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CITY OPERATIONS DIRECTORATE AND COMMERCIAL &  
COLLABORATIVE SERVICES – QUARTER 3 PERFORMANCE REPORT  
2016/17

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**Reason for the Report**

1. To present the performance reports relevant to the terms of reference of the Environmental Scrutiny Committee for Quarter 3 (October to December) of 2016/17. The performance reports for the City Operations Directorate and Economic Development Directorate are attached as **Appendices 1 & 2**.
2. **Appendices 1 & 2** are supported by **Appendix 3**, which consists of a summary of overall Council performance, for example, staff budgets, overtime and agency costs, sickness rates and complaint levels.

**Background**

3. The Environmental Scrutiny Committee has a role in reviewing the performance of Council services which fall within the Committee terms of reference. A copy of the terms of reference has been attached as **Appendix 4**. The Directorates that require regular scrutiny by the Committee are the City Operations Directorate and Economic Development Directorate.
4. Members agreed to consider performance issues during the municipal year 2016/17. It was anticipated that this would involve looking at the sections of the Delivery & Performance Report relevant to the terms of reference of the Committee on a quarterly basis.

5. The February 2016 'Wales Audit Office (WAO) Corporate Assessment Follow On Report' stressed the importance of the Council building on its capacity and mechanisms for internal challenge and self assessment.
6. In response to the 'WAO Corporate Assessment Follow On Report' the Council acknowledged that there is a need for more consistency around performance management and benchmarking. The Council is of the view that the framework and mechanisms for effective performance management and reporting have been in place for a while; however, there is scope for further improvement – particularly in terms of the scope for strengthening the relationship between the Central Performance Team and Service Directorates.
7. To drive further improvement the Council recruited a new Head of Performance & Partnerships in early 2016. Since his appointment he has been given the task of refreshing the Council's performance management approach and as a consequence of this work, the Quarterly performance reports are now presented in a different format to the one used in Quarter 4 2015/16 and earlier. The new report is designed to tie in with the Council's new integrated strategic planning framework.

### **The Council's Strategic Planning Framework**

8. The Council's integrated strategic planning framework to deliver its vision of Cardiff as 'Europe's Most Liveable Capital City' spans the City's overall performance (via the *What Matters* Single Integrated Plan and *Liveable City* Report); Council performance via the Corporate Plan; Directorate performance via Directorate Delivery Plans; through to individual performance via Personal Performance and Development Reviews.
9. The *Corporate Plan 2016-18* was approved at Council on 25 February 2016. It set out four Priorities and 12 Improvement Objectives for Cardiff. The four Priorities are listed as:

- Priority 1: Better education and skills for all;
- Priority 2: Supporting vulnerable people;
- Priority 3: Creating more and better paid jobs;
- Priority 4: Working together to transform services.

10. To tie in with the new reporting approach the new quarterly delivery & performance reporting structure now includes sections relevant to the City Operations Directorate and Economic Development Directorate on:

- **Measures** – this focuses on the performance indicators relevant to the two respective directorates;
- **Priorities** – this sets out the improvement objectives, commitments and progress / issues/ mitigating actions against the Corporate Plan Priorities relevant to the two respective directorate;
- **Challenges & Achievements** – this sets out the key challenges and achievements of the two respective directorates.

### **Performance Support Board**

11. The Council's previous approach to performance management focused the use of performance information within the most strategic parts of the organisation, to ensure that these strategic audiences are considering strategic performance issues. It is also critical to ensure that underneath the strategic layer there are mechanisms in place, which allow for effective engagement and support of operational performance issues.
12. In parallel with developing a coherent cross-organisation approach to service planning – which will, by default, create a new body of consistent performance information – the Council has introduced a Performance Support Board (PSB) model. The PSB provides support to service performance and allows the Cabinet, scrutiny committees and the Senior Management Team (SMT) to focus on strategic performance issues.

13. The primary roles of the PSB is to support specific areas of service improvement, investigate areas of performance that are highlighted by robust data analysis, and provide a corporate overview for those performance measures that are not received by SMT, Cabinet or scrutiny committees. It is hoped that this approach will provide the organisation with confidence that measures mandated by Welsh Government but not included in outcomes-focused scorecards are receiving due attention.
14. Each Directorate has a lead performance officer who along with the central Performance Team, analyse and challenge work to help inform the PSB's agenda.

### **Improved Reporting Timelines**

15. The Council refresh of performance arrangements has examined opportunities to increase the speed with which information flows through its performance-related processes. An essential part of moving the organisation away from monitoring performance and onto managing performance is providing information within a timescale that allows the use of data to influence decision making and prompt appropriate intervention.
16. This means that the Council adheres to non-negotiable deadlines for the return of performance information for the purposes of challenge and report collation; the Council has now accepted the use of draft performance information at earlier stages in the performance reporting process.
17. It is accepted that final reports for Cabinet and scrutiny committees should always contain confirmed information; however, it is felt that the reports that are used by the PSB and SMT can now contain draft performance information, provided it is flagged as such.

## **Publishing Performance Information on the Internet**

18. To reinforce the Council's move to a culture of accountability, the refresh of performance arrangements presents an opportunity for Cardiff residents to access key performance information in a way that is immediately engaging. Council employees should also have access to online performance information that helps them understand the contribution they are making towards achieving organisational aims. It is proposed that the Council will in future publish information about its performance on [www.cardiff.gov.uk](http://www.cardiff.gov.uk).
19. The published information will focus on the outcomes the Council is trying to achieve – the four Priorities – and, therefore, correlate to the performance measures used at Cabinet and scrutiny committees. The aim would then be to report on all measures (in spreadsheet or similar format) in time.

## **Refresh the Council's Performance Management Strategy**

20. In light of recommendations made in the WAO's latest report, the Framework element of the Performance Management Strategy has been updated to include guidance around timelines that support current processes. The most significant aspect of the refresh has been the embedding of it into the organisation's culture. Mostly, this has been achieved through changing practices as outlined above. However, ensuring that the Council's Performance Management Strategy is acknowledged, understood and used will require the Central Performance Team to engage and work proactively with service managers and performance leads.

## **Issues – Quarter 3 Delivery and Performance Report 2016/17**

21. The City Operations Directorate Quarter 3 Delivery & Performance Report 2016/17 and Economic Development Quarter 3 Delivery & Performance Report 2016/17 are attached to this report as **Appendices 1 & 2**. At the point of writing this report **Appendices 1 & 2** examine a number of performance areas including:

- Progress made against Performance Indicators;
- Progress made against Corporate Priorities and Directorate Priorities;
- Progress made against Key Challenges and Key Achievements.

22. **Appendix 3** provides a range of Council-wide performance information, which will help the Committee benchmark against the Council performance as a whole and other service areas. The document includes information on:

- Customer contact;
- Staff costs;
- Financial tracking information;
- Sickness absence levels;
- Personal Performance and Development Review compliance as at 30 September 2016.

23. A number of key observations have been identified from the City Operations Directorate report, these are:

- By the end of Quarter 3 the City Operations Directorate staff had taken an average of 9.93 full time equivalent (FTE) sick days during the year; the actual figure for Quarter 3 was 3.44 FTE sick days per employee. Based on this information the end of year FTE sick days per employee forecast is 13.90 days.
- At the end of Quarter 3 2016/17 it is anticipated that the City Operations Directorate will achieve 74.4% of its allocated savings for the financial year 2016/17.
- At the end of Quarter 3 2016/17 the City Operations Directorate anticipates an overspend of £955,000 against its allocated budget for 2016/17.

- The City Operations Directorate Quarter 3 Delivery & Performance Report 2016/17 reports on six performance indicators which are linked to Corporate Plan commitments. 28.6% (2) of these is rated as 'Amber', and 71.4% (5) of these were rated as 'Green'. In addition to these an additional eight have no result at present; either because they are annual (seven) or because they are awaiting quarterly validation.
- PLA/004(a) (the percentage of major planning applications determined during the year within 13 weeks) and PLA/004(c) (the percentage of householder planning applications determined during the year within 8 weeks) both continued to exceed their annual targets by achieving 33.3% and 95.1% respectively. This is a positive outcome when compared to the 2015/16 results which were both consistently below the annual targets of 25% and 80%.
- The Cardiff Capital Region Transport Authority (CCRTA) was established to co-ordinate transport planning and investment within the region and formally met for the first time in October to outline the actions needed to support the City Deal.
- During Quarter 3 the Council continued to support the Welsh Government and other stakeholders in the formulation of proposals to develop the Cardiff City Region Metro.
- The development of Neighbourhood Services has progressed and delivered 'blitz' working for four months. Neighbourhood Services Enforcement was programmed to commence in January 2017 to enforce highways licences for skips, tables & chairs, A-frames and other structures on the highway. A partnership approach has been agreed with Keep Wales Tidy to support the 'Love Where You Live' initiative. A pilot has been undertaken with the Business Improvement District for higher level cleansing in the city centre.

- The City of Cardiff Transport Strategy and Integrated Network Map were approved by Cabinet. In addition to this a local sponsor for the cycle hire scheme has been secured.

24. **Appendix 1** includes a table of the main performance indicators used by the City Operations Directorate to monitor performance; these indicators are supported by commentary to explain the current position. It was recently agreed by SMT that all performance indicators that are not subject to central government thresholds will be automatically RAG rated using a formulaic approach, whereby anything hitting target or above will be Green, anything 0.1% - 10% off target will be Amber and anything off by more than this will be Red. On reviewing the Quarter 3 Delivery & Performance Report 2016/17 it was noted that the following 'Key Performance Indicators' referenced in the Quarter 3 report were marked as 'Amber':

- **LTPPI/011C** – Mode of Travel to Work: Cycling – Amber. This indicator produced an annual result of 10% for 2016/17. This is 0.2% below the 2016/17 annual target; however, it is an improvement of 0.8% when compared against the 2015/16 result of 9.2%.
- **PNN/009** – Percentage of food establishments which are 'broadly compliant' with food hygiene standards – Amber. This indicator produced a Quarter 3 result of 92.7% that is 1.3% below the annual target of 94%.
- **SC/001** – Percentage of highways and relevant land inspected of a high or acceptable standard of cleanliness – Amber. This indicator produced a Quarter 3 result of 84.2% that is 5.8% below the annual target of 90%.

25. A number of key observations have been identified from the Economic Development Directorate report (relevant to Commercial & Collaborative Services), these are:

- At the end of Quarter 3 the Commercial & Collaborative Services staff had taken an average of 11.24 full time equivalent (FTE) sick days; the actual figure for Quarter 3 was 4.13 FTE sick days per employee. Based on this



information the end of year FTE sick days per employee forecast is 15.74 days.

- At the end of Quarter 3 2016/17 it is anticipated that Commercial & Collaborative Services will achieve 81.5% of its allocated savings for the financial year 2016/17.
- At the end of Quarter 3 2016/17 Commercial & Collaborative Services anticipates that it will achieve a budget surplus of £127,000 for 2016/17.
- Commercial & Collaborative Services (as a part of the Economic Development Directorate) reports upon two performance indicators that contribute to corporate commitments. These are WMT/004b (the percentage of municipal waste collected by local authorities sent to landfill) and WMT/009b (the percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source segregated biowastes that are composted or treated biologically in another way). These have yet to be validated for Quarter 3, therefore, have not been included within the Economic Development Directorate Quarter 3 2016/17 Performance Report.
- Since the creation of Commercial & Collaboration Services in June 2016 regular reports have been provided to the newly formed Commercialisation & Collaboration Project Board and Cabinet Member to ensure that the Infrastructure Business Case objectives are delivered. A number of commercial opportunities were being considered at the end of Quarter 3 with external organisations. Fortnightly meetings have been established for section leads in Cleansing, Security and Pest Control to discuss a pipeline of work and short, medium and long term opportunities. Some recent opportunities include the agreement of recycling waste services to the Principality Stadium and for the Health Board, as well as the launch of MOTs for staff at the purpose built workshop at Coleridge Road. A cost based pricing model has been developed for Central Transport Services (CTS) and will be rolled out to all parts of Commercial & Collaborative Services by the end of 2016/17. Total

Facilities Management packages have been sold to a number of customers and they are in contract talks with a higher education facility and a number of schools who were previously opted out of our services. CTS has also secured a large fleet contract with a local building firm.

- Implementation of Facilities Management (FM)'s property maintenance / management software (RAMIS) is on target to 'go live' at the start of financial year.
- Green bag recycling collection tonnages from households in Cardiff increased by 5% for the Christmas period compared to the same period in the previous year; 3,195 tonnes of green bags were collected in 2016 compared with 3,034 tonnes in 2015 and 2,564 tonnes in 2014. The new Lamby Way Household Waste Recycling Centre is being built to replace the old Lamby Way Site and will facilitate a greater volume of traffic on site and more skips to recycle a greater variety of materials. Construction is due to be completed by February 2017.
- In Quarter 3 service changes were implemented to enable the Council to exceed its statutory recycling target of 58% by March 2017.

### **Scope of the Scrutiny**

26. This item will give Members the opportunity to consider the City Operations Directorate and Commercial & Collaborative Services performance relevant to the terms of reference of the Environmental Scrutiny Committee and feed in observations to support Cabinet consideration of the Quarter 3 Delivery & Performance Report 2016/17.

## **Way Forward**

27. Councillor Ramesh Patel (Cabinet Member for Transport, Planning & Sustainability), Councillor Bob Derbyshire (Cabinet Member for the Environment), officers from the City Operations Directorate and officers from the Commercial & Collaborative Service have been invited to attend for this item. The Quarter 3 Delivery & Performance Report 2016/17 will be addressed on a portfolio by portfolio basis.

## **Legal Implications**

28. 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**

29. 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:

- i. Note the contents of the attached reports;
- ii. Consider whether it wishes to make any comments to the Cabinet to take into consideration on the Quarter 3 Delivery & Performance Report 2016/17.

**DAVINA FIORE**

**Director of Governance & Legal Services**

**1 March 2017**