record of their training / competence against that standard.</p>	<p><b>Status:</b> All Duty Holders for Buildings have been identified and recorded and their accountability established. A training package on their responsibilities is complete and is being rolled out.</p> <p>It should be noted however, that it was suggested that Corporate Landlord may change some of these responsibilities – Legionella and Asbestos for example.</p> <p>Duty Holders will have compulsory training and offered support for other training where required.</p> <p><b>Comment:</b> This identification needs to be tied into a record of existing training and competency and the training package identified and rolled out as soon as possible.</p> <p>It is not clear at the moment whether the record of Responsible Persons also includes qualifications and competencies of these individuals and so full risk mitigation cannot be achieved until these are properly recorded and the full training package delivered.</p> <p>It is critical that these records and the training requirements attached to these roles are properly monitored and maintained to ensure continued safety and compliance. There needs to be a co-ordinated approach with SR8 which to date has not been initiated.</p>

SR 8

HR – Recruitment  
and appointing  
personnel to roles

All job descriptions must identify responsibilities for Statutory Obligations and Health and Safety and set minimum standards for potential candidates and appointees in those roles along with recommended training to attain best practice.

**Status:** In progress.

**Comment:** No formalised process is in place. This recommendation needs to be progressed in order to safeguard the Council for future appointments to ensure competency and compliance and mitigate risk and to co-ordinate with SR7 above.

There needs to be an acceleration in recruitment to fill the gaps in property services and Health and Safety to support the wider estate otherwise gaps and risks remain.

This recommendation also applies to the appointment of individuals with responsibilities in schools (Head Teachers or Estates personnel) whether they are within the Service Level Agreement or not. Screening individuals or assisting Schools to appoint the appropriately qualified staff will reduce the risks of non-compliance previously reported and which generated this recommendation. The example of Eastern High where the Council worked through the Person Specification with the school for a Duty Holder and this Job Description was subsequently adopted for appointments at Fitzalan School and Willows School is a good example of who this is working.

We suggest that this recommendation is progressed further.

SR 9	<b>Finance: Visibility and Clarity of Budgets and Control</b>	We recommend that all budgets and associated control points for all budgets relating to maintenance, Statutory Obligations and capital works which impact on Corporate Landlord, Property generally, Health and Safety and Compliance are identified and mapped out to provide visibility and transparency for service users and Corporate Landlord.	<p><b>Status:</b> All budgets have been identified and mapped out as part of the development of the Corporate Landlord project but there is only visibility on actual spend of 50% of corporate estate.</p> <p><b>Comment:</b> Whilst budgets have been mapped there is not full control of the budgets for the corporate estate or schools on Statutory Obligations (outside the Top Sliced budget for the Top 5). This visibility needs to be enhanced and the appropriate controls put in place. Statutory Obligations testing for Schools has been top sliced but the cost of and decision to undertake remedial works still lies with Schools which remains a risk given tight budgets and priorities.</p> <p>This risk however should be mitigated with the proposed H&amp;S Schools team although it is not clear whether these Officers will have the power to force schools to spend their delegated budgets on remedial works. This needs to be clarified and the powers of the H&amp;S team confirmed and communicated.</p>
SR 14	<b>Framework Management and Control</b>	We recommend that contract management of the current Frameworks for Building Services is significantly improved as a matter of urgency to improve the service and influence internal clients, especially schools, to utilise those services rather than external unregulated contractors. We have to recognise that the perception of poor service and high prices / low value for money is real and is driving adverse behaviours thereby creating risk for the Council.	<p><b>Status:</b> There is now a more proactive approach to management of Framework contracts and contractors at an operational level. Whilst some progress has been made, there is however, little engagement with the contractors at senior management level.</p> <p><b>Comment:</b> The work with Building Services is to enhance its ability to manage contracts to achieve better service and value but this is a progressive approach and more needs to be done to maximise value and service from the new contracts. The new structure is being designed to do this but it needs to be recruited. Individuals and Managers are being coached to improve the monitoring and performance of the internal DLO, contractors and frameworks, in particular Materials Frameworks, drive value for money, quality and service performance / customer service.</p> <p>Building Services has been heavily involved in the design of the 2<sup>nd</sup> Generation Frameworks and Statutory Obligations Framework – this will</p>



		<p><b>New Recommendation</b></p>	<p>give the service greater “ownership” of the frameworks and lead to better management.</p> <p>Whilst on materials, co-ordination has been initiated between Building Services and CMS, more work needs to be done in the co-ordination and management of Materials Framework Contracts.</p> <p>Generally, too much is being expected of the current resources of Building Services operational team to manage contracts and contractors at both operational and strategic levels and this needs to be addressed to further progress driving value and service provision.</p> <p>The service needs more contract managers who are dedicated to contract management and they should not be designated as income generators.</p> <p>It is clear that the OM level senior manager interface is missing and this needs to be strengthened as soon as possible.</p> <p><b>We recommend that a Relationship Hierarchy is developed with all Contractors to create relationships at senior and strategic, as well as operational levels.</b></p>
<p><b>SR 11</b></p>	<p><b>Social Value</b></p>	<p>The Council should develop a Social Value Impact metric to capture and develop its Social Value Impact and create opportunities for economic and social development across the City.</p> <p>This is not a critical issue but could demonstrate significant economic and social development</p>	<p><b>Status:</b> There are proposals for a socially responsible Procurement Board to draw together all Social Value activities across the Council.</p> <p><b>Comment:</b> There will be a socially responsible Procurement Board with representatives from across key Council directorates where positive supply chain activity can be communicated and new opportunities sign posted, helping contractors to deliver on their contractual Community Benefits commitments.</p>

being driven by Cardiff City Council and should be developed over the next 12 months.

An Apprenticeship scheme has been initiated and the new Frameworks being considered are being designed to enhance SME participation. It should be noted that under changes in Framework Management within Building Services, the social value created under these contracts and reported using the Welsh Government Community Benefits Tool is now being captured for some contractors.

Whilst this is not a critical issue, the Council should maintain momentum towards establishing a metric and better capture of data. There are advantages in that it not only drives economic and social viability, but the dissemination of this data could encourage more service departments and schools to understand the value of using in-house services for economic and social development across the City and Region.

## **Appendix 1 - Strategic Observations from 2017 Report**

At a Strategic Level, our primary observation is that the Council is on a journey of improvement whereby the Council's Property Portfolio is now increasingly being seen as an asset of the Council in terms of an enabler of service provision, to Customers, Service Divisions or the users of services within the Council's area of operation. Each service area has different demands and needs from the portfolio but these have not been considered in designing or delivering the portfolio as an enabler of service. The past has seen limited customer focus in terms of portfolio delivery and a substantial underinvestment in maintenance resulting in an estimated £100 million maintenance backlog driven by conflicting and often mutually incompatible demands. These demands have undermined customer focus and it has been manifest in service divisions, particularly schools, seeking assistance and solutions elsewhere out with Council control further exacerbating the situation. A significant opportunity for improvement is the transfer of Estates and Facilities Management to the Economic Development Directorate, the development of a corporate asset management strategy and Corporate Landlord Model. There is the opportunity to create a significant shift in perception and purpose of Corporate Landlord with a focus on individual Customer Service, accountability and control.

A second, but critical, strategic observation is that an improvement has been made at corporate level, whereby the previous arrangement where all principle factors of risk and control with regards to both Statutory Obligations and Health & Safety (Estates, Property Services Department / Facilities Management, Health & Safety, Finance, Risk Management and the appointment of competent personnel by Human Resources), and the impact on the portfolio as an enabler of services and hence its operational delivery were managed under a single directorate with conflicting demands which represented a significant ongoing risk to the Council. This is being addressed through the transfer of Estates and Facilities Management to the Economic Development Directorate and also through ongoing work on the Corporate Landlord Model. Nevertheless, governance and assurance of these critical issues from an executive level still need strengthening and will form part of our core recommendations.

Thirdly, there is ongoing work to address the challenge of accountability for Statutory Obligations and Health and Safety having been divorced from responsibility, operational management and budgetary control with increasing delegation resulting in loss of competence, control and visibility of risk associated with these critical elements of the portfolio. This had been further compounded by a lack of clarity as to the responsibility for obligations and the appointment of individuals to positions of responsibility without the competence, knowledge or understanding of those responsibilities. This is again being addressed through the transfer of Estates and Facilities Management to the Economic Development Directorate and also through ongoing work on the Corporate Landlord Model. A programme of budget review, education, communication and review of personnel would be a valuable addition to these initiatives.

Fourthly, in financial terms, budgetary constraints allied to reduction in staff levels in key areas have further eroded capability, visibility and control for Statutory Obligations and Health and Safety. The complexity of budgets and budget holders has led to confusion over

visibility, ownership and authorisation of resources. The current programme towards Corporate Landlord will provide greater visibility of budgets and allocation thereof. If a programme of identification of needs, resources and prioritisation of needs in the portfolio, allied to capability was undertaken then this would enhance that programme.

Fifthly, budgetary constraints have reduced the ability of the Council to invest in Depreciation Budgets for all assets to ensure either compliance or replacement of assets. Establishing a depreciation model as part of the Corporate Landlord model would strengthen the overall improvement in performance.

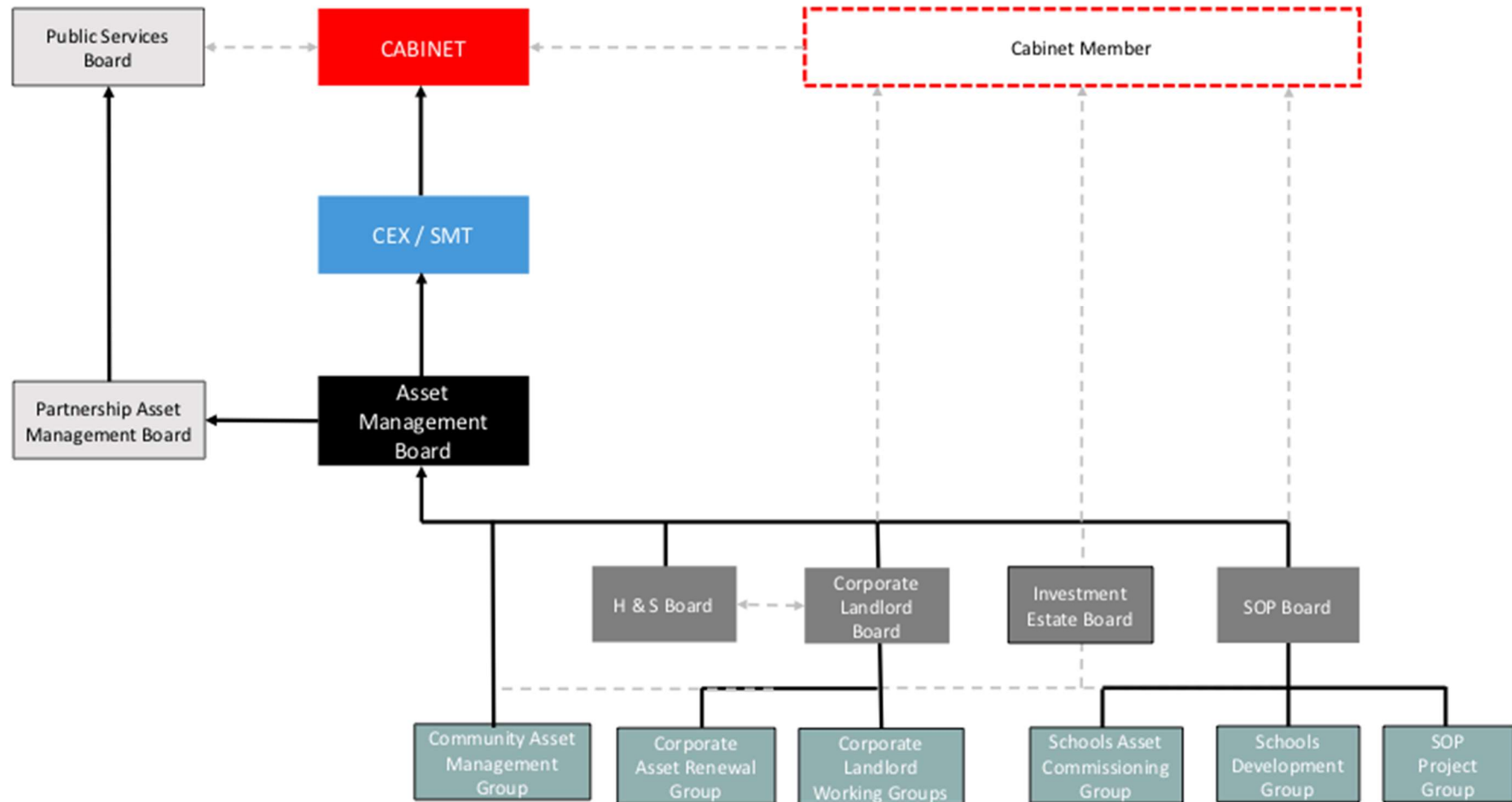
Sixthly, Health and Safety in general, as covered under the Health and Safety at Work Act and subsequent legislation, starts with the individual. There are concerns that Health & Safety does not have the prominence within the Council that is required to ensure compliance with legislation or good practice. This has not been helped by a gradual reduction in the central Health and Safety function in the Council again driven by budgetary constraints, leaving the current situation where this critical function is under resourced and the Council exposed. A clear programme of Health & Safety leadership, training, education and communication is needed to enhance the prominence of this critical risk across the Council.

Finally, auditing, recording, monitoring and reporting of Statutory Obligations and Health and Safety can be improved to ensure visibility of compliance at corporate level to reduce risk exposure. The introduction of the RAMIS Estate Management System, allied to the Corporate Landlord model, will significantly improve this situation.

In summary, at a strategic level:

- Increase visibility of the Property Portfolio as a corporate asset and service enabler
- Absolute clarity in key areas of risk and the management, mitigation, visibility and reporting thereof under a single point of control and communicated properly
- Absolute clarity in accountability, responsibility, competence and control and effective communication thereof
- Overcome the complexity of financial resources, financial constraints and drivers for cost savings and lack of resources being channeled correctly into reinvestment and preventative activities
- Investment in a Health and Safety in property management, buildings and operations, creating a culture where Health and Safety is accepted and embraced as part of everyone's role.
- Governance and Assurance: Enhance visibility, control and assurance at senior management level in Health and Safety, Compliance and Regulations.

## Appendix 2 – Draft Property Governance



Mae'r dudalen hon yn wag yn fwriadol



An inquiry report of the:  
**Policy Review & Performance Scrutiny Committee**

**Managing the Estate under a  
Corporate Landlord Model**

**May 2018**



**Cardiff Council**

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## CONTENTS

CONTENTS.....	2
CHAIR’S FOREWORD.....	3
TERMS OF REFERENCE .....	5
KEY FINDINGS .....	6
RECOMMENDATIONS .....	12
CONTEXT .....	14
KEY EVIDENCE.....	16
INQUIRY METHODOLOGY .....	33
BIBLIOGRAPHY .....	35
LEGAL IMPLICATIONS.....	36
POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE .....	37
PRAP TERMS OF REFERENCE .....	38
APPENDIX 1:.....	i
APPENDIX 2:.....	viii



## CHAIR'S FOREWORD

The Council is implementing a Corporate Landlord model in order to bring efficiency to the way it manages its estate, much of which is old, under-used, in need of maintenance and a drain on resources.

The phrase, "Corporate Landlord", is now common in many of the internal discussions within the Council. Understanding of what the phrase means and what the model's implications are is, however, less common.

There is a risk that the move to the Corporate Landlord model will fail if the Council, in its entirety, does not have an agreed and shared understanding of the model's role and operation.

At the outset of our inquiry, therefore, it was crucial for this Task Group to establish a clear understanding of what is meant by the term 'Corporate Landlord'. The clearest definition we found was contained within a Welsh Government report on the Cwm Taf Pilot Study, a regional asset management project based on collaboration between the PSB members:

*"The Corporate Landlord model centralises all estate related budgets, decision making and activities within a central team – the Corporate Landlord. Service departments become tenants of the Corporate Landlord. The service department has to make a case for the property that they wish to deliver a service from, which allows for the Corporate Landlord to offer sufficient space – and no more space than is required – for these functions."*

The expert witnesses who gave evidence to the Task Group all endorsed this definition contained in the Welsh Government report and a recurring theme emerged during conversations with them. If we want to run the Council's non-residential estate successfully from the centre, under a Corporate Landlord model, then there must be complete corporate acceptance of this principle from all service directorates at the outset. This will require strong political and corporate leadership to drive the implementation of the model and explain the benefits of managing the estate in this way.

When considering something as intrinsic as the asset management strategy for a large corporate estate, a vast number of recommendations could soon be reached. This risked diluting what the Task Group felt are key messages. For this reason, as Chair of the Task Group, I wanted our recommendations to be concise. They are based around three broad themes which are: **securing corporate buy-in for the model, policies and processes connected to implementation** and **benefits of successful implementation of the model.**

I would like to thank my fellow task group Members, Councillor Norma Mackie and Councillor Rod McKerlich, for their hard work and willingness to think creatively to assess and find solutions. Unfortunately, due to serious illness Councillor Jim Murphy was unable to attend our meetings but we are delighted to see he is now in better health and offer our best hopes for a continued recovery. Special thanks are also due to our Principal Scrutiny Support Officer, Mark Jacques, who ensured we had access to timely, relevant and quality information to enable us to successfully undertake our Inquiry.

How the Task Group decided on the themes above and reached the resulting recommendations are contained within this report.



**Councillor Joe Boyle**  
**Task Group Chair**

## TERMS OF REFERENCE

1. At its meeting on the 20<sup>th</sup> September 2017 as part of its 2017/18 work programme the Policy Review & Performance Scrutiny Committee agreed the terms of reference for an inquiry into the Council's approach to managing the estate under a Corporate Landlord model. The Terms of Reference were agreed as follows:

To examine Cardiff Council's proposal to adopt a Corporate Landlord model and ascertain the benefits for residents, community groups, and the organisation by:

- Establishing the reasons for introducing the model
- Identifying the scale of benefits for community organisations in terms of access to facilities
- Identifying the scale of benefits for the Council in terms of capital and revenue budgets
- To identify the key challenges overcome by other Local Authorities who have adopted the Corporate Landlord model

2. The outputs/outcomes from this investigation were to be:

- To produce a report that: uses the evidence gathered to make recommendations to the Cabinet for managing the estate under a Corporate Landlord model.

3. The Committee agreed that the Membership of the task & finish group would comprise:

Councillor Joe Boyle (Chair)

Councillor Norma Mackie

Councillor Rod McKerlich

Councillor Jim Murphy

## KEY FINDINGS

The evidence presented to this inquiry falls into three high level themes: the importance of **securing corporate buy-in for the model**; the **policies and processes** that form a firm foundation for implementing the model; and the **benefits of successful implementation** of the model. Each key finding agreed by the Task Group is illustrated with a supporting example from the evidence received. Further evidence can be found in the Key Evidence section later in the report.

### Securing corporate buy-in for the model

KF1. It is essential to secure Corporate “buy-in” to the key principle that all Corporate Assets should be managed centrally.

*“There has to be total “buy-in” to the process from all service areas as a partial Corporate Landlord Model won’t work.”* **Josh Dunn (People Too)**

*“The Corporate Landlord model centralises all estate related budgets, decision making and activities within a central team – the Corporate Landlord. Service departments become tenants of the Corporate Landlord. The service department has to make a case for the property that they wish to deliver a service from, which allows for the Corporate Landlord to offer sufficient space – and no more space than is required – for these functions.”* **Welsh Government Report. A Regional Approach to Collaboration: Cwm Taf Pilot Study – Final Report.**

KF2. It is essential that all senior managers and decision-makers lead the cultural shift to a model whereby the Council’s whole estate is centrally managed.

*“Ensure senior decision makers within an organisation support the process and the team that are set to deliver it. I have no insight as to how the Council currently operate but taking control of assets into the centre will meet barriers. An unequivocal statement of intent from the top will support that drive for change.”* **Richard Baker, Head of Estates & Professional Services at the Welsh Government.**

KF3. Political ownership of Corporate Asset Management should sit within a single cabinet portfolio.

*“An unequivocal statement of intent from the top will support that drive for change.”* **Richard Baker, Head of Estates & Professional Services at the Welsh Government.**

### **Policies and Processes connected to implementation**

KF4. There is some senior management confusion about how the Corporate Landlord model will work, and how its introduction will impact on individual service areas.

Members heard from the Director of Education and Lifelong Learning that currently there is a poor understanding of management responsibilities and that greater clarity of roles is required in terms of the maintenance of the Corporate Estate. The Director raised concerns about the role of the Education Department as a commissioner of work? And what is the role of Facilities Management? He illustrated this by giving the example of contractors arriving at a school unannounced to undertake work at inconvenient times. **Meeting 3**

The Director of Education and Lifelong Learning advised Members it was his understanding that the Corporate Landlord Model is a set of principles and relationships across the whole Council, rather than the responsibility of an individual department. **Meeting 3**

KF5. The management of property budgets and opportunities for savings from effective running of the corporate estate should be identified through a business case approach to determine whether an asset should be retained, remodelled or released.

*“The principal point to establish and make abundantly clear is the council is the legal owner of its assets and therefore all assets are vested in the corporate body. This means the control of budgets has to be aligned to this approach. This can be dealt with incrementally but most simply as a single issue. Establishing an effective and healthy relationship between the centre and services is an ongoing process that must be maintained. Corporate and member buy in is important and the opportunities for savings can be identified through*

*a business case approach.*” **Tony Bamford, Interim Head of Asset Management, Bristol City Council.**

KF6. Maintenance backlog issues can arise in the absence of an ongoing management programme of preventative maintenance of assets.

The Services Manager at People Too gave an example of the importance of preventative maintenance. In 2008 Bridgend Council decided not to replace tiles on the roof of a pavilion at a cost of £500 but eventually had pay £25,000 when the building needed a new roof.

## **Meeting 2**

*“There will be challenges not least from upfront costs so organisations need to be prepared to invest to eventually see a return. Have a budget set aside or risk the process not being delivered. However, improvements depend very much on where the organisation starts from (what is the current model) it will be important to establish and clearly manage expectations.”* **Richard Baker, Head of Estates & Professional Services at the Welsh Government.**

Cardiff Council had received warnings from Constructing Excellence in Wales about the way the Schools Estate in Cardiff was maintained. **Meeting 3**

KF7. It is important there are clear and robust Service Level Agreements / Landlord – Occupancy Agreements. This is especially the case in schools, where the element of delegated budgets can create confusion about precisely who is responsible for maintaining the estate.

People Too business consultancy outlined the importance of having a standard mandatory agreement that made roles and responsibilities clear for all parties. The Services Manager explained that in Bridgend three options were available in terms of maintenance under the Landlord and Occupancy Agreements. These ranged from just offering advice on maintenance issues to an all-inclusive package that proved attractive to service areas because the annual fee was a reduction on what they currently paid. This reduction was the

result of better ways of working under a centralised approach to managing the estate.

## **Meeting 2**

The Cabinet Member for Education, Employment & Skills told the inquiry that as part of the process to assess maintenance priorities a matrix scoring system had been developed for school buildings. There are four categories used to define the condition of these buildings.

These are:

- A. Performing as intended and operating efficiently;
- B. Performing as intended but exhibiting minor deterioration;
- C. Exhibiting major defects and not operating as intended;
- D. Life expired and risk of imminent failure

## **Meeting 3**

KF8. Comprehensive data is fundamental to a successful Corporate Landlord Model. Sophisticated gathering and analysis of information such as financial data, condition survey results and the outcomes generated by KPIs will improve the quality of decision-making.

Data ownership and management was identified as a key role and function under the heading Strategic Asset Management and Investment, during a presentation given by the “People Too” business consultancy. **Meeting 2**

Data is a key asset and must be developed, maintained and managed as such. It must be reliable and useable for regular, consistent and trustworthy reporting in which services and members can build confidence. In the long term this will allow the Council to improve performance. **Meeting 2**

*“Take a Wales wide view to management of our portfolios, understanding the whole-life costs of properties and where possible setting performance requirements for the operational and investment portfolios.”* **One of the guiding principles in the Welsh Government’s Corporate Asset Management Strategy 2016 – 2021**

KF9. A Corporate Landlord model requires a clear staffing structure and lines of communication to ensure clarity of the decision making process.

The business consultancy “People Too” advocated a structure of three divisions under the Assistant Director (Corporate Landlord) position. These were:

- i. Total Facilities Management
- ii. Strategic Asset Management and Investment
- iii. Capital Projects

A Compliance/ Health & Safety Unit was positioned alongside the Assistant Director (Corporate Landlord). Total Facilities Management would cover such areas as reactive and planned maintenance and cleaning, Strategic Asset Management and Investment areas such as asset ownership and data management and Capital Projects would be responsible for functions like technical design and expertise procurement. **“People Too” presentation (Meeting 2).**

#### **Benefits of successful implementation of the model**

KF10. Some service departments are not getting good value for money when purchasing regularly used materials, because of a lack of Council-wide consistency in engaging with the procurement process.

*“Building Services Materials Framework Summary.” The majority of purchases made by Building Services from the supplier Travis Perkins were ‘off contract’. So outside the framework agreement made between the Commercial and Procurement team and Travis Perkins. **Written submission from ‘People Too’***

KF11. The principle of co-locating with other public service partners is a good one and should be factored into future decisions about the Corporate Estate.

This principle was identified as an example of best-practice in the **Welsh Government Report. A Regional Approach to Collaboration: Cwm Taf Pilot Study – Final Report.**

*“I am the lead WG official with responsibility for the NAWG (National Assets Working Group) and the principal role of the Group is to enable and influence collaborative asset management across public sector organisations to release efficiency savings, developing*



*tools to enable and readily facilitate this collaboration to take place. As the public sector estate is estimated at around £12bn (WAO) the opportunities to be realised are significant.”*

*“The ongoing challenging financial climate for public services in Wales, as a result of the UK Government’s policy of austerity, means we must innovate and work together and smarter to deliver excellent public services for people in Wales. It is essential that public services work collaboratively to tackle pressures and achieve value for money from all available resources.”* **Richard Baker, Head of Estates & Professional Services at the Welsh Government.**

## RECOMMENDATIONS

The Committee has identified areas that merit consideration in taking review activity to the next level, and particularly wish to draw the Cabinet's attention to the following recommendations. Each recommendation is supported by the associated key finding listed earlier in this report.

### The Task Group recommends that:

R1. Cabinet agrees, within three months of the Assistant Director (Corporate Landlord) taking up post, a clear statement of its vision for the Corporate Landlord model in order to counter contradictory interpretations. The statement, based on ensuring that there is complete corporate "buy-in" for the model if it is to be successful, should be a key component of future Corporate Land and Asset Management Plans and must give an unambiguous message that the Corporate Landlord model is fundamental to the future operation of the Council. **(KF1 & KF2)**

R2. The Council Leader must ensure that political responsibility for the Corporate Landlord sits within a single Cabinet portfolio. There can be no "partial" Corporate Landlord. **(KF3)**

R3. Cabinet tasks the new Assistant Director (Corporate Landlord) with creating a centralised Corporate Landlord management structure, to ensure that central management of all corporate assets is in the hands of property experts. **(KF2, KF5 & KF9)**

R4. A Corporate Landlord executive summary is produced annually as part of the budget setting process in order to identify the resources available to meet the asset maintenance backlog. The executive summary should include:

- Value of the current maintenance backlog
- Prioritised list of asset maintenance projects
- Investment estate market value
- Current revenue generated from the investment estate

- Capital receipt targets
- How increased revenue will be allocated

Should there be a gap between capital receipts (source of funds) and maintenance costs (allocation of funds) the executive summary should enable estate managers to close the gap if needed.

**(KF5)**

R5. The Chief Executive should review and refresh as required the roles and responsibilities of the senior management team to reflect the centralised management of assets under a Corporate Landlord Model. **(KF4)**

R6. A preventative maintenance programme must be in place for all Council assets. Cabinet should ensure that:

- Proposals for new buildings factor in preventative maintenance at the planning stage
- A preventative maintenance programme is in place for retained assets **(KF4 & KF6)**

R7. Cabinet should ensure that, during the first 12 months following the appointment of the Assistant Director (Corporate Landlord), Landlord and Occupancy Agreements are put in place for all Council properties and the terms agreed by relevant parties. For schools, in particular, agreements must make explicit where responsibility lies for the management and maintenance of school buildings. The implications of the Corporate Landlord model for school budgets must be made clear by the start of the 2019/20 school financial year. **(KF7)**

## CONTEXT

4. Cardiff Council is the largest property owner in Cardiff with over 500 properties retained for operational use, and a further 500 properties retained as investment assets.

5. The cost of managing and operating the Council's estate is the second largest call on the Council's budget (circa £60M per annum), after staff costs. This has become an increasingly important issue as the shape of the organisation has changed to reflect unprecedented financial pressures, and changing and growing customer demands.

6. The Council's five year property strategy to transform the Council's estate, known as *Fewer But Better Buildings*, aims to reduce the size and cost of the operation, as well as modernising the estate to ensure all of the Council's operational buildings are safe, fit for purpose, and are positive environments for staff and customers.

7. In the Wales Audit Office (WAO) Corporate Assessment published in May 2014 the WAO did not consider that the Council was managing its land and property assets well. They considered progress had stalled in 2013 with no clear strategy for realising the aspirations of the 2012/13 Corporate Asset Management Plan. They further observed that the range of property information systems was not sufficiently joined up, and an absence of easily accessible and accurate information on property inhibited corporate oversight of property performance.

8. The overall quality of the Council's estate is deteriorating, with over 50% considered to be in a 'poor' condition, leading to ever increasing maintenance costs and a growing maintenance backlog which is now in excess of £100M. This situation was brought to the fore in early 2017 when the situation in some of Cardiff's schools caused negative coverage in the local media. Cardiff has an Education estate of over 127 school properties and a maintenance backlog of approximately £68M according to *The Future Development of the Education Estate in Cardiff* report which went to Cabinet in October 2017.

9. In early 2017 the Council implemented a new 'Corporate Landlord' programme to improve the strategic management of the estate. In 2016-17, this new approach delivered:

- 7.9% reduction in Gross Internal Area (617,593 sq. ft.);
- 9.2% reduction in running costs (£3.3m);
- £8.8m reduction in maintenance backlog;
- £6m in capital receipts.

10. A clear definition of what constitutes a Corporate Landlord is contained within a Welsh Government report on the Cwm Taf Pilot Study, a regional asset management project based on collaboration between the PSB members. The definition is:

*“The Corporate Landlord model centralises all estate related budgets, decision making and activities within a central team – the Corporate Landlord. Service departments become tenants of the Corporate Landlord. The service department has to make a case for the property that they wish to deliver a service from, which allows for the Corporate Landlord to offer sufficient space – and no more space than is required – for these functions.”*

11. The targets set out in the Corporate Land & Property Management Plan 2018/19 relate to strategic management of the estate and include reducing the maintenance backlog (circa £100M), reducing running costs and generating capital receipts.

12. A target of £40million raised over the next 5 years from a land and property disposal programme has been set. However, the first £25million will fund the Council’s contribution to the Band B Schools Organisational Change Programme.

13. As part of discussions around issues for consideration in the Policy Review & Performance Scrutiny Committee’s work programme, Members wished to review the running of the Council’s Operational Estate. In particular, Members enquired as to the sufficiency of resources allocated to deal with the priority of taking steps to address the historic maintenance backlog in school buildings, given that currently £2m per annum is programmed to deal with potentially £4.5m pa of maintenance required.

## KEY EVIDENCE

14. Members of the task group considered the views of internal and external asset management experts to identify best practice. The evidence gathered is categorised under 3 principal themes:

- (i) Securing corporate buy-in for the model
- (ii) Policies and Processes connected to implementation
- (iii) Benefits of successful implementation of the model

### Securing corporate buy-in for the model

15. Members were advised by business consultants “People Too” that there had to be total “buy-in” to the process from all service areas as a partial Corporate Landlord Model won’t work.

16. According to the interim Head of Asset Management at Bristol City Council, the principal point to establish and make abundantly clear is that the council is the legal owner of its assets and therefore all assets are vested in the corporate body. This means the control of budgets has to be aligned to this approach.

17. Members were told that corporate and Member “buy-in” is important and that the opportunities for savings can be identified through a business case approach.

18. The interim Head of Asset Management at Bristol City Council outlined the importance of communicating where a Corporate Landlord approach fits into the bigger picture in terms of working within an austerity model.

19. It was emphasised to Members that if service areas experience something that works well they are more likely to go down that route again. This is why it is important for the benefits of the Corporate Landlord model to be filtered down to the service areas.

20. The Task Group were informed that corporate buy in was essential to avoid difficult outcomes. Specific changes are needed at both asset and management level. In Bristol there was a £2 billion estate with a housing stock of 27,000. Different ways of reducing older stock were discussed and it was pointed out that sophisticated approaches were needed to achieve effective buy in. Members were told that forcing change on service areas would only lead to a push-back against a Corporate Landlord model.

21. The Head of Estates and Professional Services at the Welsh Government advised Members in writing that: “My first piece of advice (at the outset) is to ensure senior decision makers within an organisation support the process and the team that are set to deliver it. I have no insight as to how the Council currently operate but taking control of assets into the centre will meet barriers. An unequivocal statement of intent from the top will support that drive for change.”

22. He also wrote that: “Depending on the starting point, this journey will be a cultural shift, buy-in (and full support) from the very top is essential. However, there will always be some who feel that relinquishing control of the asset will disadvantage them. Some things to remember, it’s not their asset and it’s not free, plus it’s not a policy aimed just at them, it is estate wide. Also day to day building management from the centre releases them to deliver policy priorities for their division.”

23. The Head of Estates and Professional Services at the Welsh Government said that a mandate was needed from the Council saying that this is now our approach but in order to ensure corporate buy-in the benefits needed to be clearly demonstrated.

24. The Cabinet Member for Investment and Development told the Task Group that his opinion was that if a directorate wanted a residual responsibility for assets, they should have all the responsibility. If directorates attempted to retain control of their assets, avoiding central management of the entire estate, the Corporate Landlord model would fail.

## Policies and Processes connected to implementation

25. The investment estate has a current asset value of £90M and the maintenance backlog on the operational estate is £100M.

26. Members heard that the projected life-time of new school buildings is 25 years before contractual obligations cease.

27. The “Property Strategy 2015 – 2020” has five work-streams:

- Improved Governance
- Review of Resourcing
- Roles & Responsibilities
- Health & Safety compliance
- Improved intelligence & data management

28. The Director of Economic Development advised that resourcing of the strategy was outlined as follows:

- New Assistant Director post in Senior Management restructure
- New corporate Health & Safety manager and team
- New ‘Corporate Landlord’ structure covering Facilities Management), Projects, Design & Development, Strategic Estates, Schools Delivery, Contract Management (all are areas of Council property activity)
- Review of schools delivery arrangements
- Proposed increased capital allocation for asset renewal
- School Organisational Programme Band B – 21<sup>st</sup> Century Schools

29. The Task Group was told that in terms of roles and responsibilities new Landlord and Occupancy Agreements will be drawn-up. These are based on a new Responsibilities Handbook for services and a refreshed version of the current handbook for schools.

30. It was outlined that the intelligence and data actions are:



- Programme of prioritised building surveys
  - *100 to be completed before Christmas 2017*
  - *400 funded in total*
- Programme of land surveys and valuations
- Programme of Health & Safety Audits
  - *Schools completed by half-term*
  - *Rest of the estate underway*
- Full implementation of RAMIS & RAMIS for Schools. (RAMIS is a database to house premises' compliance information)

31. Members of the Task Group observed that a potential consequence of the Council managing its estate more effectively is that issues could be uncovered which it can't afford to address.

32. According to the "People Too" business consultancy the case for change is outlined as:

- Lack of accountability and control
- Compliance
- Backlog of maintenance
- Duplication of effort
- Multiple views of the truth
- Poor value for money
- Lack of integration
- No single strategy
- Lack of customer focus
- PRP (Procurement Route Planner) arrangements are not working

33. A suggested functional structure for the Corporate Landlord proposed by "People Too" advocated three divisions under the Assistant Director (Corporate Landlord) position. These were:

- Total Facilities Management

- Strategic Asset Management and Investment
- Capital Projects

A Compliance/ Health & Safety Unit was positioned alongside the Assistant Director (Corporate Landlord). Total Facilities Management would cover such areas as reactive and planned maintenance and cleaning, Strategic Asset Management and Investment areas such as asset ownership and data management and Capital Projects would be responsible for functions like technical design and expertise procurement.

34. Business consultants “People Too” advised that the Council shouldn’t just focus on capital receipts in terms of gaining an initial increase in revenue. They claim that it would be a wise investment move to retain a stake in any future development. For example, retaining land for small retail businesses within a new housing development would allow the Council to sell prime estate but also capitalise on future potential by collecting rent from shops.

35. The importance of having a standard mandatory agreement that made roles and responsibilities clear for all parties was outlined by the Services Manager at “People Too”.

36. The Director of Education and Lifelong Learning explained to Members that the predominant issues raised by head-teachers were based around cost and communication. On comparison, many schools found that they could have commissioned maintenance work more cost effectively outside of the current Council structure. Schools also expressed frustration at spending hours on the phone chasing-up repair work which had been scheduled but not delivered.

37. The Director of Education and Lifelong Learning also outlined six areas that he thought needed addressing:

- i. Awareness of building maintenance and Health & Safety issues. How traditionally there was no culture of an appreciation of this area within the Council in terms of awareness, understanding and attitudes.
- ii. Clarity of role. There is confusion and a system failure around roles when it comes to estate maintenance. Questions need addressing, such as what is the role of the Education Department as a commissioner of work? What is the role of Facilities Management? Currently there is a poor understanding of responsibilities and

management and, as a result, contractors sometimes turn up at school unannounced and carry out work at inconvenient times.

- iii. Inadequate practices. In areas such as Health & Safety policy and practice had got weaker.
- iv. Budget allocation. Traditionally the Council had not been correctly budgeting for the amount of money needed to maintain an ageing estate.
- v. Value for money in terms of contract management and delivery. Schools weren't getting value for money within the current maintenance service provided by the Council because of inflated prices and contractors having too much control in terms of naming the price for work carried out.
- vi. Communication. There was poor communications in terms of where schools sit in the maintenance structure and what are the roles and responsibilities of all parties. Head-teachers were exasperated with trying to get an answer to maintenance enquiries and sometimes they were receiving unprofessional treatment from contractors. Who is the client – schools or the Council? There is a poor understanding of this concept.

38. Members heard that the Council had received warnings from Constructing Excellence in Wales about the way the schools estate in Cardiff was maintained.

39. The Director of Education and Lifelong Learning gave his view on the progress made in the six areas identified:

- i. Awareness in relation to Health & Safety issues. It was noted that there is now better awareness of the challenges faced in this area. Nick Batchelar welcomed the appointment of Donna Jones in the senior role of Health & Safety manager for Cardiff Council.
- ii. Clarity of role. The Director said that all the ingredients needed are now in place but there still isn't a clear understanding yet of how schools fit into the structure. Internally, within Education the Director has put in place a tougher regime in terms of the Asset Management Group. But a more robust database for the pricing of jobs is still needed. The Director told the inquiry that there's a complexity in terms of who is actually the customer which needs to be recognised. Sometimes schools are the recipient/ beneficiary of work carried out on their behalf but at other times they commission work themselves which

is paid for out of their own budgets. The Director said that there was still weak contract management which needed to be much sharper. Some progress had been made but more speed is now required in the area of roles and responsibilities for schools and the Council.

- iii. Practices. In terms of Health & Safety the situation was much better now that a senior post had been established. The manager has a good understanding of how to work effectively with schools. The Director outlined how part of the Education budget had been moved to the Health & Safety manager in order to deal with associated issues. The Director thought that RAMIS (Risk Assessment Management Information System) for schools was a good tool.
- iv. Budget Allocation. The Director said that more resources for asset renewal are needed. Band B funding under the 21<sup>st</sup> Century Schools programme will impact upon a comparatively small number of schools.
- v. Value for Money. The Director believed there was no change in this area especially with regard to contract management and that the Council needs to move more swiftly.
- vi. Communication. The Director believed that stronger leadership is needed in this area. Various questions require answers. Who is the customer? Whose money is paying for the work? How can we make this work? In terms of management the Director highlighted an example of a complaint received because of unprofessional interaction between a maintenance worker and a head-teacher. He said that this sort of inappropriate behaviour is an example of how work practices are not being managed properly.

40. It was explained to Members that the maintenance backlog for the Education Estate is approximately £34M (an actual figure of £68M halved due to the 50:50 funding ratio with Band B of the 21<sup>ST</sup> Century Schools investment programme). Approximately £17m, or 14%, of maintenance and condition issues of the estate have been addressed through Band A of the 21st Century Schools programme.

41. The Cabinet Member for Education, Employment & Skills told the inquiry that as part of the process to assess maintenance priorities a matrix scoring system had been developed for school buildings. There are four categories used to define the condition of these buildings. These are:

- E. Performing as intended and operating efficiently;
- F. Performing as intended but exhibiting minor deterioration;
- G. Exhibiting major defects and not operating as intended;
- H. Life expired and risk of imminent failure

42. As part of the matrix scoring system ratings were given based on the following issues:

- Sufficiency of places available
- Condition of the school buildings
- Suitability of the environment for teaching

43. The Director of Education and Lifelong Learning told Members that his understanding was that the Corporate Landlord Model is a set of principles and relationships across the whole Authority and shouldn't be seen as the responsibility of one single person or an individual department.

44. The Director of Education agreed that a more sophisticated understanding of what is meant by Corporate Landlord is needed. But just as no one single person is the Local Authority; there shouldn't be a single point of contact in terms of the Corporate Landlord model.

45. Members were advised that current spend on school asset renewal has been circa £3m per annum. This resource is allocated on a priority basis and is predominantly limited to keeping properties safe and watertight.

46. The Director of Education and Lifelong Learning explained that the Constructing Wales Excellence Report had not been acted upon, but as a result the reputational damage to the Council caused by negative press articles in early 2017 had actually brought people together in terms of their resolve to improve the situation.

47. According to the interim Head of Asset Management at Bristol City Council, the correct Corporate Landlord process is more an evolution than a "big bang" with the idea being to achieve quantities of scale and savings. It should also allow organisations to work with

partners in a more coherent manner. It is then expected to make best practice property and area review tools more robust in challenging service area use of assets.

48. The Task Group was advised that Service Asset Management Planning is important and should cover areas such as using assets in a corporate sense and also emphasise community initiatives and legal responsibilities.

49. The Strategic Estates Manager advised that her strategy for the maintenance programme centres around three decisions: retain, remodel and release.

50. In terms of definite pitfalls to avoid the interim Head of Asset Management at Bristol City Council thought it was important not to create too many different levels of staff with responsibility for asset management budgets. All jobs created should contribute to definite outcomes.

51. The Head of Estates and Professional Services at the Welsh Government advised Members in writing to: "Get as much help and support from those who have already gone down this route as possible. I recommend engagement with CIPFA (The Chartered Institute of Public Finance and Accountancy) who have successfully run a number of training and information events on the topic."

52. He also wrote that: "There will be challenges, not least from upfront costs so organisations need to be prepared to invest to eventually see a return. Have a budget set aside or risk the process not being delivered. However, improvements depend very much on where the organisation starts from (what is the current model) it will be important to establish and clearly manage expectations."

53. The Strategic Estates Manager advised that the problem was that various departments didn't have their information in one place. Cardiff Council was more than likely going to use the provider Technology Forge to create its IT database.

54. Head of Estates and Professional Services at the Welsh Government thought that in terms of asset management the mood should definitely be moving away from just keeping things going, to asking is it worth keeping them going!

55. He also agreed that clarity was needed on the roles and responsibilities of the Corporate Landlord and individual service areas.

56. The Head of Estates and Professional Services at the Welsh Government said that prioritising maintenance work is important. That it must be structured in such a way that clear plans are identified. He outlined the Location Strategy plans for the office estate that have been implemented by the Welsh Government since 2003. A broader Corporate Asset Management Strategy covering 2016 to 2021 has been introduced for the first time, which seeks to apply consistency in management approach across all land and property assets owned by the Welsh Government.

57. The Director of Economic Development advised that there was a programme of work which was ongoing but that the model wouldn't be operational until after the appointment of the Assistant Director (Corporate Landlord). He emphasised that the important work for carrying out full property surveys was ongoing.

58. The Cabinet Member for Investment and Development advised that there was a commitment to manage the estate in a better way which would reduce the maintenance backlog. But he said he was yet to be persuaded that the Council was on track to achieve this aim under a Corporate Landlord approach. A draft report was being prepared in which he would highlight that this approach was the only way to get on top of the challenges faced by areas of the Council. He also pointed out that not every directorate fully embraced this way of running the estate.

59. The Cabinet Member for Investment and Development pointed out that the maintenance on the Council's three main buildings (County Hall, City Hall and Willcox House) was significant and substantial. Overall property related spend cost the Authority £60M per annum and therefore a significant amount of rationalisation was required.

60. The Cabinet Member for Investment and Development advised the Task Group that it was clearly stated in the Capital Programme that the Council had a target of £40million to be raised over the next 5 years from a land and property disposal programme. However, the first £25million will fund the Council's contribution to the Band B Schools Organisational Change Programme. Cllr Goodway explained that this was necessary to ensure match-funding from the Welsh Government.

61. The Director of Economic Development raised the issue of the maintenance backlog which initially was estimated at £100M but in reality was closer to £150M. The Director highlighted some of the work being done such as detailed surveys of buildings and better IT systems. He also stressed the amount of maintenance work required at the Council's three main buildings.

62. The Assistant Director, Commercial & Collaboration told the group that the Council is already operating a Governance structure, but will need modification. Other teams around delivery are not fully structured yet. A delivery model is planned for Cabinet in May.

63. Members heard from the Assistant Director, Commercial & Collaboration that there are legal issues with centralising Council assets, especially with the Education Estate, but these are being addressed. The Council will remain liable for all assets in terms of Corporate Responsibility.

64. The Cabinet Member for Investment and Development raised the issue of compensation for residential use in areas where assets have been sold as part of a rationalisation programme. It was explained that not all money raised goes into the £40M target pot. He observed that ultimately this issue would need addressing at Leader and Chief Executive Level.

65. The Assistant Director, Commercial & Collaboration advised the group of the five principal areas where progress was being made:

- Implementation of the Corporate Landlord People and Change project;
- Strengthening of Health and Safety compliance;
- Procurement of the 2nd generation of Non Domestic Building Maintenance Framework contracts;



- Design, procurement and implementation of Corporate Landlord Systems Architecture.
- Corporate Landlord Asset Management Principles.

The Assistant Director told the meeting that a new model for improving customer care was in place and that schools liaison was a part of this team. A new Health & Safety team was now in place and covering 120 schools. On the issue of digitalisation the Assistant Director said that a lot of areas didn't have strong centralised asset management databases. A management tool called RAMIS had been purchased which would aid H&S compliance. The Assistant Director informed the group that new KPIs had been introduced around areas such as the maintenance backlog. New Service Level Agreements had been drafted in consultation with schools, these would act as landlord/occupancy agreements, and the same approach would be taken with other directorates. The Assistant Director also told the meeting about new training that was taking place.

66. The Director of Economic Development stressed the importance of having decisions on property made by property professionals.

67. The Head of Corporate Landlord at Birmingham City Council wrote offering advice: "Our advice would be to keep the Corporate Landlord (CL) team relatively small providing a "management" rather than a "doing" function i.e. "buying in" FM services from others - this gives future flexibility if there is a requirement to outsource services or to achieve further savings."

68. He also wrote: "We spent quite a lot of time developing the model we required and worked closely (initially) with our consultant partner (Telereal Trillium) to develop how we wanted the service to operate. We carried out a number of options/ appraisals on whether we should include all Facilities Management (FM) services via CL but decided that acting as "landlord" in managing the buildings and "buying" in services was the better model."

69. Members received a copy of the Welsh Government's Corporate Asset Management Strategy 2016 – 2021. One of the guiding principles for Asset Managers was to *"Take a Wales wide view to the management of our portfolios, understanding the whole-life costs of properties and where possible setting performance requirements for the operational and investment portfolios."*

70. During a presentation by the “People Too” business consultancy Members were given the following information on the importance of comprehensive data:

*“Data is a key asset and must be developed, maintained and managed like one. It must be reliable and useable for regular, consistent and trustworthy reporting that services and members can build confidence in and should easily feed regular dashboard reports to them. In order to support this data must be able to be interrogated at multiple levels including as a minimum;*

- *Asset (specific buildings)*
- *Macro-Portfolio (Education, City Ops, Commercial estate etc.)*
- *Micro-Portfolio (Parks depots, kiosks etc.)*
- *Component Layer (Cleaning, Catering, Security, Maintenance etc.)*
- *Feature groups (Assets with L&P, Asbestos, External cladding). And must inform the Strategic Asset Management Programme and drive its delivery over time.*

*In the long term this will allow you to move along the analytics maturity curve, improving performance. “*

71. People Too business consultancy outlined the importance of having a standard mandatory agreement that made roles and responsibilities clear for all parties. The Services Manager explained that in Bridgend 3 options were available in terms of maintenance under the Landlord and Occupancy Agreements. These ranged from just offering advice on maintenance issues to an all-inclusive package that proved attractive to service areas because the annual fee was a reduction on what they currently paid. This reduction was the result of better ways of working under a centralised approach to managing the estate.

72. Data ownership and management was identified as a key role and function under the heading Strategic Asset Management and Investment, during a presentation to Members given by the “People Too” business consultancy.

73. Members received evidence on the benefits of co-locating and collaborative asset management from the Head of Estates & Professional Services at the Welsh Government. Members were told about the Cwm Taf Pilot study which identified this principle as an example of best-practice. In a written submission the Head of Estates & Professional

Services at the Welsh Government advised that: *“I am the lead WG official with responsibility for the NAWG (National Assets Working Group) and the principal role of the Group is to enable and influence collaborative asset management across public sector organisations to release efficiency savings, developing tools to enable and readily facilitate this collaboration to take place. As the public sector estate is estimated at around £12bn (WAO) the opportunities to be realised are significant. The ongoing challenging financial climate for public services in Wales, as a result of the UK Government’s policy of austerity, means we must innovate and work together and smarter to deliver excellent public services for people in Wales. It is essential that public services work collaboratively to tackle pressures and achieve value for money from all available resources.”*

#### **Benefits of successful implementation of the model**

74. During a presentation given by the Director of Economic Development it was explained that the “Property Strategy 2015 – 2020” has the following aims and objectives:

- Full Knowledge of the assets
- Full H&S compliance
- Reduced cost of operation
- Significantly reduced maintenance backlog through disposals and improved planned maintenance
- A modern fit for purpose estate
- High staff morale

75. Members heard examples of how in other areas community services such as libraries and leisure centres co-located on the same site as schools in other areas. This model worked well and was given as an example of a joined-up and centralised approach to providing key services.

76. The benefits of a Corporate Landlord structure according to “People Too” are:

- Planned/Preventative maintenance savings 12-18%
- Contractor discount of 6-8% for prior notice of works (12 weeks)
- Does not impact frontline services

- Visibility of large controllable spend
- One view of the truth
- Commercialisation and income generation
- Managing customer expectations
- Budget can be top sliced
- Economies of scale
- Client agent/recharges
- “Recurring” capital savings
- Sustainability of service
- Service area savings

77. Members were advised by the Services Manager at “People Too” that data and knowledge management helps improve performance, as everyone can see what impact actions have over time.

78. It was also outlined to Members how an effective preventative maintenance programme on corporate assets can save money in the long-term.

79. According to “People Too” total savings as a result of implementing a Corporate Landlord model are still being quantified but are likely to exceed £2,000,000.

80. A materials study by “People Too” into the current procurement process illustrates that value for money isn’t being achieved. The majority of purchases made by Building Services from the supplier Travis Perkins were ‘off contract’ and outside the framework agreement made between the Commercial and Procurement team and Travis Perkins.

81. It was pointed out by the Services Manager at “People Too” that benefits are far greater than can be initially evidenced. He gave the example of high maintenance costs in Monmouthshire for the first year after schools came back under a Corporate Landlord Model. He believed this was caused by a maintenance backlog being allowed to accumulate in the preceding year or two as schools realised that eventually maintenance would be dealt with under the Corporate Landlord Model.

82. The interim Head of Asset Management at Bristol City Council, told Members that under a Corporate Landlord Model the individual and shared use of assets will be easier to identify and facilitate to increase effectiveness and efficiency of the asset base.

83. The Head of Estates and Professional Services at the Welsh Government emphasised the need to think creatively about the question of assets, their location, and who else could use them. Members heard how this offers the best opportunity to maintain and improve service delivery with reduced resources.

84. Task Group Members heard that Welsh Government revenue money was potentially available via the next phase of the National Assets Working Group (NAWG) funded Asset Collaboration programme. The Head of Estates and Professional Services at the Welsh Government suggested that in respect of allocating funds they would be more receptive to proposals from organisations with the right working structures in place, especially if innovative and could then be potentially replicated elsewhere.

85. The Assistant Director, Commercial & Collaboration gave Members the example of the sale of Penhill Rise as an indication of how improvements are being made in terms of the Investment Estate. A better than expected return was received on the sale of this asset.

86. The Head of Corporate Landlord at Birmingham City Council outlined the benefits of a Corporate Landlord model in writing: "Control is probably the most significant benefit - in the 90's control had been devolved to occupying departments to manage buildings and budgets. By re-centralising the service and budgets it has provided the opportunity to introduce rigour and controls to ensure the portfolio is effectively used i.e. we allocate the space to directorates and they occupy on the basis of "serviced" accommodation."

87. The inquiry received a study carried out by the "People Too" business consultancy into building materials purchased by Cardiff Council in 2016. According to this service review by "People Too" Cardiff Council was overpaying for regularly purchased building materials. On an analysis of over 400 materials, the Council was only getting trade rates for 25 items and on some products was actually paying more than consumer/ retail rates. The review relates to purchases made from the building supplier Travis Perkins over a two-year period. During

that timescale Cardiff Council spent £480,000 at Travis Perkins but 85% of this spend was off contract and outside the framework agreement made between the Commercial and Procurement team and Travis Perkins. The review found that Travis Perkins were charging a higher price for these off contract goods when compared to the rest of the market. The “People Too” summary claims that when the frameworks were set up there was more engagement from Housing than Building Services, therefore many items on contract are more beneficial to housing maintenance rather than facilities management. Building Services are now working with Travis Perkins on improving the situation and as they move to a more planned preventative maintenance regime, the belief is that products should become more standardised.

## INQUIRY METHODOLOGY

The Policy Review and Performance Scrutiny Committee Corporate Landlord task group was charged by the full committee with delivering a report for its consideration. This report uses the evidence gathered by the task group to make key findings and recommendations to the Cabinet of the Council in respect of running the estate under a Corporate Landlord Model. To achieve this the Principal Scrutiny Support Officer has worked closely with the Council’s Corporate Estate Team to identify appropriate witnesses, and taken a steer from all members of the task group. Other witnesses were identified as a result of desk-based research within Scrutiny Services. The task group received evidence from the following witnesses:

Date of meeting	Witnesses
Meeting 1 - November 27, 2017	<p><b>Cllr Russell Goodway</b> (Cabinet Member for Investment and Development)</p> <p><b>Neil Hanratty</b> (Director of Economic Development)</p> <p><b>Donna Jones</b> (Health &amp; Safety Manager)</p> <p><b>Tara King</b> (Assistant Director for Commercial and Collaboration)</p> <p><b>David Lowe</b> (OM Commercial and Collaboration Services)</p> <p><b>Helen Thomas</b> (Strategic Estates Manager)</p>
Meeting 2 – December 6, 2017	<p><b>Josh Dunn</b> (Services Manager, “People Too” business consultancy)</p>
Meeting 3 – December 13, 2017 Education Estate case study	<p><b>Cllr Sarah Merry</b> (Cabinet Member for Education, Employment &amp; Skills)</p> <p><b>Nick Batchelar</b> (Director of Education &amp; Lifelong Learning)</p>
Meeting 4 – January 24, 2018 Site visit, Bristol City Hall	<p><b>Tony Bamford</b> (Interim Head of Asset Management, Bristol City Council)</p>
Meeting 5 – February 13, 2018	<p><b>Richard Baker</b> (Head of Estates and Professional Services, Welsh Government)</p>

Meeting 6 – April 9, 2018	<p><b>Cllr Russell Goodway</b> (Cabinet Member for Investment and Development)</p> <p><b>Neil Hanratty</b> (Director of Economic Development)</p> <p><b>Tara King</b> (Assistant Director Commercial &amp; Collaboration)</p>
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Written evidence was received from Dave Fletcher, Head of Corporate Landlord at **Birmingham City Council**. Written responses were also received from Tony Bamford (**Bristol City Council**) and Richard Baker (**Welsh Government**) prior to appearing before the Task Group. Further to these submissions the inquiry received a study by the “People Too” business consultancy into building materials purchased by Cardiff Council. The full written responses can be found in the appendices section of this report.

The key findings and recommendations are the unanimous view of the task group.

Details of all evidence considered by the task group and used in the preparation of this report are contained within a record of evidence that is available for inspection upon request.



## BIBLIOGRAPHY

- Cardiff Council – Corporate Asset Management Plan 2016/17
- Cardiff Council - Corporate Land and Property Management Plan 2018/19
- Cardiff Council – Property Strategy 2015 – 2020: Fewer, but better buildings
- Cardiff Council Cabinet Report: Developing the Education Estate in Cardiff (12 October 2017)
- Cardiff Council Cabinet Report: Corporate Land and Property Management Plan 2018 /19 (15 February 2018)
- Welsh Government Corporate Asset Management Strategy 2016 to 2021
- Welsh Government Report: A Regional Approach to Collaboration – Cwm Taf Pilot Study
- Welsh Government State of the Estate Report 2016 – 2017

## **LEGAL IMPLICATIONS**

The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. Any report with recommendations for decision that goes to Executive/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers of behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

## **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report. However, financial implications may arise if and when the matters under review are implemented with or without any modifications.

**POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE**



Councillor David Walker  
**Chair**



Councillor Rodney Berman



Councillor Bernie Bowen  
Thomson



Councillor Joe Boyle



Councillor Stephen Cunnah



Councillor Owen Jones



Councillor Norma Mackie



Councillor Rod McKerllch



Councillor Jim Murphy

## **PRAP TERMS OF REFERENCE**

To scrutinise, monitor and review the overall operation of the Cardiff Programme for Improvement and the effectiveness of the general implementation of the Council's policies, aims and objectives, including:

To scrutinise, monitor and review the effectiveness of the Council's systems of financial control and administration and use of human resources.

To assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Government, joint local government services, Welsh Government Sponsored Public Bodies and quasi-departmental non-governmental bodies on the effectiveness of Council service delivery.

To report to an appropriate Cabinet or Council meeting on its findings and to make recommendations on measures which may enhance Council performance and service delivery in this area.

## APPENDIX 1:

### Corporate Landlord Model – Responses from other Councils

#### **BIRMINGHAM CITY COUNCIL**

Dave Fletcher, headed up the Corporate Landlord function at Birmingham City Council since its creation in 2012. His responses are as follows:

**(i) What advice would you offer having already made the transition to a Corporate Landlord structure?**

BCC made the move to a CL model in 2012 for the management of its main back office portfolio. The service was split into 2 areas: Logistics - who deal with all of the moves, data, performance etc. and Operations that deal with the day to day management of the buildings - services i.e. cleaning, security, catering, repair & maintenance etc. is provided by others on the basis of Service Level Agreements - this means that the core CL staff is relatively small (8 staff in Logistics and 14 in Operations). Reception staff were initially part of CL but have subsequently moved into Customer Services. I think our advice would be to keep the CL team relatively small providing a “management” rather than a “doing” function i.e. “buying in” FM services from others - this gives future flexibility if there is a requirement to outsource services or to achieve further savings etc.

**(ii) With hindsight are there things you now wish you’d done differently? If so – what are they and why?**

CL was developed as part of the Council’s major business transformation programme (Working for the Future) and there are not really any things that with hindsight we would have done differently. We spent quite a lot of time developing the model we required and worked closely (initially) with our consultant partner (Telereal Trillium) to develop how we wanted the service to operate. We carried out a number of options appraisals on whether we should include all FM services via CL but (as above) decided that acting as “landlord” in managing the buildings and “buying” in services was the better model.

**(iii) What are the main benefits that you’ve noticed since introducing this structure?**

Control is probably the most significant benefit - in the 90’s control had been devolved to occupying departments to manage buildings and budgets. By re-centralising the service and budgets it has provided the opportunity to introduce rigour and controls to ensure the portfolio is effectively used i.e. we allocate the space to directorates and they occupy on the basis of “serviced” accommodation.

**(iv) Have there been any issues in terms of acceptance of the new model by staff and individual service areas?**

Some reluctance initially, especially when we introduced agility into the portfolio and removed cellular offices etc. This has however, pretty much now “gone away” with directorates, generally, understanding the policies and procedures we have in place and working with us to achieve outcomes that are beneficial to both sides.

**(v) If consultation took place with other Corporate Landlord Councils, what potential pitfalls did they identify?**

At the time we started to look at this (2010) there were not many role models we could look to consult with. We have subsequently had many visits from other authorities and private sector organisations to see what we did with our office transformation and the on-going management via the CL function. I think that the CL model will depend on the nature and size of the authority and what the aim is - for BCC with a relatively blank canvas (following Transformation) we had the opportunity to review what we wanted (in the context of existing service provision) and we worked this through to set up the model we now have - which over the last 5 years has generally worked well for us.

**(vi) Prior to implementation what were the main components of your strategic planning?**

As part of the transformation the Council initially moved from an aged/time expired office estate of 55 building (around a further 28 were added during the programme) with the aim (now achieved) of having 7 core buildings - staff number to be accommodate started at circa 9,100 FTE's (10,500 people) and has reduced to approx.. 7,500 FTE's. The footprint of the accommodation has reduced from in excess of 1 million sqft down to 560,000 sqft with annual running costs reducing from £19m P/A to circa £11m. So our planning was around how we would manage the portfolio going forward to achieve the savings we had set ourselves - £100m over the life (25 years) of the project.

**BRISTOL CITY COUNCIL**

Tony Bamford is interim Head of Asset Management at Bristol City Council & Chair of the Association of Chief Estates Surveyors in Wales. His answers to the questions are as follows:

**(i) What advice would you offer having already made the transition to a Corporate Landlord structure?**

The principal point to establish and make abundantly clear is the council is the legal owner of its assets and therefore all assets are vested in the corporate body. This means the control of budgets has to be aligned to this approach.

This can be dealt with incrementally but most simply as a single issue. Establishing an effective and healthy relationship between the centre and services is an ongoing process that must be maintained. Corporate and member buy in is important and the opportunities for savings can be identified through a business case approach. Changing the culture and developing an effective route forward is also important.

**(ii) With hindsight are there things you now wish you'd done differently? If so – what are they and why?**

Difficult to say since each authority is different. I would suggest that stakeholder mapping is helpful. A risk analysis, option appraisal and to help implementation - a “pre mortem” might be helpful? A pre mortem is where an idea is considered to have gone wrong and then all the reasons why established so they can be nullified before you start the work in reality. Often used in project management.

**(iii) What are the main benefits that you've noticed since introducing this structure?**

It's more an evolution than a “big bang” the idea is to achieve quantities of scale and savings. It should also allow us to work with partners in a more coherent manner. Expected to make best practice property and area review tools more robust in challenging service use of assets.

**(iv) Have there been any issues in terms of acceptance of the new model by staff and individual service areas?**

In a large authority like Bristol or Cardiff there are bound to be more issues in creating and achieving the “centre of gravity corporately”. Likewise within service structures the trickle down of the change will happen at different rates.

**(v) If consultation took place with other Corporate Landlord Councils, what potential pitfalls did they identify?**

We haven't consulted with other councils since a corporate landlord can mean different things to different bodies. For instance some authorities have internal recharging but we have avoided that route as being too work intensive for little purpose. A book published last year about corporate real estate asset management planning does include a chapter about councils instituting corporate landlord models. Details will follow next week. I suggest you make enquiries of the National Assets Working Group (NAWG) in this respect as well and Richard Baker WG Head of Estates would be a useful contact. I can provide his e mail details next week for you.

**(vi) Prior to implementation what were the main components of your strategic planning?**

We have introduced a new Property Strategy Board to replace the previous governance structure. At the same time we have introduced a new Regeneration and Growth Board. Over the years' service and department asset management plan frameworks were instituted and corporate asset management documents as with many other authorities

Naturally we see the corporate landlord model enabling a more effective pooling of assets and their revenue and capital expenditure. The individual and shared use of assets will be easier to identify and facilitate to increase effectiveness and efficiency of our asset base.

I am chair of the Association of Chief Estates Surveyors in Wales this year so if you would like any further contacts please feel free to get in touch.

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## **Written response received from Richard Baker, Head of Estates and Professional Services, Welsh Government**

### **Background.**

While I do not know what path the council are going to take, the corporate landlord model can follow different routes but at its heart is a real desire to improve strategic asset management.

There is a very good quote from the RICS Public Sector Asset Management guidelines (2nd edition) which really sets the high level aspiration and why organisation should be looking at effective delivery in a time when we are all facing finding pressures.

*“Managing property assets requires co-ordination with all parts of an organisation. It is strategic and business led and requires the co-operation of the whole organisation to be successful and in order that the most effective space is delivered”*

### **Responses to questions from Mark Jacques (PSSO):**

#### **1. What advice would you offer an organisation about to introduce a Corporate Landlord structure?**

My first piece of advice (at the outset) is to ensure senior decision makers within an organisation support the process and the team that are set to deliver it. I have no insight as to how the Council currently operate but taking control of assets into the centre will meet barriers. An unequivocal statement of intent from the top will support that drive for change.

#### **2. Having spoken with organisations that have adopted a centralised model - with hindsight are there things they'd wished they'd done differently? If so – what are they and why?**

I would say get as much help and support from those who have already gone down this route as possible. I might recommend engagement with CIPFA who have successfully run a number of training and information events on the topic. Organisations may begin the journey from different starting points so one size may not fit all. However, a key point already picked up in the RICS quote above would be to ensure all business departments impacted by the change are kept very much up to speed with progress. There will be a need for cooperation particularly in obtaining property data held by individual branches so working together with a shared corporate goal will help

#### **3. What do you think are the main benefits of introducing such a structure?**



With dispersed departments having responsible for they own property assets there is a tendency for a silo mentality and assets are not delivering efficiency's (VFM) here are some highlights:

- Asset plans not aligned to business planning/not delivering corporate objectives / outcomes become difficult if the asset is only available to a single Dept.
- Capital investment not prioritised and in truth an understanding of backlog maintenance position unknown at the centre.
- Control and oversight of statutory obligations / legislative testing programmes can be lost and there are risks to non-compliance,
- The National Assets Working Group (NAWG) encourage efficiency reviews that requires all costs of occupation space standards information along with utilisation rates to be fully available. But individual groups holding assets will lead to data inconsistent proper analysis is not possible.
- Central asset control can also lead to advantages in procurement of property services.

**4. Do you know of any issues in terms of acceptance of the new model by staff and individual service areas?**

Depending on the starting point, this journey will be a cultural shift, buy-in (and full support) from the very top is essential. However, there will always be some who feel that relinquishing control of the asset will disadvantage them. Some things to remember, it's not their asset and it's not free, plus it's not a policy aimed just at them, it estate wide. Also day to day building management from the centre releases them to deliver policy priorities for their division.

**5. What potential pitfalls would you identify?**

There will be challenges not least from upfront costs so organisations need to be prepared to invest to eventually see a return. Have a budget set aside or risk the process not being delivered. However, improvements depend very much on where the organisation starts from (what is the current model) it will be important to establish and clearly manage expectations.

**6. Prior to implementation what should be the main components of any strategic planning?**

Very wide question and perhaps one for the project with experience of change programmes. However, I would expect the policy stage to include a time line with appropriate responsibilities properly assigned to individuals and the overall governance package to include regular progress reviews.

**Note on National Assets Working Group:**

- I am the lead WG official with responsibility for the NAWG and the principal role of the Group is to enable and influence collaborative asset management across public sector organisations to release efficiency savings, developing tools to

enable and readily facilitate this collaboration to take place. As the public sector estate is estimated at around £12bn (WAO) the opportunities to be realised are significant.

- The ongoing challenging financial climate for public services in Wales, as a result of the UK Government's policy of austerity, means we must innovate and work together and smarter to deliver excellent public services for people in Wales. It is essential that public services work collaboratively to tackle pressures and achieve value for money from all available resources.
- Asset Management is a key part of business planning and an important tool in meeting the current and future financial challenges for all public organisations in Wales.
- Thinking creatively about the question of assets, their location, and who else could use them, offers the best opportunity to maintain and improve service delivery with reduced resources.
- In order to increase the pace and ambition of the group in driving forward initiatives and work relating to good practice collaborative asset management activity across the Welsh public sector, the government funded the Welsh Public Sector Collaborative Estate pilot in the Cwm Taf area.
- The report was published in September 2017 and it confirms there are significant opportunities if public services work together and take a more strategic approach to property and property management across geographical and organisational boundaries. It highlights opportunities to integrate services; improve customer experience; create wider efficiencies; rationalise the estate and improve the quality of public service assets by investing more in fewer, shared physical assets.
- The Cwm Taf regional pilot programme has the potential to deliver the following benefits, according to the report:
  - New homes from surplus public sector land release;
  - Significantly enhanced, customer-focused services through integrated service planning and a better estate to support service delivery;
  - Reduced annual running costs as a result of a rationalisation of public sector estate and the prudent purchasing of property services;
  - Capital receipts from the release of surplus public sector land and strategic brownfield sites, creating a fund for future investment;
  - New jobs associated with the development of surplus land and service improvements.

The study has given public services in the Cwm Taf area a better understanding of their collective estate and service delivery plans and how a collaborative approach offers the opportunity to deliver greater outcomes.

Section 4 of the report gives a brief summary of the Corporate Landlord Model and its advantages.

<http://gov.wales/topics/improving-services/assets-cymru/regional-approach-to-collaboration/?lang=en>

## APPENDIX 2:

### Cardiff Council - Building Services Materials Framework Summary

A review of the Building Services materials frameworks is currently being undertaken, exploring opportunities to further drive value where possible. The Commercial and Procurement team (C&P) and People too (P2) are collaboratively working to identify key areas of opportunity, which are to be addressed with the suppliers.

Travis Perkins currently have a framework agreement for General building items, they provided data that showed in 2016 Building Services spent circa £309k on items and to date in 2017, c£171k. C&P and P2 have recognised the off contract spend with Travis Perkins as an opportunity to gain further value from the framework. Over the last 2 years, circa 15% of the total spend with Travis Perkins has been on contract, the remaining spend has been on items that are off contract. C&P has completed a detailed analysis identifying these items and listing which framework the item should fall into. P2 is currently completing an ongoing analysis of the material prices received from Travis Perkins on items with high spend, the data so far has generally shown that Travis Perkins are charging higher price for goods that are off contract in comparison to the market. This analysis is still ongoing as the Council is negotiating with Travis Perkins to move certain products on contract. This has been identified as a key area for improvement, as when the Frameworks were set up there was much more engagement from Housing than Building Services, therefore many items on contract are more beneficial to Housing maintenance rather than Facilities Management. It has been recognised that Facilities Management have more one-off purchases in comparison to Housing, due to the variety of buildings the service currently manages. However, Travis Perkins have agreed to work with Building Services to recognise where improvements can be made and as Building Services is making changes towards moving to a planned preventative maintenance regime in the future, products should become more standardised.

City Plumbing, also known as City Heating Spares, also have a framework agreement with the Council to provide materials, predominantly mechanical, to Building Services. City Plumbing provided spend report data which when analysed showed circa £107k total spend, of which £57k was off contract. Further to this, £58k of the spend was not itemised and therefore was very difficult to show if value is being received on this spend. P2 also completed an analysis showing variation of prices on the same products, the price differences totalled to circa £3.7k. C&P analysis also showed that the spend that City Heating labelled as off-contract should have been under the framework. Building Services have contacted City Plumbing and set up a meeting on 6<sup>th</sup> March 2018 to discuss the issues detailed above, all of which have been identified as opportunities to improve the value of the frameworks.

Following the meeting on the 6<sup>th</sup> March, City Plumbing have agreed to report on the £58k of

spend that has not been itemised, with more detailed analysis of what has been purchased. Further to this, City Plumbing has also recognised that there should not be a variation in price for the same products and will review the analysis that has been completed. City Plumbing stated that if there were manual changes to price from their staff then a credit would be arranged. As well as this, City Plumbing are also happy to work with Building Services to identify other items that can be moved on contract for the remainder of the framework.

## Materials



We are significantly overpaying for a number of materials. Of over 400 analysed, we are only getting “trade rates” for 25 items, on other items we are paying more than consumer/retail rates, eg:

- **McAlpine Flex WC Conn** WC-F23R
- Cardiff price - £40.64.
- Screwfix price - £23.39 INC VAT
  
- **Fernox F1 Central Heating Protect** 56599
- Cardiff price - £30.18
- Wickes price - £14.99 INC VAT
  
- **Black Nitrile Gloves** (BOX 100)
- Cardiff price - £18
- Plumb-line price - £9.08

Scrutiny Services, Cardiff County Council  
County Hall, Atlantic Wharf, Cardiff CF10 4UW  
Tel: 029 2087 2296 Fax: 029 2087 2579  
Email: [scrutinyviewpoints@cardiff.gov.uk](mailto:scrutinyviewpoints@cardiff.gov.uk)

Equality Impact Assessment  
Corporate Assessment Template



**MANAGEMENT OF THE COUNCIL'S NON-RESIDENTIAL PROPERTY ESTATE –  
EMBRACING A CORPORATE LANDLORD MODEL**

Name: Jonathan Day	Job Title: Economic Policy Manager
Service Team: Business and Investment	Service Area: Economic Development
Assessment Date: 26.06.18	

**1. What are the objectives of the Policy/Strategy/Project/ Procedure/  
Service/Function?**

To confirm Cabinet's commitment towards the full implementation of the Corporate Landlord model across all areas of the Council's non-domestic estate

**2. Please provide background information on the  
Policy/Strategy/Project/Procedure/Service/Function and any research done  
[e.g. service users data against demographic statistics, similar EIAs done  
etc.]**

Much of the background information relates to the development of the Corporate Landlord approach, which is predicated on delivering the following improvements:

- Assurance of strong risk management of our buildings and safety for all their users.
- Provision of a buildings portfolio which is fully compliant with statutory obligations.
- Provide a 100% pre-planned compliance works and deliver above 95% compliance at any one time

In particular note the Scrutiny Committee, which reflects the work of a Task and Finish group which collected and assessed evidence obtained from a number of expert witnesses as well as elected members and council officials. These also included a consultation exercise with other local authorities as well as Welsh Government.

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**3 Assess Impact on the Protected Characteristics**

**3.1 Age**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative/]** on younger/older people?

	Yes	No	N/A
Up to 18 years	X		
18 - 65 years			X
Over 65 years	X		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

It is expected that improvements in building quality will help to improve accessibility for older people. There will also be a specific improvement for those using education buildings through improved corporate compliance.

**What action(s) can you take to address the differential impact?**

N/A

**3.2 Disability**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on disabled people?

	Yes	No	N/A
Hearing Impairment			X
Physical Impairment	X		
Visual Impairment	X		
Learning Disability			X
Long-Standing Illness or Health Condition	X		
Mental Health			X
Substance Misuse			X
Other			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

It is expected that improvements in building quality will help to improve accessibility for those with physical disabilities. There will also be a specific improvement in general compliance and accessibility for all in accessing buildings.



**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

<b>What action(s) can you take to address the differential impact?</b>
N/A

**3.3 Gender Reassignment**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on transgender people?

	Yes	No	N/A
<b>Transgender People</b> (People who are proposing to undergo, are undergoing, or have undergone a process [or part of a process] to reassign their sex by changing physiological or other attributes of sex)			X

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
No differential impact envisaged.
<b>What action(s) can you take to address the differential impact?</b>

**3.4. Marriage and Civil Partnership**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on marriage and civil partnership?

	Yes	No	N/A
Marriage			X
Civil Partnership			X

<b>Please give details/consequences of the differential impact, and provide supporting evidence, if any.</b>
No differential impact envisaged.
<b>What action(s) can you take to address the differential impact?</b>

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

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**3.5 Pregnancy and Maternity**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on pregnancy and maternity?

	Yes	No	N/A
Pregnancy	X		
Maternity	X		

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

Improvements in accessibility will help to improve buildings for pregnant service users as well as those with new born children.

**What action(s) can you take to address the differential impact?**

**3.6 Race**

Will this Policy/Strategy/Project//Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

	Yes	No	N/A
White			X
Mixed / Multiple Ethnic Groups			X
Asian / Asian British			X
Black / African / Caribbean / Black British			X
Other Ethnic Groups			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No differential impact envisaged.

**What action(s) can you take to address the differential impact?**

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**3.7 Religion, Belief or Non-Belief**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on people with different religions, beliefs or non-beliefs?

	Yes	No	N/A
Buddhist			X
Christian			X
Hindu			X
Humanist			X
Jewish			X
Muslim			X
Sikh			X
Other			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No differential impact envisaged.

**What action(s) can you take to address the differential impact?**

**3.8 Sex**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on men and/or women?

	Yes	No	N/A
Men			X
Women			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No differential impact envisaged.

**What action(s) can you take to address the differential impact?**

**3.9 Sexual Orientation**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on the following groups?

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

	Yes	No	N/A
Bisexual			X
Gay Men			X
Gay Women/Lesbians			X
Heterosexual/Straight			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No differential impact envisaged.

**What action(s) can you take to address the differential impact?**

**3.10 Welsh Language**

Will this Policy/Strategy/Project/Procedure/Service/Function have a **differential impact [positive/negative]** on Welsh Language?

	Yes	No	N/A
Welsh Language			X

**Please give details/consequences of the differential impact, and provide supporting evidence, if any.**

No differential impact envisaged.

**What action(s) can you take to address the differential impact?**

**4. Consultation and Engagement**

What arrangements have been made to consult/engage with the various Equalities Groups?

Consultation would take place with regard to individual changes or improvements to buildings that will result from the Corporate Landlord Model.

**5. Summary of Actions [Listed in the Sections above]**

4.C.400	Issue 1	Nov 11	Process Owner: Rachel Jones	Authorised: Rachel Jones	Page 6
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## CARDIFF COUNCIL

### Equality Impact Assessment Corporate Assessment Template

Groups	Actions
Age	Consultation and actions would relate to individual changes or improvements to buildings that will result from the Corporate Landlord Model.
Disability	
Gender Reassignment	
Marriage & Civil Partnership	
Pregnancy & Maternity	
Race	
Religion/Belief	
Sex	
Sexual Orientation	
Welsh Language	
Generic Over-Arching [applicable to all the above groups]	

#### 6. Further Action

Any recommendations for action that you plan to take as a result of this Equality Impact Assessment (listed in Summary of Actions) should be included as part of your Service Area's Business Plan to be monitored on a regular basis.

#### 7. Authorisation

The Template should be completed by the Lead Officer of the identified Policy/Strategy/Project/Function and approved by the appropriate Manager in each Service Area.

Completed By : Jonathan Day	Date:
Designation: Economic Policy Manager	
Approved By:	
Designation:	
Service Area:	

7.1 On completion of this Assessment, please ensure that the Form is posted on your Directorate's Page on CIS - *Council Wide/Management Systems/Equality Impact Assessments* - so that there is a record of all assessments undertaken in the Council.

For further information or assistance, please contact the Citizen Focus Team on 029 2087 3059 or email [citizenfocus@cardiff.gov.uk](mailto:citizenfocus@cardiff.gov.uk)

**CARDIFF COUNCIL**

**Equality Impact Assessment  
Corporate Assessment Template**

**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**ANNUAL COUNCIL REPORTING FRAMEWORK - LOCAL  
AUTHORITY SOCIAL SERVICES REPORT 2017/18**

**SOCIAL CARE, HEALTH & WELL-BEING (COUNCILLOR SUSAN  
ELSMORE)  
CHILDREN & FAMILIES (COUNCILLOR GRAHAM HINCHEY)**

**AGENDA ITEM: 10**

**Reason for this Report**

1. The purpose of this report is for the Cabinet to receive the 9<sup>th</sup> Annual Report of Local Authority Social Services (Appendix 1) as required by the Welsh Government. The requirement is outlined in the document 'Part 8 Code of Practice on the Role of the Director of Social Services (Social Services Functions)' issued under Part 8 of the Social Services and Well-Being (Wales) Act 2014 (SSWB Act).

**Background**

2. From 2009/10, each council in Wales has been required to produce and publish an Annual Report as part of an Annual Council Reporting Framework (ACRF) for Social Services.
3. This is the 9<sup>th</sup> Annual Report of Local Authority Social Services, and the second such report since the implementation of the SSWB Act in April 2016. The Report is specifically authored by the incumbent Director for the period under consideration and therefore, in this case, by our previous Director of Social Services, Tony Young, who retired from his post in April 2018.
4. The systems and processes established to inform its production have been refined and developed in 2017/18 to take account of learning from previous years. Feedback and comments received on the report this year will be taken into consideration during the preparation of future reports.
5. The Report will be submitted to the Care Inspectorate Wales (CIW). The Regulation and Inspection of Social Care (Wales) Act places the Annual Report on a statutory footing and CIW no longer produce an individual performance evaluation report for each council. Verbal feedback will be provided at a Performance Review Meeting in September between CIW,

the Director of Social Services and relevant (invited) elected member portfolio holders.

6. The priorities for action identified in the Annual Report are reflected in the Directorate Delivery Plan for Social Services for 2018/19.

### **Issues**

7. The Report was finalised as a result of engaging managers and staff in a structured challenge process.
8. In previous years, the need to improve the opportunity for citizens who use or are eligible for social services to engage in some level of challenge prior to finalising the report and lessons learned has been noted. In recent years, the Director and senior managers, alongside members of the Corporate Parenting Advisory Committee have engaged in a face to face challenge session with young people based upon their own analysis of the report. This has been a positive and mutually beneficial experience and a similar event with young people is being arranged this year.
9. Social Services approached a number of stakeholder organisations via C3SC regarding the challenge process and they responded positively, being keen to engage and provide feedback. A draft version of the outcomes and actions contained within the report was issued to these organisations and their feedback resulted in amendments to the report.
10. Social Services also approached members of the public via the Citizen Panel and invited them to rate their level of agreement with the outcome statements included in the report. 195 responses were received and feedback from the exercise is included in the report.

### **Scrutiny Consideration**

11. The draft Report will be considered at a joint meeting of the Children & Young People and Community & Adult Services Scrutiny Committees on 4<sup>th</sup> July 2018. The letter from the Chair is attached at Appendix 2.

### **Reasons for Recommendations**

12. To receive the Annual Report of Local Authority Social Services for 2017/18 in order to fulfil the responsibilities required by the Welsh Government in the document entitled 'Part 8 Code of Practice on the Role of the Director of Social Services (Social Services Functions)'.

### **Legal Implications**

13. The reporting requirements for local authority social services have been placed on a statutory footing by Part 8 of the Social Services and Well-being (Wales) Act 2014 (SSWB Act) and Regulations and Codes issued thereunder. The new legal provisions came into effect in September 2017.



14. Each local authority is required to produce an annual report on the discharge of its social services functions (pursuant to s.144A of the SSWB Act), which must include:
- i. an evaluation of the performance in delivering social services functions for the past year, including lessons learned;
  - ii. how the local authority has achieved the six quality standards for well-being outcomes;
  - iii. qualitative and quantitative data relating to the achievement of well-being outcomes;
  - iv. the extent to which the local authority has met the requirements under Parts 3 and 4 of the SSWB Act;
  - v. objectives for promoting the well-being of people needing care and support and carers needing support for the following year including those identified by population needs assessments under section 14 of the SSWB Act;
  - vi. assurances concerning:
    - structural arrangements enabling good governance and strong accountability;
    - effective partnership working via Partnership Boards; and
    - safeguarding arrangements;
  - vii. the local authority's performance in handling and investigating complaints;
  - viii. responses to any inspections of its social services functions;
  - ix. an update on Welsh language provision; and
  - x. how the local authority has engaged people (including children) in the production of the report.
15. The report must be:
- i. published as soon as practicable after 31<sup>st</sup> March of the year to which it relates;
  - ii. presented to the council by the director;
  - iii. copied to Welsh Ministers; and
  - iv. made available on the local authority's website.
16. The Local Authority Social Services Annual reports (Prescribed Form) (Wales) Regulations 2017 prescribe the format and headings of the report, which must be followed.
17. Non-statutory guidance has been issued by the Association of Directors of Social Services and Welsh Government (<http://www.adsscymru.org.uk/wp-content/uploads/2017/10/LASSAR-Annual-Report-Guidance.pdf> ) which provides guidance on the statutory requirements and best practice. The guidance states that: 'Although the report must be delivered to the council by the director, it is the local authority's report on the performance of its social services functions. It needs to explain how the wider functions of the local authority such as transport, housing, education and leisure have contributed and will continue to contribute to the achievement of individuals' well-being outcomes.' (paragraph 4.13)

18. Legal Services is instructed that the Annual Report for 2017/18 meets the requirements set out in Part 8 of the SSWB and the Codes and Regulations issued thereunder, and complies with the non-statutory guidance, as referred to above.
19. Under executive arrangements, social services functions are the responsibility of the Cabinet (pursuant to section 13(2) of the Local Government Act 2000 and Regulations made thereunder, SI 2007/399), which means that the Cabinet is authorised to approve the Local Authority's Social Services Annual Report, prior to submission of the report by the Director of Social Services to full Council.

### **Financial Implications**

20. There are no direct financial implications arising from this report.

### **RECOMMENDATIONS**

The Cabinet is recommended approve the Local Authority's Social Services Annual Report for 2017/18 for consideration by Council

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>SARAH MCGILL</b> <b>Corporate Director People &amp; Communities</b>
	<b>6 July 2018</b>

*The following Appendix is attached:*

- Appendix 1: Director of Social Services Annual Report 2017/18
- Appendix 2: Letter from Chair of Scrutiny

*The following Background Papers have been taken into account:*

- Part 8 Code of Practice on the Role of the Director of Social Services (Social Services Functions)
- The Local Authority Annual Social Services Reports - Guidance

# Local Authority Social Services Annual Report

> 2017 / 2018





# CONTENTS

●	<b>1. INTRODUCTION</b>	<b>3</b>
●	<b>2. DIRECTOR'S SUMMARY OF PERFORMANCE</b>	<b>12</b>
●	<b>3. HOW ARE PEOPLE SHAPING OUR SERVICES ?</b>	<b>19</b>
●	<b>4. PROMOTING AND IMPROVING THE WELL-BEING OF THOSE WE HELP:</b>	<b>24</b>
●	<b>WORKING WITH PEOPLE TO DEFINE AND CO-PRODUCE PERSONAL WELL-BEING OUTCOMES THAT PEOPLE WISH TO ACHIEVE</b>	<b>24</b>
●	<b>WORKING WITH PEOPLE AND PARTNERS TO PROTECT AND PROMOTE PEOPLE'S PHYSICAL AND MENTAL HEALTH AND EMOTIONAL WELL-BEING</b>	<b>35</b>
●	<b>TAKING STEPS TO PROTECT AND SAFEGUARD PEOPLE FROM ABUSE, NEGLECT OR HARM</b>	<b>42</b>
●	<b>ENCOURAGING AND SUPPORTING PEOPLE TO LEARN, DEVELOP AND PARTICIPATE IN SOCIETY</b>	<b>49</b>
●	<b>SUPPORTING PEOPLE TO SAFELY DEVELOP AND MAINTAIN HEALTHY DOMESTIC, FAMILY AND PERSONAL RELATIONSHIPS</b>	<b>56</b>
●	<b>WORKING WITH AND SUPPORTING PEOPLE TO ACHIEVE GREATER ECONOMIC WELL-BEING, HAVE A SOCIAL LIFE AND LIVE IN SUITABLE ACCOMMODATION THAT MEETS THEIR NEEDS</b>	<b>64</b>
●	<b>5. HOW WE DO WHAT WE DO</b>	<b>70</b>
●	<b>OUR WORKFORCE AND HOW WE SUPPORT THEIR PROFESSIONAL ROLES</b>	<b>70</b>
●	<b>OUR FINANCIAL RESOURCES AND HOW WE PLAN FOR THE FUTURE</b>	<b>73</b>
●	<b>OUR PARTNERSHIP WORKING, POLITICAL AND CORPORATE LEADERSHIP, GOVERNANCE AND ACCOUNTABILITY</b>	<b>78</b>
●	<b>6. ACCESSING FURTHER INFORMATION AND KEY DOCUMENTS</b>	<b>85</b>

Mae'r ddogfen hon ar gael yn Gymraeg

# 1. INTRODUCTION

## MESSAGE FROM CABINET MEMBERS



**Councillor Susan Elsmore, Cabinet Member for Social Care, Health and Well-being**



**Councillor Graham Hinchey, Cabinet Member for Children and Families**

We very much welcome this, the 9<sup>th</sup> Annual Report of the effectiveness of the Local Authority's Social Services. As Cabinet Members with direct responsibility for Social Services, those who need care and support in our city are our first priority, and this is reflected in the importance given to Social Services by the Cabinet and the Council as a whole.

This report reflects the progress being made to ensure that Social Services in Cardiff are integrated with the widest range of Council and partner services focussed on helping families and individuals to be independent, to thrive and to reach their full potential in life. Whilst focusing on the previous financial year, this report should be understood as reflecting a longer term development journey, the objective of which is to ensure that the Council is better able to harness social services and partner resources and expertise across the whole system to provide support in ways that makes sense from the point of view of those experiencing, rather than delivering services. There is still much to do to achieve this goal and the need to increase the pace of change was the key driver behind the recent decision to establish a Corporate Director, People and Communities.

We are highly conscious of the challenges that Social Services continues to face in meeting the growing level of need across the city and it is vital that the focus on early support and help continues to develop so that services and support are available to everyone who needs it at the time they need it.

The more coherent whole-systems approach that was initiated with the establishment of a single Social Services entity and which will increase in line with the Cardiff Public Service Board Well-being objectives is fully consistent with the requirements of the Social Services and Well-being (Wales) Act 2014. This alignment of purpose across all partners gives us a genuine foundation for sustainable collaboration and integration very much in line with the recommendations of the Parliamentary Review of Health and Social Care in Wales.

We believe it is important that the Local Authority's Annual Report provides a publicly accountable picture of Social Services that recognises strengths and weaknesses, and which enables us to know what we must focus on over the next 3 years in order to improve further; this report provides that



balanced insight. It tells us that we have reason for greater confidence about the future but must remain resolutely focused on improving the way we assist and support families, individuals and communities to thrive.

Looking forward, we know that we need to strengthen our preventative approaches for both adults and children and families. To support people to live the lives they want to live we need to focus on how we connect people and communities and target interventions to prevent people's needs escalating to the next level of support. Really effective family support services and reablement services for adults are important and we will review current provision to make sure it is having the maximum impact. We will also support the continued focus on practice – Signs of Safety for children and families, and strength based practice for adults. We are committed to supporting Social Services which does not only work well as an integrated department, but also works seamlessly with other parts of the Council and partners to meet the needs of people with care and support needs. Finally, support for the whole social care workforce in developing and improving their practice so they can in turn provide the very best for the people of Cardiff is a key priority. We need the right permanent workforce, with the skills, values, and aspirations of the Council to be at the leading edge of sustainable and progressive Social Services.

## FOREWORD



*Tony Young, Director of Social Services*

**As the Council's Statutory Director of Social Services it is part of my job to report to you annually on how well I think the Council's Social Services are performing overall.** The report that follows relates to the 2017/18 year and is the result of a process of planning, review and evaluation undertaken by Operational Managers in the Social Services Directorate. The intention of the report is to set out our progress in developing services that enable people in Cardiff to access information, advice and assistance, and to secure care and support where eligible, following an assessment.

Although this is the 9<sup>th</sup> Annual Report of the Local Authority's Social Services, it is only the second such report since the implementation in April 2016, of the Social Services and Well-Being (Wales) Act 2014 (SSWB Act). As this is my final report as the statutory Director of Social Services, pending my retirement from full-time employment in April 2018, I wish to take the opportunity to convey some key messages that reflect on the performance, health and fitness of social services from a personal perspective after 5 years in the statutory role in Cardiff.

- It is widely recognised that Social Services in Cardiff is now in a much-improved position when compared with the fragmented and significantly sub-optimal position it occupied in 2012/13. At that time:
  - Adult and Children's Services were led, managed and organised quite separately, hampering an effective line of sight by the statutory Director in terms of leading and managing safe practice, workforce development, strategic coherence or performance improvement.
  - Performance was characteristically weak with Children's Services attracting the attention of the inspectorate and substantially at risk of intervention.
  - Morale was low across the board with front-line practice and senior management both poorly served by fragmented and frequently changing leadership.
  - Partnership was characterized by disenchantment amongst partners in general about the willingness of Social Services to either recognise the importance of partnership or to engage effectively in the challenge of trying to converge agendas and share effort around common ground.
  - Partners' confidence in the extent to which Social Services was open to appropriate challenge in terms of safeguarding practice, was low.



- Social Services was little understood within the Council or corporately and this was reflected by a lack of transparency in the relationship between Social Services and Members, particularly in relation to Scrutiny.
- Cardiff Social Services' profile in the wider national environment was opaque and weak in reputational terms.
- Much has changed since that time and although much remains to be done to further improve performance and services to citizens, it is clear that on all counts, the picture at the end of 2017/18 is almost the reverse of the picture in 2012/13.
- In terms of the Directorate itself, achieving this transformation has without question been a genuinely team effort by managers and staff who had always had the ability and desire to deliver continuous improvement but who had been frustrated in their aspirations, either because they were not empowered to perform or because of indifference or inattention to the importance of their contribution to front-line delivery and practice.
- More broadly, the transformation of Social Services would have been impossible without strong Member and corporate support, focus and investment, so again the significance of team effort across the whole corporate body has been pivotal.
- As the departing Director I would want to convey my genuine thanks to all staff within the Directorate, to my own Extended Management Team, the Chief Executive and colleagues in the Senior Management Team. I would also wish to thank very many others in finance, HR, Organisational Development, Legal Services and performance roles who have made it possible for me to discharge my role as the statutory Director, confident in the knowledge that I would be supported in that role.
- Social Services will continue to be critical to the well-being of many thousands of citizens and families across the city at a time of increasing complexity, social dysfunction and distress. Staff in the Directorate will continue to work with that acute distress in circumstances that ask a great deal of them in terms of personal resilience and commitment and the onus will continue to be on managers, leaders and Members to support front-line staff in that task.
- Sustainability remains a challenge both in terms of inescapable demand and in terms of financial pressure. Much as the Council has been highly supportive in terms of investing in Social Services in Cardiff, this is not sustainable over the longer term without further real terms national government financial support – in this sense it is little different from the NHS. Where it does differ however, is that the gradual erosion of community-based services will in itself serve to accelerate the kind of social dislocation that drives demand for more costly Social Services intervention and support. This is partly recognised in the Welsh Government's Parliamentary Review, but there remains a critical challenge that is fundamentally about long term structural funding for councils as a whole and acutely so for Social Services in particular.
- I am confident however, that funding challenges aside, there is now no reason why Cardiff Social Services should not be amongst the best in terms of the quality, range and effectiveness of the services it offers to those in need of care and support. It is now well placed to engage in a further and broader level of transformation with partners, to ensure that it remains fit, relevant and responsive to the changing needs of a fast growing and increasingly diverse population.





## Challenge Process

The analysis and judgements in this report were subject to a process of challenge that included testing out and gathering feedback from staff teams via the Staff Ambassador Network and citizens via the Citizen Panel. Challenge events were held with Cardiff Third Sector Council (C3SC) and planned separately for looked after children and care leavers. Taken together, these engagement sessions enabled us to strengthen our evaluation and amend this report accordingly.

In terms of feedback from the Citizen Panel, draft outcomes were shared with citizens and they were invited to rate the outcomes they had direct experience of. It is pleasing to note that 195 responses were received, 90 of which were from people who had experience of Social Services in the last 12 months. Key themes emerging suggest that changes to service delivery that will lead to people being better listened to, having their views taken into account and better identification of strengths are not yet embedded enough to be generally reflected in the experience of people who access Social Services. Analysis of the responses indicates that citizens were generally more likely to disagree with the outcomes than agree with them. However, it is noted that because people only responded to the outcomes they had direct experience of, some numbers are low and therefore caution is required in the interpretation of this data. It is concerning to note that 82% (32 / 39) disagreed with the reported outcome "improved processes to reduce the likelihood of carers reaching crisis point". However, it is encouraging to note that 64% (11 / 17) people agreed that "partners in Education and Health have increased understanding of their safeguarding responsibilities" and 70% (7 / 10) people agreed that the St. David's Day Grant means that care leavers are better supported through higher education. Citizen responses and comments will be shared with senior managers in order that the feedback can be taken into account to inform changes to improve service delivery.

## Overview

I am pleased to be able to report that Cardiff Council has improved in some key areas of Social Services. Where performance has not improved, it is still considered to be good in the context of severe financial pressures and inexorable increases in demand and complexity. Social Services for adults and children remain a clear priority for Cardiff Council and the Council continues to afford Social Services a significant degree of budget protection. This is reflected in the Council's endorsement of its budget for 2018/19 and the allocation of £8.4m net growth for Social Services, including 10 additional posts; this at a time when other priority areas for the council are required to operate on the basis of reduced budgets.

Whereas 2016/17 was in effect a key transitional year for the Directorate, both in terms of responding effectively to the first year of implementation of the Social Services and Well-being (Wales) Act 2014 and in terms of consolidating the merger in 2015 of Adult and Children's services into a single Social Services Directorate, 2017/18 has been characterized by substantial strides in developing new models of delivery. What had been declarations of strategic intent in 2016/17 have been realized in terms of more tangible service delivery during 2017/18, as demonstrated in the many examples set out in the report that follows. These include:

- Relocation from split sites of all Looked After Children's Services into a single refurbished facility that is accessible for young people.



- Opening a new building – the John Kane Centre – for the delivery of Youth Offending Services.
- Launch and opening of the Adolescent Resource Centre.
- Launch of Safeguarding Guidance and Protocol for Mosques and Madrassas.
- A second Think Safe! Young People’s Conference.
- Launch of a new Direct Payments Service.
- Launch of the Integrated Autism Service.
- Opening a newly refurbished Day Centre for Older People.
- Launch of a new social worker trainee scheme.
- Introduction of a new Risk Assessment framework / tool in Independent Supported Living.
- Further reductions in Delayed Transfers of Care – with Cardiff and the Vale of Glamorgan achieving benchmark status.
- Implementation of the Young Carers’ Action Plan.
- First Regional Workforce Board Celebration Event.

Moreover, as the report illustrates in many places, staff and managers have also been able to sustain continuous qualitative improvement and notably good outcomes for citizens in a context of rising demand and complexity. When reading the case examples described in this report, one cannot but be struck by the personal impact of the work that is being undertaken with individuals and the significance that close and careful attention to the needs of those individuals has, for achieving good personal outcomes.

### 3 Key Commitments and Strategic Aims of the Directorate Management Team:

- **Home First** – we will maximise opportunities to support children and adults in their homes where it is safe to do so, avoiding unnecessary intervention or care.
- **What Matters to Me** – we will ensure that what is important to those who may need care and support is at the centre of our needs assessment approach and all individual plans. The voices of children, adults and their carers and families will be treated with respect and will drive everything that we do so long as this is consistent with the safety of those in need of care and support.
- **Affordable Futures** – we will ensure that our longer term strategies, commissioning and service design maximises the affordability of care and support provision so that we can continue to support people in the community in the context of a reducing budget base.

The purpose of well-being, social care and health in Cardiff is *to maximise opportunities for all people to live the lives they want to live and achieve the positive outcomes they identify’.*

*In respect of children and families, we will find safe and appropriate ways to work with families to help them meet their children’s needs, including their need to be protected from harm. We will, whenever it is safe to do so, look for ways to support children and young people to remain with their birth family or extended family and avoid the need for children and young people to become looked after.*

Our purpose drives everything we do. It shapes our culture, our practice, our systems, how we recruit and develop our people and invest our time and resources.

Underlying our purpose are four principles:

- Listen to people to understand what matters to them;
- Build on strengths, not deficits;
- Connect people to other people and their communities;
- Relationships at the heart of care and support.

This means in practice we need to spend time in having the right conversations so we work with people on the basis of what is important to them; recognising their strengths, capabilities and the resources available to them through their networks of family, friends and communities. This is at the heart of practice-led transformation. We aim to work with people; alongside them, not doing to them.

These same principles govern how we work in partnership. People's lives should not exist in a Social Services 'bubble'. As Social Services, we recognise that the resources and assets people need to live their lives will exist outside of Social Services – with Housing, employment, Health partners to name but a few. Strategically and operationally we will work with others to develop productive partnerships and integrated services which better support people to achieve their outcomes.



Given the intended long term impact on outcomes and delivery approaches that implementation of the **Social Services and Well-being (Wales) Act 2014** was designed to achieve, its implementation with effect from 6<sup>th</sup> April 2016, means that in 2017/18 and for the next 2-3 years, we are still in the early years of an ongoing programme of transformation. Even so, as this report demonstrates, much has already been achieved within these first two years, particularly in terms of re-shaping delivery and the way in which we work with people who need care and support.

This report has been completed in line with an agreed national template that seeks to promote consistency of approach and enable better informed comparisons in the achievement of well-being outcomes across Wales.

## Headline Volumes in Context

Cardiff has a population of **361,468** (as at 2016) with **73,994** children and young people aged 0-17 and **287,473** adults aged 18 and over. Of these, **2,787** are in receipt of services from Children's Services and **7,047** are in receipt of services from Adult Services at any given time; many thousands cross our threshold during a given year. Thousands are helped to achieve better outcomes through the provision of short term support or who, as a result of a period of care, go on to live independent lives.



Children's Services received **28,569** contacts / referrals in 2016/17. **830** children were being looked after at 31<sup>st</sup> March 2018, and **230** were included on the Child Protection Register.

Adult Services received **6,657** enquiries and **1,113** Protection of Vulnerable Adult referrals during 2017/18. **7,662** adults were assessed or reviewed during the year and **7,047** were in receipt of services as at 31<sup>st</sup> March 2018, of which **1,004** were receiving residential and nursing care, **3,333** were living at home with social care packages and **2,710** were receiving other services.

## Message from Incoming Director of Social Services



*Claire Marchant, Director of Social Services from July 2018*

I am really excited to be joining Cardiff as Director of Social Services at a time when so much has been achieved to develop really strong and stable Social Services. The publication by Welsh Government of the national plan for health and social care, 'A Healthier Wales: Our Plan for Health and Social Care' provides a fantastic opportunity for us to work with our partners to translate the potential for really radical transformation into real delivery.

The first priority in any transformation programme has to be the development and support of the workforce who will make change happen. The commitment and passion of the workforce in working with people and delivering services, often in challenging and complex situations has been immediately evident to me. Recruiting, retaining, supporting and developing the social care workforce is my highest priority as the incoming Director. The right people, who share the values, have the skills and ambition to make a difference to people's lives are fundamental to achieving the best possible outcomes for people.

Sustainable public services in Wales are dependent on Social Services which are sustainable both from a service and financial perspective. With the right workforce in place, my focus will be on the following 4 areas:

1. To work with others to embed Social Services within localities and communities so people with care and support needs can connect to the many assets and opportunities available.



2. To ensure that preventative services are targeted and effective at keeping people safe, well and supported, and in so doing reducing escalation of need to the next tier of service.
3. Embedding Signs of Safety and strength based practice so we can have confidence in quality of assessment, management of risk and care planning which are person-centred and focus on what is important to the person in living their own lives.
4. Developing and commissioning services through positive relationships with providers which are in themselves progressive in that they reflect the outcomes within care plans, are integrated within localities and demonstrate the value for money which is critical to sustainability.

There are always many challenges to overcome in delivering really good Social Services, not least financial austerity and increasing complexity of need. Cardiff has the scale, ambition, people and partners to mean that with focus and effective leadership at every level we can address these challenges and align resources to improve outcomes and transform the lives of our most vulnerable people and communities.



## 2. DIRECTOR'S SUMMARY OF PERFORMANCE

Although 2017/18 was the second year during which the new measures introduced by National Outcomes Framework following implementation of the Social Services and Well-being (Wales) Act 2014, were operational, they are yet to provide a reliable basis for drawing comparisons year on year or on a national basis between councils. This was reflected in the decision of Welsh Government not to publish all Wales comparative Social Services data in September 2017, simply because it is not yet thought to be sufficiently robust. Whilst this means that a key element of good performance management is not fully available to us, it is the Directorate's view that overall performance has been positive during the year in the context of increasing demand and complexity. The evidence for this view is set out in the paragraphs below, but it is particularly pleasing to note improvement in the following areas:

- Percentage of children looked after on 31<sup>st</sup> March who experienced 3 or more placements during the year – 9.0% (75 / 830) in 2017/18 from 10.9% (79 / 725) in 2016/17.
- Increase in the percentage of eligible adults who are caring for adults that were offered a Carers Assessment during the year to 87.2% (2,899 / 3,326) from 79.5% (2,833 / 3,563) in 2016/17.

Equally, there are areas where performance appears to be less strong or effective and even though the data is not yet as reliable for comparative terms as we need, we are concerned to address any underlying issues associated with the following data:

- Decrease in the percentage of all care leavers who are in education, training or employment at 12 months after leaving care to 49.4% (43 / 87) from 58.5% (55 / 94) in 2016/17.
- Decrease in the percentage of people helped back to independence without ongoing care services, through short term intervention to 70.5% (777 / 1,102) from 90.8% (461 / 508) in 2016/17, although the numbers of people increased significantly.

In addition to the new quantitative indicators, qualitative surveys were deployed for the second year. Unfortunately, although more surveys have been issued in 2017/18, the return rates are notably lower than in the previous year, which may be attributed to the fact that they were new in 2016/17 and attracted a better response rate for that reason. Nevertheless, these give us valuable soft intelligence about citizens' views of the service they receive and these are cited throughout the report.

### SERVICES FOR ADULTS

**KEY MESSAGE** – Social Services for adults remain a top priority for the Council, receiving strong support from the Cabinet and the Chief Executive. We are particularly committed to enhancing prevention to maximise the opportunities for people to live as independently and safely as possible.



During 2017/18 the main focus for **Adult Services** has been to help people to live independently, enabling people to develop the skills they need to live on their own, supporting them with reasonable adaptations to their homes and providing services in a way that meets their needs and outcomes.

This focus resulted in:

- Reduction in the rate of delayed transfers of care for people aged 18+ to 4.7 (110) in 2017/18 from 5.2 (123) in 2016/17.
- Increase in the percentage of eligible adults who are caring for adults that were offered a Carers Assessment during the year to 87.2% (2,899 / 3,326) from 79.5% (2,833 / 3,563) in 2016/17.

## SERVICES FOR CHILDREN

**KEY MESSAGE** – Children’s Services remains a top priority for the Council, receiving strong support from the Cabinet and the Chief Executive. During 2017/18 the service has focused on progressing key areas of strategic development, particularly around prevention and integration whilst sustaining work to improve practice on the ground.

In relation to **Children’s Services**, during 2017/18 the focus continued to be on improving performance in relation to indicators that have the greatest significance for safe and effective practice concerning children.

2017/18 was a year of significant activity within Children’s Services with the launch of Support4Families (early help front door), Disability Index and Integrated Autism Service. In addition to this, the Adolescent Resource Centre was opened, all alongside the ongoing implementation of the Signs of Safety approach to service provision.

Areas that were prioritised during the year include:

- Non transitional school moves for looked after children reduced to 10.0% (48 / 494) from 13.3% (56 / 421) in 2016/17.
- The number of First Time Entrants to the youth offending system reduced to 75 from 109 in 2016/17.

During the year there was a continued focus on recruitment and retention – the percentage of social worker vacancies remained stable at 23.2% from 23.5% in 2016/17, although there was some fluctuation in year with the vacancy rate falling below 20% for the first time since September 2015, to 18.5% in August 2017. Whilst it would appear that the improvement in Quarter 2 was not sustained for the remainder of the year, closer examination shows that existing staff had been appointed to newly created senior roles, leaving their substantive posts as vacancies. Whilst in the past we have generally been able to recruit newly qualified social workers, the retention and development of a stable cohort of more experienced and skilled practitioners has been more challenging and this in turn has greater significance for the



sustainability of a safe and effective service. Our growing strength in depth in terms of retention is therefore, a basis for real confidence that our commitment to make Cardiff the destination of choice for social work is beginning to have traction. Of the 22 posts created from the 2017/18 financial pressures bid, 9 have been filled. If the vacancies that have arisen due to promotions were excluded, the PI result for the quarter would be a vacancy rate of 20.9%. Addressing the vacancy position continues to be a priority and further improvement is predicted as the newly appointed staff begin to take up post in Quarter 1.

## INSPECTION OUTCOMES

- The Care Inspectorate Wales (CIW) inspection report on **Crosslands Children's Home** published in July 2017 concluded "that the young people are safe, confident and engaged in constructive lifestyles and activities. They are encouraged to express themselves and to develop self responsibility and the three young people we spoke with said they like the staff and feel assured by the support they provide them. They enjoy placement stability; staff continuity and consistency and are encouraged to develop relationships and attachments with their carers. 'Normalisation' is promoted along with the rights of young people to thrive and to feel valued. The premises provide well for their purpose; there are a sufficient number of skilled and experienced staff and the arrangements for the management and leadership of the home are robust."
- CIW undertook an unannounced inspection of **Ty Storrie** (a commissioned residential facility providing respite care for disabled children) in March 2017. The report raised serious concerns related to staffing and leadership of the home and consistency of care, and non-compliance notices were issued to the provider. Children's Services worked with the provider to develop a robust improvement plan that sought to address the concerns. As a response, the provider strengthened the management structure, seconded in an experienced Registered Manager, appointed a new team leader and undertook team building activities. It reviewed and improved management systems and processes, updated training for staff and worked openly and constructively with Children's Services managers. It also involved parents in its improvement journey and improvements were made to the garden and internal decoration of the home. In October 2017, CIW carried out a follow up inspection. The report noted that effective action has been taken since the March inspection, and well-being of children and consistency of care had improved. The inspector observed that staff morale had improved and staff appeared to be more motivated; the improved physical environment was also noted. The Council is currently considering its options for the future running of the provision. The preferred option is to bring it in-house, however, the final decision is expected to be made by Cabinet in 2018. Please see page 26 for further information.
- **Supported living** (independent living accommodation for learning disabled adults): Social Services In-House Supported Living Accommodation Service was inspected during the year. The report recognised areas of consistent good practice and noted that people reported that they were happy with the care they received and that they enjoy their lives.





- Children’s Services took part in a national **self assessment in relation to looked after children and care leavers**. From the information provided, CIW concluded that “the work of children’s services is valued by the council and investment over the last 2 x years has supported improvement. The local authority knows the profile of its looked after children population well and is planning services to meet the needs of the population. Whilst demand is high the authority is investing in early help services and is also re-modelling their structure to more effectively meet demand”.

Inspections on the following areas were also undertaken during the year, and the reports for these are pending:

- **Mental Health**  
CIW and the Healthcare Inspectorate Wales (HIW) undertook a joint inspection of Mental Health Services in August 2017.
- **Care & Support Provision to Cardiff Prison** – the Social Services and Well-Being (Wales) Act 2014 introduced significant new duties for Directors of Social Services and councils with secure estate provision in their area (prisons, secure homes or similar) to ensure effective access by prisoners to care and support for those in the secure estate. Initial feedback from a February 2018 Her Majesty’s Inspectorate of Prisons (HMIP) / CIW secure estate inspection of the work undertaken by social workers in Cardiff Prison, indicated evidence of good quality assessment work, supported by the new Strength Based Approach to social work in Adult Services.. The final report is pending.



### “More than Just Words” / “Mwy na Geiriau”

The introduction of the Welsh Language Standards Act has strengthened the gradually improving position regarding the provision of bilingual services both in social care and the council as a whole. The Act has helped to reinforce the pre-existing social services requirements set out in Mwy na Geiriau for bi-lingual social services.

Social Services in Cardiff recognise the importance of meeting Welsh language need as part of routine assessment and care and are committed to providing and developing Welsh language services.

#### Welsh Language Standards Objectives for Social Services:

Increase opportunities for people to receive Health and Social Care in Welsh by:

- Ensuring that an active offer of Welsh language services is communicated to all Social Services staff and within commissioned services.
- Including Welsh language service provision within third sector and independent contract specifications, service level agreements and grant funding processes.
- Developing plans to maximise ability to provide services in Welsh with current Welsh-speaking staff; where gaps in workforce capacity to deliver services in Welsh are identified these should be reflected in the organisation’s Bilingual Skills Strategy.



Even though the percentage of Welsh speakers is relatively low, the numbers (likely now to be over 40,000) means that Cardiff is the local authority with the 4<sup>th</sup> highest number of Welsh speakers in Wales. The number of Welsh speakers in Cardiff has doubled since the 1991 census. The Cardiff and the Vale of Glamorgan Population Needs Assessment reports the following statistics regarding the Welsh language community profile of Cardiff.

Progress during the year has included:

- Establishment of a Regional Forum to enhance the coordination of Welsh language activity within the service, and to ensure coordination with partners.
- Staff throughout the organisation continue to be regularly reminded about the requirements of the Welsh language standards through monthly 'Welsh Matters Brief'.
- Welsh language social work posts are in the process of being created.
- Regular promotion of Welsh language training opportunities across the service.
- Questions have been added to DigiGov to gain a more comprehensive and continually up to date picture. All Social Services staff are prompted to update their language record.
- Questions have been added to CareFirst to record the active offer. We are currently looking at how successful these have been in terms of recording rates and in prompting the active offer to be made.
- We have been able to evidence positive examples of social workers who are sensitive to identifying Welsh language needs during their casework with positive results. Further work is required to identify how well this is being done across the service and by non-Welsh speaking social workers.

The proportion of people of all ages who can speak Welsh in Cardiff is 11.1% - significantly below the all Wales average of 19%, but represents 36,735 people.

Over 1 in 4 young people aged 15 and under speak Welsh in Cardiff (26.7%) although this is still below the Wales average for that age group (37.6%).



## FUTURE CHALLENGES

Scrutiny members remain very supportive of the Directorate and its ambitions for ongoing improvement but they have equally been concerned to understand the wider underlying factors that are driving the overall growth in demand and complexity. This has stimulated a wide ranging debate about the significance of changing patterns of modern living; the pressures on working families associated with meeting the simultaneous care needs of children and of older or frailer relatives; pressures experienced in the context of social media, particularly for children; the fast changing nature of the population and its needs; the capacity of predatory and unscrupulous individuals to outpace agencies in finding new ways of exploiting the vulnerable; and the extent to which those most marginalized by change are struggling to cope.

Although there is clearly no single solution to this combination of factors that are driving distress and demand, it is clear that Social Services must increasingly work with a wider range of partners in order to address challenges that are increasingly multi-faceted in nature. To this extent, the advent of the Parliamentary Review is timely in terms of joining health and social care forces where it can make a difference to meeting these challenges in terms of the adult population. Although this has implications for children and families too, meeting the needs of those children at the threshold of the care system requires a different set of inter-agency alliances, and although this is best captured in the Regional Safeguarding Children Board membership, there is further work to do to determine the best partnership governance to give this agenda better traction. Facilitated by the Institute of Public Care, the inter-agency Improving Services to Children Board made significant strides in this area during the year in terms of developing a partnership approach to preventative strategy; it will be important that this is sustained.

### Top challenges facing Cardiff Social Services:

<b>1</b>	Recruiting, retaining and developing a permanent social care workforce with the right values, skills and experience.
<b>2</b>	Delivering service and financial sustainability plans which are based on robust evidence and business cases.
<b>3</b>	Developing early intervention and prevention services which effectively reduce demand on more intensive services.
<b>4</b>	Implementing practice lead transformation in Children's and Adult Services.
<b>5</b>	Reviewing priority services to ensure they are cost effective and able to effectively meet the outcomes from more progressive practice.



## Top challenges facing Children's Services:

<b>1</b>	Reviewing the range of early intervention and prevention services and maximising the impact of the Early Help Strategy with partners.
<b>2</b>	Embedding Signs of Safety as a model of practice within Children's Services and with partners.
<b>3</b>	Achieving a permanent workforce and eliminating the need for agency workers.
<b>4</b>	Commissioning sufficiency of the right type of services in Cardiff to meet the needs of the increased number of looked after children effectively and cost effectively.
<b>5</b>	Working with Councillors and Members to ensure that the Council is fulfilling its corporate parenting responsibilities for the increased number of looked after children well.

## Top challenges facing Adult Services:

<b>1</b>	Launch and embed the newly developed Strengths Based Approach to social work with adults.
<b>2</b>	Sustainability of the domiciliary and nursing care market – working with providers to implement the requirements of the Regulation and Inspection of Social Care (Wales) Act 2016.
<b>3</b>	Develop locality working which connects people with care and support needs to community assets reducing the need for long term social care support.
<b>4</b>	Develop integrated working with Cardiff and Vale University Health Board, ensuring people see the right person in the right place at the right time without unnecessary handoffs.
<b>5</b>	Review commissioning strategies for learning disabilities and mental health to ensure provision reflects the strengths based model of practice.



### 3. HOW ARE PEOPLE SHAPING OUR SERVICES ?

As part of the Families First programme our Young Commissioners Officer has enabled young people to assess existing services against participation standards. The findings of these reports has contributed towards the development of specifications for future Families First provision. Further young commissioner and parent commissioner training will facilitate the growth in user-led commissioning.

Engagement with young people has also been undertaken in relation to the Bright Start Traineeship Scheme, including:

- CV and Job Search workshops in partnership with the Into Work Team.
- Aspiration Workshops.
- 2 young people supported to take part in the council's Pitch Perfect service improvement scheme.
- Creative "Cake and Make" workshops in partnership with female entrepreneurs.
- Care leaver's book club set up.

Other examples of how people have been engaged or involved in service development during the year include:

- Engagement with parents specifically on naming the Early Help Front Door Service as **Support4Families**, this was a name identified and chosen by parents.
- **Involving young people in Recruitment** and interviews for
  - **Children Sexual Exploitation (CSE) Intervention Practitioner** posts in the new Think Safe! Team.
  - **Staff and foster carers for the Adolescent Resource Centre**, social workers for the 13+ Team and social workers and personal advisers in Specialist Services.
- The second annual **Think Safe! Young People's Conference** was held on 13<sup>th</sup> March 2018. Local schools nominated 3 children to attend the conference. Participants took part in activities and workshops to raise their awareness around CSE, including how children can look out for dangerous adults, spot when their peers may be in danger, call for help and keep themselves and their friends safe. By the end of the day, the young people were trained as CSE Ambassadors as we know young people respond well to learning from their peers. Children's Services Think Safe! Team will be working with each participating school to hold further events where the newly trained ambassadors will educate their peers.
- A tender has been issued for an organisation to facilitate **Think Again** - a young people's advisory group made up of young people who have been groomed and / or sexually exploited. The group will gain young people's views on the support that they have received with a view to improving services for young people who have or are at risk of



grooming and sexual exploitation.

- Consultation events are held with **parents of disabled children** and young people to support planning and development of service for disabled children.
- Welsh Pioneer for the Bristol University **Bright Spots Survey** for looked after children.
- **Bright Sparks Group** - with a budget allocation from the new **St David's Day fund** this well-established group of looked after children and care leavers engages in service and policy developments with the support of our excellent advocacy provider the National Youth Advocacy Service (NYAS).
- A young person serves as an advisor to the Corporate Parenting Advisory Committee.
- A Consultation Group with young people was held in partnership with Housing to discuss the accommodation retendering process.
- The Youth Offending Service (YOS) have a young person lined up to participate in the YOS Board meetings. This young person is part of our knife crime strategy and recently represented Cardiff YOS at an all-party review of knife crime in Parliament.
- As part of the **Day Opportunities Strategy** review we worked in partnership with Cardiff and Vale People First to design questionnaires to obtain feedback from people who use the service and their families. Suggestions included a refurbishment of the building and creating more facilities for people with multiple and profound disabilities. As a result a **£300K refurbishment** (including £50k from the Integrated Care Fund) is being undertaken including:
  - Fitting automatic doors so that people who use a wheelchair can be more independent.
  - Fitting ceiling mounted hoists within the adapted toilet and changing room so that people who use a hoist for personal care can be more independent.
  - Refurbishing the adapted toilet and creating two additional adapted toilets.
  - Creating additional changing facilities to a 'Changing Places' standard.
  - Updating the décor throughout the building.
  - Purchasing new furniture and fittings.
- Use of **Support Planners in Learning Disability Services** has demonstrated positive outcomes and greater independence for individual citizens:
  - Supported a citizen to access various identified activities in integrated community settings including social groups and the opportunity to participate in activities run by local community Hub. This reduced isolation and improved confidence, motivation and social skills.
  - Input provided a citizen who was previously reluctant to engage the opportunity to make informed choices in order to access a variety of activities. The citizen is now actively engaged with Princes Trust, attending literacy and numeracy classes as well as undertaking a recognised Agored programme, enabling greater personal confidence, raised self-esteem and a wider social network.



- Input gave citizen the opportunity to access activities to improve social connections and confidence/motivation due to extreme shyness and anxiety. Taster at Track 2000 with independent travel training resulted in improved confidence, motivation and self-esteem. Now able to sustain their participation in a V21 Charity shop in local home area and their acquired independent travel skills.

A selection of quotes is provided below:

- **Community Resource Team service user:**

“I want to express my thanks for the efficiency and help I have received during the last six weeks. Also to the many carers who were so cheerful, kind and encouraging. My thanks to you all.”

- **Grandparent:**

“I am writing with regard to the wonderful work done by our assigned social worker N, we found her pleasant and patient. As this is the third child (my grandchildren) that we have had through Social Services, she is very astute, we can only be extremely thankful and grateful to N and you for our positive assessments and for standing with us so that the brothers and sisters could be together within the family unit. N was very supportive and aided us every step of the way. We will do our very best to give these children a happy stable life. Thank you again.

- **Colleague from the prison service:**

I am a family support worker supporting a pregnant woman in custody. R is the social worker looking after the case, and I just wanted to write to you to explain how impressed I am with R's work. As you can imagine, we work with many social workers from across many local authorities and I have to say, I am in awe of the empathy and R's ability to connect with Ms V. R was able to relay such negative news, almost in a positive way. The meeting held today was to explain to Ms V that there will be a removal from birth and court proceedings will be initiated when baby arrives. R relayed this information clearly so that Ms V could understand and her overall approach was fantastic. I just felt the meeting went so well and I just wanted to highlight this good work to yourself to ensure R gets the recognition for her great work.

- **Support Planner service user (Learning Disability Service) :**

“This man is magic, the support planner actually got things done. We were never left waiting for anything”.



Work on the second national survey under the Social Services and Well-being (Wales) Act 2014 was undertaken. Adult Services issued 2,396 people with the relevant standard Welsh Government questionnaire, which gathered qualitative performance data relating to our care and support planning. The response rate was 35% for adults in need of care and support and 35% for carers. Children's Services issued 868 questionnaires to children over the age of 7 and 947 questionnaires to parents. An additional 231 surveys were issued to young people aged 18+. The response rate was 19% for children, 9% for parents and 8% for young people aged 18+. The results are referenced in the relevant chapter throughout this report.

## **'LEARNING THE LESSONS' - COMPLAINTS AND REPRESENTATIONS**

Although the Directorate commissioned an independent review of the current arrangements for managing complaints in 2016/17 and some changes to current arrangements were initiated during the year in partnership with corporate information governance officers, a lack of capacity has prevented the Directorate from implementing all the changes necessary to ensure a more coherent approach to the management of Social Services complaints. Complaints are a key source of intelligence for the Director of Social Services in terms of overall quality assurance, particularly in relation to citizen entitlements, safeguarding and practice learning. A key benefit of the new structural arrangements coming on stream in 2018/19, is that appropriate capacity will be focused on implementing a range of overdue improvements to the complaint process.

Despite existing concerns about systems and process, the Directorate has nevertheless managed to respond reasonably effectively to a wide range of complaints, many of which reflect the highly complex nature of individual cases.

### **Children**

Children's Services received 124 complaints during 2017/18, little change from the 128 complaints received during 2016/17. 8 complaints were received direct from children and young people (or an advocate) during the year compared with 9 in 2016/17. The 124 complaints equates to 4% of the children receiving services from us at any given time during the year.

There were 8 Stage 2 investigations initiated in 2017/18 compared with 6 in 2016/17. There were 7 referrals to the Public Service Ombudsman for Wales, compared with 6 in 2016/17. In relation to these referrals, the Ombudsman made the following decisions:

- 5 cases required no action to be taken.
- 2 cases were recommended to progress to Stage 2 before any further involvement with the Ombudsman.

Stage 1 complaints are resolved effectively which means that only a small percentage of complaints – 6% (8 / 124) proceed to Stage 2 or require action from the Public Service Ombudsman for Wales.





## Adults

Adult Services received 68 complaints during 2017/18, 1 more than the 67 complaints received during 2016/17. The 68 complaints equate to 1% of the adults receiving services from us at any given time during the year.

There were 7 Stage 2 investigations in 2017/18 compared with 5 in 2016/17. There were no investigations by the Public Service Ombudsman for Wales.

Stage 1 complaints are resolved effectively which means that only a small percentage of complaints – 10% (7 / 68) proceed to Stage 2 or required action from the Public Service Ombudsman for Wales.

## Themes

The following themes were identified in relation to children and adults from the complaints received during 2017/18:

- Unhappy with Proactis system of determining cost of residential nursing homes.
- Number of new complaints received in relation to the transfer to a new direct payments provider.
- Safeguarding of children where concerns raised did not appear to be acted upon.
- Other examples from Children's Services include:
  - Decisions made by social workers and not returning telephone calls / communicating to family.
  - Inaccurate information presented to Court – not challenged in Court.
  - Grandmother (didn't have parental rights) only allowed minimal contact and not allowed to contribute in meetings.
- Other examples from Adult Services include:
  - Unhappy with services of provider e.g. internal supported living (learning disabilities)
  - Residential / nursing homes but complaints related to the providers processes and not the local authority.
  - Access to respite services limited.

## Compliments

Children's Services received 58 compliments during 2017/18, an 87% increase on the 31 received during 2016/17.

Adult Services received 19 compliments during 2017/18, a 12% increase on the 17 received during 2016/17.



## 4. PROMOTING AND IMPROVING THE WELL-BEING OF THOSE WE HELP

### WORKING WITH PEOPLE TO DEFINE AND CO-PRODUCE PERSONAL WELL-BEING OUTCOMES THAT PEOPLE WISH TO ACHIEVE

Outcomes achieved:

- ✓ Children and their families are better supported to identify their needs and achieve their own outcomes earlier by establishment of the Early Help front door, Support4Families.
- ✓ Improved identification of families' strengths by ongoing implementation of Signs of Safety approach in Children's Services.
- ✓ Children and their families are identifying their own worries, strengths and changes needed to achieve their goals by implementing Signs of Safety in Child Protection case conferences and through the work of the Integrated Family Support Team.
- ✓ Children's needs are better understood as a result of Children's Services staff being able to spend more time with children and their families following the restructure funded by investment in the service.
- ✓ People enabled to make their own choices and take control over the care services they receive by use of Direct Payments for 908 children and adults during 2017/18.
- ✓ Young carer awareness of their entitlement to assessment improved by the Young Carer's in Schools Programme.
- ✓ Voices of people are heard, better listened to and taken into account as a result of moving towards a strengths based approach in Adult Services.

#### What did we plan to do last year ?

- Further embed First Point of Contact / Information, Advice and Assistance functions across Social Services by March 2018 in order to enable people to identify their own needs and achieve their own outcomes.
- Implement the Disability Futures Programme by December 2018 to remodel services for disabled children, young people and adults across Cardiff and the Vale of Glamorgan to improve effectiveness and efficiency of services and outcomes for disabled people and their families.
- Continue to increase the number of children and adults with care and support needs in receipt of Direct Payments by March 2018 to enable people to make their own choices and take control over the care services they receive.
- Undertake a campaign by March 2018 to raise Young Carers' awareness of their entitlement to a Young Carers Assessment.



- Conclude the implementation of Signs of Safety in Children's Services by March 2020 in order to ensure that all staff within the Directorate are able to engage with families using the Signs of Safety Risk Assessment Framework.
- Explore the possibility of designing a new model for the delivery of Adult Services on a strengths-based approach similar to Signs of Safety to enable people to be as independent as possible for as long as possible, and engaged in their local community.

## How far did we succeed and what difference did we make ?

### First Point of Contact / Information, Advice and Assistance (IAA)

In Children's Services, the the **Early Help front door**, now known as Support4Families, was launched on 27<sup>th</sup> November 2017. This provides additional capacity to deliver enhanced key working for high-risk families, and to develop an alternative contact point with the aim of reducing the numbers of referrals to the Multi Agency Safeguarding Hub (MASH). Children's Services have committed two social workers to work with Support4Families to provide consultancy and ensure an effective interface with MASH. The development of this service as part of Families First will help to deliver better arrangements that are wider than Families First. A project is underway which is exploring how other services and programmes will be able to link in to the 'front door'. In addition to the commitment from Children's Services, the project is exploring links with the Family Information Service, Health (including Mental Health and Substance Misuse Services), and the employability 'Gateway' that is being developed post Communities First. This may result in co-location of some elements, but also clearer pathways between services and programmes.

The rate of calls coming through the divert route and impact on Multi Agency Safeguarding Hub (MASH) contacts is being closely monitored. Early indications are that this has been effective in reducing the number of contacts and has resulted in an increase in the number of families receiving early help. The volume of telephone calls into MASH, following the MASH divert number being introduced in December 2017, is showing that 46.6% have been diverted away from MASH (28.5% to 'Support4Families' and 18.1% to the Reception and Data Team). 53.4% of calls were received by MASH.

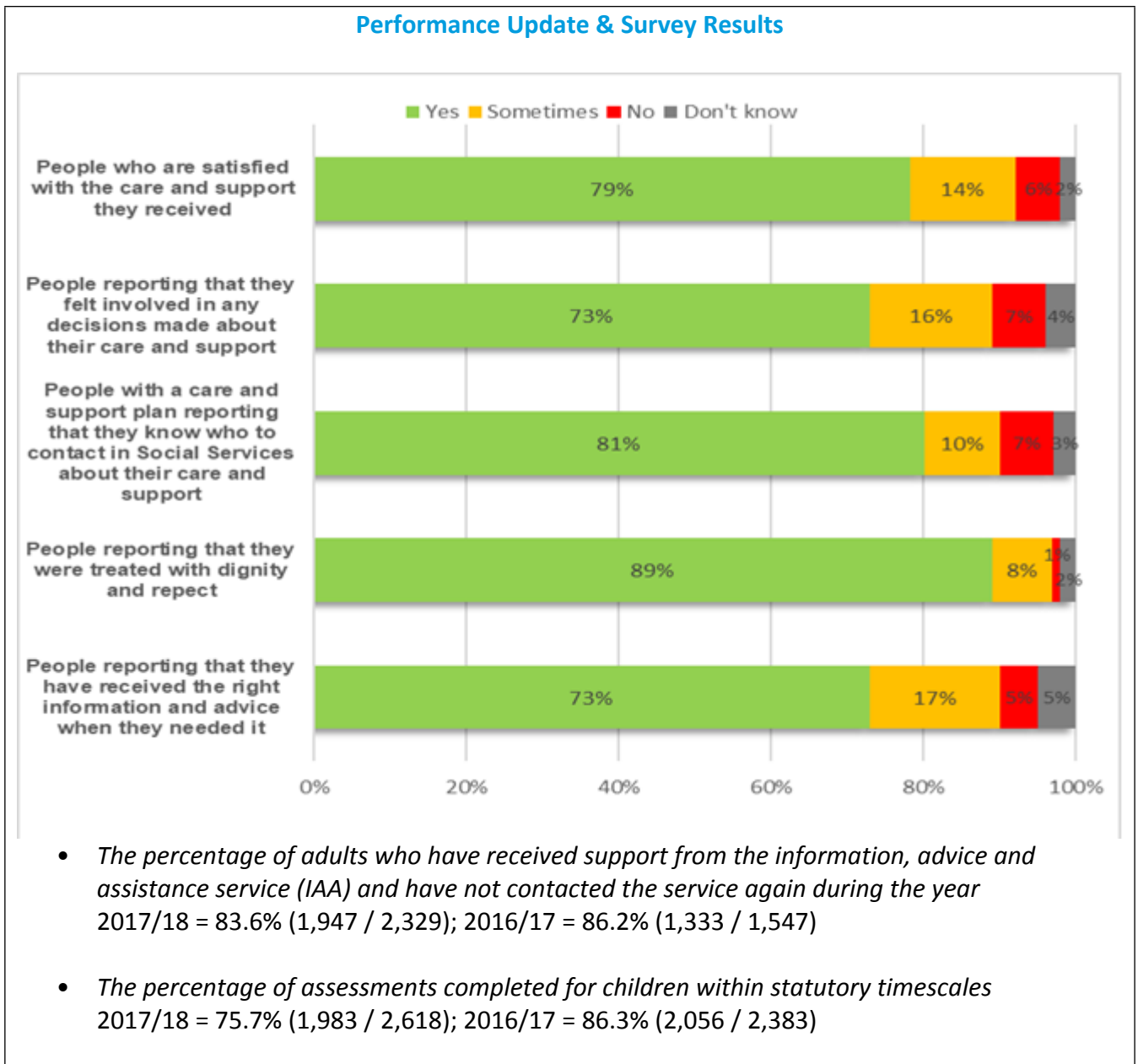
The Independent Living Services (ILS) First Point of Contact (FPoC) for Adult Services includes a wide range of services with the aim of providing preventative services. The ILS is a holistic team which includes Occupational Therapists, Day Opportunities, Telecare, Meals on Wheels, a Visiting Service, and an Independent Living Equipment Service. The ILS focuses on a citizen's strengths to help them achieve their outcomes and in 70% of instances ILS are able to find an alternative solution and there is no need for the citizen to be referred to Social Services.

The ILS Visiting Service also provides visits for elderly and vulnerable adults who require a visit in their own home. The ILS FPoC carry out the initial stages of the assessment process which is then passed onto the FPoC Social Care Team. The social work staff in FPoC work to develop citizen's resilience and independence initially through conversations that expand on how citizens see themselves and what support systems they have both emotionally and practically. The FPoC social workers then work with Cardiff citizens to establish their outcomes and to enable them to find sustainable ways of living as independently as they can in their communities. The ILS FPoC and



FPOC Social Care Team also has close working links with the Carers Assessment Team based in County Hall, around carers needs.

During 2017/18 the role of the social work team managers within the First Point of Contact (FPOC) was extended to cover both the University Hospital Llandough (UHL) and University Hospital Wales (UHW). This is helping to develop and embed a clear and consistent approach / pathway for citizens who access Adult Services.



**‘Disability Futures Programme’ transitional support for disabled and vulnerable children  
Integrated Respite for Children**

As mentioned earlier (see page 14 for further information) the Care Inspectorate Wales (CIW) undertook an unannounced inspection of Ty Storrie in March 2017. The report raised serious concerns related to staffing and leadership of the home and consistency of care, and non-compliance notices were issued to the provider. During the year, Children’s Services focus has



been on working with the provider to develop and implement an improvement plan to address the concerns. The Council is currently considering its options for the future running of the provision. The preferred option is to bring it in-house, however, the final decision is expected to be made by Cabinet in 2018.

### **Complex Needs Service**

The Complex Needs Service was rebranded as the **Integrated Disability Services Project (IDSP)** during the year. Funds were made available for the inclusion of activities to support integration across Health, Social Care and Education with the following activity undertaken:

- The project has delivered an enhanced approach to a group of children and young people with a range of more complex needs using a partnership approach across Health, Education and Social Care.
- Within this a number of training sessions were delivered to a wide range of stakeholders to support the use of person-centred approaches across services that work with children and young people with disabilities and their families.
- Additional social work posts have been recruited to, enhancing the Child Health and Disability Service.
- An enhanced transition service within Cardiff Children's Services has been secured, with the implementation of the Transition Review Interface Group to oversee the planning of transitions for all children with disabilities known to Social Services. This has successfully achieved a regional offer across Cardiff and the Vale which ensures equitable approaches to transition across the region, and strengthens workforce development in this area.
- Processes for multi-agency assessment and co-ordination are being trialled and will continue to be piloted into next year with a view to evaluation to inform next steps.

A report was commissioned to support understanding of Continuing Care across Health and Social Services for complex children who may need additional support from health and social care. Key stakeholder engagement has commenced and informed completion of a report that will enable joint working arrangements across Health, Education and Social Care services in delivering care and support plans in the best interests of children and young people with very complex needs. This report will inform policy and procedure that enables early decision making between Health and Social Care services and enable partnership approaches to assessment, planning and delivery of services.

Individual pilot projects have been evaluated and report positive outcomes and transformational working methods. The pilots that will continue into next year are:

- Services for parents who have children with Attention Deficit Hyperactivity Disorder (ADHD) – this pilot has proved successful, however, wider commissioning activity has impacted on the volume of service that can be offered. A new pilot, in partnership with Cardiff and the Vale University Health Board (UHB), will be taken forward into 2018/19 to support a more sustainable approach to ensuring families whose children receive a diagnosis are proactively offered post-diagnostic information and support.
- Better than a Booklet Service – this pilot has enhanced the 'Front Door' to services for disabled children, with over 350 families supported directly via the information service at St David's Hospital which enables families to be provided information and signposting post clinic appointments. This service continues to reduce the need for multiple service referrals by clinicians, with families having access to information and services which best



meet their needs from the first conversation. This service will continue into 2018/19 as part of the wider Disability Team Around the Family Service in Cardiff, and the Families First Advice Line within the Vale of Glamorgan.

### **Case Study – Complex Needs Service**

*A is a 17 year old girl. Two years ago following a traumatic incident she became a wheelchair user, and has restricted physical mobility. She also has a diagnosis of high functioning autism.*

*A was allocated to a social worker in the IDSP in March 2017 with objectives of:*

- *Supporting the family through building adaptations on their property (wheelchair accessibility)*
  - *Facilitating smooth transition to Adult Services.*

*In order to achieve these goals IDSP identified additional goal of developing a relationship with A and supporting her to become involved.*

#### **Objectives achieved:**

- *A disabled facilities grant was successfully completed. Children's Services supported A and her family to access appropriate temporary accommodation for the period of the building work.*
- *Social worker developed a positive relationship with A through regular visits. A had not engaged with her previous 2 social workers.*
- *Due to missed appointments and her age, the multi disciplinary team had largely disengaged with A. Social worker contacted lead health consultant, and 2 multi disciplinary team meetings were held. A attended and contributed to both (which she hasn't done previously). There is now a clear planned transition to Adult Health Care Services.*
- *Cohesive 'joined up' working between agencies. Regular contact between social worker and assistant psychologist working directly with A.*
- *Person centred practice has been used to make changes to A's care package to ensure that it is more targeted to meet her needs.*
- *A has actively asked to meet with her social worker and expresses her views to her. This has allowed A to regain control over areas of her life. For example, A has expressed preferences for certain carers and asked that others are removed from her care. These views and wishes have been respected and acted upon.*
- *Planned transition with Adult Services - Adult Services social worker allocated and work started in April 2017- almost a year ahead of A's 18<sup>th</sup> birthday.*

#### **Impact:**

- *Additional time to allow research into the best ways to engage with A (due to her ASD specific techniques are helpful - if she is not engaged in an appropriate manner she will end relationships).*
  - *Additional time to spend developing a positive working relationship with A.*
- *Time spent with support planners in Adult Services to consider person centred planning and how this could be used for A.*
- *Supervision from acting regional principal social worker who has a background in Adult Services. Given A's age it was important to consider the situation from this perspective, specifically in relation to capacity issues when potential safeguarding issues were raised.*
- *Mental capacity training - was helpful in considering 'best practice'. Training is now to be made more widely available and commissioned via IDSP.*
- *Improved outcomes for A - she has been involved in changes to her care package, and has a 'voice' in what is happening. Stronger relationship with social worker.*
- *Positive working experience for social worker also, having more time to spend with and get to know A, and the associated positive outcomes.*



### **Regional Joint Commissioning**

Young people and parents, as well as professionals, have told the Directorate through direct consultation, that 'Families First' services were too complicated and they didn't know how to access them. In response, the Directorate aims to ensure less complex service arrangements, with a clearer offer available for all families across Cardiff and the Vale of Glamorgan.

Although some services will be de-commissioned in 2018/19, due to funding changes, the 'Families First' Team are working with the Disability Futures Programme to review the services provided to make sure that they are the services that families need. The changes will also mean that the Directorate will be able to consider new funding into services that parents have told us are important to them one of which is the need for informal respite. Families First will be working with the Disability Futures Programme to pilot some new approaches to this over the next year.

A good example of positive changes is that Families First started to fund the Disability Index (DI) during 2017/18 and its quarterly newsletter, because of the importance of keeping families with disabled children better informed about what activities and other forms of support are available to them. A DI Co-ordinator was appointed to lead for both Cardiff and the Vale of Glamorgan Councils. The DI is Cardiff and the Vale of Glamorgan's voluntary register of children and young people with disabilities or additional needs. The DI aims to provide a clearer picture of how many children and young people with disabilities or additional needs there are and enable Cardiff and the Vale of Glamorgan to work together with other agencies and families to influence the types of provision being offered / developed and better coordinate services.

### **Transition**

The Transition Project was initiated in April 2017 as part of the Disability Futures Programme which aims to improve services for children and young people with disabilities in the Cardiff and Vale of Glamorgan region. The objectives of the project were to:

- Create a regional transition protocol that is formally agreed by Cardiff Council (CC) and the Vale of Glamorgan Council (VoG) and Cardiff and Vale University Health Board (C&VUHB).
- Ensure that young people in transition from Children's to Adult Services experience a well co-ordinated, timely and efficient service which is consistent across the region.
- Ensure the new transition process is resourced adequately in Cardiff Council.

The following key activities have been key to ensuring that we remain on track to implement the agreed objectives:

- Mapping of current regional transition processes and definition of a future state regional process.
- Analysis of demand for transition services and projection of future demand to recommend resources required.
- Design of regional transition promotion materials.
- Development and promotion of 'Local Options' available to service users.
- Pilot of the Transition Review Interface Meetings (TRIG) as a multi-agency group to support decision making in pathway planning for young adults.



- Enhancement of Transition services through the Integrated Care Fund (Adult Learning Disability – 2 additional transition social worker posts).
- Enhancement of Transition services creating 2 dedicated transition social workers.

The transition networks are being further cemented by the implementation of regional Transition Resource Interface Group (TRIG) meetings. It is intended that TRIG, as a regional model of practice, will bolster the work that has already been completed effectively in Cardiff. Regular transition meetings are in place with Child Health & Disability and the Learning Disability service and these have provided smooth transition planning and an overall positive transition experience for children.

A transition event was held for families and professionals to be supported with information on Cardiff's local offer for young adults in partnership with Cardiff and Vale College. The feedback has been very positive with professionals and families pointing out the excellent networking and information sharing opportunities for professionals and the wide range of providers and agencies attending the event enabling families to get a good understanding of what is on offer locally. The multi-agency planning meetings involving Social Services and local providers from Cardiff and the Vale of Glamorgan will continue to organise further regional events in the future.

#### ***Integrated Autism Service (IAS)***

The regional service formally launched on 27<sup>th</sup> September 2017 at Cardiff County Hall with over 150 attendees from across the integrated and regional workforce. All vacancies were filled so the service is now fully staffed.

Engagement with key partners and design of interventions has been the focus of activity within the service. Individuals have started to access information, advice, support and interventions delivered under the Integrated Autism Service. There has been an increase in waiting times for diagnostic services as a result of staffing difficulties outside of the IAS. Training provided towards the end of the year enabled the IAS Team to diagnose individuals and reduce this waiting time.

#### **Enhanced Direct Payments – Launch of New Service in July 2017**

Cardiff Council has been operating a Direct Payments service since 1996. The service allows for the provision of Domiciliary Care services either through a Personal Assistant (PA) or a Registered Domiciliary Care Agency (Agency). Direct Payments (DPs) are an essential tool to enable councils to put control in the hands of people who require care and support or in the hands of their carers on their behalf. They do this by providing a citizen or their carer, with money to procure a service or employ a personal assistant or agency. Direct Payments can also be used for meeting the care and support needs of a child and of their carer.

The successful transition to a new provider during 2017/18 has meant that the new service offers better value for money, greater consistency of support, and better transparency in terms of monitoring quality and outcomes. The Direct Payments Support Service is provided by the Council across Cardiff to 908 children and adults (during the year to 31<sup>st</sup> March 2018), and is an opportunity to strengthen and further improve the Direct Payment offer, in light of the Social Services and Well-Being (Wales) Act 2014.





### Performance Update

- *The total number of children and adults in need of care and support using the Direct Payment Scheme*  
2017/18 = 908; 2016/17 = 933

### Young Carers

The **Cardiff and Vale Young Carers Action Plan** involving Education, Health and third sector partners was finalised and became operational during the year. Implementation of the plan is ongoing and will facilitate better awareness of this group and the support available to them.

There are currently 10 schools in Cardiff supported by Carers Trust South East Wales Schools Development Worker working towards the Young Carers in Schools Programme. The purpose of the programme is to:

- Ensure young carers aren't being missed in schools.
- Provide a national approach to support teaching, learning and awareness-raising in schools.
- Work alongside the development of the Successful Futures curriculum, ensuring the programme provides an integral approach to supporting vulnerable learners, of which young carers make up a large majority.
- Provide a real opportunity for joint working with health, local authorities, young carers, their families and young carers services.

A social worker from Support4Families has been identified to undertake assessments of young carers and to liaise with appropriate support groups. This is an interim measure until a Young Carers Development Officer is in post. The recruitment process is underway and will be completed early in 2018/19. If a referral comes into Children's Services from a professional without the consent of the young person, they are initially advised to signpost the young person to the YMCA as they will engage with that person, offer support and establish if they want an assessment in their own right.

### Signs of Safety model for the delivery of social work with children

Signs of Safety is a **strengths-based approach** to child protection casework, aiming to work collaboratively with all people involved, in assessing and planning in order to increase safety and reduce risk and danger by focusing on families' strengths, resources and networks. The approach actively engages children's participation and personal investment in the development of their safety plan.

We are in the second year of our five-year implementation of the Signs of Safety framework which has been adopted to enable the service to work towards a strategic vision: prioritising prevention, minimising the need for statutory interventions including care proceedings and reducing the need to place children in our care.

This has already started to have a highly positive impact on our work and consequently on children and families. The framework is allowing practitioners to put children, not process and paperwork, at the centre of their practice, encouraging a strong emphasis on creating opportunities for



children to be involved. By focusing on the strengths of families, whilst considering actual and potential harm experienced by the child(ren), we can support children and families to remain together where it is safe for them to do so.

A recent celebration event saw practitioners from across the service bringing examples of how their practice has changed to incorporate signs of safety:

- Social workers in the Multi Agency Safeguarding Hub (MASH) using Signs of Safety to insist that partners present a balanced picture of worries and strengths so that a proper analysis of risk can be identified at the outset.
- Child protection case conferences transformed so that families feel involved in the process and part of the solution.
- Families in crisis, due to alcohol and drug misuse, setting their own goals for change.
- Teenagers in care involved in creating their safety plans.

The positivity generated at the event was palpable and is an example of the impact Signs of Safety is having on the practice, attitude and morale of the workforce. Staff reported feeling motivated and enthused. The way we are working is changing for the better and while we still have a long way to go before we are able to measure the tangible benefits for children and families across all the teams, we are beginning to see how this is making a difference for children and their families.

### **Strengths Based Approaches in Adult Services**

The Director commissioned the Institute of Public Care (IPC) to work with Cardiff to develop a parallel but bespoke strengths-based approach across Adult Services. This work is based around the Anatomy of Resilience Toolkit published by Social Care Wales. The toolkit supports the sector to help people remain independent in their communities for longer. Although the toolkit is aimed at practitioners who work with older people in the community, as well as planners and commissioners of care and support services for older people, implementation relies on the principles being embedded as an operating model across Adult Services as a whole. It helps identify the strengths and assets of people and what really matters to them, by listening to the voices of people and hearing what well-being means to them. Fundamentally it supports the Social Services & Well-being (Wales) Act 2014 in the shift towards outcome-focused social work practice being adopted across Wales.

The aim is to offer a selection of 'tools' that are intended to challenge, inspire and prompt a re-focusing on what people tell us they want and need. The success of the model will enable people to be as independent as possible for as long as possible, and more engaged in their local community, thereby avoiding two features that characterise traditional care management approaches:

- Premature intervention, which superficially resolves the problem but takes over from citizen's natural support structures increasing the risk of isolation, creating dependency, and providing 'solutions' that do not enable the individual to achieve their personal outcomes.
- Over-provision, which creates long-term dependency and narrows opportunities for change reducing independence and individual well-being.



## Advocacy

At the end of 2016/17 we worked collaboratively with the Vale of Glamorgan Council to jointly commission a new **regional Independent Advocacy Service** for children and young people with the Vale of Glamorgan leading the procurement exercise. Children and young people participated in the tender evaluation interviews and the National Youth Advisory Service (NYAS) was awarded the contract which commenced in April 2017. Cardiff's element of the service also includes participation and independent visiting. Whilst there have been some initial teething problems in recording the 'Active Offer' (as required by regulation), take-up of the advocacy service remains good and engagement with the provider is positive. Since the start of the service we have seen a steady increase in referrals from children who receive care and support but who are not looked after or in the Child Protection system. As well as supporting children and young people to get something stopped, started or changed in relation to Children's Services, the service has supported several young people within court / legal processes. In particular, advocates have provided reports for court / tribunal on young people's views, wishes and feelings on parental contact and educational placements.

We also collaborated with the Vale of Glamorgan to develop new arrangements for independent professional advocacy for adults in need of care and support. Engagement sessions were held with advocacy providers across the region with support and advice provided by Golden Thread. This helped Officers shape proposals for new arrangements which are expected to come on stream in June 2018. A 2-year advocacy gateway service will be piloted, offering a single point of contact for all advocacy services via a telephone advice line and website, alongside the maintenance of existing advocacy services in the region, including independent professional advocacy.

## What are our priorities for next year and why?

- Empower people to **remain independent at home** and reduce reliance on intensive interventions by preventing hospital admissions, accelerating safe hospital discharge and supporting assisted living by:
  - Promoting the First Point of Contact Service to prevent unnecessary hospital admissions.
  - Developing a First Point of Contact to support people to leave hospital safely and in a timely manner.
  - Extending Direct Payments to more people.
  - Establishing reablement as the unifying model for the provision of community based domiciliary care.
- Embed the **Disability Futures Programme** by March 2023 to develop and implement remodelled services for disabled children, young people and adults across Cardiff and the Vale of Glamorgan to improve effectiveness and efficiency of services and outcomes for disabled young people and their families.



- **Ensure children and adults are protected from risk or harm and abuse** by:
  - Continuing implementation with key partners of the **“Signs of Safety”** model, a **strengths-based whole-service methodology** for working with children and families in need of care and support; target completion 2022
  - Designing and implementing a **parallel model in adult services** by 2022.
  
- Raise awareness during 2018/19 of the entitlement of **young carers** to have an assessment of their unique needs and ensure that there is appropriate provision to meet assessed needs.



# WORKING WITH PEOPLE AND PARTNERS TO PROTECT AND PROMOTE PEOPLE'S PHYSICAL AND MENTAL HEALTH AND EMOTIONAL WELL-BEING

## Outcomes achieved:

- ✓ Admission to the looked after system avoided for children during the year as a result of preventative initiatives such as the Adolescent Resource Centre and Rapid Response.
- ✓ Improving emotional well-being and mental health of looked after children and young people through the joint funding (with Health) of a Clinical Psychologist to provide consultation to children, young people, carers and social workers.
- ✓ Housing provision is better meeting the emotional needs of young people through the joint work of Children's Services and Housing on the Youth Gateway.
- ✓ Better outcomes for Cardiff young people by continuing to reduce the number of First Time Entrants into the criminal justice system (from 109 in 2016/17 to 73 in 2017/18).
- ✓ More timely discharge to a more appropriate care setting by reducing the number of Delayed Transfers of Care (DToC) for social care reasons from 123 in 2016/17 to 110 in 2017/18.
- ✓ Quality of care experienced by older people and their relatives in care home settings substantially improved by effective application of the Escalating Concerns procedure.

## What did we plan to do last year ?

- Revisit the effectiveness of the current partnership arrangements for the delivery of Child and Adolescent Mental Health Services by March 2018 to identify ways in which to improve services in this area
- Implementation of the Youth Offending Service Improvement Plan by March 2018 in response to Her Majesty's Inspectorate of Probation inspection findings.
- Work with partners to maintain the reduction in Delayed Transfers of Care for social care reasons during 2017/18 to support more timely discharge to a more appropriate care setting.
- Implement the recommendations of the Community Services Review in collaboration with the University Health Board, regarding the future model of Community Mental Health Services in order to effectively support and deliver community based mental health services by March 2019.

## How far did we succeed and what difference did we make ?

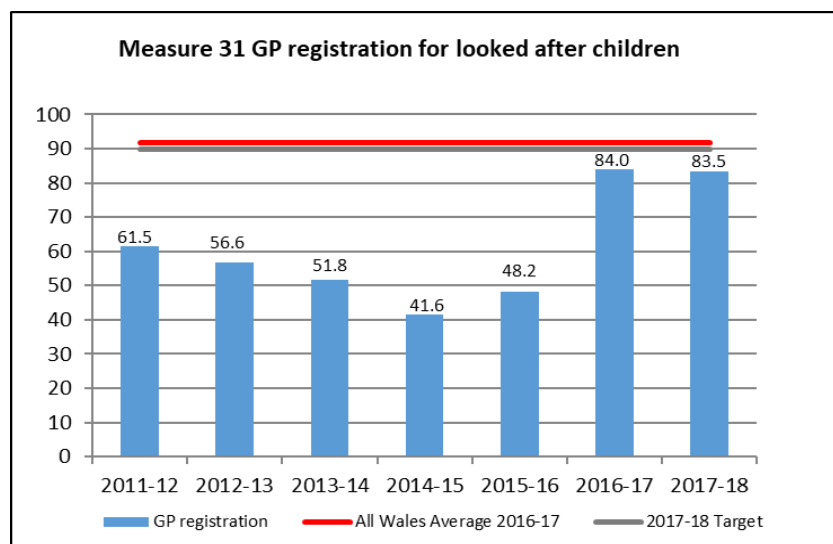
### Child & Adolescent Mental Health Service (CAMHS)

Children's Services and Health jointly fund a dedicated psychologist to be available full time for the Looked After Children Service. Feedback from staff is that this is having a positive impact on work with looked after children.

The CAMHS structure is changing and the service will be repatriated to the University Health Board. Children's Services will continue to work closely with the University Health Board in the transition process which should help improve the provision once it is back based in Cardiff.

#### Performance Update

- The percentage of children seen by a registered dentist within 3 months of becoming looked after*  
 2017/18 =59.6% (96 / 161) from 48.4% (89 / 184) in 2016/17.  
 The improvement seen is primarily due to improved recording mechanisms that were put in place part way through the year. We anticipate further improvement in 2018/19.
- The percentage of looked after children registered with a GP*  
 2017/18 =83.5% (348 / 417) from 84.0% (321 / 382) in 2016/17.  
 Performance improved in 2016/17 as a result of information regarding recording of GP registration being provided to managers to enable proactive monitoring to prioritise improvement. This improvement was sustained in 2017/18.



### Youth Offending Service (YOS)

The 11-18 year old population of Cardiff has been consistently around 30,000 for a number of years, however the number of young people YOS have worked with has reduced from 460 in 2011 to 229 in 2015, a reduction of more than half. This reduction is something to celebrate as it evidences the effective role YOS has within Children Services in keeping the children and the public of Cardiff safe. The hard work and dedication of the staff in the Cardiff YOS to reduce



offending mirrors that of the national trend in work undertaken to keep children out of the criminal justice system and the success in dramatically reducing the numbers of young people entering the criminal justice system and custody. These improved outcomes for young people have resulted in lower caseloads for staff and a reduction in the size of the service in recent years.

The focus for the YOS going forward is to continue the impressive work already evidenced whilst addressing the increase in complexity of the young people who persistently (re)offend in order to reduce reoffending. The Youth Justice Board (YJB) and the recent Taylor (reform) Report (2017) both cite these trends and are developing ways in which services should respond. Cardiff YOS has recently moved from Penhill to the newly refurbished John Kane building as part of our overall service development. Emphasis will be on this complex cohort of children, providing a service that places the young person's needs at the centre of the intervention rather than the young person fitting in to an existing intervention (Taylor, 2017).

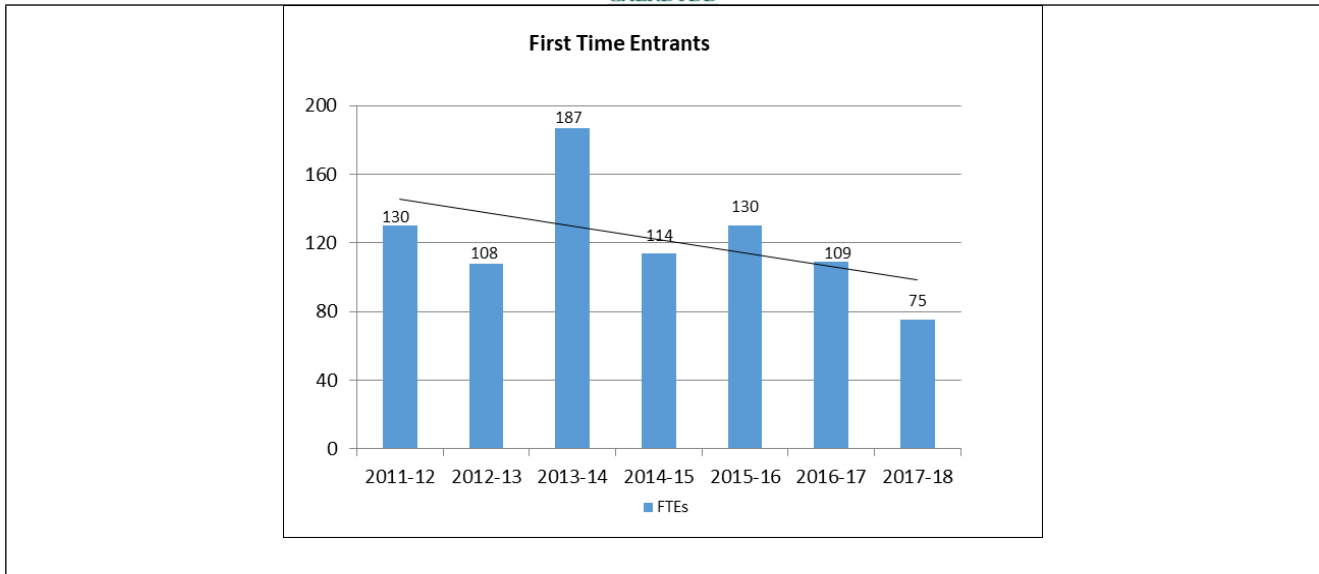
In introducing the Enhanced Case Management (ECM) model, which explores how the impact of Adverse Childhood Experiences (ACEs) influences behaviour, specifically targeting those persistent offenders at risk of custody, Cardiff and Wales are leading the way in innovative responses to reoffending. Staff have completed training on this model as well being trained to deliver the Signs of Safety model which Cardiff are implementing as a strength-based approach to working with families. 9 young people are being managed using the ECM model at the time of writing. The YOS recognises that we all need to work together to provide a united response for the city's children, so it has become more integrated within Children's Services and in doing so is committed to strengthening its partnerships with agencies such as the newly developed Adolescent Resource Centre (ARC) and Think Safe! Team in Cardiff, delivering parenting programs and advising on multi agency meetings. In addition, our wider partnership relationships are key to developing a response to meet the increase in complexity and the existing and emerging themes as we tackle increases in knife crime, exploitation and drug use. We are working hard at a strategic level with the Youth Service, Health and Education to develop collaborative interventions to meet the challenges for all the children across the city to ensure all our children and the wider population of Cardiff are safe.

Other activity within YOS during the year includes:

- The YOS allotment has been in action for the second year running with all produce being donated to the Huggard Centre to feed the homeless of Cardiff.
- New volunteers have been recruited and trained to engage in a number of roles with the YOS, such as acting as appropriate adults at the police station, facilitating Referral Order and Neighbourhood Resolution Panels.
- A young person being supervised by the YOS attended a round table discussion relating to knife crime in the Houses of Parliament.

#### Performance Update

- *Number of first time entrants (FTEs) into the Youth Justice system*  
Performance improved with a reduction in FTEs to 75 from 109 in 2016/17.



### Delayed transfers of care (DToC)

The total number of DToC for 2017/18 is 110 compared to 123 for 2016/17, a year on year decrease of 10.6%. The total number of DToC aged 75+ for 2017/18 is 55 compared to 56 for 2016/17, a year on year decrease of 1.8%.

The Social Services Directorate has continued to work closely with Health and the Vale of Glamorgan Council to reduce Delayed Transfers of Care (DToC) for social care reasons. A Multi-Disciplinary Team has been established with a fully staffed contingent of Social Work Assistants in place who meet every morning with specific wards to go through the “Board Round”. Their task is to gather information, pick up referrals and pick up on any cases that may benefit from an early intervention that is not social work relevant e.g. Housing.

Management of the Integrated Discharge Service (IDS) at both University Hospital Wales (UHW) and University Hospital Llandough (UHL) is undertaken by the same person. This has benefited citizens by aligning paperwork and processes to ensure parity for citizens across the city. A new team manager came into post at UHL who plans to ensure equity of understanding of social work processes across all wards and is actively engaging in building positive relationships with all wards.

Following a change in staffing half way through the year, the UHW Team now has its full complement of social work assistants who are gaining confidence in the role.

### Reablement

Work is ongoing to improve the effectiveness of the current Community Resource Team (CRT) in terms of who uses the service, for how long and when they are discharged. A full review and report into the current position has been completed and shared with Senior Managers in the Council and Health Board. Next steps include completion of a report on the changes that need to be made to how CRT operates to maximise its effectiveness and impact – this will be completed by June 2018. Improvements to CRT will be implemented as soon as possible and many of these are expected to be in place by June 2018. All improvements will be fully implemented by December 2018.



### Case Study – Reablement

*Mrs. P lived at home and was supported by her husband who was her main carer. Mrs. P's husband became ill and unfortunately passed away. While her husband was in hospital, Mrs P resided at a residential care accommodation.*

*Mrs. P was referred to the Community Resource Team (CRT). The team carried out an assessment and a plan was put in place for a period of reablement and assessment.*

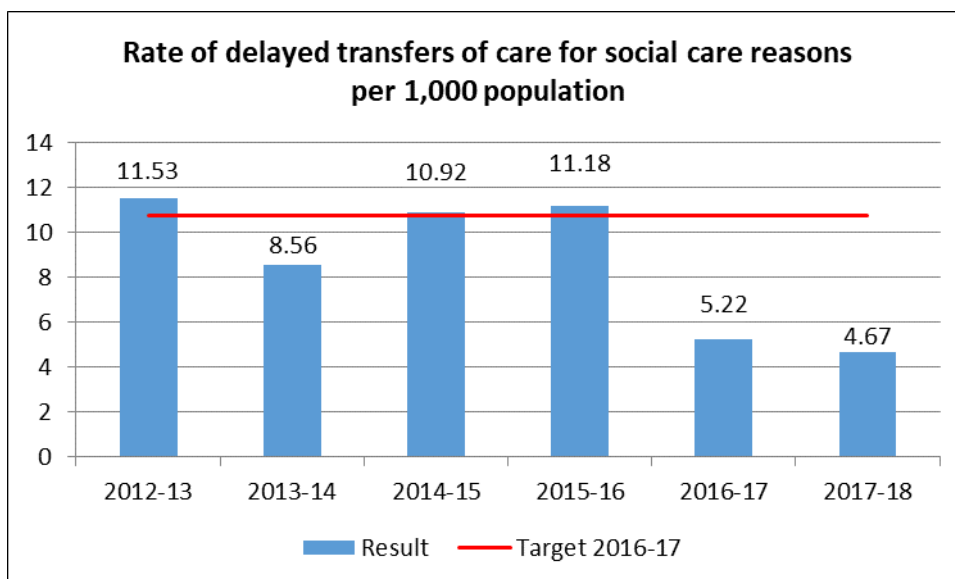
*With the support of the team, community and family, Mrs. P was able to return home and continues to live at home.*

*Mrs. P, who is enjoying living at home, had a seizure while CRT were in attendance and collapsed in the arms of a carer. While waiting for emergency services the carers carried out CPR and used their skills to keep Mrs. P breathing and prevented choking. Mrs. P was taken to hospital with a blood clot, and thankfully has survived.*

*We received a thank you note from the family who are convinced that if it were not for the carers' intervention their mother would have died.*

### Performance Update

- *The rate of delayed transfers of care for social care reasons per 1,000 of the population aged 18 or over*  
2017/18 = 4.67 from 5.22 in 2016/17.  
Total number of delays for social care reasons aged 18+ = 110 from 123 in 2016/17.  
Performance has continued to improve to 4.67 from 5.22 in 2016/17 and 11.18 in 2015/16 (when the total number of delays for social care reasons aged 18+ was 263).



- *The rate of delayed transfers of care for social care reasons per 1,000 of the population aged 75 or over*  
2017/18 = 2.33 from 2.38 in 2016/17.  
Total number of delays for social care reasons aged 75+ = 55 from 56 in 2016/17.
- *The percentage of adults who completed a period of reablement and:*
  - *have a reduced package of care and support 6 months later*  
2017/18 = 85.3% (656 / 769) from 66.7% (10 / 15) in 2016/17.
  - *no package of care 6 months later*  
2017/18 = 77.2% (594 / 769) from 83.4% (251 / 301) in 2016/17.

### Mental Health Community Services Review

The Community Services Review aims to further improve integrated mental health services for working age adults in the community, consisting of the Community Mental Health Teams (CMHTs), Crisis Teams and specialist teams within a whole community system including primary care mental health services and non-statutory services. The review is complementary to the “Shaping Our Future and Well Being” Strategy, and “Together for Mental Health” delivery plan.

The need for change is due to:

- **Demand for Mental Health services** – increasing referrals from GP’s.
- **Contact time** – less time being spent with Mental Health service users due to limited resources and the pressure of duty rota commitments.
- **Operational variation** - the arrangement of 8 separate CMHTs creates duplication in the management and function of the teams and necessitates multitude of lines of communication. This increases the opportunity for errors, duplication and inequality of service provision across Cardiff and the Vale.
- **Accommodation** – a review highlighted that half of the 8 CMHT bases have health and safety concerns, with repeated governance risks raised by the University Health Board (UHB) and Local Authority CMHT staff and managers.
- **Assessment process** - is inefficient and over burdensome with paperwork. The assessment focus takes up a great deal of CMHT time and resources leading to delays in assessment outcome and reduced capacity for longer term recovery interventions.
- **General feedback** - from 2014/15 engagement, 94 service users and carers responded to a survey. Families responded highlighting a need for a point of contact within services, especially within the CMHT.

A locality model has been recommended and is currently being explored for all Community Mental Health Services including CMHTs, Crisis Resolution and Home Treatment Teams and all specialist teams to devolve to and operate out of a central locality team base with a central point of access to all services. The Vale of Glamorgan (Barry Hospital) will pilot the proposed locality model for 6 months (March to September 2018). Subject to the outcomes of the pilot, the aim will be to implement the locality model out to two further sites in the North and South of Cardiff.



## What are our priorities for next year and why?

- Enhance Early Help by March 2022 to support children and families before their needs escalate to the point that they require statutory interventions by agreeing a refreshed **Early Help / Preventative Strategy**
- **Prevent children entering the criminal justice system** and work with children already in the criminal justice system to **reduce their re-offending** through the interventions delivered by partners in the Cardiff Youth Offending Service by March 2019.
- Review progress against the key improvement priorities identified as a result of the 2015 Her Majesty's Inspectorate of Prisons (HMIP) **Youth Offending Service Inspection**.
- Identify and take forward opportunities to work with partners during 2018/19 to **promote Public Health** and reduce health inequality
- Work with partners to **maintain the reduction in Delayed Transfers of Care** for social care reasons during 2018/19 to support more timely discharge to a more appropriate care setting.



# TAKING STEPS TO PROTECT AND SAFEGUARD PEOPLE FROM ABUSE, NEGLECT OR HARM

## Outcomes achieved:

- ✓ Improved safeguarding of children in faith communities by development of policy guidance for Mosques and Madrassas.
- ✓ Children are better protected from Child Sexual Exploitation (CSE) as a result of the impact of the CSE Strategy and the Think Safe! Team.
- ✓ Peer education in schools has better enabled children to identify when their friends are in danger of Child Sexual Exploitation and / or peer exploitation and know where to go for help (trained Think Safe! ambassadors in 14 schools to deliver peer education).
- ✓ Joint working with the Think Safe! Team and schools has given boys a better understanding of power, control, sex and the law and they are able to better keep themselves safe.
- ✓ Young people have been involved in decisions about staff recruitment through having an equal say in recruitment in some Children's Services teams.
- ✓ Partners in Education and Health have increased understanding of their safeguarding responsibilities and when they should refer a professional for safeguarding concerns.
- ✓ Response to safeguarding children and adults continues to improve as the Multi Agency Safeguarding Hub (MASH) is further embedded.
- ✓ Effective safeguarding of 3,333 adults receiving domiciliary care and 1,004 adults in residential / nursing care by maintaining the reduction in the number of providers under escalating concerns.
- ✓ Further strengthening of safeguarding for adults following implementation of the Social Services and Well-being (Wales) Act 2014 by enhancing the effectiveness of Regional Safeguarding Boards and safeguarding systems in Cardiff.

## What did we plan to do last year?

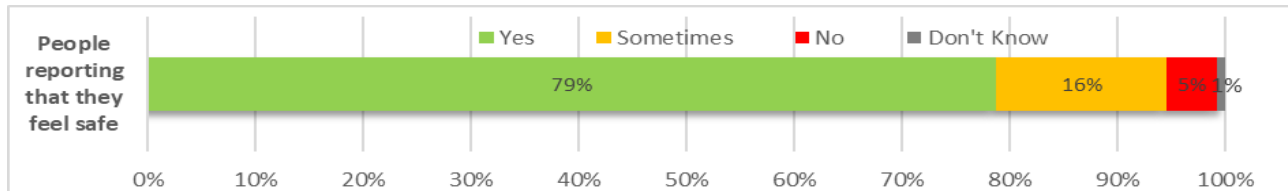
- Renew the safeguarding vision and strategy across the Directorate by March 2018 in order to take account of new national policy and practice guidance currently under development.
- Develop and implement mechanism to improve engagement with communities at large and faith communities in particular by March 2018 to improve the safeguarding of children across the various communities in Cardiff.
- Strengthen the capacity of children's social services to address increasingly complex needs of children including trafficked children, children subject to Deprivation of Liberty considerations and children struggling with mental health conditions.



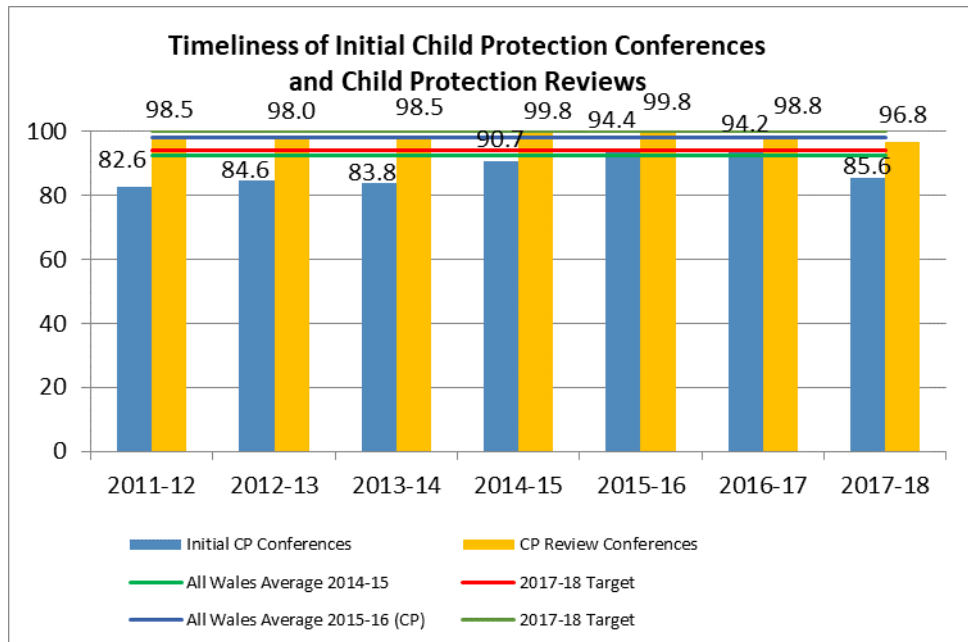
- Strengthen Adult Protection procedures in consultation with staff and partners by March 2018 to ensure that adults are protected from harm.

## How far did we succeed and what difference did we make ?

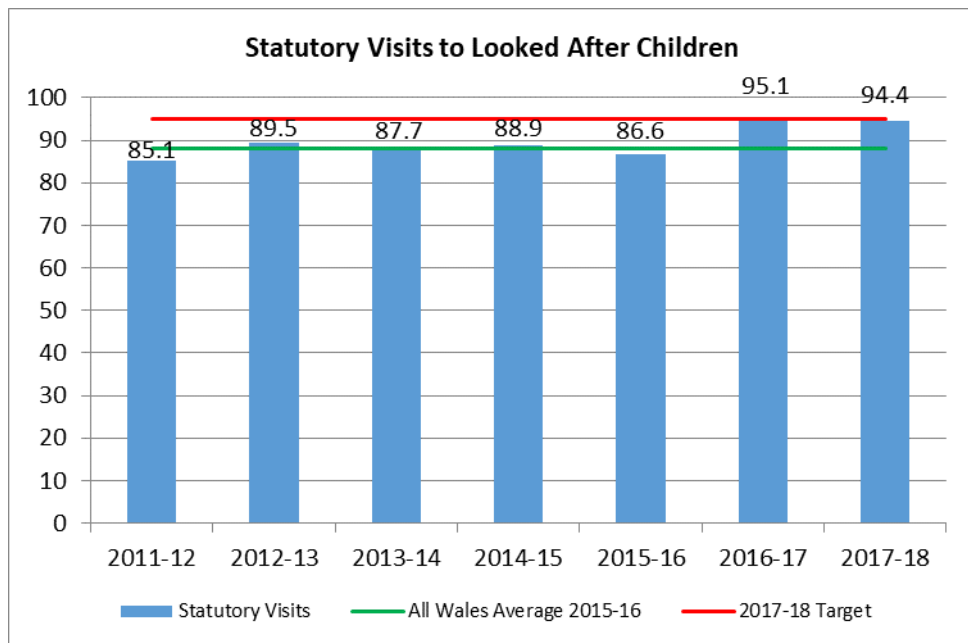
### Performance Update & Survey Results



- *The percentage of re-registrations of children on local authority child protection registers 2017/18 = 6.6% (26 / 391); 2016/17 = 3.9% (13 / 343)*  
Of the 388 children who were added to the Child Protection Register (CPR) during the year, 26 had been on the CPR during the previous 12 months.
- *The average length of time for all children who were on the child protection register during the year*  
2017/18 = 250 days(87,985 / 352); 2016/17 = 230 days (113,250 / 492)
- *The percentage of initial child protection conferences due in the year which were held within 15 working days of the strategy discussion*  
2017/18 =85.6% (376 / 439) from 94.2% (374 / 397) in 2016/17.  
During the year, there has been a continued increase in the numbers of children being looked after by the authority and this has an impact on the workloads of the IROs and Conference Chairs. Performance has been further impacted by all IROs attending a week-long block of Signs of Safety training during the year - this resulted in a delay in some meetings and reviews going ahead. The service also encountered periods of sick leave amongst IROs, Chairs and the business support minute takers who support Conferences, further delaying the allocation and convening of meetings.  
  
To mitigate against future meetings being out of timescales, the following arrangements have been agreed:
  - Pressure Bid to support 2 additional posts (IRO / Chairs) approved – these are now in the recruitment process.
  - A duty rota is being developed so that all sickness and annual leave can be covered, and all meetings and reviews can continue within timescales. The new rota will be rolled out in Quarter 2 2018/19.
- *The percentage of child protection reviews carried out within statutory timescales during the year*  
2017/18 =96.8% (718 / 742).  
Performance reduced slightly from 98.8% (1,000 / 1,012) in 2016/17. Please see above for further information.



- The percentage of statutory visits to looked after children due in the year that took place in accordance with regulations*  
 2017/18 = 94.4% (2,161 / 2,289).  
 Performance reduced very slightly from 95.1% (1,933 / 2,033) in 2016/17.



### Safeguarding Vision & Strategy

The development of a Vision and Strategy for Safeguarding in Cardiff was originally targeted for completion by 31<sup>st</sup> March 2018. Vacancy related delays mean that we are now targeting completion in 2018/19.



### Engagement with Communities

The laws concerning the rights of children, the Children Acts of 1989, 2004 and the Social Services and Well-being (Wales) Act 2014, state clearly that while providing children with the support and protection they are entitled to, considerations of ethnicity and religion should be taken into account. Cardiff is a richly diverse community in which there are a number of community organisations who are committed to meeting and serving the needs of children and their families.

Work commenced with the Muslim community and **'Safeguarding our Children: A Guidance for Mosque Schools and Islamic Studies Settings'** was published. The guidance, which is about valuing and keeping Muslim children who receive an Islamic education in Cardiff safe, was launched by the Cardiff & Vale of Glamorgan Regional Safeguarding Children Board in partnership with Cardiff Muslim communities and the Muslim Council of Wales during National Safeguarding Week (w/c 13<sup>th</sup> November 2017).

The purpose of the guidance is to raise community awareness about safeguarding children and to provide information about how to deal with concerns. It is a direct response to the requests of parents, committed community members and educators who campaign for the rights of Muslim children and young people. It sets out how to safeguard children in the context of Islamic education in establishments such as Mosques, community centres, clubs and in other settings so ensuring equal standards in these circumstances.

The common goal is to provide those in charge of providing Islamic education, whether in a Mosque or elsewhere, with the knowledge to create a safe environment where children and young people can develop values and skills which will allow them to be confident and active members both within their faith groups and the wider community.

It is hoped that this guidance will enable local Mosques and the wider Muslim community to keep children and young people safe by being aware of common signs of neglect and abuse, and, most importantly, by knowing what to do to ensure their protection.

The Cardiff and Vale of Glamorgan Regional Safeguarding Children Board is now discussing and pro-actively identifying other faith communities who wish to engage that will benefit from the Muslim community model. Work has commenced with the Bangladeshi community in Cardiff to raise community awareness about safeguarding children and to provide information about how to deal with concerns.

### Increasingly complex needs

A **Think Safe! Team** of specialist Child Sexual Exploitation (CSE) intervention practitioners was established during the year. The practitioners work with children at greatest risk of CSE to reduce risk and increase protective factors. They work directly with the child to increase their understanding of exploitation, raise their awareness of how they may be at risk and support them to take an active role in the assessment of risk and safety planning. This direct work will contribute to the care and support provided to families where there is a child at significant risk of CSE. Practitioners will work closely with the social worker to help keep children at home and within their communities, prevent placement breakdown and promote placement stability. It is too soon to comment on impact as yet, however it is anticipated that our response to supporting



young people who have been exploited, or at are at risk of exploitation will be significantly strengthened.

### Adult Safeguarding

The development of the All Wales Safeguarding Procedures for the Protection of Children and Adults is now underway with Cardiff and the Vale Regional Safeguarding Boards engaged in the development of the procedures. Cardiff and the Vale Safeguarding Boards issued a regional update entitled **Cardiff & Vale All Wales Safeguarding Procedures Review Project, Front Line Briefing** that was circulated to all Adult Services staff. The briefing was designed specifically for front line staff and provided a quick and easy update on progress so far. The newly drafted procedures will be submitted to the All Wales Academy site to enable national feedback and consultation. Directorate staff can get involved by enrolling onto the All Wales Academy via the following link [All Wales Academy](#) to view all of the project information and also provide feedback on the new procedures as they are developed.

As part of Adult Services' ongoing commitment to strengthening safeguarding, Safeguarding Adults Level 2 training dates arranged for all Adult Services staff. The 3-hour workshops develop essential awareness of the individual roles and responsibilities of all staff and managers with regard to recognising abuse, reporting abuse and preventing abuse.

#### **Case Study – Adult Safeguarding**

*Mrs. J was referred to the Local Authority by Health professionals and social worker following shared concerns about family / carer's understanding and acceptance of Mrs. J's assessed pressure care and nutrition needs. Health professionals did so in line with the duty to report to the Local Authority reasonable grounds to suspect abuse, as required under the Social Service and Well-being Wales Act 2014.*

*Mrs. J was a frail elderly woman with cognitive deficits reported by all that would render her unable to make relevant decisions. There had been no recent formal Mental Capacity assessments completed and the indication that Mrs. J would lack the mental capacity to make the relevant decisions was disputed by the family / carer. Mrs. J and family / carer had lived seemingly happily together for 40+ years; their relationship had been at times argumentative in the past with Mrs. J able to hold her own, but this dynamic had changed as Mrs. J became frailer.*

*The contentious issue was the non-compliance with provision of a hospital bed to support pressure care and to allow Mrs. J to be re-positioned to support safer nutritional intake: the family / carer believed that such provision of electric equipment would terrify Mrs. J. Health and social care professionals / service providers had tried to resolve the concerns as part of prevention of harm strategy and were unable to do so at local safeguarding level, so escalated their concerns to the Adult Safeguarding Team.*

*A multi-agency strategy discussion was convened by the Adult Safeguarding Officer at the Multi Agency Safeguarding Hub (MASH) and given the risk of serious harm - future development of pressure damage and poor nutritional intake / choking - adult safeguarding investigation procedures were invoked.*



*The Health and Social Care Team continued to provide advice, guidance and care and support services both to Mrs. J and for respite for the family / carer throughout the enquiry / investigation stages.*

*A multi-agency strategy meeting was held with relevant partners including Public Protection Unit of South Wales Police in consideration of s44 offences under the Mental Capacity Act. The multi-agency strategy meeting was in agreement that they would not wish to criminalise the family / carer who believed herself to be acting in Mrs. J's best interests and further enquiries were agreed in response to conflicting views held by family / carer and by the newly involved Palliative Health Care Team on care provision and equipment.*

*Learning from this case study is that Mrs. J's wishes were not established in relation to care and support provision - as the family / carer would always speak for her and an Authorised Officer attended the multi-agency strategy meeting for earliest consultation in consideration of an Adult Protection Support Order. The Health and Social Care Team continued to provide care and support throughout with daily contact with Mrs. J in order to ensure the risk assessment was continually reviewed so that immediate protective action could be taken should that be required. Mrs. J continued to receive pressure area care and care staff followed Speech and Language Therapy advice when assisting food and fluid intake. Additional consultation was held with the Independent Mental Capacity Advocacy (IMCA) service and assessment by Tissue Viability Nurse and a Case Conference meeting held with family / carer to explain strategic process, concerns and reasons for actions planned.*

*The case was also heard by the Adult Services Risk Panel, with the plan for a social worker to further attempt a Mental Capacity Assessment for the relevant decisions and a review / best interest meeting to be convened. Sadly during this period Mrs. J died: her death was not unexpected: Mrs J died at home with her family / carer as we understood would have been her wish. Care staff were present.*

#### Performance Update

- The percentage of adult protection enquiries completed within statutory timescales 2017/18 = 97.9% (1,400 / 1,430).  
Performance improved remained stable from 98.0% (1,033 / 1,054) in 2016/17.

#### What are our priorities for next year and why?

- Ensure children and adults are protected from risk of harm and abuse by **raising awareness** among public and professionals for the duration of the plan.
- Ensure children and adults are protected from risk of harm and abuse by revising the **Child Sexual Exploitation Strategy** by March 2019 to encompass new and emerging themes of child and adult exploitation.



- Renew the **safeguarding vision and strategy** across the Directorate by March 2019 in order to take account of new national policy and practice guidance currently under development.
- Commission an independent review of the effectiveness of the **Multi Agency Safeguarding Hub** in consultation with the Regional Safeguarding Children Boards and consider recommendations for change / improvement with a view to implementing changes by March 2020.
- Review and develop mechanisms to **improve engagement with communities** at large and faith communities in particular by March 2019 to improve the safeguarding of children across the various communities in Cardiff.
- Embed strengthened **Adult Protection procedures** in consultation with staff and partners by March 2019 to ensure that adults are protected from harm.



# ENCOURAGING AND SUPPORTING PEOPLE TO LEARN, DEVELOP AND PARTICIPATE IN SOCIETY

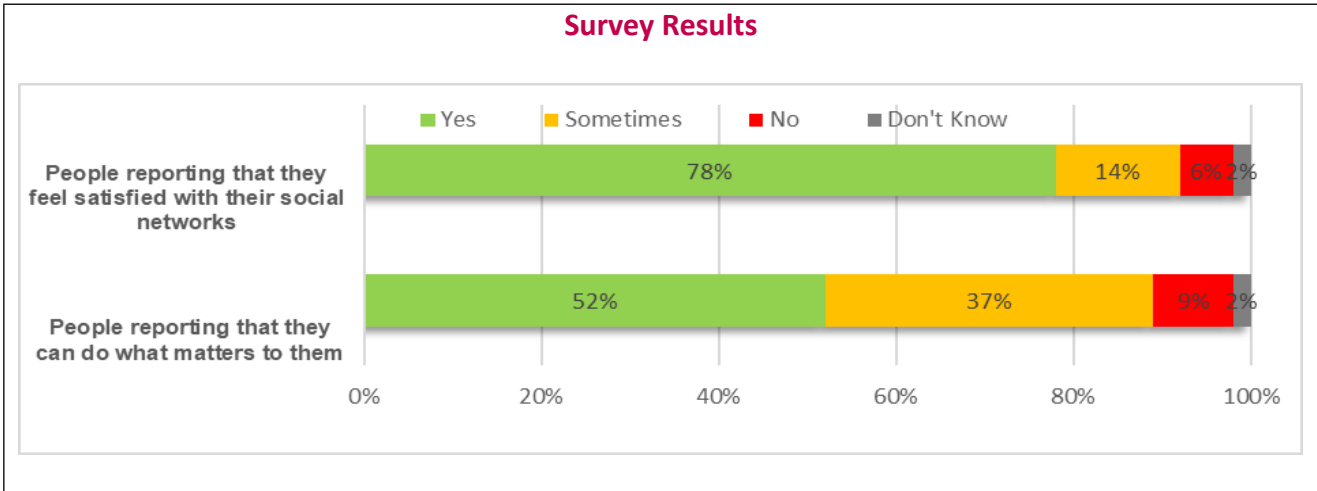
## Outcomes achieved:

- ✓ Improved opportunities for looked after children and care leavers via the Bright Start Traineeship Scheme – 27 young people started a traineeship placement during the year and 2 young people have accepted paid Trainee roles.
- ✓ Better enabled young offenders to reach their potential by improving engagement in education, training and employment by 1.2 hours per week (13%) for young people of statutory school age and 2.9 hours per week (50%) for young people above statutory school age throughout the duration of their involvement with the Youth Offending Service.
- ✓ Achievement of educational outcomes for looked after children with 76% (22 / 29) of looked after children achieving the Core Subject Indicator at Key Stage 2 (reaching Level 4 in Science, Mathematics and English or Welsh) compared with 50% (41 / 82) of all children who need care and support.
- ✓ The voice of young people who receive care and support from Children's Services has been heard in the working towards Child Friendly City status process.
- ✓ Life experience for children and adults with visual impairment, hearing loss or dual sensory loss is enhanced by access to appropriate information, equipment and services to facilitate the independence of individuals.
- ✓ The voice of people with Dementia has been heard in achieving working towards Dementia Friendly City status.
- ✓ Improved quality of life for people with dementia through the development of specialist day opportunities and working towards Dementia Friendly City status.

## What did we plan to do last year ?

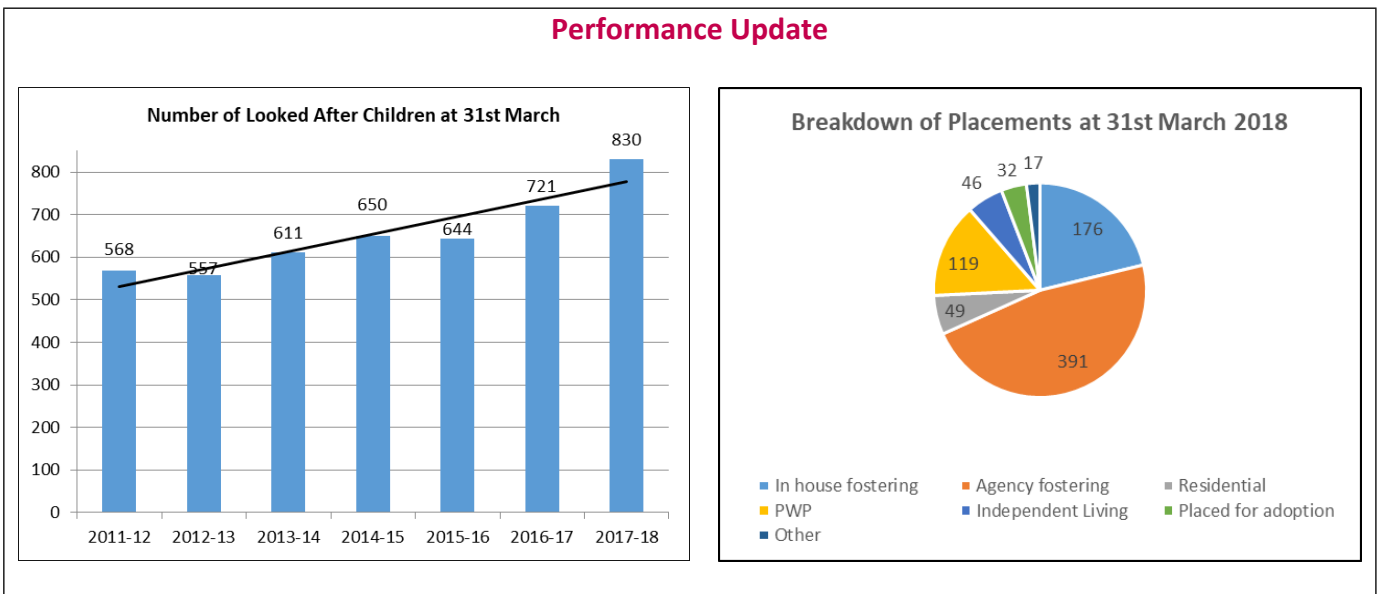
- Deliver the Corporate Parenting Strategy by 2019 to ensure that the Council and partners collectively fulfil their responsibilities to all children and young people who are in their care by seeking exactly the same positive outcomes that every good parent would want for their own children.
- Work to make Cardiff a recognised Dementia Friendly City by March 2018 to support those affected by dementia, enabling them to contribute to, and participate in, mainstream society.

## How far did we succeed and what difference did we make ?



### Corporate Parenting Strategy / Educational Attainment of Looked After Children

During the year the number of looked after children has continue to increase to 830 from 721 at 31<sup>st</sup> March 2017. This is despite preventative initiatives, such as the Adolescent Resource Centre (ARC) and Rapid Response that are succeeding at preventing children from starting to be looked after. The primary reason for the recent increase is due to new born babies needing to be looked after from birth. Towards the end of the year we launched a regional Reflect Service which will undertake focussed work with women who have had 1 or more children removed from their care in the last 3 years. The overall aim is to prevent repeat pregnancies and removal, although it will take some time for the initiative to have an impact. Data provided through our participation in the Directors of Children’s Services UK Core Cities Network shows that rates of looked after children are a national issue and Cardiff is not an outlier in terms of looked after children rates of admission.

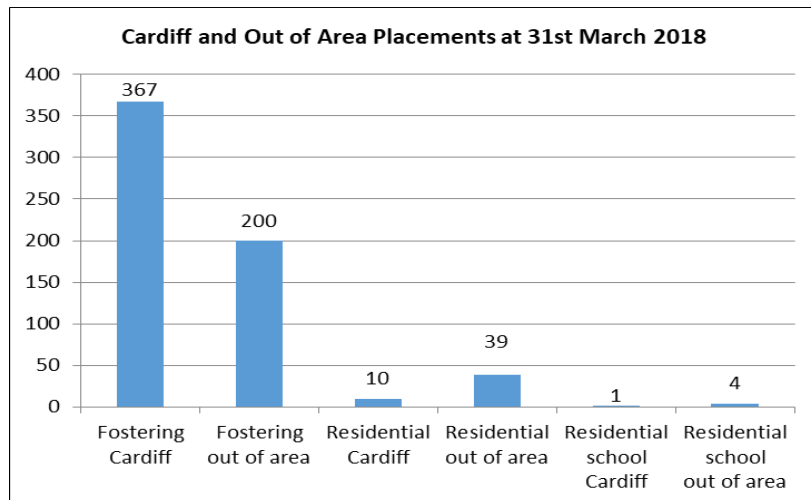


During the year an analysis of looked after children in out of area placements was undertaken and demonstrated that children were appropriately placed. Work to return looked after children in



out of area placements to Cardiff when this is appropriate in meeting the needs of the young person continues and 15 young people were returned to Cardiff during the year. Work with independent providers to bring new children's residential homes to Cardiff and during the year, 2 new 3 bed homes were opened.

### Performance Update



#### **Case Study – Looked After Child**

##### Age 16 birth female identifies as male

***C needs a placement at distance to prevent unsupervised contact / misper.*** Concern that in unsupervised contact C's mother acts against agreements made to encourage controls on boundaries and access to mobile phone. Dr. requested decreased contact to reduce mum's interference with C's medical support plan. Mum refuses to accept concerns re: conflicting information given to C. Recent contact raised concerns about interactions which seemed unusual and possibly emotionally harmful.

***C needs a placement with ASD trained and experienced staff to design behaviour management plans that take into account ASD diagnosis.*** C has been diagnosed with ASD with depressive tendencies, anxious controls and fixated behaviours, alongside a psychologist analysis that DDT support using trauma model is needed. This significantly affects C's relationships with others, as well as inability to negotiate boundaries. Behaviour management and negotiation techniques have proven ineffective in previous placements.

***C needs a placement with therapeutic advice to look at attachment and trauma for behaviour management and life story work into the future.*** C has been significantly affected by history of chronic neglect and trauma. C does not prioritise his personal or dental care, and needs prompting to wash appropriately. C needs structured support to manage his calorie intake. C has demonstrated very limited ability to self-regulate resulting in serious concerns for his development into adulthood. Dr. expressed concern that C would always require adult supervision to prevent his vulnerability causing him serious harm, or his own behaviours in terms of sexualised interaction online becoming a 'forensic' issue.

***C needs a placement to implement strict boundaries and adjustment whilst reviewing impact on C of any changes in his use of social media. C is a gentle young man who has many links to young people on social media. However, he struggles with communication when others wish to express themselves, and does not demonstrate empathy or regret readily. This has made relationships at home and in school difficult and C can be isolated and resort to internet communication - resulting in limited education attendance, infrequent contact with family and friends, and the affection and physical contact that can bring. C requires stringent controls on devices to manage sexual content.***

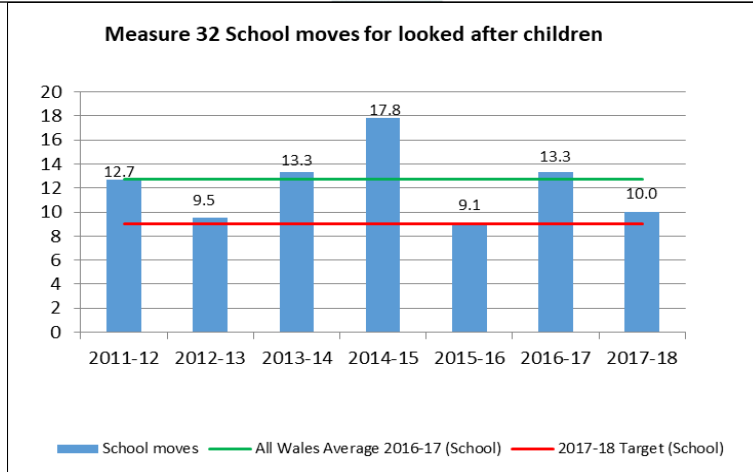
During the year the Corporate Parenting Advisory Committee has agreed to implement work streams closely aligned to the Strategy. Each Member leads on a key work stream and will be supported by nominated officers. This reflects the importance of members' Corporate Parenting championing role and their key contribution in initiating council policy initiatives. The intention is to ensure full implementation of the Corporate Parenting Strategy and for Members to be actively seeking information and driving developments across the Council.

In addition to the CPAC's key role in the Council's decision to increase the care leaver grant in 2015, in 2017/18, the Cabinet further agreed to relieve Care Leavers of the burden of paying council tax, being among the first councils in Wales to do so.

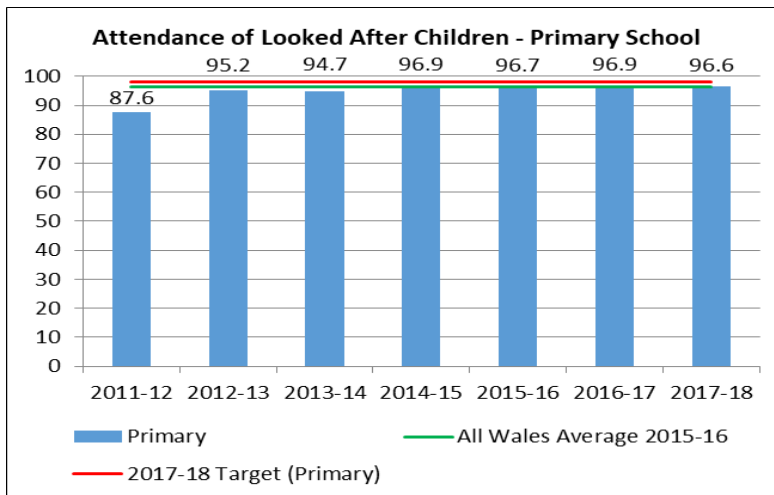
Please see page 81 for further information.

#### **Performance Update**

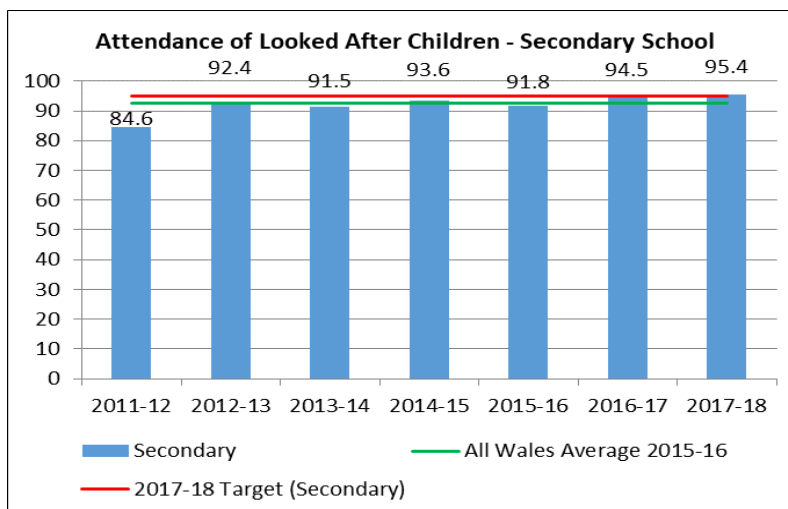
- *Percentage of children achieving the core subject indicator at key stage 2*  
2017/18 = 50.0% (41 / 82) from 50.0% (39 / 78) in 2016/17.
- *Percentage of children achieving the core subject indicator at key stage 4*  
2017/18 = 12.0% (9 / 75) from 18.4% (16 / 87) in 2016/17.
- *Percentage of looked after children who, during the year to 31st March have experienced 1 or more changes in school during periods of being looked after that were not due to transitional arrangements*  
Performance improved to 10.0% (48 / 494) from 13.3% (56 / 421) in 2016/17, although the 12% target was met. This was despite concerted efforts to ensure that all children are suitably placed and that children are returned to Cardiff from out of area placements where this is appropriate.



- *The percentage attendance of looked after pupils whilst in care in primary schools*  
Performance remained stable at 96.6% from 96.9% in 2016/17.



- *The percentage attendance of looked after pupils whilst in care in secondary schools*  
Performance remained stable at 95.4% from 94.5% in 2016/17.





## Dementia Friendly City

There are approximately 5,000 people living with dementia in Cardiff and the Vale of Glamorgan. It is estimated that approximately two-thirds of people living with dementia live in the community, with one-third living in residential or nursing care homes. Whilst Cardiff and the Vale of Glamorgan has the highest level of diagnosis in Wales at 58%, Wales has the lowest rates of dementia diagnosis of any part of the United Kingdom. A large number of people are therefore living without a formal diagnosis, hindering their access to relevant support and services.

There is wide acknowledgement by the stakeholders on the Cardiff and Vale Dementia Steering Group that dementia is everyone's business. There is also a shared understanding that as with any illness, the society that we live in can adapt to make life easier for people with dementia and their carers. Dementia Friendly Communities and Dementia Friends schemes are seen as a large part of this solution, with recognition that dementia friendly environments also play a part. The Dementia Focus Group has been meeting every 6 to 8 weeks to progress dementia support and associated work in Cardiff North. The group includes representatives from South Wales Police, South Wales Fire & Rescue Service, Cardiff Hubs and Libraries, and Independent Living Services. An action plan for Cardiff North has been developed and this plan links directly to the City Wide Dementia Friendly Cardiff plan. Work with local schools is ongoing and links with local Scout and Guide Groups have been established to help support Dementia initiatives in Cardiff North. A monthly support session for people with Dementia and their carers takes place at Thornhill Church Centre.

## What are our priorities for next year and why?

- Review pathways for **children with sensory impairments** and further develop partnership working across Children's and Adult Services and with 3<sup>rd</sup> sector sensory impairment organisations during 2018/19 to:
  - Improve access to information and services for children and adults with sensory loss.
  - Provide clear and consistent pathways between Social Services and Education Directorates and with 3<sup>rd</sup> sector sensory impairment organisations to support children and adults with sensory impairments in Cardiff
- Ensure the best outcomes for children and young people for whom your Council becomes responsible by embedding the **Corporate Parenting Strategy** across the Council and partners by March 2019 to promote the achievement of the same positive outcomes for children in care that every good parent would want for their own children.
- Ensure the best outcomes for children and young people for whom your Council becomes responsible by improving the Council's capacity to commission and provide **high quality cost effective placements within the Cardiff area**, reducing the need for Looked After Children to be placed out of area by March 2023.





- Consolidate Cardiff's status as a recognised **Dementia Friendly City** during 2018/19 to support those affected by dementia, enabling them to contribute to, and participate in, mainstream society. This will include:
  - Refurbishing existing day centres to provide dementia support
  - Establishing a specialist dementia day service in partnership with the University Health Board.
  
- Work with Communities during 2018/19 to tackle social isolation.



# SUPPORTING PEOPLE TO SAFELY DEVELOP AND MAINTAIN HEALTHY DOMESTIC, FAMILY AND PERSONAL RELATIONSHIPS

## Outcomes achieved:

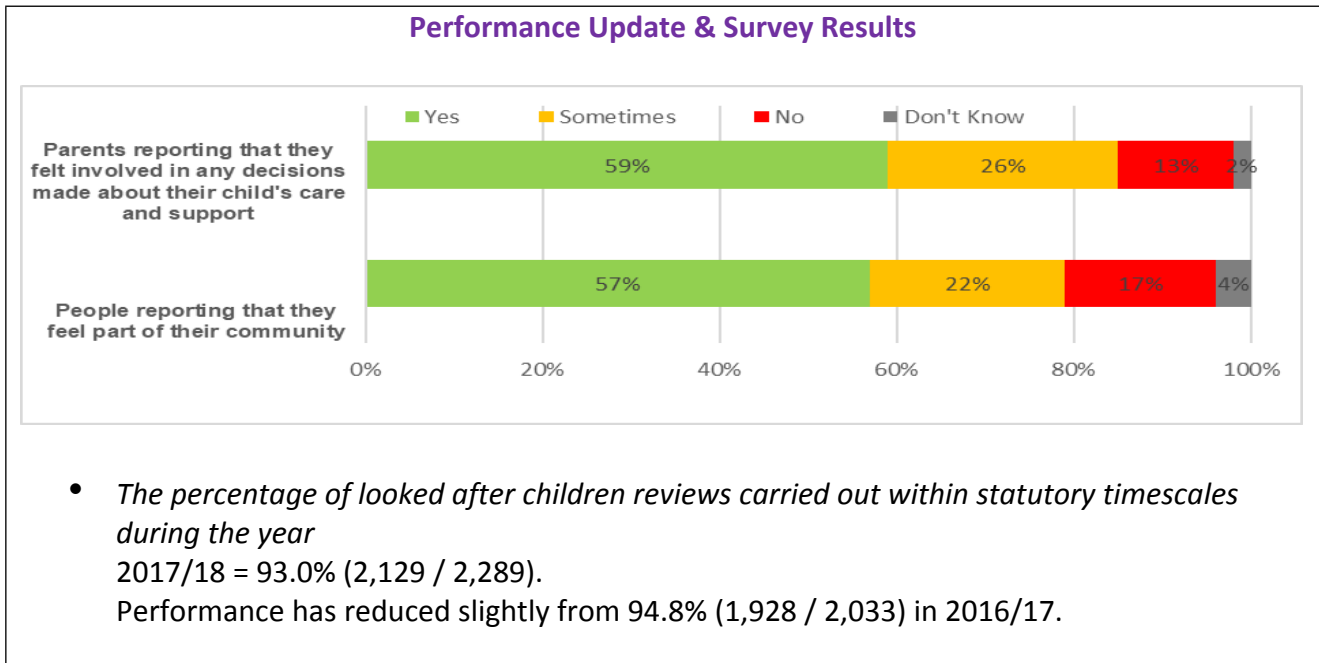
- ✓ More families receive help at the point they need it through the implementation of the early help Support4Families Service.
- ✓ Multi Agency Safeguarding Hub (MASH) resources are being targeted more effectively, in part by diverting families in need of early help to Support4Families (calls to MASH requiring no further action have reduced from 14,342 (82.9%) for the 9 months that MASH was operational in 2016/17 to 13,108 (61.4%) for the whole of 2017/18).
- ✓ Families are better supported to resolve their difficulties through more timely access to early help through Support4Families community based services.
- ✓ Admission to care prevented for 43 children and young people during the year by the Adolescent Resource Centre.
- ✓ Children supported to remain living with their siblings through use of sibling attachment assessments.
- ✓ More children supported to remain living with family members through an increase in Connected Persons assessments undertaken internationally (including China, Albania, Czech Republic, Portugal, USA and Romania).
- ✓ Permanence secured for children with 33 adoptions in 2017/18.
- ✓ Better meeting the complex needs of older and people with learning disabilities in their local community by developing Day Opportunities.
- ✓ Reduced likelihood of carers reaching crisis point by development of improved processes that will provide a better quality service.

## What did we plan to do last year ?

- Implement new services in 2017/18 in order to promote family stability and reduce family breakdown.
- Implement new model of Day Opportunities by March 2018 to maximise independence for adults with care and support needs.
- Develop a Learning Disability Day Opportunities Strategy 2018-20 and prepare an effective business case for the redevelopment of Tremorfa Day Centre to help people with a learning disability feel more valued, be more independent and to maximise opportunities for choice and control for each individual.

- Offer a Carers Assessment to all eligible adult carers who are caring for adults during the 2017/18 financial year to ensure that they receive the help and support they need, in the ways they need it.

## How far did we succeed and what difference did we make ?



### Family Stability

The **Adolescent Resource Centre (ARC)** is providing intensive support to families using the Signs of Safety strengths-based model. As part of the support package available to families the ARC support young people and their families at times when other services might not be available. The service includes outreach work, 1-2-1 work at least 2-3 times per week, counselling, therapy, overnight respite and provides opportunities for family support both centre-based and in their own homes (including weekends and evenings), enabling the service to be responsive to the changing need of the families receiving the service.

Cases are assessed at the outset to ensure the criteria to keep the child at home is clear and supported by all professionals and family members. Follow up reviews, attended by the young person, family members and multi-agency professionals, are held at least every 4 weeks to ensure the risks are being managed and the plan is being followed.

Since the service went live in April 2017, ARC has worked with 50 children and young people. Admission to care was prevented for 43 of the 50 children and young people; 3 were fostered; 3 were accommodated in residential homes and 1 young person who was already looked after was rehabilitated home. This equates to 12% being accommodated and 88% remaining at home / rehabilitated home with an estimated cost avoidance of £738,000.

Plans to re-commission the Family Group Conference Service have been revisited during the year and a decision has been made to re-direct the monies to Signs of Safety network meetings to undertake this function.

### **Case Study – Rehabilitation Home**

*G was 14 when she became looked due to mum being unable to manage her challenging behaviour. G felt unloved and unwanted by her mother, father and family; G had no contact with her father due to him having a new family, despite previously having had a close relationship with him. His absence in her life caused G a significant amount of trauma. G experienced difficulty forming secure attachments due to rejection and this led to her having difficulty forming healthy relationships. This impacted on her education, friendships, self esteem and confidence and led to G becoming vulnerable and aggressive.*

*G was placed in foster care, however this deteriorated due to G's challenging behaviour and not wanting to accept early curfews. Following the breakdown of her foster placement, G was placed in a residential home with a plan to rehabilitate home.*

*G was allocated an ARC worker on 9<sup>th</sup> November 2017. The goal was for the family to have better coping strategies to manage all the children's needs in order to avoid the situation from breaking down. This included parenting capacity of parents and stepparents, problem solving, communication, consequential thinking and family relationships.*

*ARC worked with G and her family on building / strengthening family relationships, reinforcing rules / boundaries and reiterating the safety plan.*

*G found the separation of her parents very difficult and blamed her mother for this, which resulted in their relationship becoming strained. G reported that she wanted to live with her mother and for their relationship to get better. ARC supported G with writing a feelings letter to her dad regarding contact. This was not successful, as Dad did not return a good response however; G handled this well and feels that she has closure.*

*Issues at school had led to G becoming permanently excluded; ARC supported G in finding educational provision; initially accessing tuition before being accepted into school. G was rehabilitated home successfully on 30<sup>th</sup> November 2017. G is now happy at home; relationships with her mum, mum's partner and siblings have greatly improved. G is doing very well in school, meeting all her targets with attendance at 95% and is set to achieve her GCSEs.*

### **Performance Update**

- *The percentage of children supported to remain living with their family 2017/18 = 51.0% (864 / 1,694) from 55.2% (894 / 1,619) in 2016/17. Of the 1,691 children with a Care and Support Plan at 31<sup>st</sup> March 2018, 861 were being supported to live at home (i.e. were not being looked after).*
- *The percentage of looked after children who returned home from care during the year 2017/18 = 8.7% (91 / 1,042) from 11.6% (116 / 982) in 2016/17. Of the 1,039 children who have been looked after during the year, 86 have returned home.*

Although these indicators appear to say that fewer children are living with their families, this is not

an accurate picture of the trend in Cardiff because more children are being placed at home or returned home under the auspices of a Care Order than previously. The measure does not allow us to count these children in the cohort.

In addition to the 86 children who were returned home from care, 117 children were actively placed in the care of their parents, but remain subject to a Care Order, and 76 children were placed with relative carers. These figures reflect our strong emphasis on placing children within family and managing risk under the terms of a Care Order. A Placement with Parents Team is being piloted to focus on the management of these cases, and to ensure timely revocation of Care Orders. A dedicated worker from the Adolescent Resource Centre has been identified to work directly with looked after children who are considered to be ready for rehabilitation home.

We also know that more children are being diverted to Early Help than previously due to the effectiveness of Support4Families and the Adolescent Resource Centre.

### Day Opportunities

Building on consultation with service users and organisations, the Directorate has developed a model of day services for older people that are intended to deliver the outcomes that people want in order to improve their lives and to support their expectations. The Day Opportunities model for Older People supports the aims of the Social Services and Well-being (Wales) Act 2014. The model demonstrates how the development of our day services will achieve the best outcomes for individuals and provide the best support to carers through:

1. High care and support needs – for those with high care and support needs, which may include an extent of dementia, or stable more severe dementia.
2. Specialist dementia centre – for those with moderate to severe dementia with an assessed social care need. This work is being taken forward as an integrated model of service with Cardiff & Vale University Health Board.

The model is being implemented via the use of the Council's 3 existing day centres for Older People:

- Minehead Road Day Centre in Llanrumney
- Fairwater Day Centre in Plasmawr Road
- Grand Ave in Ely

Minehead Road and Fairwater Day centre will be utilised as the two day centres for individuals with high care and support needs whilst Grand Avenue will be utilised as a centre for Older People with complex dementia needs. The Council has allocated funding and successfully secured additional monies from the Integrated Care Fund (ICF) to upgrade and refurbish these existing day centres. The work at Minehead Road was completed in July 2017. The work at Grand Avenue commenced November 2017 and it is anticipated that work at Fairwater will take place in the financial year 2018/19.

The funding is facilitating the provision of contemporary day care settings with the upgrading of the buildings to modernise them and provide fully accessible environments, incorporating dementia friendly design principles and additional features. Services will delivered in a modern



environment that is much closer to the needs of today's population. The re-designed centres will also incorporate features that make it a sensory loss aware environment. The specialist dementia centre will provide additional space for activities including the landscaping of the garden area to provide a dementia friendly outdoor space.

### **Learning Disability Day Opportunities**

The Cardiff and Vale of Glamorgan Councils' Day Opportunities Strategy 2014–2017 was co-produced with partner organisations to determine the future delivery of day opportunities over a three year period. The strategy aimed to help people with a learning disability feel more valued, to be more independent and to maximise opportunities for choice and control for each individual. It intended to ensure sustainable quality provision for the future. Through the reconfiguration process, 90 individuals with a learning disability who were accessing the Day Service but who did not have complex support needs are now having their day opportunity needs met differently, by way of a Direct Payment or other community based provision.

There are many positive stories showing individuals developing self-confidence, skill and community presence with the right kind of support throughout the duration of the Strategy. In partnership with the Vale of Glamorgan, the Directorate has:

- Directed a change in culture and attitude of staff and people with learning disability.
- Shifted the focus away from specialist building based services and towards more integrated personal support.
- Made improvements in stimulating the market to develop new ways of working, signposting to preventative services, encouraging the use of mainstream options, developing a support planning model, ensuring best value use of resources and introducing DEWIS.
- Offered a far more individual service which looks to support people to access mainstream opportunities and develop new friendships and networks.
- Transformed our day centres into complex needs services.
- Improved our support to young people in transition.

As part of our commitment to co-production, we will be drawing significantly on the feedback we have had from people with learning disabilities and their families. Whilst this demonstrates that services are working hard to meet people's outcomes and that we are usually meeting them very well, there is also helpful feedback on the things we need to improve. The learning from the review will be reflected in the upcoming Learning Disability Commissioning Strategy being developed by Cardiff, The Vale of Glamorgan and the Cardiff and Vale University Health Board. We already know for instance there is more to do in encouraging the development of models such as social enterprise.

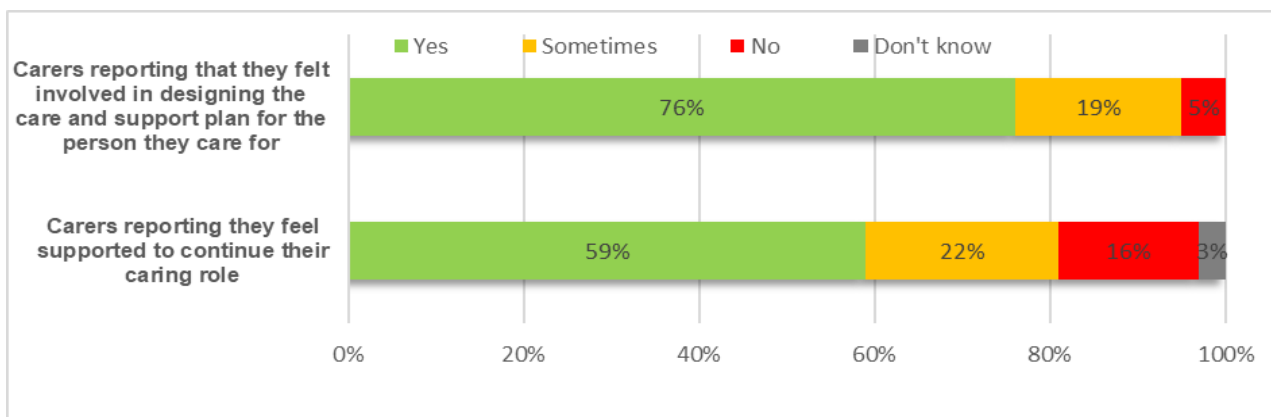
### **Carers Assessments**

Referrals into the Carers Team remain steady. We have established a number of new processes based on experience including the implementation of a screening process and offering telephone assessments instead of just home visits. This has resulted in a reduced waiting list and more efficient way of working without affecting the quality of service. The impact of this is that we will be able to start developing an Outreach programme in 2018 to enable carers who may not be known to Adult Services, to access advice and information in community settings. We also hope to be able to offer a 6-week review of carers who were provided a lot of advice and information or

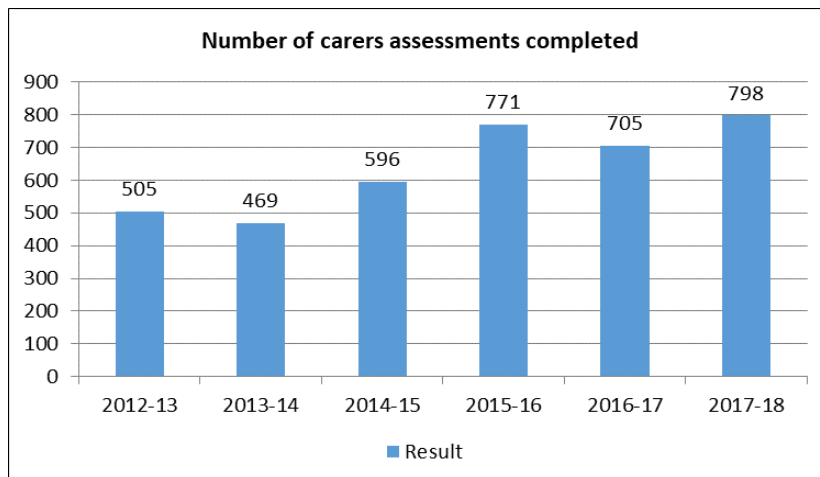
where referrals were made on their behalf to see if the support helped or the referral was actioned.

We have also implemented a new process where carers are offered a re-assessment 12 months after they were assessed to make sure re-assessments are more timely and not all completed at year end. The process also includes offering a Carers Assessment to carers who declined in the previous 12 months. We also inform carers who are assessed by the Carers Team to come back into the Carers Team at any point if their circumstances change, rather than going through the process again. It is hoped by implementing this new way of working, it will reduce the potential for carers to reach crisis point and will provide a better quality service.

### Performance Update & Survey Results



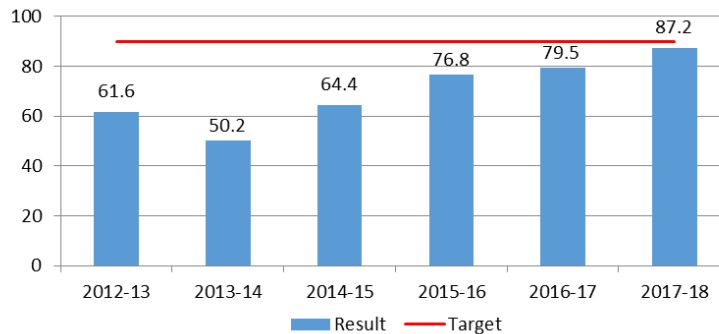
- *Number of carers assessments completed*  
2016/17 = 705.  
Performance improved to 798 from 705 in 2016/17.



*The percentage of eligible adults who are caring for adults that were offered a Carers Assessment during the year*

2017/18 = 87.2% (2,899 / 3,326) compared to 79.5% (2,833 / 3,563) in 2016/17.

**The number of carers (of adults) aged 18 or over known to social services who were offered an assessment or review of their needs in their own right during the year**



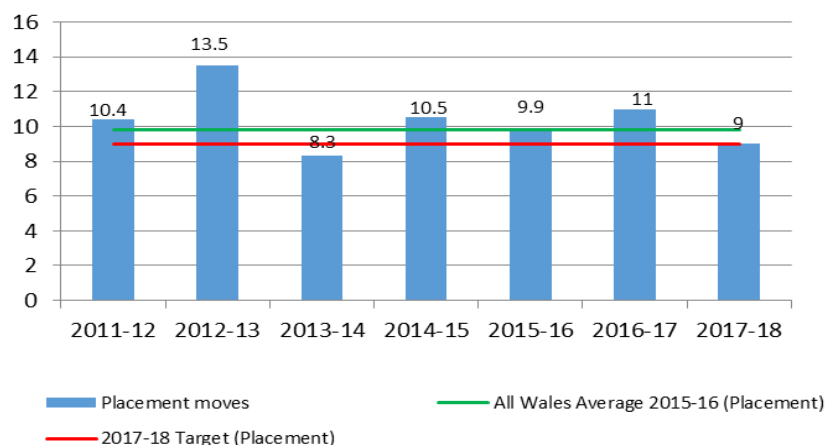
For **Young Carers**, please see page 31.

### Performance Update

- *The percentage of looked after children on 31st March who have had 3 or more placements during the year*

Performance improved to 9% (75 / 830) from 10.9% (79 / 725) in 2016/17 and the 9% target was met. This improvement has been achieved despite concerted efforts to ensure that all children are suitably placed and that children are returned to Cardiff from out of area placements where this is appropriate. This means that some children have been moved as a proactive action - not due to placement breakdown - to a placement better suited to meet their long term needs / or to return from out of area.

**Measure 33 Placement moves for looked after children**



### What are our priorities for next year and why?

- Increase public awareness of the requirement to report Private Fostering arrangements to the local authority by March 2019 in order to ensure that children subject to these





arrangements are known and appropriate support is provided.

- Ensure all eligible unpaid **adult carers** who are caring for adults during the 2018/19 financial year receive the help and support they need, in the ways they need it.
- Embed the new model of **Day Opportunities** during 2018/19 to ensure that people get the care and support they need, while offering respite to their carers.



# WORKING WITH AND SUPPORTING PEOPLE TO ACHIEVE GREATER ECONOMIC WELL-BEING, HAVE A SOCIAL LIFE AND LIVE IN SUITABLE ACCOMMODATION THAT MEETS THEIR NEEDS

## Outcomes achieved:

- ✓ Improved opportunities for looked after children and care leavers via Bright Start traineeship scheme – 27 young people started a traineeship placement during the year and 2 young people have accepted paid Trainee roles
- ✓ 16 and 17 year olds are living in more suitable accommodation through the implementation of the Youth Gateway in conjunction with Housing.
- ✓ Care leavers are better supported through higher education by the provision of equipment through the St. David's Day grant (23 care leavers entered higher education in 2017/18).
- ✓ Enabled more people to remain as independent as possible in their own homes through a reablement approach to care and support.

## What did we plan to do last year ?

- Review and revise Support Services to Care Leavers by March 2018 in order to improve service effectiveness and outcomes for young people.
- Review the Supported Living commissioning process for Adults with mental health issues by March 2018, to maximise the individual's care pathway to independent living, by improving the quality of recovery in a safe and supportive environment.
- Review of Internal Supported Living for Learning Disabilities for people with Learning Disabilities by March 2018 in order to maximise people's independence.
- Implement the Older People's Housing Strategy in partnership with Communities during 2018/19, to ensure that the housing elements that are necessary to support those with care and support needs are available in the right numbers, at the right level and in the right places across the City.

## How far did we succeed and what difference did we make ?





### **Support Services to Care Leavers**

Work on a Preparation Programme has been undertaken in partnership with Housing during the year as part of the recommissioning of accommodation for the **Youth Gateway** (a one stop shop for accommodation for care leavers and homeless young people). The remit of the accommodation tender has been extended to include high needs young people and operational experience has influenced some other changes to be made, an example of good partnership working. The purpose of the Preparation Programme is to ensure that young people are ready to live independently when they leave care and providers are able to demonstrate the outcomes they have contributed to for young people.

### **Bright Start Traineeship Scheme**

The Bright Start Traineeship Scheme continues to support positive outcomes for looked after children and care leavers. 27 young people started a traineeship placement during the year) and 2 young people have accepted paid Trainee roles. The scheme has been highlighted as an area of good practice by ESTYN.

#### ***Case Study – Bright Start Traineeship Scheme***

***R, 20 year old female care leaver, started as a Bright Start trainee before becoming a horticultural apprentice***

***Comment from Bright Start Traineeship Coordinator:***

*I met R in March 2015, R had no formal qualifications and had not liked school, she was not in education, training or employment. She expressed a desire to work within the Harbour Authority.*

*A placement was secured there and she started in April 2015 and worked there for 4 months. Whilst there she completed many training courses which gave her confidence. She also worked with a tutor from Cardiff and the Vale and completed Agored Cymru modules.*

*R ended this placement in September 2015 and went to ITEC on an engagement course. R continued with this until February 2016 when she expressed an interest in re-joining the Traineeship but with something that "had a future".*

*R started with the Parks Team in February 2016 on an 8 week Traineeship Trial and worked hard.*

*She is popular and well-liked by the team. She re-engaged with Cardiff & Vale College and completed her Mentoring module. She was a natural leader and motivated the other Trainees to continue in their roles. Funding was made available from Education in April 2016 to fund a 2 year Level 2 Horticultural Apprenticeship with Parks starting in June 2016. R interviewed for this post and was successful.*

*R has nearly completed this qualification now, along with two of her contemporaries and is applying this summer (2018) to do another apprenticeship in Parks in Fine Turf.*

#### **Comment from Parks Manager and R's Line Manager**

*"R has always come across as a confident member of staff, and has developed this facet of her personality as a really positive skill. She is extremely approachable, receives guidance and instruction in a positive manner, and uses this information in delivering positive outcomes. R has developed an admirable skill set and as such is a most sought after valued member of the Parks Management Team, R has progressed well in all the sections she has worked, this has included the ornamental horticultural areas, plant production nursery, bereavement services and fine turf provision, where she has particularly excelled, quite often taking the lead role in delivering this aspect of the service. R has recently completed a 2 year Horticultural college placement, again with positive results. She has been an excellent advocate of the Bright Start Scheme, and has recently been involved in mentoring the latest intake of Trainees."*

*"We are very proud of all Rhian has achieved, and she should be equally proud of herself and her achievements".*

#### **Comment from R's personal adviser**

*R came into the care of social services in 2012. I have worked with R as her personal adviser since October 2015. R has made huge amounts of progress, in all aspects of her life, but particularly in relation to her work. R has shown fantastic dedication and motivation to make a success of her placement with the Parks Team and her moving on from the traineeship to apprenticeship is a credit to the hard work that she has put in. R has been able to develop her confidence and communication skills, which has led to her supporting team managers in Specialist Services with the recruitment of new staff. R has also received awards, voted for by the Corporate Parenting Panels, recognising the incredible amount of resilience and commitment that she has demonstrated to achieve a positive outlook for her future. It is an absolute pleasure to be R's personal adviser and I am extremely proud of her and her achievements.*

#### **Comment from R**

*"I've always wanted to work and when I got to Parks I found I just fitted in. It's a hard job but I enjoy it, and I've really got on with the team, we have a laugh. Doing college has been fine and I've surprised myself with how well I've done but it's only one day a week so not too bad! I'm really*



*thankful to [the people] who have supported me well through all this, I really want to stay in the Council so I just hope I can get onto another apprenticeship in Parks."*

### **Mental Health – Supported Living**

The development of a 'Core and Cluster' accommodation model for adults with mental health problems in Cardiff will give provision for intensive 24 hour support to people with high support needs as well as a move on scheme. It will be possible to support people with severe and enduring mental health problems with complex histories, including dual diagnosis with substance misuse and forensic histories. A 'Core and Cluster' model for people will broaden choice and assist in the drive to reduce the use of long-term care by supporting people to live within the community and work towards achieving independent living.

The 'Core and Cluster' model of accommodation is one in which adult mental health residents would have their own self-contained flats, 5 of which would have visiting support with the sixth receiving more intensive 24 hour support. The benefits of this model include:

- Local provision within the community
- Increased independence and better outcomes
- Development of the skills allowing participation in and contribution to the community
- Greater flexibility of support provision
- Fosters the development of good social networks
- Increased security and reassurance
- Increased peace of mind for families and relatives
- More efficient use of support provision (no travel time for staff and reduction in individual support hours)
- An immediate response to dangers identified through technology.

### **Review of Internal Supported Living**

A Risk Assessment tool has been introduced alongside a new audit tool to ensure all staff are fully aware of changes to plans. Formal reviews of risk management plans are completed as needed and at least annually. Actions for Health & Safety have been implemented. Premises audits were carried out at every scheme by the Interim Manager of Independent Supported Living (ISL), focusing on health and safety compliance of the premises' themselves. Areas of non-compliance have been identified, recorded and reported for action by ISL or the landlord, as appropriate. The Active Support model has been reintroduced into the schemes and is up and running, promoting individuals' independence and enabling them to have more control over their lives.

### **Older People's Housing**

People in the UK are living longer. The proportion of Cardiff's population aged 65-84 years is projected to increase from 11.7% in 2015 to 12.6% in 2025. Those aged 85 years and over will increase from 2.0% to 2.3%. Estimated numbers for those aged 65 years and over with dementia are set to increase from 5,387 in 2015 to 6,849 in 2025. The number of people with 2 or more chronic illnesses is increasing, and as people age they are more likely to experience multiple conditions. Based on frailty, demand for health and social care services is projected to increase by



25% in Cardiff North and West and 18% in Cardiff South and East over the next 10 years (Cardiff and the Vale of Glamorgan Population Needs Assessment, 2017).

The challenges posed to housing, social care and health providers and commissioners by an ageing population are well documented. Poor or unsuitable housing can impact on older people's physical and mental health, independence and well-being. Research confirms that a badly maintained or designed environment increases the risk of trips and falls, whilst a damp, cold or mouldy home can cause or exacerbate respiratory conditions. Housing that is difficult to access or located away from friends, family or services can reduce mobility and contribute to social isolation. These individual impacts cumulatively generate increased demands on health and social care services, with implications for public spending.

The basis of this research is informing the development of an Older People's Accommodation Strategy for Cardiff for implementation in 2018/19.

#### Performance Update

- *Average age of adults entering residential care homes*  
2017/18 = 80; 2016/17 = 82
- *Average length of time adults (aged 65 or over) are supported in residential care homes results*  
2017/18 = 1,014 days; 2016/17 = 1,067 days

### What are our priorities for next year and why?

- Implement the elements of the **Social Care Wales Care & Support At Home Strategy** that are relevant to the Local Authority, by March 2021 in order to support people to remain in their own homes for as long as possible.
- Ensure the best outcomes for children and young people for whom your Council becomes responsible by improving the reach and effectiveness of support to care leavers by strengthening the **Bright Start Traineeship Scheme** during the 2018/19.
- Implement the **Older People's Housing Strategy** in partnership with Communities during 2018/19, to ensure that the housing elements that are necessary to support those with care and support needs are available in the right numbers, at the right level and in the right places across the City

## 5. HOW WE DO WHAT WE DO

# OUR WORKFORCE AND HOW WE SUPPORT THEIR PROFESSIONAL ROLES

Outcomes achieved:

- ✓ Improvement workforce planning in Adult Services following involvement in Workforce Planning pilot.
- ✓ Improved service delivery by supporting staff to be better equipped to carry out their roles:
  - 10 seconded staff were on the Social Work degree course during the year.
  - 25 staff were supported to follow the Continuing Professional Education and Learning (CPEL) pathway during the year.
  - Launch of new entry level social worker Traineeship Scheme
  - Implementation of peer supervision through Signs of Safety.
  - Provision of clinical supervision within some Children's Services teams.

### Performance Update

- *Percentage of Personal Performance and Development Plans initiated within required timescale*  
Performance improved to 96% from 92% in 2016/17 and the 90% target was met.
- *Percentage of Personal Performance and Development Half Yearly Reviews completed within required timescale*  
Performance improved to 98% from 92% in 2016/17.  
A consistent message regarding the importance of the Personal Performance and Development Reviews has been given by senior managers throughout the year and has had a positive impact on performance.
- *Average full time equivalent sickness days lost per member of staff 2017/18 = 16.5.*  
Performance has improved slightly from 17 in 2016/17.  
Children's Services sickness was reviewed during the year for the categories where there was the most growth in Quarter 2 (back problems, genito-urinary and neurological) and it was determined that all appeared to be inescapable absences.  
The particular challenge in relation to sickness in Adult Services is the risk of contracting diarrhoea and vomiting (D&V) due to the delivery of personal care by Home and Day Care services. Public Health policy stipulates that employees must be off for 72 hours following D&V and a local policy will be developed to ensure that the Council adheres to this guidance.



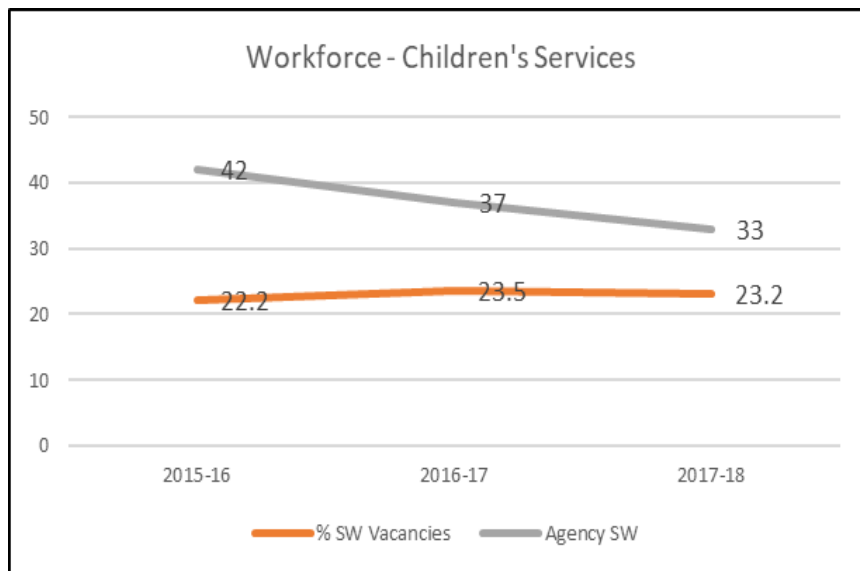
### Recruitment and retention in Children's Services

During the year there was a continued focus on recruitment and retention – the percentage of social worker vacancies remained stable at 23.2% from 23.5% in 2016/17, although there was some fluctuation in year with the vacancy rate falling below 20% for the first time since September 2015, to 18.5% in August 2017. Whilst it would appear that the improvement in Quarter 2 was not sustained for the remainder of the year, closer examination shows that existing staff had been appointed to newly created senior roles, leaving their substantive posts as vacancies. Whilst in the past we have generally been able to recruit newly qualified social workers, the retention and development of a stable cohort of more experienced and skilled practitioners has been more challenging and this in turn has greater significance for the sustainability of a safe and effective service. Our growing strength in depth in terms of retention is therefore, a basis for real confidence that our commitment to make Cardiff the destination of choice for social work is beginning to have traction. Of the 22 posts created from the 2017/18 financial pressures bid, 9 have been filled. If the vacancies that have arisen due to promotions were excluded, the PI result for the quarter would be a vacancy rate of 20.9%. Addressing the vacancy position continues to be a priority and further improvement is predicted as the newly appointed staff begin to take up post in Quarter 1.

#### Performance Update

- Percentage of social work vacancies in all teams (Children's Services) 2017/18 = 23.2%.

Although vacancies remained stable at 23.3% from 23.5% in 2016/17, the number of agency social workers has decreased.



### What are our priorities for next year and why ?

- Continue to develop and support the workforce by implementing the requirements of the **Regulation and Inspection of Social Care (Wales) Act 2016** to ensure that all relevant professionals are appropriately qualified by 2020.



- Respond to the **Parliamentary Review of Health and Social Care in Wales** during the year which makes the case for reforming Wales' Health and care system, particularly the way care and support is delivered by public, independent and third sector bodies.
- Improve **recruitment and retention of children's social workers**, ensuring the Council achieves and maintains a vacancy rate below 18% by March 2019 to raise standards and drive the quality and competency levels of staff through effective workforce dev in order to enable those with care and support needs to achieve what matters to them.



# OUR FINANCIAL RESOURCES AND HOW WE PLAN FOR THE FUTURE

Outcomes achieved:

- ✓ 15 looked after children were returned to Cardiff with an estimated cost saving of £917,000.
- ✓ Adult Services achieved budget underspend of £1,226 million by supporting more people at home, strengthening care planning for those who need care and aligning this to more cost-effective provision and by maximising value for money in the commissioning and procurement of residential and domiciliary packages.
- ✓ £3,442 million savings achieved by Social Services overall.
- ✓ Appropriate use of public money assured by robust Senior Management oversight of the budget through the Integrated Service and Finance Strategy.

## Integrated Service & Financial Strategy

Overall the programmes of strategic change outlined throughout this report reflect our clear intention to ensure that financial sustainability flows from effective service strategy as an integrated endeavour rather than being driven by financial targets in isolation.

The articulation of the financial strategy has been approached on a phased basis, beginning with the development of an overarching Early Help Strategy in Children's Services that was endorsed by Cabinet in the autumn of 2016. This incorporated the development and reconfiguration of community based early help services supported by Families First programmes at one end of the continuum, to Signs of Safety within statutory children's Social Services at the other. Data provided through our participation in the Directors of Children's Services UK Core Cities Network shows that Cardiff is not an outlier in terms of looked after children rates of admission. During the year we have started to see a degree of stabilisation in the rate of looked after children admission with some tentative early signs of a reduction, although the volatility of this rate over a whole year makes it too early to judge. Certainly, there are encouraging examples throughout the report, of the effectiveness of the Adolescent Resource Centre (ARC), Support4Families (early help front door), the Multi-Agency Safeguarding Hub (MASH) and Signs of Safety, that the whole systems vision is beginning to impact positively on families and supporting children at home more effectively. Against this background, the next 2-3 years and the potential of Children First and the new funding flexibilities now provide an opportunity to do more to strengthen families' resilience in their communities, essentially much further upstream from the threshold for statutory intervention and this now has to be the strategic focus going forward.

In its second phase, the Integrated Service and Financial Strategy has concentrated on parallel developments in Adults Services. Unlike Children's Services, this has taken place in the context of an Adult Services operational budget that has been balanced for two years in succession, in marked contrast to previous years. Much credit is owed to managers in Adult Services and the Assistant Director in particular for this achievement. The development of a sustainable financial strategy for Adult Services meanwhile has been highly effective in focusing teams and managers on the need to reform our approach to integration with Health and regionally. This has consisted



if four main programmes of work substantially initiated with the support of the Institute of Public Care in the second quarter of the year:

- Development of a whole systems **'Reablement Strategy'** with Health including:
  - Review of Community Resource Team (CRT) operating model.
  - Engaging providers in the development of a reablement approach in the delivery of domiciliary care.
- Development of an **Accommodation Strategy for Older People**.
- Development of a new model for **Adult Social Work practice** to parallel Signs of Safety.
- Development of a new **Regional Learning Disabilities Strategy**.

This programme has provided a set of work streams in Adult Services to parallel the earlier work initiated in Children's Services and taken together these will make a significant contribution to ensuring that Social Services are delivered on a more financially sustainable basis going forward. Clearly there is a broader context within which these programmes will now sit in the context of the Parliamentary Review and these programmes provide a good platform for that overall direction and further strategic development and change in pursuit of better outcomes for citizens.

### Quality Assurance Framework

A new principal social worker quality assurance manager (PSW QA Manager) post has been created during the year. When appointed, the post-holder will professionally supervise team managers, social workers, social work assistants and support workers.

The PSW QA Manager will also be responsible for developing and leading on the implementation of a Quality Assurance and Audit Strategy for Children's and Adult Services and the implementation of robust Quality Assurance Processes across the Directorate.

Other duties and responsibilities will include:

- Reviewing existing policies and practices and leading on the development and implementation of new policy developments.
- Supporting and promoting a best practice first culture within the service and raising expectations across the workforce that work will be of the highest standard.
- Monitoring and managing the performance and development of social workers, social work assistants and support workers within the service in partnership with team managers.
- Undertaking rigorous quality assurance audits in teams and service areas to identify good practice and areas which need improvement.
- Providing analysis and interpretation of audit information, reporting to a variety of audiences, including the Safeguarding Boards, Senior Managers within service areas and other Managers and practitioners.
- Making recommendations for improvements in practice and work with team managers to deliver the recommendations.



### Recommission Families First Services

Contract monitoring and stakeholder engagement have confirmed that Families First has delivered services that have made a real difference to families in Cardiff. These services provide a wide range of help ranging from light touch advice and information to more intensive support for longer periods of time to around 20,000 individuals each year. However, we also know that our systems for identifying when families need help and ensuring that they receive the support they need, could be clearer and better embedded. The context in which we are working has also changed, with a greater emphasis on early intervention and prevention through Cardiff's Early Help Strategy and in the implementation of the Social Services and Well-being Act (Wales) 2014 and the Well-being of Future Generations (Wales) Act 2015.

During the current transition year, it has been a priority to maintain provision. However, recommissioning gives us a chance to learn from our experience during the first programme to improve arrangements and in line with the new Welsh Government guidance, to build on areas of success and address areas for development. In particular, it is an opportunity to use the Families First funding more strategically to reduce the numbers of children and young people needing more intensive interventions, such as becoming looked after.

Work has taken place with Tros Gynnal Plant, the Team Around the Family (TAF) provider, to develop and implement an Early Help Service, which provides the central element in a clear 'Early Help Front Door', please see page 25 for further information.

Current Parenting Services have delivered a range of evidence-based parenting programmes as part of the first Families First programme. These services have been well used, reporting good outcomes and high levels of satisfaction from families. However, the way in which the original services were commissioned resulted in very fragmented delivery by a number of different service providers, delivering both generic and area-based services across different packages. As a result, parents have sometimes been 'bounced' from one service to another before they have been able to access the right service, or they have disengaged. One of the priorities of the new proposals therefore, is to secure a more coherent, single service, with a single point of entry that will ensure that parents get the most appropriate parenting service.

### New model for commissioning domiciliary care

The Council currently arranges domiciliary care packages using a specific methodology and IT platform. The methodology is known as a Dynamic Approved Provider List (DAPL), which is akin to a Dynamic Purchasing System (DPS). An IT supplier called ADAM (previously Matrix SCM) provides the end-to-end IT system that underpins the processes of procuring and managing domiciliary care packages. The cost of this process is approximately £190,000 per year. The Council is approaching the end of two separate contractual arrangements and must enter into a new arrangement with providers for commissioning domiciliary care no later than 4<sup>th</sup> November 2018. In doing so, the Council can choose to take any of the following approaches:

- a. To fundamentally change how it commissions domiciliary care and move away from the DAPL model.
- b. To enter into arrangements very similar to those currently in place, by creating a new DAPL and extending the contract with ADAM.



- c. To enter into arrangements very similar to those currently in place, by creating a new DAPL, but choosing another supplier to provide the IT system that supports the DAPL.

The Council has introduced a suite of effective measures that support the DAPL process to improve the quality of provision and reduce the cost. The measures most crucial to the functioning of the DAPL process is the Provider Quality Scoring (PQS).

The PQS is used as part of the process to decide which provider on the DAPL will take on the care for each new service user. Under this process, quality (i.e. the PQS) and cost (i.e. the rate they submit for that care package) are given an equal 50% weighting. All of the providers that submit an offer to take on a care package are given a score for their quality and their cost and these are combined to rank providers. The top ranked provider is awarded the care package.

Providers have supported this initiative in that they have visibility over what their score is, why they have been given this score, how they can improve it and how this affects the likelihood of them being awarded new packages in the future. It also assures providers that the scores, rankings and decisions are made in line with the agreed process. The equal weighting for quality and cost demonstrates that Cardiff Council does not simply place packages with the cheapest provider; approximately 85% of new packages awarded in the last 12 months went to the bidder with the highest quality score.

Through the regular forums, the Directorate have received feedback from providers that they believe the current arrangements are the best way to keep the market both sustainable and competitive. The majority of providers also believe that the DPS is delivering them an appropriate level of business and they appreciate the flexibility to be able to take on more or less packages in response to external stimuli. These arrangements have been in place for four years and providers have created internal structures and processes to work with them. Any significant change to these arrangements would require the 70+ providers on the DAPL to change how they operate to deal with any new commissioning arrangements. This would cause significant disruption to the Council and providers and is likely to result in some providers currently delivering care on behalf of Cardiff Council choosing not to join the new arrangement.

The view from providers is that significant change to the current commissioning arrangements is neither needed nor appropriate. When the current DAPL arrangement ends in November 2018, the contracts the Council has with each provider to deliver care to each service user also effectively end. At this stage, both the Council and providers can walk away from any or all of these contracts. However, the Council is keen to ensure continuity for current service users. To support this the Council will seek confirmation from providers well before November 2018 that they wish to join the new DAPL. This will give certainty to all parties, including service users, and give time to resolve any concerns providers may have about the new DAPL.

The Directorate is clear and unanimously supports continuation of the DAPL approach, instead of moving to a Framework or any other commissioning arrangement.



## What are our priorities for next year and why ?

- Continue to implement a sustainable **finance and service delivery strategy** across Children's and Adult Services throughout 2018/19, where the commissioning and delivery of services is evidence based, outcome focussed and commercially sound.
- Embed the **Quality Assurance Framework** in Children's Services and adapt for implementation Directorate-wide by March 2019 to ensure that children, families and adults benefit from the highest possible standard of service within resources.
- Integrate the management of **Children's and Adult Services complaints** by March 2019 in order to ensure a consistent response to complaints across Social Services.



# OUR PARTNERSHIP WORKING, POLITICAL AND CORPORATE LEADERSHIP, GOVERNANCE AND ACCOUNTABILITY

## Partnership Working

The significant strides made by the Directorate over the last 3-4 years in establishing more open and collaborative relationships with strategic partners continue to strengthen our capacity to converge agendas and pool resources.

Collaborative partnerships remain a fundamental pre-requisite for effective services. These include:

- Implementation of the Early Help Strategy.
- Full implementation of 'Not in Our City, Not to Our Children' – Cardiff's highly proactive Child Sexual Exploitation (CSE) Strategy.
- Consolidating the effectiveness of the Multi Agency Safeguarding Hub.
- Establishment of a Regional Social Care Workforce Unit by combining resources across the two Councils.
- The ongoing development of the Regional Partnership Board, sponsoring an active programme of workshops, strategic development sessions board meetings.
- Initiating the development of a new Regional Learning Disabilities Strategy.
- Work to realise the implementation of Regional Pooled Budgets in support of Part 9 of the Social Services and Well-being (Wales) Act 2014.
- Substantial progress with the regional Disability Futures Programme across health, education and social services in both councils.

The Integrated Health and Social Care (IHSC) Partnership Cardiff provides oversight for the development and delivery of funded programmes for adults through the Integrated Care Fund (ICF). As a result we have been able to establish a wide range of new services, which are increasingly delivered collaboratively, to support adults with care and support needs.

Meeting the needs of those children at the threshold of the care system requires a different set of inter-agency alliances however, and although this is best captured in the Regional Safeguarding Children Board membership, there is further work to do to determine the best partnership governance to give this agenda better traction. Facilitated by the Institute of Public Care, the inter-agency Improving Services to Children Board made significant strides in this area during the year in terms of developing a partnership approach to preventative strategy; it will be important that this is sustained.

## Regional Safeguarding Boards

2017/18 has been a significant in terms of setting both the adults and children's regional safeguarding boards on a stronger footing.





A series of facilitated events for all safeguarding partners enabled us to recognise that both boards had been operating sub-optimally in a number of key respects. These included significant frustration within the children's board meetings themselves in that they had defaulted to a committee-style process at the expense of being able to engage in the more appropriate focus on inter-professional critique and asking more fundamental 'so what' questions about core child protection activity. Both boards lacked an appropriate data suite that enabled members to interrogate core adult or child protection activity. It also became evident that both boards were encountering challenges and issues that were common to each but that there was no place where these issues could be effectively discussed jointly, leading to duplication or fragmented consideration. This was true whether it was simply about business planning or organizational logistics or more importantly around key emergent policy concerns – e.g. County Lines, Sexual Exploitation, Safeguarding in the Faith Sector, supporting vulnerable individuals in custody and more. It is notable that some of the challenges and gaps identified in-region were also highlighted by the National Independent Safeguarding Board when it evaluated the 2016/17 Annual Reports from all 6 Regions.

It was also apparent that the children's board was facing a significant challenge in meeting a backlog in concluding a number of Child Practice Reviews (CPR). In addition to reflecting ineffective grip on the CPR / Adult Practice Review (APR) process, concerns about sourcing CPR / APR reviewers and authors and difficulties in the process for reaching Board agreement, it was clear above all that the absence of an effective joint boards' business unit for 2 years had been the critical factor in undermining the ability of the boards to function.

Significant strides have been made in unlocking these inter-related challenges creating real momentum in overcoming the CPR blockage and underpinning overall board effectiveness. These include:

- The establishment of a fully staffed and highly effective and energetic Joint Boards Business Unit.
- Joining the boards' quarterly meetings to single day event with a strong focus on the key joint agenda priorities including policy, analysis, strategic development and the nuts and bolts of business effectiveness.
- Stronger co-chairing arrangements led by Directors with specialist backgrounds in adult and children's safeguarding respectively.
- Revised common sub-group structures led by appropriate senior board professionals and enabling more effective focus on delivering against annual priorities.
- Decluttered board agenda to enable better decision-making greater participation, more clearly focused debate and promoting interagency learning and challenge.
- Movement in the completion of outstanding CPRs.
- A newly launched Website.
- Refresh of Training across adults and children's professionals.

The Board has also made good progress in leading the revision of the All Wales Child and Adult Safeguarding Procedures, with national consultation on the first draft of Section 1 imminent.



## Council Values and Priorities

Supporting and protecting people remains one of the Council's 4 top priorities and this is reflected in the continued and direct support provided to Social Services during 2017/18. The new administration reinforced this clear commitment in setting out its strategic policy aspirations and intentions 'Capital Ambition'. Taken together with the Council's other 3 priorities and the refresh of the Council's Core Values, social services provision is seen as playing an essential strategic role in improving outcomes for citizens, families and communities across the city.

Although newly formed following the election in early 2017, the Children and Young People and Community and Adult Services Scrutiny Committees continue to play a significant role in supporting the drive towards improved performance across Social Services.

## Strengthening Social Services as a Unified Entity

In 2014/15, the Council concluded that it was timely, particularly in light of the Social Services and Well-being (Wales) Act 2014 and to enable better strategic integration, to establish a single Social Services Directorate under a single Director with effect from 2015/16. This has secured a stronger focus on 'whole family' / whole system approaches and on stronger integration with partners, taking advantage of opportunities to share innovations, resources and costs more effectively. Given the opportunity to work in a Directorate that is more cohesively aligned to the values and practices that are inherent in a Social Services function and reinforced by the Social Services and Well-being (Wales) Act 2014, staff and managers remain eager to be part of a modernized Social Services function and to be part of developing new ways of working with individuals and communities to promote greater independence. This is clearly a strength given the advent of the Parliamentary Review and all that will necessarily flow from that in terms of integration with health.

## Staff Engagement

A key factor for the successful development of new ways of delivering services to the community is the active engagement of staff. During the year we continued to engage with our staff ambassadors around key issues affecting the Social Services and the Council as a whole. We increased our number of ambassadors to 15 and they were actively involved in communicating / engagement activity within their staff teams.

Staff participated in the annual Council staff survey and engagement in the process was encouraging with 269 staff completing the survey. Key feedback from the survey has helped us shape our approach to the following workforce related issues:

- Improving access to learning and development opportunities in Adult Services where we widened our social work secondment opportunities to include Adult Services staff and 9 applications were received with 2 Adult Services staff seconded in addition to 2 from Children's Services.
- Developing mechanisms that promote staff's health and well-being – including staff well-being considered as a standing agenda item at all Directorate Health & Safety Meetings.



- Commitment to improve staff communication / engagement across the Directorate – via newsletters (Children’s Services) and development of a process to deliver regular staff engagement sessions with senior managers.

We also undertook a staff Health & Safety survey which provide us with some valuable information about the key health and safety issues that concern staff. Their feedback shaped the annual Health & Safety action plan for Social Services. This included a pilot around enhanced lone working arrangements and strengthened mechanisms for communicating health and safety initiatives to staff via updates from Social Services H&S lead officers and the establishment of dedicated H&S notice boards at all social services workplaces.

In Children’s Services the main vehicle for engaging staff has been the major strategic push around implementation of ‘Signs of Safety’ which has relied heavily on close consultation across the service involving all layers of the Directorate, dedicating significant workshop-based time and additional staff training and development.

Additionally, staff and managers have been actively involved in project groups that seek to change the way that services are delivered in order to maximise resources and respond to changing need.

### Corporate Parenting Advisory Committee (CPAC)

Corporate Parenting is the term used to describe the responsibility of local authorities to provide the best possible services and support to looked after children and young people. The role of corporate parent is to seek for children who are looked after by Cardiff Council the outcomes that every good parent would want for their own child. The role of CPAC is to act as a Member-led champion body, overseeing the effective implementation of Cardiff Council’s Corporate Parenting Strategy. The key aim of CPAC and the strategy is to ensure that the life chances of looked after children, children in need and care leavers are maximised in terms of health, educational attainment, and access to training and employment, in order to aid the transition to a secure and productive adulthood.

Following elections, the newly formed committee agreed that it would be important to avoid the trap of acting like another scrutiny committee and of operating much less like a formal committee that spends the bulk of its time consider numerous written reports; the committee wanted to become much more action-oriented in a way that enables members to act as advocates across the wider Council. As part of moving away from the usual committee approach, it was agreed that each member of the committee would act as the responsible lead and champion for one of the key priorities in the Corporate Parenting Strategy, each being allocated a ‘buddy’ officer to support them in that endeavour in addition to the two active young people who joined the committee as members. The ‘portfolios’ were divided up as follows:

Theme	Member	Officer
<b>Prevention</b> <ol style="list-style-type: none"> <li>1. Effective early intervention and prevention.</li> <li>2. Safely reducing the number of looked after children.</li> </ol>	Cllr Bablin Molik	OM Early Intervention & Prevention / OM Strategic Safeguarding & Partnerships /

Theme	Member	Officer
		OM Targeted Services / OM Safeguarding
<b>The experience of looked after children and outcomes</b> <ol style="list-style-type: none"> <li>3. Promoting permanency.</li> <li>4. Providing high quality placements.</li> <li>5. Provide young people leaving care with appropriate preparation for adult life, taking account of all of their needs including their well-being.</li> </ol>	Cllr Graham Hinchey	OM Specialist Services / team managers, Specialist Service
<b>Specialist services</b> <ol style="list-style-type: none"> <li>6. Continue to improve services for children with disabilities, including short break care.</li> <li>7. Improve and support the emotional health and mental well-being of looked after children.</li> </ol>	Cllr Sue Lent	OM Targeted Services / OM Strategic Safeguarding & Partnerships
<b>Education</b> <ol style="list-style-type: none"> <li>8. Improve the education attainment and achievement for all looked after children.</li> </ol>	Cllr David Walker	Achievement Leader
<b>The role of the Corporate Parenting within the Council</b> <ol style="list-style-type: none"> <li>9. Strengthening the role of the Corporate Parenting Advisory Committee within the Council.</li> </ol>	Cllr Ashley Lister	OM Early Intervention & Prevention

In addition to agreeing the above portfolios, further examples of work undertaken by CPAC during 2017/18 include:

- Received a briefing on the successful application and intended use of funding from the St David's Day Fund (2017-19) for young people who have experienced care.
- Received a briefing on the Bright Spots Programme and associated 'Your Life, Your Care survey', which was soon to be undertaken in Cardiff.
- Received briefings on the education of looked after children including a presentation on the Pupil Development Grant (PDG) from the Central South Education Consortium's regional lead officer.
- Received a presentation on Developmental Trauma Services for looked after children.
- Received the annual quality Assurance Report (Regulation 42) for Cardiff Council's Fostering Service 2016/17.
- Received the Vale, Valleys and Cardiff Regional Adoption Service annual report.
- Received the Independent Reviewing Officer's bi-annual report.
- Received reports on Care Inspectorate Wales Inspections, the annual Regulation 33 quality of care report, Regulation 32 independent visitor reports, performance and complaints.



## Corporate Safeguarding Board

The Corporate Safeguarding Board was established in March 2015 and includes senior representation from all Directorates to ensure that all public facing services integrate safeguarding awareness into their operations. The Board is not concerned with operational practice in Social Services or schools but aims to promote effective cross Directorate safeguarding practice particularly in terms of information sharing and data collection, front-line operational awareness, staff training and the vetting and barring of staff who have significant or unsupervised contact with vulnerable adults or children.

The **2017/18** work programme focused on implementation of the proposals listed below:

- The development and dissemination across the authority of a Corporate Safeguarding policy.
- Training for elected Members – first session held in October 2017 – further dates to follow.
- The successful implementation of a corporate e-module Safeguarding Awareness learning for all new staff and existing staff who have previously not been exposed to any safeguarding awareness training.
- The development of a live and focused action plan that adopts the recommendations highlighted in the Wales Audit Review of Corporate Safeguarding.
- Performance monitoring – implementation of a set of performance indicators and an information return.

The **2018/19** work programme for the Corporate Board will focus on the following areas:

- Continued implementation of the full action plan meeting all actions identified in the Wales Audit Office (WAO) review of Corporate Safeguarding 2015. The action plan covers all the recommendations made across the 7 key areas identified in the review:
  - Corporate leadership
  - Corporate policy
  - Safer recruitment of staff
  - Training and development
  - Partners, volunteers and commissioned services
  - Systems
  - Scrutiny and assurance
- Creation and implementation of a Corporate Safeguarding Board sub-group to undertake the operational and developmental aspects of the action plan and report to the full Board on progress.
- Tracking and monitoring the uptake of the new e-learning Safeguarding training across all departments within the council.
- Communication and engagement with all council staff and elected members to ensure awareness, understanding and compliance with the Corporate Safeguarding Policy.
- Review all current safer recruitment protocols within the council, to ensure that all posts recruited to by the authority comply with and adopt a safe and effective recruitment process.
- Regularly review the action plan in line with sub-group recommendations.



- Agree and report quarterly on a suite of corporate safeguarding data which will inform the Corporate Safeguarding Board and the council.



## 6. ACCESSING FURTHER INFORMATION AND KEY DOCUMENTS

Further information can be obtained from the following sources:

Page 14                      Care and Social Services Wales Inspection Reports  
Page 73 & Page 75       Early Help Strategy  
Page 16 & Page 68       Population Needs Assessment report

Performance Indicator Guidance

Performance Reports

Scrutiny Reports

Corporate Parenting Advisory Committee Reports

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My Ref: Scrutiny/Correspondence/JointScrutinyJuly18

6 July 2018

**Councillor Susan Elsmore**

Cabinet Member Social Care, Health & Wellbeing

**Councillor Graham Hinchey**

Cabinet Member Children & Families

County Hall

Cardiff

CF10 4UW



Dear Susan and Graham,

**JOINT CYPSC/CASSC MEETING – 4 JULY 2018 – LOCAL AUTHORITY SOCIAL SERVICES ANNUAL REPORT 2017-18**

As Chair of the joint meeting of the Children & Young People and Community & Adult Services Scrutiny Committees, I wish to thank you and officers for attending Committee and providing Members with an opportunity to scrutinise the Local Authority Social Services Annual Report 2017/18, prior to its consideration by Cabinet on the 12<sup>th</sup> July. Members of both Committees have requested that I feed back the following comments and observations to you.

Members were pleased with the progress outlined in the Annual Report and commend it to Cabinet. As you will be aware, many Members echoed your gratitude to the work done by yourselves, Tony Young, Amanda Phillips and other senior officers in greatly improving Social Services in Cardiff, and agree that the Annual Report sets a benchmark for work going forward and the appointment of the new Director of Social Services.

Members considered and noted responses in relation to the monitoring and review of budgets; the ongoing work in relation to joining up services with partners, particularly health; the proposed review of the Integrated Childrens Centre model; the increase of homes for children in Cardiff; and the issues relating to the sustainability of the domiciliary care market.

Further discussion areas were:

## **Recruitment and Retention of Social Workers**

The recruitment and retention of social workers was a recurring line of questioning throughout the meeting, with Members pressing the Panel for responses in relation to what ideas/plans were in place to incentivise the recruitment of social workers. Members fully acknowledged the wider issues regarding recruiting and retaining social workers, which not only affected Cardiff but many other cities throughout the UK.

However, Members concluded that further work needed to be done to widen the scope in relation to **recruitment**. This included:

- Further incentives to develop support staff from within Social Services - provide them with the opportunities to progress to the Social Work degree.
- Explore the possibility of extending opportunities wider across the Council, including those currently in redeployment, or those who may wish to embark on a change of career/direction.
- Working with organisations such as Social Care Wales, HE and FE providers and the Open University to further open up opportunities for recruiting social workers. This could include the potential for flexible learning options.
- Explore what is happening in other core cities in tackling this issue to learn from examples of good practice.

Whilst Members appreciated that a new social media campaign had been launched which highlighted issues such as the Signs of Safety framework; stable management structure; policies in terms of provision; and strong and frequent supervision and support, more needed to be done to promote this further, as well as offer real incentives to show that the Council supports potential new recruits and their well-being.

Members also discussed issues in relation to the **retention** of staff in certain areas of social work – particularly child protection. Members felt that further work was needed to explore how the Council can retain social workers in this critical area for the longer term. Members felt that child protection, by its very nature, was a particularly stressful area of work, which led to staff moving out of these posts as quickly as they could. Members stated that there

was a need to try and address this issue and develop further incentives and initiatives to attract people to the posts and be able to retain them for a longer term.

To this end, both Committees recommend that a collaborative task group be established with Cabinet Members, senior officers and Scrutiny Members to look at this issue in detail. It is recommended that the Social Services Directorate be responsible for taking forward this work, and for Scrutiny Members from both Committees be invited to take part. The aim of the Task Group should be to develop a recruitment and retention Strategy, to work alongside the wider Workforce Plan.

### **Care Leavers/ Homelessness Performance Indicator**

On considering the performance indicator *“the percentage of all care leavers who have experienced homelessness during the year”* and its result of 21.0% in 2017/18, Members were informed that the rigid definition of the Indicator was the reason for this result. Irfan Alam suggested that he could provide Members with a further breakdown of results and Members of both Committees would therefore wish to receive this information, to include details of those young people in flats, gateway accommodation etc. as well as further information on those exiting prison or young offenders institutions.

### **Consultation**

The Director’s Summary of Performance outlined some of the problems faced by the Directorate in relation to “qualitative surveys” that are a requirement under the SSWB Act. These aim to measure service users’ perceptions and experiences to inform service improvements and good practice. Members were disappointed to read that, despite more surveys being issued during 2017/18, return rates were lower than expected. Members believe that robust qualitative data and information to drive forward improvement is critical, and therefore request that further work be undertaken to address this issue and explore ways in which take-up of completing the qualitative surveys can be increased and sustained in future years.

## **Future Collaborative Working**

During the Way Forward discussion, Members considered ways in which Scrutiny could collaborate further with Cabinet Members and the Directorate to address a range of issues that the Service faces, and be part of developing and implementing ideas and solutions to these issues.

Members felt that developing a more open relationship with the Directorate could provide an extended pool of knowledge in identifying improvements in relation to service delivery, policy development etc. This could potentially follow a similar suggestion set out under the recruitment and retention part of this letter. Members therefore recommend that the Directorate explore the potential of developing a mechanism to include Scrutiny Members in service and policy development at a more informal level. It is recommended that this be done in consultation with the Chairs of both Scrutiny Committees in the first instance.

To summarise, this letter requests:

- A response in relation to the recommendation to establish a Task Group to look at recruitment and retention of social workers;
- Further data and information on the PI relating care leavers and homelessness;
- A response in relation to how the Council will address increasing return rates as part of the statutory qualitative survey; and
- The Directorate link with the Chairs of both Scrutiny Committees to explore ways in which Cabinet and Scrutiny Members and officers can work closer together to explore ideas and solutions across the Directorate.

Thank you again to you and officers for attending. I hope you find our comments and recommendations useful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. BRIDGEMAN', written over a light grey rectangular background.

**COUNTY COUNCILLOR LEE BRIDGEMAN**  
**Chairperson – Joint Meeting of CYPSC and CASSC**

CC: Councillor Mary McGarry, Chairperson Community & Adult Services Scrutiny Committee

Sarah McGill – Corporate Director, People & Communities

Irfan Alam – Assistant Director for Children’s Services

Jo Watkins – Cabinet Business Manger

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**CARDIFF COUNCIL  
CYNGOR CAERDYDD**



**CABINET MEETING: 12 JULY 2018**

**LLANDAFF AND CARDIFF ROAD CONSERVATION AREAS:  
REMOVAL OF PERMITTED DEVELOPMENT RIGHTS FOR THE  
PARTIAL DEMOLITION OF FRONT BOUNDARIES**

**TRANSPORT, PLANNING AND SUSTAINABILITY (COUNCILLOR  
CARO WILD)**

**AGENDA ITEM: 11**

**Reason for this Report**

1. To seek Cabinet approval to serve Article 4(2) Directions to remove permitted development rights afforded to single dwelling houses for the whole or partial demolition of a gate, fence, walls or other means of enclosure within the curtilage of a dwelling house fronting a relevant location (which means a highway, waterway or open space) within the Llandaff Conservation Area and the Cardiff Road Conservation Area.

**Background**

2. In order to preserve the character or appearance of conservation areas, the Council is able to remove various dwellinghouse permitted development rights under Article 4(2) of the Town and Country Planning (General Permitted Development Order) 1995 (GPDO).
3. It has become apparent that the existing protections in place to prevent boundary wall removals (primarily to allow off street parking) are not sufficient in order to effectively manage change within the two Llandaff conservation areas.
4. In order to address this, additional Article 4(2) Directions are proposed to remove permitted development rights for the partial demolition of any means of enclosure within the Llandaff and Cardiff Road Conservation Areas (Class B of Part 31 of Schedule 2 of the GPDO). Alterations will then require planning permission (no fee is payable for these applications).

**Issues**

5. Letters will be sent to the owners and occupiers of all affected dwelling houses and press notice will be issued. A statutory time period of twenty-one days will be allowed for representations on the Article 4(2) Direction to be made in writing to the Council .

6. In accordance with the relevant legislation, the Article 4(2) Direction has to be confirmed by the Council within six months of the date of service of the Direction.
7. Representations received within the consultation period will be reported to Cabinet as and when confirmation of the orders is sought.
8. Llandaff Councillors Philippa Hill-John and Sean Driscoll are aware of the intention to serve the Direction and are supportive.

### **Reason for Recommendations**

9. Approval of the recommendation to serve Article 4(2) Directions to remove these permitted development rights will assist in the management of change in order to preserve the character of these conservation areas.

### **Financial Implications**

10. No direct financial implications are expected to arise from this report. The management of any resulting future applications will be met from within existing resources.

### **Legal Implications**

11. In addition to designating an area as a Conservation Area under Section 69 of the Planning (Listed Building and Conservation Areas) Act 1990, the Council has the additional power to serve an Article 4(2) Direction under the Town and Country Planning (General Permitted Development) Order 1995 (“the Order”).
12. Welsh Government Circulars provides guidance on the use of Article 4(2) Directions and the procedure for making them.
13. A Direction under the Article 4(2) restricts the scope of the permitted development rights in relation to a Conservation Area. By withdrawing the deemed permission under the Order, its effect is that an application for express planning permission has to be made for those development proposals excluded under the Direction. If the permission is refused or granted subject to those other than in the Order, the landowner is entitled under the Order to claim compensation for abortive expenditure and any loss or damage caused by the loss of rights.
14. It should be further noted that the Council has six months from the date of service of the Direction to confirm it otherwise it expires. The Order confers no power upon the Council to confirm the Direction with variations. It must, therefore, be confirmed in the same terms on which it was initially drawn and consulted upon.



## RECOMMENDATIONS

Cabinet is recommended to approve and authorise the service of additional Article 4(2) Directions for the Llandaff and Cardiff Road Conservation Areas to remove permitted development rights afforded to single dwelling houses under Class B of Part 31 of Schedule 2 of the Town and Country Planning (General Permitted Development Order) 1995 (as amended) for the demolition of the whole or part of a gate, fence, wall or other means of enclosure within the curtilage of a dwelling house fronting a relevant location.

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>ANDREW GREGORY</b> <b>Director Planning, Transport &amp; Environment</b>
	6 July 2018

*The following appendices are attached:*

- Appendix 1a– Draft Guidance Note for Residents – Llandaff
- Appendix 1a– Draft Guidance Note for Residents – Cardiff Road
- Appendix 2a – Draft Article 4 Direction - Llandaff
- Appendix 2b – Draft Article 4 Direction – Cardiff Road

*The following background papers have been taken into account:*

- Background Paper 1 – [Cardiff Road Conservation Area Appraisal \(2006\)](#)
- Background Paper 2 – [Llandaff Conservation Area Appraisal \(2006\)](#)

Mae'r dudalen hon yn wag yn fwriadol

# Llandaff Conservation Area Controls

This guidance note sets out in more detail the controls relating to the designation and the existing and new Article 4 Directions removing normal permitted development rights.

Many areas of special architectural or historic interest within Cardiff have been designated as conservation areas. The Council has a duty to preserve or enhance their character, particularly when making decisions on applications for development.

The legislation contained in the Planning Acts does not prevent development in conservation areas, but ensures that if it needs planning permission, the work does not detract from the area's character. Minor works or alterations that are known as 'permitted development' within the terms of the Planning Acts may not need planning permission. However, they can have an effect on conservation areas if they result in the erosion or loss of features that contribute to the special character of the area.

## Planning controls within all conservation areas

- **Demolition** – Conservation Area Consent is required for the total or substantial demolition of buildings or structures.
- **Extensions** – more restrictions apply to alterations to dwellinghouses and the provisions for outbuildings/enclosures. Detailed technical guidance is available by searching '*Permitted development for householders*' at [www.gov.wales](http://www.gov.wales).
- **Roofs** - planning permission is required for alterations to the roof of a dwellinghouse resulting in a material alteration to its shape, for example dormer windows. Permission is also required for rooflights on any slope.
- **Chimneys** - the installation, alteration or replacement of a chimney on a dwellinghouse.
- **Cladding** dwellinghouse walls in stone, artificial stone, pebble dash, render, timber, plastic, metal, tiles or through external wall insulation.
- **Satellite dishes** - planning permission is required to install an antennae on a chimney, wall or roof slope which fronts, and is visible from, a highway.
- **Trees** - six weeks written notice must be provided of the intention to carry out works (for example lop, top, prune or fell) to trees with a trunk diameter of 75mm or more measured at 1.5m above natural ground level.

## Additional controls for Llandaff

As a result of the Article 4 Directions in place, the following additional work requires planning permission if it fronts onto a highway or open space. No fee is payable for this type of application.

Controls relating to **Dwellinghouses**:

- **Boundary demolition** - of the whole or any part of any gate, fence, wall or other means of enclosure within the curtilage of a dwellinghouse and fronting a highway or open space (**this control introduced in 2018**).
- **Windows & doors** - the alteration, removal & renewal of all doors & windows in a house where they front a highway.
- **Porches** - the construction of a porch outside any external door which faces a highway.
- **Hardstandings** - the construction of a hard surface where it is nearer a highway than the dwelling.

The following controls apply to **all buildings** regardless of use:

- **Painting** - the covering of original walling material by painting & the changing of the colour of existing painted exterior walls, masonry or windows where they front a highway.
- **Boundaries** - the erection, improvement or alteration of a means of enclosure (walls, gates, fences) fronting a highway or open space.

The fact that an application is required as a result of an Article 4 Direction does not necessarily mean that permission will be refused. However, the planning authority will pay particular regard to the extent to which the proposals preserve or enhance the character or appearance of the area.

The aim of these Directions is to ensure that change is managed carefully. “Like for like” repairs will not need planning permission, however you may need to check with Building Control for compliance with building regulations ([www.cardiff.gov.uk/buildingcontrol](http://www.cardiff.gov.uk/buildingcontrol)).

Pre-application enquiries can be submitted to determine both the need for consent and the scope for change (via the ‘Discretionary Pre-App’ process at [www.cardiff.gov.uk/planning](http://www.cardiff.gov.uk/planning)).

## FAQs

### **Does an Article 4 Direction mean that we can never make any changes to our property again?**

No. But it removes ‘permitted development’ rights and brings minor changes under planning control so that properly considered and informed judgements can be made. This is to ensure that the work proposed will not detrimentally affect the character of the conservation Area. The essence of planning in conservation areas is to manage change to make sure that development can happen but avoids harming the special qualities of the area.

### **How does an Article 4 Direction relate to the Conservation Area Appraisal?**

The adopted 2005 Llandaff Conservation Area Appraisal (CAA) identifies what is special about the area. When the Council considers applications for development it will be used to make an informed judgement on whether or not the development is appropriate. It also makes recommendations for actions to be taken to preserve and enhance local character. The CAA is currently being reviewed. Public consultation will follow in 2018-19.

### **I live in a flat or building not in residential use, do the Article 4 Directions affect me?**

Flats and most other uses do not benefit from “permitted development” rights. Consequently, with or without the Direction, if you want to make changes to the exterior of your property you will need planning permission. The additional Article 4(1) controls in place for Llandaff also remove permission for painting and for alterations to boundaries.

### **Do I require planning permission to carry out routine items of maintenance?**

No, straightforward maintenance such as repainting a previously painted surface in a similar colour or replacing a bottom rail or a sash window in a matching form, would not require permission as this would be deemed a repair. Regular maintenance is actively encouraged.

### **Further information:**

Visit [www.cardiff.gov.uk/conservation](http://www.cardiff.gov.uk/conservation) or email [conservation@cardiff.gov.uk](mailto:conservation@cardiff.gov.uk)

Useful background reading and information relating to traditional buildings:

- The Old House Handbook by SPAB: [www.spab.org.uk/publications](http://www.spab.org.uk/publications)
- The Period Property Manual: [www.rics.org/uk/shop](http://www.rics.org/uk/shop)
- Heritage House: [www.heritage-house.org](http://www.heritage-house.org)

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# Cardiff Road Conservation Area Controls

This guidance note sets out in more detail the controls relating to area's conservation area designation and the existing and new Article 4 Directions removing normal permitted development rights.

Many areas of special architectural or historic interest within Cardiff have been designated as conservation areas. The Council has a duty to preserve or enhance their character, particularly when making decisions on applications for development.

The legislation contained in the Planning Acts does not prevent development in conservation areas, but ensures that if it needs planning permission, the work does not detract from the area's character. Minor works or alterations that are known as 'permitted development' within the terms of the Planning Acts may not need planning permission. However, they can have an effect on conservation areas if they result in the erosion or loss of features that contribute to the special character of the area.

## Planning controls within all conservation areas:

- **Demolition** – Conservation Area Consent is required for the total or substantial demolition of buildings or structures.
- **Extensions** – more restrictions apply to alterations to dwellinghouses and the provisions for outbuildings/enclosures. Detailed technical guidance is available by searching '*Permitted development for householders*' at [www.gov.wales](http://www.gov.wales).
- **Roofs** - planning permission is required for alterations to the roof of a dwellinghouse resulting in a material alteration to its shape, for example dormer windows. Permission is also required for rooflights on any slope.
- **Chimneys** - the installation, alteration or replacement of a chimney on a dwellinghouse.
- **Cladding** dwellinghouse walls in stone, artificial stone, pebble dash, render, timber, plastic, metal, tiles or through external wall insulation.
- **Satellite dishes** - planning permission is required to install an antennae on a chimney, wall or roof slope which fronts, and is visible from, a highway.
- **Trees** - six weeks written notice must be provided of the intention to carry out works (for example lop, top, prune or fell) to trees with a trunk diameter of 75mm or more measured at 1.5m above natural ground level.

## Additional controls for Cardiff Road Conservation Area:

As a result of the Article 4 Directions in place, the following additional work requires planning permission if it fronts onto a highway or open space. No fee is payable for this type of application.

Controls relating to **Dwellinghouses**:

- **Boundary demolition** - of the whole or any part of any gate, fence, wall or other means of enclosure within the curtilage of a dwellinghouse and fronting a highway **(this control introduced in 2018)**.
- **Windows & doors** - the alteration, removal & renewal of all doors & windows in a house where they front a highway or open space.
- **Roofs** – any other alteration to a roof slope fronting a highway.
- **Porches** - the construction of a porch outside any external door which faces a highway.
- **Hardstandings** - the construction of a hard surface where it is nearer a highway than the dwelling.
- **Boundaries** - the erection, improvement or alteration of a means of enclosure (walls, gates, fences) fronting a highway or open space.

The fact that an application is required as a result of an Article 4 Direction does not necessarily mean that permission will be refused. However, the planning authority will pay particular regard to the extent to which the proposals preserve or enhance the character or appearance of the area.

The aim of these Directions is to ensure that change is managed carefully. “Like for like” repairs will not need planning permission, however you may need to check with Building Control for compliance with building regulations ([www.cardiff.gov.uk/buildingcontrol](http://www.cardiff.gov.uk/buildingcontrol)).

Pre-application enquiries can be submitted to determine both the need for consent and the scope for change (via the ‘Discretionary Pre-App’ process at [www.cardiff.gov.uk/planning](http://www.cardiff.gov.uk/planning)).



## FAQs

### **Does an Article 4 Direction mean that we can never make any changes to our property again?**

No. But it removes ‘permitted development’ rights and brings minor changes under planning control so that properly considered and informed judgements can be made. This is to ensure that the work proposed will not detrimentally affect the character of the conservation area. The essence of planning in conservation areas is to manage change to make sure that development can happen but avoids harming the special qualities of the area.

### **How does an Article 4 Direction relate to the Conservation Area Appraisal?**

The adopted 2006 Cardiff Road Conservation Area Appraisal (CAA) identifies what is special about the area. When the Council considers applications for development it will be used to make an informed judgement on whether or not the development is appropriate. It also makes recommendations for actions to be taken to preserve and enhance local character.

### **I live in a flat or building not in residential use, do the Article 4 Directions affect me?**

Flats and most other uses do not benefit from “permitted development” rights. Consequently, with or without the Direction, if you want to make changes to the exterior of your property you will need planning permission.

### **Do I require planning permission to carry out routine items of maintenance?**

No, straightforward maintenance such as repainting a previously painted surface in a similar colour or replacing a bottom rail or a sash window in a matching form, would not require permission as this would be deemed a repair. Regular maintenance is actively encouraged.

### **Further information:**

Visit [www.cardiff.gov.uk/conservation](http://www.cardiff.gov.uk/conservation) or email [conservation@cardiff.gov.uk](mailto:conservation@cardiff.gov.uk)

Useful background reading and information relating to traditional buildings:

- The Old House Handbook by SPAB: [www.spab.org.uk/publications](http://www.spab.org.uk/publications)
- The Period Property Manual: [www.rics.org/uk/shop](http://www.rics.org/uk/shop)
- Heritage House: [www.heritage-house.org](http://www.heritage-house.org)

Mae'r dudalen hon yn wag yn fwriadol

**THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF**  
**TOWN AND COUNTRY PLANNING ACT 1990**  
**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 1995**  
**DIRECTION MADE UNDER ARTICLE 4(2)**  
**LLANDAFF CONSERVATION AREA**

**WHEREAS** the Council of the City and County of Cardiff ('the Council') being the appropriate planning authority within the meaning of article 4(6) of the Town and Country Planning (General Permitted Development) Order 1995 ('the Order') is satisfied that it is expedient that development of the description set out in the Schedule below should not be carried out on the land shown edged red on the attached plan unless permission is granted on application made under Part III of the Town and Country Planning Act 1990.

**NOW THEREFORE** the Council in pursuance of the power conferred upon it by Article 4(2) of the Order hereby direct that the permission granted by Article 3 of the Order shall not apply to the development on the land shown edged red on the plan annexed hereto of the description set out in the Schedule below.

**THE SCHEDULE**

Any building operation consisting of the demolition of the whole or any part of any gate, fence, wall or other means of enclosure which is within the curtilage of a dwelling house and fronts a highway, waterway or open space being development comprised within Class B of Part 31 of Schedule 2 to the Order and not being development comprised within any other Class.

Given under the Common Seal of the County Council of the City and County of Cardiff

This day of 2018

Mae'r dudalen hon yn wag yn fwriadol

**THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF**

**TOWN AND COUNTRY PLANNING ACT 1990**

**TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 1995**

**DIRECTION MADE UNDER ARTICLE 4(2)**

**CARDIFF ROAD CONSERVATION AREA**

**WHEREAS** the Council of the City and County of Cardiff ('the Council') being the appropriate planning authority within the meaning of article 4(6) of the Town and Country Planning (General Permitted Development) Order 1995 ('the Order') is satisfied that it is expedient that development of the description set out in the Schedule below should not be carried out on the land shown edged red on the attached plan unless permission is granted on application made under Part III of the Town and Country Planning Act 1990.

**NOW THEREFORE** the Council in pursuance of the power conferred upon it by Article 4(2) of the Order hereby direct that the permission granted by Article 3 of the Order shall not apply to the development on the land shown edged red on the plan annexed hereto of the description set out in the Schedule below.

**THE SCHEDULE**

Any building operation consisting of the demolition of the whole or any part of any gate, fence, wall or other means of enclosure which is within the curtilage of a dwelling house and fronts a highway, waterway or open space being development comprised within Class B of Part 31 of Schedule 2 to the Order and not being development comprised within any other Class.

Given under the Common Seal of the County Council of the City and County of Cardiff

This day of 2018

