

POLICY REVIEW & PERFORMANCE SCRUTINY

14 MARCH 2012

Present: Councillor Dianne Rees (Chairperson);
Councillors Burley, Brian Jones and Walker

Apologies: Councillors Carter, Chaundy, Hyde and Montemaggi

Also: Councillor Ralph Cook

45: MINUTES

The minutes of the Policy Review & Performance Scrutiny Committees held on 14 February 2012 were approved as a correct record and signed by the Chairperson.

46: DECLARATIONS OF INTEREST

The Chairperson reminded Members of their responsibility under Part III of the Members' Code of Conduct to declare any interest in general terms and complete personal interest forms at the start of the meeting and then, prior to the commencement of the discussion of the item in question, specify whether it is a personal or prejudicial interest. If the interest is prejudicial, Members would be asked to leave the meeting and if the interest is personal, Members would be invited to stay, speak and vote.

47: ANNUAL IMPROVEMENT REPORT

The Chairperson welcomed Councillor Rodney Berman, Leader; Jon House, Chief Executive, and Mike Davies Head of Service, Scrutiny Performance & Improvement. The Chairperson also welcomed representatives of the Wales Audit Office, Huw Rees, Local Government Project Manager for the Wales Audit Office (standing in for Steve Barry, the Council's Improvement Assessment Lead), and Janet Villars, Cardiff's Improvement Assessment Co-ordinator.

Councillor Berman made a brief statement in which he noted that the information contained in the annual report was information which had been seen before in various different formats throughout the year. He

noted there were some pleasing issues, some issues of concern and some recognition of improvements that had been made. Issues in Social Services and Education had already been highlighted in the CSSIW and ESTYN reports, which other scrutiny committees had looked at, and it was noted that the appendices to this report summarised the progress being made on those issues raised by CSSIW and ESTYN.

Huw Rees gave a brief overview of the Wales Audit Office's report and conclusions on Cardiff's improvement progress this year, including;

- Positive aspects in Housing, Waste Management and Neighbourhood Management,
- Challenges in Social Services being responded to by action plans that had been put in place,
- Report reflects well on the Council as a whole, including Officers, the Scrutiny Function and the Administration,
- Improved management arrangements in place,
- Improved performance reporting,
- A more focussed management of change programme with emphasis on outcome/shared outcome arrangements i.e. What Matters Strategy,
- Areas of good practice such as Cardiff Academy.

The Chairperson thanked Huw Rees for his overview and invited comments and questions from Members including;

Members enquired how much control the WAO have over the areas they look at. It was explained that the approach was to take a consistent view on what areas to look at across all 22 Council's in Wales, to try to pull out any All Wales good practice or areas that need addressing. The direction comes from the WAO but with local agreement. The Chief Executive noted that as the Council pays the WAO a substantial sum of money, there are areas that they ask them to probe, such as Transformation, so the Council can see how the projects are progressing.

Members asked how Cardiff compared with other Authorities in Wales. It was explained that although the WAO don't rank Authorities, the report

reflected favourably on Cardiff and compared favourably with other Authorities.

Members discussed whether the work of the Policy Review and Performance Scrutiny Committee had contributed to the cross cutting work of the WAO. It was explained that the aim was to determine an All Wales view and also an All Wales Improvement Plan. Work had been undertaken with the Scrutiny functions of 6 Authorities during the past year and the remaining authorities including Cardiff would be reviewed in the coming year.

Members noted that the WAO had seen positive outcomes from the Transformational Change Programme and concurred that the long term programme would need to continue to deliver benefits.

Members discussed the potential savings to be achieved in Procurement and queried why the savings had not been identified sooner by the WAO. It was explained that it would have been a very time consuming and costly process. It was further explained that the WAO was continually having conversations with all Council's about where efficiencies lie, asking about proposals but not questioning their policies.

Members enquired whether the WAO were satisfied that sufficient progress was being made for Cardiff to improve in the areas identified by CSSIW and ESTYN. The WAO indicated that they were satisfied that Action Plans were in place and being worked upon to address the issues identified.

The Chairperson thanked Councillor Rodney Berman, Jon House, Huw Rees and Janet Villars for attending Committee and answering Members questions.

AGREED – That a letter be sent by the Chairperson on behalf of the Committee to Councillor Rodney Berman, Leader of the Council, thanking him and his Officers for attending the Policy Review & Performance Scrutiny Committee on 14 March 2012, and to advise him of the following observations when discussing the way forward:-

The Committee was pleased to hear the Wales Audit Office (WAO) comment that, overall, this year's Improvement Report reflected positively on the Council's administration, officers and internal regulation mechanisms (Scrutiny & Audit Panel). However Members wished to draw the following observations to the Executive's attention.

Work programming

Exploring the approach to work programming, Members were interested to hear that WAO were taking a more consistent all Wales approach to regulatory work programming, in the form of thematic reviews across Wales. They concurred with the Chief Executive that the Council should continue to influence the programme selection, seeking best value from the fees it pays to WAO, for there was little point auditing a service that was already performing well.

Sharing Improvement

The Committee was keen to establish how Cardiff's approach to improvement compared with other Authorities, and whether the WAO was able to facilitate any shared learning between Councils from the improvements this Council had made. Members noted that Cardiff's Annual Improvement Report reflected favourably compared with other Authorities, and that WAO felt the Council should be pleased with the outcome of its Improvement inspection.

Strong Scrutiny Arrangements

The Committee firmly believed it important that external inspection arrangements should complement the Council's own internal inspection arrangements. Members were therefore interested to hear the WAO reflect that, where an Authority has a poor Annual Improvement Report, it was often the case that its Scrutiny and internal inspection arrangements were poor.

The Committee noted that WAO indicated their thematic review approach had now yielded all Wales information, the common elements of which would be pulled together in an all Wales report; particularly noting that WAO would complete its thematic review of Scrutiny in 2012-13 and that Cardiff's Scrutiny Service would fall within that review.

Leading the way

Members of the Committee were pleased with the level of savings the Transformation Programme was delivering, but expressed a view that if such potential savings were in evidence, particularly in relation to procurement arrangements, why the WAO were not prompting the Council earlier.

Transformation Programme

Members noted that WAO re-iterated clearly their position that the Council's Transformation Programme must continue to deliver benefits in

the long term. The Committee noted the importance they attach to the Programme's contribution to improvement, and recommended that its successor Committee factors scrutiny of Transformation into its work programme planning.

Action Planning

The Committee was keen to ensure that WAO were satisfied that, where weaknesses had been identified by other regulators (CSSiW and ESTYN), appropriate and timely action had been taken. They were pleased to hear WAO state they felt the Council had acted promptly in developing action plans and noted that the appropriate Scrutiny Committees would continue to monitor the action plans in place.

48: LOCAL GOVERNMENT MEASURE 2011

The Chairperson welcomed Melanie Clay, Chief Officer Legal & Democratic Services, Nichola Poole, Democratic Services Manager, Mike Davies Head of Service, Scrutiny, Performance & Improvement and Tim Buckle, Performance & Improvement Advisor, from the Welsh Local Government Association.

In addition the Chairperson welcomed Councillor Ralph Cook, Chair of the Community & Adult Services Scrutiny Committee. All Scrutiny Committee Chairs or their committee representatives had been invited to take part in consideration of this item.

The Chairperson advised Committee that Welsh Government had published draft statutory guidance for consultation on the Local Government Measure 2011. The Authority had been invited to respond formally by 30 March. The Measure has significant governance implications, and therefore implications for Scrutiny arrangements, and this was an opportunity for Scrutiny Members to contribute to the Council's response.

The Chairperson invited Melanie Clay to present the key implications of the Measure for the Authority, the presentation included the following information;

Key themes

- Increasing participation in local government
- Support for Councillors
- Overview and Scrutiny
- Citizen centred, Communities and Community Councils

Increasing Participation

- **Survey of Councillors/Candidates following election**
(guidance response 20/01/12)
- **Timing of Council meetings**
- **Exercise of Functions by Councillors ('Cabinet Members for their wards')**
- Remote Attendance at Meetings
- **Co- Opted Members on Committees and Community Councils**
- **Councillor Call's for Action (CCfA)**

Support for Councillors

- **Training and Development of LA Members**
- Annual Reports by Members
- Right to family absence
- **Democratic Services Committee**
- **Head of Democratic Services**

Overview and Scrutiny

- Joint Committees
- Scrutinising designated persons
- **Criteria for appointing Chairs of O&S Committees**
- **Prohibition of Whipped Votes**
- **Audit Committees**

Citizen centred, Communities and Community Councils

- **Taking into account the views of the Public**
- Community Meetings and Polls
- Model Charter between Councils and Community Councils
- Appointment of Community Youth Reps by Community Councils
- Community Council's powers to promote well being

The Chairperson thanked Melanie Clay for her presentation and invited comments and questions from Members including;

Increasing participation in local government

Timing - Members felt there was a need for the authority to maintain flexibility in the timing of a survey to determine its Council meetings and suggested that timings of meetings were determined locally.

The Committee felt there was a need for clarity on the expectations of Councillors prior to the Election particularly for new Councillors. Members endorsed that balance between gender and age was important within an elected body.

Exercise of Functions - Members felt there was a risk of some Councillors dominating service requests. They felt it was more important that community leaders were able to have key issues for their areas discussed. They observed that if all neighbourhoods were allocated the same budget it would be impossible to achieve the aims of 'What Matters'. The Committee felt that the Council is a body run by 75 Members and dividing by ward is of concern; however Members felt it shouldn't be altogether ruled out. They felt there was an opportunity for Members training in 'advocacy' for their areas.

Co-option – the Committee noted that the guidance does not dramatically change matters in respect of co-option and largely mirrors the Scrutiny Green Paper considered by Council in January 2011. Some Members felt the position of 'Expert Witness' was a better position from which to inform debate and discussion than 'Co-optee without voting rights'.

Councillor Calls for Action – Members felt this could be a useful tool as a backstop for Councillors but could require a safeguarding mechanism to avoid over use.

Support for Councillors

Training & Development – the Committee felt all Members should be involved in training, with experienced Councillors assisting delivery. Members did however caution that they felt the requirement for training should in no way lead to Councillors being expected to hold qualifications, or demonstrate IT expertise, to perform the role. Members felt the real challenge was how to encourage those Members it would benefit most to engage. Councillor visits to services were considered very useful. The Committee felt it would be important to ensure all Councillors understood which training was mandatory.

Democratic Services Committee and Head of Democratic Services - Members would like the guidance to provide greater clarity of whether Scrutiny forms a part of the overall Member Democratic support function, and therefore whether Scrutiny officers would be required to report to the Head of Democratic Services. They endorsed the concerns, reported by WLGA, of other Councils across Wales; that of genuine concern that a scrutiny function merged with democratic support could

have implications for the strength of scrutiny resources and subsequently the quality of its impact. Therefore they would like the Council's response to request that any ambiguity be removed to avoid a negative impact on scrutiny.

Overview and Scrutiny

Prohibition of Whipped Votes – The Committee noted that in its experience voting was rarely used at Scrutiny Committees, and it was very difficult to identify whipping. Some Members felt there had been evidence of whipping at some Committees, however the Executive in Cardiff had supported Scrutiny for many years, and, whilst it may be important for other Councils to retain such advice, this was not a significant issue for Scrutiny in Cardiff.

Audit Committees - Members felt it would be a good idea to have an elected Councillor as Chair of the Audit Committee. They also felt it was important to avoid competition for, and overlapping of, PRAP /Audit Committee work programmes. A Member felt it may be appropriate to move whole Council budget scrutiny to the Audit panel. Importantly Members agreed it was important to avoid duplication of work, and foster more dialogue between the two committees and their support staff. The Audit committee should be encouraged to provide greater 'scrutiny' challenge and it may also be appropriate to encourage private sector representation.

Citizen centred, Communities and Community Councils

Taking into account the views of the public - Members considered it important that the Council secured a good system of taking the views of the public into account at scrutiny committees. However they cautioned that the potential volume of public engagement, and potential for it to escalate, would mean protocols would be required to ensure filters were in place, balance achieved and security back up at hand if required. Members felt it was currently a little embarrassing that the public had no voice at scrutiny, particularly having heard that at least one other Welsh Council already had arrangements in place. They suggested that a matter proposed for consideration by a Member of the public might be considered by the Committee at its Way Forward, and the Committee could then decide whether the matter was allocated space on a forthcoming agenda.

The Chairperson thanked Melanie Clay, Nichola Poole, and Mike Davies for attending Committee, and particularly thanked the external witness, Tim Buckle of WLGA for his contribution.

RESOLVED: To summarise and forward the Committee's views to the Chief Legal and Democratic Services Officer for inclusion in the formal Council consultation response.

49: EXECUTIVE RESPONSE TO THE COMMITTEE'S MANAGING ATTENDANCE INQUIRY REPORT

The Chairperson welcomed Councillor Mark Stephens Executive Member Finance & Service Delivery, Philip Lenz, Corporate Chief Officer Shared and Neil Hardee, Head of Performance Resources and Services to Committee.

The Chairperson reminded Members that the Committee published its report on Managing Attendance in October 2011 and the Executive had responded by accepting 13 of the recommendations, partially accepting 5 recommendations and rejecting just 1 recommendation.

Councillor Stephens made a brief statement in which he noted that it had been a very useful scrutiny and very well timed. He also noted that there was still a considerable amount of work to be done to tackle sickness absence.

Philip Lenz gave a brief summary of the Executive's position on each of the recommendations of the Committee.

The Chairperson thanked Philip Lenz for his overview and invited comments and questions from Members including;

Members discussed the Schools Mutual Fund and whether the Council could exert any influence over how it was spent. It was explained that schools held delegated budgets, therefore the Council could advise and provide guidance, but not exercise any control over how the money was spent. It was further explained that the schools did have to comply with the Councils' Financial Procedure Rules. Officers explained that schools did not have to use the Mutual Fund, in fact some schools had private insurance schemes instead, however the fund provided some protection from risk as it covered all eventualities of absences.

It was noted that there was currently no long term data held on schools absences, and this would be needed to make the position more clear and for Head Teachers to make a more informed decision on how to tackle the problem.

Members discussed the sickness trigger points and sought Officers and the Executive Members views on the subject. It was agreed that the trigger points should be more challenging, but that policy would need to be changed, which would require consultation. Managers would be looking at the issue in relation to their staff's PPDR's, but this process would take time. Members emphasised that they wanted a system at least as stringent as had been recommended. Members discussed that negotiations would be held with Trade Unions.

The Chairperson thanked Councillor Stephens, Philip Lenz and Neil Hardee for attending committee. The Chairperson thanked Councillor Stephens particularly for his support for this Committee during his time as Executive Member for Finance & Service Delivery, and on behalf of the Committee wished him well for the future.

AGREED – That a letter be sent by the Chairperson on behalf of the Committee to Councillor Mark Stephens, Executive Member Finance & Service Delivery, thanking him and his Officers for attending the Policy Review & Performance Scrutiny Committee on 14 March 2012, and to advise him of the following observations when discussing the way forward:-

Challenging Targets

The Committee Members wished to re-iterate that they believed Recommendation 1 was key, and, whilst they welcomed the Executive's acceptance of more challenging sickness absence targets, they wished to point out that to achieve 8.5 days would require concerted action.

Reviewing the policy

As a foundation for tackling Recommendation 1, Members felt Recommendation 3 was worthy of the Executive's serious consideration. They were pleased to hear that the Sickness Absence Policy would be reviewed in spring 2012, and particularly pleased that, in carrying out that review, simplification of the policy would be an aspiration. They sincerely hoped that, as indicated, the Executive would use the inquiry report as a suggested model to commence negotiation and discussions with Trade Unions, both in respect of trigger points, and to examine the

feasibility of decreasing the Council's Sickness Absence Policy from four stages to three.

Management role

The Committee felt both Scrutiny and the Executive were clear that managers would play a key role in implementing any changes to the policy following the review. Members were pleased that the Executive had accepted the need for greater clarity regarding implementation of the policy for managers.

Using data

In recommending that those with responsibility for recruitment make appropriate use of attendance data recorded by DigiGov (R15), the Committee was under the impression that using such information did not contravene the Equality Act 2010. Therefore, having clarified that in doing so the Council would be acting unlawfully, the Committee noted your intention to remove the current requirement to declare previous sickness from the Council's job application form from April 2012. The Committee will monitor this and in future consider whether the action to comply with the Equality Act impacts on absence levels.

Influencing schools

The Committee was interested in the clear statement that the Council can advise and influence the board of the Mutual Fund, but were unable to control or enforce action upon the 129 schools that comprise membership of the Fund.

Whilst Members were pleased to hear that the Council will continue to advise the Mutual Fund membership, they remained unconvinced of the Chief Education Officers commitment to the findings of this inquiry and intention to proactively influence the Mutual Fund Board on the matter of managing attendance.

The Committee understood that the Council made a decision to devolve budgets to schools many years ago, however they wished to suggest that in similar situations in the future the Council, before delegating full responsibility, seeks to establish operational criteria for the running of such funds.

The Committee noted that there was insufficient historical sickness absence data for managing attendance in schools at present, though plans were in place to ensure all schools were aware that sickness absence was

a concern, and to share sickness absence data quarterly with all Members in future.

Finally Members wished to reiterate that they would be unhappy with a softening of the Committee's recommendation on tightening of the policy when it was reviewed in the spring.

50: EXECUTIVE RESPONSE TO THE COMMITTEE'S GRANTS ALLOCATION SYSTEM INQUIRY REPORT

The Chairperson reminded Members that the Committee published its report on Grants Allocation in November 2011. The Executive had responded by accepting all 11 recommendations.

RESOLVED: to note the Executive response and recommend future monitoring of progress to the new Committee's work programme.

51: ANNUAL REPORT OF THE COMMITTEE 2011/2012

The Chairperson invited Members to comment on or suggest changes to the Committee's Annual report before its consideration at full Council.

RESOLVED: to agree the Annual Report of the Committee 2011/2012 to be considered at full Council.

52: PERFORMANCE REPORT QUARTER 3

The Chairperson advised Members that the quarterly performance reports will be circulated routinely for information.

The Chairperson invited any comments or concerns Members wished the Chair to highlight for the new Committee's work programme.

RESOLVED: to note the Performance Report Quarter 3.

CHAIRPERSON.....DATED.....