

My Ref: T: Scrutiny/PRAP/Comm Papers/Correspondence

Date: 17 March 2016

Councillor Phil Bale
Leader
City of Cardiff Council
County Hall
Cardiff
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Dear Councillor Bale

Policy Review & Performance Scrutiny Committee: 8 March 2016.

Thank you for attending the Policy Review & Performance Scrutiny Committee last week to facilitate consideration of the Wales Audit Office (WAO) Corporate Assessment Review Follow On. The Committee is grateful for your time, and for the co-operation of all Directors and officers in attendance to answer Members' questions. As Chair they have asked me to pass on the observations and concerns of the Committee for reflection when you are preparing the Council's response.

The Committee welcomes the WAO Corporate Follow On judgement that there has been a transformation of Leadership and senior management within the Council. Members note that the regulator would not have expected the Council to resolve all issues highlighted in the Corporate Assessment of September 2014, and that the Council has more work to do to ensure improved arrangements are embedded to capitalise on the improvement trajectory. We will therefore during future work programming reflect on the regulator's view that some corporate enablers (such as Performance, Human Resources, and the Council's use of its Assets) still require improvement, that the scrutiny of cross cutting issues can be further developed, and that vacancies on scrutiny committees should be filled quickly. You will see further reference to the two latter points below.

Members wish to endorse the external regulator's view that it is important the Council builds the capacity and mechanisms for internal challenge and self assessment. At the meeting the WAO indicated they will be working alongside the Council for the next 12 months assessing how procedures are implemented, though we note uncertainty at this stage whether there will be a further review. We would welcome clarity on this. We note the WAO consider processes are as important as outcomes, and therefore will be seeking assurance through our own work that the Council is putting in place processes that maximise outcomes.

The Committee recognises the improvement at Leadership level, but wishes to stress the importance that leaders probe deeper into the organisation to secure further improvement. We acknowledge that channels of communication have improved over the past 15 months, and that initiatives to improve staff engagement such as the *Ambassador programme*, *staff survey*, *managers back to the frontline programme*, and *improved relations with the trade unions* have clearly helped leaders understand the challenges. Going forward we will monitor your engagement with middle management as you refresh the staff engagement programme to improve consistency.

With regard to the Performance Reporting proposal for improvement, the Committee notes the need for more consistency around performance management and benchmarking. We also note that leaders consider the framework and mechanisms for effective performance management are already in place, but that there is scope for further improvement; and particularly scope for strengthening the relationship between the Central Performance Team and Service Directorates. We are therefore pleased to welcome a new performance manager, and look forward to pre-decision scrutiny of the refreshed proposals for performance monitoring arrangements that you are planning to present to the Cabinet before the summer recess. We agree with your observation that there is scope for the refresh to address the timeliness of performance data being made available to this Committee, the need to focus on consistency, and the granularity of information contained in the reports.

In respect of the Proposals for improvement around Governance matters, the Committee is very concerned about the number of vacant seats on scrutiny committees and is keen to establish how the Council can improve commitment to scrutiny amongst elected Members, to sustain a stable and consistent membership across all five scrutiny committees. We note you consider that Member engagement is a broader issue than just scrutiny, and that there needs to be cross party consideration of this matter. We agree that Member interest is key to securing engagement and the WAO suggestion that the Council aims to mirror the task and finish mechanism of engagement at full committee. The Committee is grateful that you recognise the contribution scrutiny can make and that there is a public appetite for the scrutiny of council business, and perhaps an opportunity to increase webcasting of meetings.

Members are a little perplexed by proposal p3a, which suggests the Council needs to develop an approach to scrutinising cross cutting issues. Members of all scrutiny committees have been involved in cross cutting scrutiny inquiries over recent years, and more in the past year than ever before. The Committee was therefore pleased to hear the WAO clarify that the proposal is rooted in the statutory implications for scrutiny of forthcoming government legislation that will require all Authorities to look at the bigger picture and scrutinise issues not entirely within the Council's control.

As a general observation, during discussion at the Way Forward Members expressed a concern that, when probed what had led to their findings, recommendations and proposals for improvement, the WAO responses at Committee would have benefitted from a little more analysis.

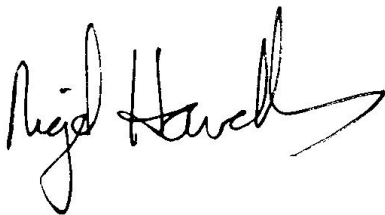
Finally, we look forward to considering the Council's response to the Corporate Assessment Follow On, and would be grateful for an indication of timescales for returning to this Committee.

To Recap, the Committee:

- Will factor the regulators view that corporate enablers, such as Performance, Human Resources, the Council's use of its Assets, and Scrutiny require further improvement into its future work programming.
- Would like clarification as to whether the WAO will be undertaking a further review.
- Will monitor your engagement with middle management as you refresh the staff engagement programme to improve consistency.
- Wishes to undertake pre-decision scrutiny of the refreshed proposals for performance monitoring arrangements planned for Cabinet before the summer recess.
- Is very concerned about the number of vacant seats on scrutiny committees and is keen to establish how the Council can improve commitment to scrutiny amongst elected Members to sustain a stable and consistent membership across all five scrutiny committees.
- Wish to stress that Members of all scrutiny committees have been involved in an increasing number of cross cutting scrutiny inquiries over recent years.
- Looks forward to considering the Council's response to the Corporate Assessment Follow On, and would be grateful for an indication of timescales

Please could I ask that you relay our comments and observations to Cabinet, and once again please pass on my thanks to all Cabinet Members and witnesses who attended for consideration of this important assessment of the Council's arrangements to secure continuous improvement.

Yours sincerely



COUNCILLOR NIGEL HOWELLS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Members of the Policy Review & Performance Scrutiny Committee
Paul Orders, Chief Executive
Christine Salter, Corporate Director Resources
Alan Morris, Wales Audit Office
Non Jenkins, Wales Audit Office
Chris Pugh, Wales Audit Office
Gareth Newell, Head of Cabinet Office
Claire Deguara, Cabinet Support Office