
QUARTER 1 PERFORMANCE 2016-17 (January to March)

Reason for this Report

1. To present the City of Cardiff Council's performance report for Quarter 1 (April to June) of the 2016-17 financial year, providing PRAP with an opportunity to review performance. The Performance Report for Quarter 1 2016-17 is attached at **Appendix A**.

Background

2. The Council's Performance Management Framework includes the production of Quarterly Performance Reports designed to provide an overview of directorate performance. Effective scrutiny of performance is an important component of the Framework as it provides the opportunity to challenge performance levels, and helps the Council reprioritise efforts to secure the delivery of the Council's priorities and targets.
3. Each Quarter, the Policy Review & Performance Scrutiny Committee receives the overall performance report for the Council prior to the report going to Cabinet, while other Scrutiny Committees receive the reports of those Directorates that fall within their terms of reference. The Policy Review & Performance Scrutiny Committee's role is twofold:
 - To consider the overall performance of the organisation and the actions being taken to ensure that agreed targets and commitments are delivered

- To scrutinise the performance of the services that fall under the terms of reference of the Committee. This includes the performance of four Directorates: Corporate Resources; Governance & Legal Services; property elements of Economic Development; and customer elements of Communities, Housing & Customer Services.

Performance Overview

4. As part of the development of performance management arrangements in the Council, the Performance Support Group (PSG) has recently been formed. The PSG is designed to oversee and investigate performance at a corporate level, and help shape the performance discussions at Senior Management Team (SMT). The content of this report focuses on the areas highlighted through discussion at both the PSG and SMT.

Quarter 1 Performance Report Structure

5. Attached at **Appendix A** is the Quarter 1 performance report. This report structure represents a continuing evolution of the Council's performance management framework, and is the result of continuing stakeholder engagement and project work.
6. To provide consistency with the previous reporting format, this report still provides an analysis of performance for each Directorate, but the format has been changed to ensure a more accessible and focused examination of the Council's performance.
7. The report contains the following sections for each Directorate:
 - Key Performance Indicators (PIs)
 - Progress against Corporate Plan commitments
 - Directorate priorities
 - Key challenges & achievements.

8. In addition, the report opens with a Council Overview Scorecard. This Scorecard is designed to give an at-a-glance picture of the health and effectiveness of the organisation. The Scorecard covers four key areas:
 - Customer
 - Financial
 - Internal Processes
 - Learning & Growth.

9. The specific contents of each area of the Scorecard will vary from quarter to quarter in order to highlight the most important issues and achievements in relation to these four topics.

Summary of Key Issues – Council Overview Scorecard

10. Members' attention is drawn to the following key issues highlighted in the Council Overview Scorecard:

Sickness Absence

11. Most areas of the Council have experienced significant levels of sickness during Quarter 1. If performance carries on at this level throughout the remainder of 2016-17 the Council will miss its target of 8.5 FTE days lost per person.

12. However, significant targeted work is now being undertaken to ensure these rates are reduced and the organisation gets back on track to meet its target, and this is reflected in the high rates of Return to Work Interviews undertaken within the required timescale.

13. Other initiatives include ensuring the learning from targeted work is effectively transferred from one area of the Council to another (for example

from Children's Social Services to Adults' Social Services), the monitoring of trigger points and associated data, and the utilisation of Stress Risk Assessments for employees where this is appropriate.

14. The Chief Executive and Chief HR Officer have also been meeting with relevant Senior Managers to discuss sickness issues in those areas where rates are particularly high to ensure there is corporate visibility of any underlying issues.

Personal Performance and Development Reviews (PPDRs)

15. 90% of PPDRs were initiated within the required timeframe across the Council. There have been specific issues within Education which the service is investigating and will then look to remedy.

Information Requests

16. Compliance rates continue to increase, with 88% of information requests responded to within the prescribed timeframes.

Customer Satisfaction

17. 100% of visitors to the City's Hubs reported satisfaction with their experience, along with 96% of English-speaking callers and 100% of Welsh-speaking callers to C2C, and 91% of customers using the repair line. Satisfaction measures for other contact channels are under development for Quarter 2.
18. 94% of the 425 complaints that were logged during Quarter 1 were responded to within the 20-day target timeframe.

Summary of Key Issues – Directorates

City Operations

19. Following improved performance in Quarter 4 last year, there has been a significant improvement in the time taken to determine the outcome of both Major and Householder planning applications. The Quarter 1 Performance of both indicators is significantly above target and far exceeds outturn at this point last year. This increase in performance is due to concerted action within the service, including the introduction of a robust Business Planning process, enhanced performance management in relation to these two key areas of business and the introduction of new processes to increase efficiency. The service faces continuing challenges to meet demand, but clearly success in this area is integral to ensuring the city is able to harness the opportunities provided by the forecast growth in its population.
20. As Neighbourhood Services is a newly established division, its set of Performance Indicators was still in development at the time of the Quarter 1 report. However, it is clear that performance is good in some areas, including parks and road condition, but other areas (notably street cleanliness) need an enhanced focus to bring them up to the required standard.
21. There is a projected overspend in City Operations, which is principally connected with the Leisure ADM savings shortfall; removing this deficit from consideration leaves an overall underspend. Reductions in maintenance costs, as well as income from several areas including travel reimbursement and planning fees, have helped to mitigate the Directorate's shortfalls.

Communities, Housing and Customer Services

22. Although the target for Disabled Facilities Grants has been met, and there has been a decrease of 42 days since Quarter 4, the position will be kept under close review. It is recognised that there are several more complex adaptations in the schedule of works still to be completed and these may affect future performance.

23. The level of Vacant Local Authority stock has improved and exceeded its target. However, work in relation to voids currently takes place in different areas and this will be brought together in one place to streamline the process and make it more effective.
24. The new PI measuring interventions provided by the outreach service within 3 working days of a report of rough sleeping met its target of 100%. As the service develops, alternative outcomes-based measures will be introduced. The number of rough sleepers has increased - up to the end of June there were 50, up from 41 in the same period last year and 35 the year before. The Council has undertaken a full analysis of rough sleepers and monitors this on a weekly basis. The service is also working closely with third sector partners and has an action plan in place, concentrating on new-to-the-streets outreach referrals, reconnections and diversionary work.
25. To address the impact of Welfare Reform, an action plan has been developed to address restrictions on social housing rents, a Benefit Cap working group has been established and a wide range of support is available through Hubs. Reduction in the advice budget is being managed and the potential negative impact has therefore been minimised.
26. The realisation of savings associated with the Alarm Receiving Centre has been delayed due to challenges signing up to the Public Sector Broadband Aggregation network. However, a full business plan is in place to progress income opportunities.
27. In addition to the financial impact of the delayed implementation of the Alarm Receiving Centre, budget pressures are also being felt as a result of the roll-out of the Libraries and Hubs strategy. These shortfalls are mitigated by factors including additional income from renovation grants and savings on staff and supplies budgets.

Economic Development

28. Work is underway with developers and advisors to finalise a funding package for the agreed design of the new Bus Station within the wider context of the Central Square vision. Planning will be progressed in Quarter 3 with a start on site scheduled for Quarter 4.
29. Cardiff Castle's income is slightly down from Quarter 1 last year but has still met the quarterly target. In order to increase footfall and income at Cardiff Castle, different options for an 'invest to save' family attraction are being reviewed.
30. A significant overspend has been accrued in relation to Office Rationalisation and the delay in vacating the Global Link building, with further pressures expected within Major Projects. These are, however, offset by additional income from functions and advertising, as well as an underspend on Workshop NDR costs. The New Theatre and St. David's Hall are currently projecting a balanced position, which will be closely monitored as the Arts and Cultural Venues ADM evolves through the year.
31. The newly-formed Commercial Services has achieved a balanced financial position despite shortfalls against savings in digitalisation and vehicle rationalisation and also increased operating costs for recycling.

Education and Lifelong Learning

32. Provisional 2016 results show a narrowing of the gap in achievement between pupils receiving Free School Meals (FSM) and pupils who do not at Foundation Phase and Key Stages 2 and 3. At Key Stage 4, the Level 2+ indicator is likely to increase for FSM pupils but not by enough to meet the 2016 target.
33. Cardiff schools have typically focused on improving achievement of Level 2+ (5 GCSEs A* to C, including English or Welsh and Maths). This approach has had an impact on more vulnerable pupils who might be aiming for the

Level 1 threshold (5 or more GCSEs at any grade or vocational equivalent) or Level 2 threshold (5 or more GCSEs at grade C or above in any subject or vocational equivalent). Following GCSE results this summer, the Head of Achievement and Inclusion and the Consortium's Challenge Advisors will ensure that broader curriculum options are available for pupils. Partnership Inclusion Officers (PIOs) will work with schools to ensure that pupils at Level 1 are monitored and receive appropriate curriculum offers.

34. Of the six Challenge Cymru Schools, two – Michaelston and Glyn Derw – are recognised as having complex issues. These have been amalgamated into one school, which is receiving key support from Education. Eastern High, one of the four other Challenge Cymru Schools, has made progress under a new head teacher and the school will move to its new premises in September 2017. All Challenge Cymru schools have an Advisor from Welsh Government. They also have an Accelerated Improvement Board and Plan to increase performance.
35. Integrated working will be established between Education, Social Services, Careers Wales and other partners to ensure that Year 11 leavers identified as at risk of becoming NEET (Not in Education, Employment or Training) are tracked over the summer and effectively supported.
36. Education has a projected balanced position despite savings shortfalls, which relate predominantly to Out of County placements and education outside the school environment. An increase in Schools Catering income and identification of alternative funding sources have alleviated the directorate's deficit.

Governance and Legal Services

37. The Welsh Language Standards Annual Report was approved and published by 30th June as required. The Council has raised awareness of the new Welsh language standards and encouraged Welsh language training for staff across the organisation.

38. Unachieved savings targets from previous years have significantly contributed to the current projected overspend in Governance and Legal Services. This shortfall is partially offset by staff vacancies, including the interim Monitoring Officer arrangements.

Resources

39. Although the PI for the *Percentage of Freedom of Information (FOI) requests meeting the statutory deadline* is rated at Amber, having narrowly missed its target, it has improved significantly from Quarter 1 last year. In particular, compliance for multi-function FOI requests has increased from 62% in Quarter 1 of last year to 82% this year, following streamlining of the process. The Information Management Team will be looking at further ways of improving management of requests in Quarter 2.
40. Collection of both Council Tax and Non-Domestic Rates are classified as Amber but the quarterly targets for these were only narrowly missed. It is acknowledged that some businesses' capacities to pay are uncertain so a risk-based focus on the customer base is operated.
41. Although Resources has experienced savings shortfalls and increased employee costs in Finance and Health & Safety, these are balanced by savings associated with staff vacancies in Human Resources and Performance & Partnerships, resulting in a projected underspend overall.

Social Services

42. Although performance on Delayed Transfers of Care (DToCs) has improved, Social Services continue to work with health partners in light of current projections indicating potential issues during a winter demand increase. As immediate mitigation for the forthcoming winter, a Bridging Team is being established, financed by the successful Intermediate Care Fund bid, to enhance the Community Resource Team's capacity to prevent DToC figures spiking.

43. Demand has increased in Children's Services, with the average social worker caseload now at 18.5, compared to 17.9 at the start of Quarter 1. Furthermore, these cases are increasingly complex, as reflected by the increase in looked after children from 644 to 681 within Quarter 1.
44. The Multi-Agency Safeguarding Hub (MASH) will help to address some of the increase in Children's Services cases. They worked with partners at South Wales Police to put in additional resources in June 2016 to risk assess and review a backlog of PPNs (referral forms).
45. Both Adults' and Children's Services have projected overspends that are largely attributable to savings shortfalls but also additional factors. Rising costs in domiciliary and nursing care have partly been offset by lower than anticipated demand in residential care and Deprivation of Liberty Safeguards. Some mitigations have also been identified in Children's Services against costs including external placements and agency spend.

Overview of Previous Performance Scrutiny 2015-16

46. During the Work Programming 2016/17 item, to be taken later on the Committee's agenda, Members will have an opportunity to consider how they wish to take forward scrutiny of Council Performance in 2016/17. In previous years the Committee has programmed Performance monitoring a *minimum* of twice yearly. This approach resulted in the full Committee formally monitoring performance at Quarters 1, 3 and 4 in 2015/16.
47. Throughout 2015/16 the Committee enjoyed improved lines of communication on performance matters and increasing internal support for the internal challenge of Council performance. There have been recurring themes to Members concerns about Council Performance. Specifically, that during the year staff and agency costs were running ahead of budget; the ability of current performance information to facilitate comparisons with previous quarters, to illustrate trends, and to enable comparative demographics across authorities.

48. Members have previously welcomed impending refreshed proposals for performance reporting under development and urged that the performance information needs of all five scrutiny committees be taken into account to enable effective monitoring roles.
49. Importantly Members looked forward to continuing improved lines of communication between the Committee and performance officers as proposals for refreshing the approach to Performance reporting developed. This was achieved in May 2016 when the Committee considered proposals and welcomed the direction of travel presented; outcome-focused, proactive performance management using data and trend information, with a clear golden thread through all levels, within a culture of accountability. The Committee was however, keen to ensure that at the end of Quarter 1 2016/17 during the refresh of the performance approach, they would still have the means of identifying areas of concern for the Council when the Quarter 1 2016/17 performance report becomes available.
50. The Committee indicated it would be pleased to participate in the co-production of a Balanced Scorecard that will form the focus of quarterly performance reporting to Cabinet and PRAP in future, and was keen to establish how the four quadrants of the Scorecard might reflect the Council's four priorities, indicating it would be pleased to have Committee representation on a Members' working group to do so. Members also agreed it would be valuable for the Head of Performance to meet with all Scrutiny Committee Chairs.
51. Members were keen to ensure that the structure of Performance Indicators settled upon allows a read across where they are published by multiple partners/authorities. The Committee felt it was important that our performance monitoring arrangements facilitate a merging of performance information from such bodies.
52. As the Committee with statutory responsibility for scrutiny of the new Public Services Board, recognising that the Council is reliant upon its partners to

secure improvement at this level, Members highlighted the need for the City Dashboard to assist the Committee in its challenge role.

53. When the Committee considered Quarter 4 2015/16 performance, in June 2016, it was a little concerned at gaps in the data provided, given that we were two months on from the end of Quarter 4 2015/16 reporting period. Members specifically noted that data for 12 % of the 225 Indicators was missing, and 8% of Indicators had no target. At the time officers shared Members concern, particularly around the need for swifter availability of some performance data.
54. Members considered the downward trend in sickness absence was very encouraging indeed and commended the Cabinet for its achievements, particularly in Directorates such as City Operations, which Members felt would improve further post ADM implementation. In view of the organisation having both buddying arrangements and good practice exchange in place, Members considered it would be useful to identify to what extent this improvement was a result of management action. The Committee noted that the Employee Assistance Programme (EAP) staff support mechanism had led to the decrease in sickness absence; and also noted with some concern that the Employee Counselling Service was oversubscribed.
55. In respect of the RAG assessment of PIs, Members were concerned that at Quarter 4, the end of the 2015/16 monitoring year, that there were performance indicators still marked amber. The Committee was informed that, with the refresh of performance reporting arrangements, there would be a more consistent approach to RAG rating across the organisation. Members looked forward to hearing more on this matter as the new arrangements come to fruition.
56. The Committee observed that the Q4 compliance level for PPDRs equated to 1,000 staff not receiving a PPDR, and considered this needed to be addressed. Members considered there was a need to assure Directorates that managers would not only be supported to achieve the targets set by Cabinet, but also to improve PPDR quality, particularly in light of

forthcoming changes in the delivery of Council services through Alternative Delivery Models.

57. The Committee acknowledged the complexity of the Council's quarterly performance report, in attempting to simultaneously present the high level overarching corporate performance picture alongside the performance of individual services. Members were therefore pleased that performance development work will address this complexity, and pointed out that, as ward Councillors, they would find geographic performance analysis useful.

Way Forward

58. Councillor Graham Hinchey, Cabinet Member for Performance & Resources, has been invited to attend for this item. Paul Orders (Chief Executive), Christine Salter (Corporate Director Resources) and Joseph Reay (Head of Performance & Partnerships) have also been invited to present the report and answer any questions Members may have.

Legal Implications

59. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. 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 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

60. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

The Committee is recommended to:

- Note the contents of the report attached at **Appendix A**;
- Consider whether it wishes to refer any comments or concerns to the Cabinet Member with responsibility for Council Performance.

Joseph Reay

Head of Performance and Partnerships

7 September 2016