
WELSH LOCAL GOVERNMENT ASSOCIATION CORPORATE PEER
REVIEW

Reason for the Report

1. To present the results of the Welsh Local Government Association's (WLGA) Corporate Peer Review of Cardiff Council.
2. Attached to this report at **Appendix 1**, Members will find a copy of the report being presented to the Cabinet on 10 October 2013, which sets out the findings of the Peer Review. The report recommends the development of a responding Action Plan, to be presented to the Cabinet for approval on 7 November 2013, as well as the commissioning of a review of the Council's Communications and Media functions and capabilities. It is intended that the Action Plan is then used to develop an 'overarching Delivery Plan' for the Council by the end of December 2013.

Background

3. At its 16 May 2013 meeting, the Cabinet approved proposals for Cardiff Council to undergo an independent Peer Review process, undertaken by a panel of experts established by the WLGA. The Review was to be completed by July 2013 in order to feed into the Wales Audit Office's forthcoming Corporate Assessment process and to provide incoming senior managers with a better understanding of the Council's strengths and development areas. Costs of the Review were to be met by the WLGA. The remit of the Panel was to include:

“the consideration of the major risks that are currently facing the Council and to identify, and consider, the risk management arrangements that have been put in place. In addition to the identification of risks facing the Authority, the Panel may also suggest potential solutions for consideration by the Cabinet going forward.”

4. Priority areas for the Review to consider included a number of operational and organisational risks faced by the Council, identified at the time as:
 - Senior Management Restructure
 - Social care
 - Education
 - Budgetary pressures
 - Collaborative work¹.

5. The WLGA Peer Review was undertaken in the form of a desk-based review and analysis of various Council reports and information, in addition to onsite interviews conducted between 22 and 26 July 2013. Further details of the aims and methodology of the Review can be found at section 2 of the Peer Review report.

6. The Cabinet was informally presented with the Review team’s initial findings on 26 July 2013.

Issues

7. The Peer Review report sets out a number of key issues, details of which can be found in section 3 of the attached report. Among many, these include:
 - A disconnect between the Council’s priorities and those set out in the Corporate and service business plans;
 - Weaknesses in long-term financial planning;
 - A lack of an internal communications programme;

¹ Further details can be found in the 5 June 2013 Policy Review and Performance Scrutiny Committee report, Wales Audit Office Corporate Assessment and Peer Review

- Lack of capacity at senior management level. Although it recognises that a new senior management structure is coming into place (with many of the remaining assistant director posts having been advertised in recent weeks), the Review questions the long-term affordability of the senior management structure;
- The absence of a connection between Finance and service performance planning;
- The need to enhance the Council's performance management culture, down to the level of officers' personal performance reviews;
- The absence of workforce planning;
- A need for better alignment between the Council's ICT and Enterprise Architecture functions.

8. The Review's recommendations are set out at section 5 of the attached report. The Review emphasises the urgency of the actions and recommends that an Action Plan to address these recommendations is produced within 30 days. The recommendations include:

- The need to better communicate the Council's vision internally and externally;
- Ensuring Human Resources are 'at the heart of the management of the Council' and the establishment of a change culture. This includes:
 - Workforce planning;
 - Communication of the Council's business plan with managers and other officers;
 - Better target-setting and performance review for officers, linked to the Council's business plan;
 - The identification of training and development needs linked to the skills and competencies required to effect organisational change;
 - Proactive management of sickness absence, overtime and agency spend;
 - Support for services to effect the changes that budget pressures require;
- More specific recommendations to address the Cabinet's Economic Development ambitions, as well as for the improvement of education and

social services, and taking advantage of opportunities such as the Customer Management and Alternative Service Mechanisms;

- The need to address deficiencies in the Council's service planning and performance management arrangements (as noted in the Wales Audit Office's Annual Improvement report at agenda item 3 in the Committee's papers);
- The urgent need to address the Council's asset management strategy (as also noted in the WAO's Annual Improvement report and previously by this Committee);
- Ensuring robust business cases are in place for any major investments;
- A recommendation to review the Council's communications approach.

Way Forward

9. The Leader, Councillor Heather Joyce; Christine Salter, Interim Head of Paid Service; Mike Davies, Head of Performance and Improvement; and Vivienne Pearson, Operational Manager – Improvement and Information, will be in attendance to discuss the results of the Peer Review and answer any questions Members may have.

Legal Implications

10. 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 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

11. 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. Consider the attached report and the information presented at the meeting and forward any comments it wishes to relay to the Cabinet prior to the development of an Action Plan responding to the findings of the Peer Review;
- ii. Schedule a consideration of the Peer Review Action Plan for the Committee's 26 November 2013 meeting;
- iii. Consider whether it wishes to scrutinise any of the issues highlighted by the review in more depth, in addition to those such as sickness absence which already feature on the Committee's work programme.

MARIE ROSENTHAL

County Clerk and Monitoring Officer (Democratic Services)
9 October 2013

CABINET MEETING: 10 OCTOBER 2013

WLGA CORPORATE PEER REVIEW

REPORT OF THE INTERIM HEAD OF PAID SERVICE

AGENDA ITEM: 2

PORTFOLIO: LEADER

Reason for this Report

1. To consider the report of the WLGA Corporate Peer Review team and to agree to develop a detailed Action Plan in response to the report's recommendations.

Background

2. Following the local elections of 3 May 2012, the incoming Administration outlined its vision in '*Leading Cardiff – Building Communities*', and expanded this vision in its Corporate Plan 2013-2017. The Administration's three key priorities are:
 - Economic development as the driver for growth and jobs
 - Education and skills for people of all ages to fulfil their potential and be well prepared for employment in the Cardiff economy and beyond; and
 - Supporting vulnerable adults, children and young people
3. The development of these documents provided the Cabinet with an early indication of the challenges facing the Authority. In order to develop a clear programme of action to achieve this vision for the City, the Administration recognised the importance of fully understanding existing and emerging challenges and risks facing the city and the Council. The immediate challenges facing the new Administration on taking office were identified as:
 - The challenge of improving services when significant reductions in funding were expected to take effect, especially from 2014 onwards;
 - A shortage of managerial capacity to develop and deliver the new Administration's vision for Cardiff; and
 - Key services such as Education and Social Services were already at risk of intervention following assessment by external regulatory bodies.

4. The ongoing nature of the above issues was observed by the Leader and her Cabinet through the Corporate Planning and Budgetary processes for 2013/14. In addition, the report to Cabinet in October 2012, entitled 'Senior Management Structure', identified the risks of moving forward with the existing lack of management capacity against the backdrop of worsening financial settlements.
5. As set out in the subsequent report to Cabinet on 16 May 2013, the former Chief Executive had identified a substantial range of risks faced by the Council across all Cabinet portfolio areas. In order to ensure that the scope and scale of the risks that had been identified were accurate and complete, to benchmark the authority against best practice and to identify any further challenges, in May 2013, the Leader and her Cabinet agreed to engage the Welsh Local Government Association (WLGA) to carry out an independent Corporate Peer Review of the Authority. This approach was undertaken in accordance with Welsh local government's approach to self-improvement and self-regulation and to assist the Council in preparing for any future Corporate Assessment to be undertaken by the Wales Audit Office.

WLGA Peer Review

6. The Peer Review, undertaken by an experienced and expert team led by Sir Peter Rogers, was conducted from Monday 22 to Friday 26 July 2013 following a desk based review and analysis of various council reports and information. As part of the Peer Review, the team met with the Leader, Cabinet Members, Opposition Group Leaders, Scrutiny Committee Chairs, other Committee Chairs, senior managers, trade union representatives and external stakeholders.
7. The Peer Review team informally presented the Cabinet with their initial findings, which validated the Cabinet's concerns, on 26 July 2013. Additionally, the team identified deep-seated and long-standing problems including a lack of leadership at a senior officer level and a lack of accountability in the performance management of the Council that over a number of years had led to breaks in the links of what the team described as the 'golden thread' that should be in place between:
 - priorities
 - service and financial planning
 - timely performance management that integrates financial and service performance and
 - objectives for, and performance of, individual members of staff.
8. In addition, the Peer Review team highlighted the urgent need to develop a robust communications and media strategy that will reposition the ways in which we communicate with, listen and respond to our staff, citizens, customers, visitors, partners, businesses and other stakeholders.
9. The report of the Peer Review was received by the Council in late September 2013 and a copy is attached as **Appendix A**. In advance of the publication of the report for this meeting, Sir Peter Rogers has also

provided briefings on the Peer Review findings to Councillors, the Council's Senior Management Team and trade union representatives.

10. Based on the July presentation, the Cabinet assessed the Peer Review's findings over the summer and identified elements of the review that were already being addressed, including those relating to the Council's priorities for economic development, education and social care and supported by initial improvements already achieved in respect of the integration of services with sound financial planning and performance management. Actions that the Cabinet already had in place contribute significantly to addressing the Peer Review's recommendations. In addition, other elements of the Peer Review which needed urgent action have either already been addressed, or appropriate actions are currently being put in place.
11. With regard to economic development, the Cardiff Business Council has been established and has met twice so businesses themselves will be in the driving seat in promoting growth and attracting and retaining inward investment. The consultation phase on the Deposit LDP, which was approved by Council in September, is an important step forward towards planning for the city in a coherent and sustainable way. An Economic Development White Paper is being developed in consultation with the Business Council and Welsh Government to set out an economic growth vision incorporating the major projects that will deliver investment in the City, and economic development arrangements to support inward investment and indigenous business growth.
12. With regard to education, an Education Development Board, chaired by the Cabinet Member for Education and Lifelong Learning and comprising head teachers, further education colleges, university and business community representatives, met for the first time during September 2013. This new board has a wider and more strategic role than its predecessor Improvement Board, with oversight of the Council's education improvement agenda, including school performance, school organisation, relationship with the regional Consortium, capital development, post 16 engagement in education, training and employment and response to ESTYN reports. It will be responsible for investigating and improving education opportunities by working closely with our partners to proactively find solutions to improve standards within Cardiff's schools. This will be co-produced in partnership with the city's post-16 education providers and Business Council, to create a work-ready population among young people and to offer ways for adults to continue to learn, develop and adapt to a changing work place.
13. With regard to supporting vulnerable people, new models of delivery are already being developed including detailed work on the feasibility of social impact bonds and community interest companies. A White Paper is being considered elsewhere on this agenda which will lead to the re-invigoration of neighbourhoods and their management.
14. In addition, the Council has made significant progress in developing a new 'One Council' approach to customer focused service delivery, which has been communicated to senior managers across the Council. A three-year

implementation plan has also been developed encompassing Council services, which aims to reduce duplication, realise financial savings and provide residents and businesses with more and better ways to contact and interact with the organisation.

15. In respect of collaboration, the Council is working with a range of other local authorities and partners in the health service, police, third sector and businesses on, for example, Prosiect Gwyrdd, localised energy, the regional education consortium, drugs and alcohol services, the Olympic legacy and major sporting events. The project to create a regional Regulatory Service between Cardiff, Vale of Glamorgan and Bridgend Councils has commenced and the shadow Joint Committee has been formed. In addition, the senior management teams of Cardiff and Vale of Glamorgan Councils have met to discuss potential future opportunities for collaboration.
16. In July 2013, the management capacity that the Peer Review could identify was described by them as a void. However since the end of July the new Directors have all taken up their posts, the Council has appointed its new Chief Executive and recruitment for further Assistant Directors as set out in the approved structure has also commenced. The arrival of the new directors has enabled the Cabinet to commence meaningful dialogue with the new Senior Management Team to ensure that the Council's vision is embedded within the directorates, as evidenced by their first joint meeting during September 2013.
17. The fundamental issue to be addressed is the delivery of the Council's strategic priorities against the backdrop of a worsening financial position. To put the financial challenge into context, in May 2013, the Welsh Government Minister for Local Government and Government Business, Lesley Griffiths AM, warned that local authorities *"need to engage immediately in decisive and radical short-term finance and service planning so as to align public services quickly to the lower levels of resources available in the future"* and that, in the longer term, *"the significantly lower levels of resources must drive deep transformational change which crosses geographical and organisational boundaries."* As set out in the worst case scenario contained within the Council's Medium Term Financial Plan, the Council could face a budgetary gap of around £125million over the next three years and this will be confirmed when the Welsh Government announces the Council's provisional financial settlement on 16 October 2013.
18. Cabinet Members are already working with the new Directors to respond to in-year financial pressures and to make recommendations for the 2014/15 budget in the context of the financial challenges over the next three years - including considering new models of service delivery.

Way Forward

19. As outlined above, whilst the Cabinet has already made significant progress in addressing many of the issues set out in the Peer Review report, it is proposed that Cabinet Members, in consultation with the Council's new Senior Management Team, be tasked with developing a

robust and detailed Action Plan, assessing progress against the Peer Review's recommendations, and that the Action Plan is considered at the Cabinet meeting in November 2013.

20. To assist the Cabinet to communicate its vision and to ensure that the Council's communications and media activities and capabilities are robust, the Cabinet wishes to commission a review of these important functions which will inform the development of a new Communications and Media Strategy.
21. It is recommended that Cabinet utilises the proposed Action Plan to inform the development of an overarching Delivery Plan for the Council that will also incorporate and address the recommendations arising from other reports relating to the Authority, which have been issued by regulatory bodies such as the Wales Audit Office, Estyn and the Care and Social Services Inspectorate for Wales (CSSIW). It is proposed that the overarching Delivery Plan will be developed by the end of December 2013.

Reasons for Recommendations

22. To enable the Cabinet to note the findings of the Peer Review, note the summary of progress against the recommendations and agree a way forward for the Cabinet to respond to each of the Peer Review recommendations.

Legal Implications

23. The recommendations provide that a detailed Action Plan be developed, which will be considered at the November Cabinet meeting. In developing the action plan consideration should be given to (i) any legal issues arising from the proposed course of action and (ii) the range of general duties that must be taken into consideration when exercising functions, for example duties under the Equality Act. Detailed legal advice can be provided as the proposals are developed. Legal advice on the action plan will be provided in the November report.

Financial Implications

23. There are no direct financial implications arising from this report. The recommendation is to develop a detailed Action Plan which will be considered at the November Cabinet meeting. Any financial implications identified as a result of the implementation of any future Action Plan will need to be considered in a further report and either met from within existing resources or included within the Council's budgeting process and medium term financial plan. Any costs associated with the review of the Communications and Media Function will be found from the Corporate Initiatives Earmarked Reserve.

RECOMMENDATIONS

Cabinet is recommended to:

1. Note the contents and recommendations of the Peer Review report, which is attached as Appendix A to this report
2. Note the significant improvements made by the Council, as outlined within this report, which are consistent with a number of the Peer Review recommendations
3. Agree to develop a detailed Action Plan in response to the Peer Review recommendations, which will be considered at the Cabinet meeting in November 2013
4. Commission a review of the Council's Communications and Media functions and capabilities delegating authority to the Interim Head of Paid Service in consultation with the Deputy Leader to make the appropriate arrangements

CHRISTINE SALTER

Interim Head of Paid Service

4 October 2013

The following Appendix is attached:

Appendix A: WLGA Corporate Peer Review of Cardiff Council, 22-26 July 2013: Final Report

The following Background Paper has been taken into account:

Cabinet Report, 16 May 2013 – Preparations for Wales Audit Office Corporate Assessment



WLGA • CLILC

Corporate Peer Review Report: Cardiff Council

Date of Issue – 23 September 2013

1. Executive Summary

Cardiff Council is facing difficult and challenging times as its funding from the Welsh Government becomes more uncertain and traditional paring of budgets will no longer be enough to meet all service requirements and satisfy the demands of the general public. Cardiff Council is facing extensive challenges whilst it seeks to deliver its ambitions; the challenges are internal and external. With a £120m gap over the next few years even in the first year of this administration the difficulty of the task is apparent. Knowing that this would challenge existing thinking the Leader and Cabinet of Cardiff Council invited the Welsh Local Government Association to bring in a Peer Review team to do the following:

- Look at the plans and outcomes set out by the Cabinet in their vision document and affordability of those aspirations without changing gear.
- Establish the skills and capacity in the Council's Officer Team to deliver against that vision in order to provide a reality check for the incoming Directors who will form the management team who are expected to make it happen.
- Review the systems, processes and information available to Cardiff's political leadership so that difficult choices and decisions will be informed and based on the best available data and evidence.
- Look at how services are currently performing and the effectiveness of the improvement plans already in place, and
- Look at the risks and options facing the Council if they are to achieve their aims.

Clearly in the very limited time available to the team much of what we saw was based on pre-consideration of documents provided and the interviews we held during the week where we tested our conclusions on key individuals.

Whilst there are examples of good practice and good performance, the review highlighted that over a number of years deterioration in systems and procedures together with a lack of transparency in information being reported to Members has left Cardiff Council unprepared and as a result needing to move quickly in order to respond strongly and positively to the challenge which is about to hit them. In addition, it is evident that some areas are still fragile and need investment in skills and also in some cases investment in capacity to deliver the improvements that are needed.

The opportunity for a new Chief Executive and a new Management Team to fix the system is timely. There can be no relaxation of the programme of change as savings are required now and continually over the medium term. There is no time to learn, assimilate and change but a requirement to do all of these whilst delivering the ambition of the Council and securing the financial stability throughout.

The Council has much to do across many areas and in conversations with Officers it was apparent that the deficiencies have not arisen in the last year but rather they are as a result of a gradual decline in standards expected in a good organisation which, it is said, used to exist. The current Senior Management void poses a real challenge in the short run and the lack of a permanent Chief Executive compounds that issue. All current Officers have a duty to step up to meet the challenge but they need to be told what is needed of them, and what their roles are in delivering the outcomes required. Only then can good performance be recognised and poor performance dealt with. At the moment this important element is simply missing.

Our recommendations are urgent, as is the Council's response to those recommendations; it is our view that they cannot wait for the new Team to arrive, but if the recommendations are accepted and acted on then Cardiff has a blueprint for the ambitious future set out in its Corporate Plan 2013/17. What's now needed will require skill and dedication to deliver, but the prize will be worthwhile.¹

2. The Peer Review process

Following the election of a majority Labour administration in May 2012 Councillor Heather Joyce the new Leader of the authority set out with full Cabinet support a new vision to build Cardiff as a world leading capital city and city region. Cardiff Council would need to be a key partner at the centre of this process as a true, Member-led city government with Cabinet Members responsible and accountable for decision making and a high performing Officer team delivering their vision. In this setting one year on, the Cabinet decided to commission an external peer review from the Welsh Local Government Association (WLGA) to:

- Look at the plans and outcomes set put by the Cabinet in their vision document and affordability of those aspirations without changing gear.
- Establish the skills and capacity in the Council's officer team to deliver against that vision in order to provide a reality check for the incoming Directors who will form the management team who are expected to make it happen.
- Review the systems, processes and information available to Cardiff's political leadership so that difficult choices and decisions will be informed and based on the best available data and evidence.
- Look at how services were currently performing and the effectiveness of the improvement plans already in place; and
- Look at the risks and options facing the Council if they are to achieve their aims.

¹ With the exception of the new Chief Executive, all the new Directors will be in post from 9th September 2013.

This was undertaken through a robust methodology. This included examination of the following:

- Analysis of the Council's major strategic documentation and data.
- Analysis of the Council's performance and effectiveness of performance management systems.
- Structured interviews in person and by telephone, workshops with Members, Officers, stakeholders and union representatives.
- Observation of a number of Council meetings in progress.

The Peer Review Team sought evidence to establish how well and how widely the vision and ambitions for Cardiff Council were understood. It examined whether the ambitions and service plans of the authority remain realistic and achievable given the stark financial reality which Cardiff Council and indeed local government across Wales is now facing.

Throughout the review the Team sought to establish the strengths of Cardiff Council and the significant role the authority will play as the capital city for Wales in establishing the new city region. We sought to uncover how well the Council's current objectives were being translated into deliverable actions, had achievable and measureable targets, and were properly underpinned by sound financial management and linked to robust performance management.

We looked at how well the tools available to the Council were being used to achieve efficiency savings and drive service modernisation. We also looked at comparative performance data and evidence that alternative delivery models were being considered where appropriate. We looked for evidence that partnership arrangements are in place and that they are able to achieve effective collaborative working, and service transformation. We looked for trends and common themes and took account of the capacity issues, the skills and the systems available to the Council.

The Team concluded by highlighting options, risks and consequences to the authority.

3. Findings

3.1 Vision, Ambition

Cardiff holds a special place in Wales. It is a city of national and regional importance, and it provides the home for the National Assembly for Wales and the Welsh Government.

Throughout the week we saw that there were tensions between the Council and the Welsh Government around roles and responsibilities. However, there should be no confusion or ambiguity. The Councillors in Cardiff were elected to deliver their programme for the city, the Assembly was elected to deal with National issues. Given the importance of the city there will inevitably be

common issues, but the relationship should be of a mature partnership with clear boundaries and accountabilities.

What is clear is that if Cardiff Council succeeds in its ambitions then Wales will benefit, and if they do not then the reverse implications are also probable. Partnerships that strive for common outcomes will succeed only if their respective mandates are understood and observed.

The current administration has set out its ambition in its Corporate Plan for 2013-17 which is bold, clear and ambitious. It positions Cardiff as a world-class city with benefits flowing through to all its citizens, but also recognises to achieve that requires a step change in what it does now.

However, the Corporate Plan is an extensive document which would benefit from distillation down to a shorter and crisper set of objectives that would be readily understood and easy to communicate both internally and externally. This would assist all Members and Officers to comprehend the challenges and the opportunities facing them. Internally it would help with the prioritisation and choices, and externally help set expectations for what can be delivered in the future in light of having fewer resources now than have been available in the past. It has to set challenges around how to continue to provide services when public funds cannot be relied upon rather than accepting that they cannot be done. The public have a right to know and be involved in those choices and perhaps even in helping to continue service provision that might otherwise stop.

Having reviewed all relevant documentation, and listened carefully to what people said to us the Team felt that the Cabinet's vision and ambition for Cardiff could be crystallised in the following statements:

We know that

- ***Cardiff Council's key role in economic development will drive the City's future, the region's future and the nation's future; this will entail working effectively with our key partners to create jobs and opportunities.***
- ***In working towards establishing sustainable jobs and opportunities, we want to ensure that there is a job-ready workforce to take advantage of local employment options; this will mean focussing on improving education and skills.***
- ***Whilst we pursue these key objectives, we will make sure that nobody is left behind, especially the elderly and the vulnerable.***

In delivering against these aims

- ***Other services need to be reviewed and made truly effective and efficient and then be tailored to affordability.***

- ***We will make tough choices to make the best use of every pound of public money.***
- ***We will look at any option to continue to deliver the services we cannot afford to deliver.***

Because we know that we will have less money in the future than we have now.

It is an inescapable fact that in order to deliver its vision and ambitions, the Council will have to deliver its target savings and much more over the next few years. The Council will have less staff than it does now if it is to balance its books. Working with the trade unions to plan and manage these changes early will help secure a larger number of jobs in the future than will be the case without early planning and effective change management.

The scale of change required will put pressure on the leaders of the organisation who will need to be visible and explain what is happening and how important is the response. Without this there will be confusion, understandable reluctance, denial and outright opposition by some to the actions now so desperately needed. There was little evidence to show that this is happening and it will be an urgent task to begin the communication programme with staff and the public alike.

The harsh reality is that not everything can be supported, not everything can be improved and some things will need to reduce, or be discontinued completely. Some English councils that have experienced the same challenges have articulated new visions for “cooperative councils” in order to avoid mass outsourcing thereby falling into the role of a residual service provider. The well worn cliché that the status quo is not an option is sadly prescient in this context.

The fear that these changes will bring about must be addressed since it will determine the potential shape and purpose of local government in the capital over the next period. It will demand a new style of civic leadership that looks to marry in-house provision and potentially greater levels of commissioning services. Similar to all councils facing difficult choices, there is no escaping that this *could* create political instability and dissent. Ultimately choices will revolve around reduction and/or cessation in services, demand management and service innovation. The impact these changes will have on the staffing requirements of the authority and overcoming the fear which is engendered by the prospect of working with others and having to relinquish control must be recognised.

The Members and Officers of the Council must in the view of the Review Team create an empowered leadership culture, one with energy and enthusiasm where success is celebrated and failure resolved. This must be

championed through all levels of the organisation by keen advocates with the ability to motivate others.

3.2 The Leadership

The Cabinet of Cardiff Council has made a good start in its political administration of the Council in an incredibly challenging fiscal environment. The Cabinet appreciate the need to do things differently if they are to succeed in delivering their aims. They are to be complimented on their foresight to invite a WLGA Corporate Peer Review so early in their administration to check the readiness of the organisation to go forward; we felt that properly communicated and effectively followed up with a robust action plan, this step would serve to reassure key stakeholders that the administration is self aware, forward looking, courageous and willing to take difficult decisions.

Almost without exception, everyone spoken to during the review knew of the Corporate Plan 2013-17 and had a version of the political priorities of the administration, albeit what was said sometimes strayed from the core themes and spread into the detail of service specific areas. However, this depended on the role of the individual we spoke to and their proximity to the Leadership and Corporate Management Team. Nearly everyone we spoke to was clear about the Leader's determination to address the problems of young people not engaged in employment, education or training (NEETs), but few could encapsulate the vision succinctly. Unfortunately we uncovered a degree of 'disconnect' between the Council's priorities and what we saw set out in the Corporate Plan and key Business Plans and whilst this is not uncommon in the first year of a new administration it must now be addressed.

We learned about the steps the Leadership have taken to forge effective partnership links; a key partnership for the Council is that of the Higher Education sector and we were encouraged to learn that more work is now in train. There is enthusiasm from the sector who believes that until the last year their relationship had not been nurtured. Businesses also felt more engaged and the creation of the Cardiff Business Council is an important step in achieving Cardiff's economic development vision. The authority has taken the bold step of issuing its draft Local Development Plan (LDP) in advance of the projected date; this is a key document which will drive regeneration and economic development and coupled with a developing Housing Strategy these two documents bode well for Cardiff and the region in terms of forward planning for the city.

We also saw evidence of mixed leadership and management in service areas. High performance in Highways and Street-Scene with good partnership with the Police to manage the impact of the night-time economy were positive examples. Treasury Management and Finance generally are also strengths but longer term financial planning across the Council needs to be better. The Council has taken a positive approach to Partnerships for example with

Families First and seeking to move to a commissioned third sector service model. However, these pockets of leadership are not replicated across the management and whilst this may be the result of current changes to the management arrangements it is producing inconsistent practices and results. There is a danger that the political and managerial leadership in the Council becomes more remote and leaves the rest of the organisation behind without a major effort to improve communication internally. We saw no evidence of a major internal communications programme and little sign of visible and consistent managerial leadership.

The workload of Cabinet Members is significant and has been exacerbated by the lack of capacity at senior management level, as recognised by the new Administration. Whilst this is being addressed through the recruitment of senior managers to the Authority, there is still a need to create additional political capacity to address service delivery and the change agenda to meet the financial challenge. Other Authorities that have faced this issue have resolved it through a range of options ranging from task and finish groups through to cabinet committees and even in some cases Deputy Cabinet members. Cardiff should consider all the options available to assist the Cabinet to deliver savings and improve performance and adopt that which best suits the City.

There are essentially four political leadership tasks²:-

Maintaining the coherence of the administration:

The Administration is facing, as is the whole of local government in Wales, an unprecedented financial challenge. The void in senior management has made the task doubly difficult. In terms of risk categorisation (Red/Amber/Green), we assess this to be Amber.

Developing strategic policy direction:

Initially this was a strength of the organisation but the narrative associated with Year 2 is not currently coherent. There is no "narrative for change". In terms of risk categorisation, we assess this to be Red

Representing the body in the external world:

There is some good work here as outlined in the previous and following sections but there are some weaknesses and some confusion, often it seems exacerbated by badly timed and over use of Twitter and an intrusive media. In terms of risk categorisation, we assess this to be Green.

Ensuring task accomplishment:

This is proving exceptionally difficult throughout local government, but the lack of appropriate information, systems, processes and 'drivers' (added to

² Based on a model developed by Leach & Wilson, Rethinking Local Political Leadership (2002)

void in senior management) means this area needs a considerable amount of urgent attention. In terms of risk categorisation, we assess this to be Red.

It should be noted that these comments relate to the leadership at all levels within Cardiff Council, both political and managerial, not to the Leader of the Council directly.

3.3 Managerial capacity

There is currently a serious gap in managerial capacity in Cardiff Council and the authority is heavily reliant on a few key individuals in the current senior management cadre to “keep the organisational ship afloat”. This includes interim arrangements in some key areas of service.

There is only a skeleton corporate management team which by definition is struggling to be an effective unit. This situation developed we are told over a number of years under the previous administration and the then Chief Executive who was the primary architect of the new structure designed to resolve this. He has now left to work in the private sector before the structure will be implemented, although appointments have been made. In effect there has been weak corporate capacity over a significant period which has also been exacerbated by a range of temporary measures and appointments that have often added little real value. We understand that concerns have been expressed by the authority’s auditors about the “vacuum” at the senior level and by any measure corporate capacity is thin on the ground at the current time.

The new administration is seeking to address this deficit through the appointment of a range of new Directors who are taking up, or will shortly take up post. At the time of the review the range of new Assistant Directors below this level had yet to be advertised, however, the process to appoint a new Chief Executive had also begun and would be concluded in September 2013. This cannot be an excuse for inaction given the urgency of the situation.

Throughout the interviews we undertook the Team encountered scepticism about the new management structure. The Peer Team also had reservations about its underpinning logic and questioned its long term affordability. However, another re-organisation now is not the answer. It is a fact that having committed to this new management structure the authority must now make this work and to do that must ensure that the skills and capabilities of the individuals to be appointed are what the authority needs in the challenging period ahead. The new and incoming Directors must have a clear set of objectives to deliver, as must the new Chief Executive once appointed; those objectives should be set in consultation with the Leader and Cabinet Members.

The Peer Team feel that the authority will probably need to review its management arrangements in the medium term and this should be done mindful of the objectives of the Council, the linkages between service areas (and establishing, or restoring these links) in order to secure a coherent and affordable structure. At this point, however, the immediate tasks are to establish clear roles, clear responsibilities, set clear targets and pinpoint clear accountability as these requirements are paramount.

We would also suggest that the Council immediately consider all options to increase managerial capacity until such time that the entire management complement are in post and perhaps for longer until they are assimilated into Cardiff and its needs.

3.4 Business Planning

The Council, along with other public sector organisations, is facing a difficult time financially and will need to think differently. Although budget planning processes are sound they are too short term and currently there is no connection between Finance and service performance on a consistent basis. This lack of connectivity could lead to ill informed decisions as those decisions become more difficult.

Already savings which were to be made in 2012/13 have not been achieved to the extent of almost £3m, but there seemed little urgency to remedy that. We also became aware of a further savings underachievement of almost £2.9m already in 2013/14 and this will materially affect the position going forward particularly as savings will become more difficult and generally take longer to achieve.

With figures provided by the Officers of Cardiff Council, the following scenario shows the potential impact on General Balances if a proportion of the savings required are not achieved:

Description (Note Reference)	2012/13 Actual £m	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m
Savings Target (1)	14	22	33	28	28
Achievement of Savings (2)	12	19	28	23	23
Shortfall in Savings (3)	-2	-3	-5	-5	-5
Potential Staffing Costs and Identified balances/base budget for Staffing Costs (4)	-4 4	-5 5	-6 2.3	-6 2.7	-6 3.7
Potential Balances (5)	11	8	-0.7	-9	-16.3

Notes:

Note 1: Savings Target – the savings target for 2012/13 and 2013/14 reflect the actual figures identified in the respective budget setting reports. For 2014/15 to 2016/17 the savings targets reflect the base case position as identified in the Budget Strategy Report.

Note 2: Achievement of savings – the achievement of savings in 2012/13 reflects the net service area position prior to adjustment in respect of council tax and other one-off items which mitigated against this position. From 2013/14 onwards the scenario assumes a similar pro rata of circa 15% underachievement but without these mitigations.

Note 3: Shortfall In Savings – the shortfall of savings is a result of the assumptions identified in note 2.

Note 4: Potential Staffing Costs – the potential staffing costs for 2012/13 reflects the in year impact on the revenue accounts of voluntary severance. This was funded as part of the in year final budget position without impacting on general reserves. For 2013/14 to 2016/17 the scenario assumes a similar pro rata position but with the assumption that this amount is met from general reserves. This position has been netted off for amounts in the employee changes earmarked reserve and base budget allocations included in the Medium Term Financial Plan.

Note 5: Potential General Balances – under this scenario the Council's general balances have been reduced by the impact of the projected underachievement of savings and the net impact of VS costs. This scenario excludes the mitigations referred to above together with the potential use of other earmarked reserves either due to redesignation or temporary use.

Whilst this may be crude, a more sophisticated sensitivity examination shows little difference:

	£000
Council Fund Balance as at 31.3.13	11,548
Budgeted Draw down for 2013/14 Budget	<u>(155)</u>
Council Fund Balance used for modelling below:	11,393

	2014/15 £000	2015/16 £000	2016/17 £000	Total £000
Medium Term Savings Requirement (Base position)	33,000 2,900	27,723	28,018	88,741 2,900
Total for modelling purposes below	35,900	27,273	28,018	91,641

Potential non-achievability of savings	2014/15 £000	2015/16 £000	2016/17 £000	Total £000	Council Balance £000
5%	1,795	1,386	1,401	4,582	6,811
10%	3,590	2,772	2,802	9,164	2,229
12.84%	4,463	3,447	3,483	11,393	0
15%	5,385	4,158	4,203	13,746	(2,353)
20%	7,180	5,545	5,604	18,328	(6,935)

N.B. This excludes costs associated with staffing reductions

This table demonstrates the importance of remedial action to recover the overspends as the targets increase over the years. Non-achievement of savings even at a 5% rate, which is considerably lower than 2012/13, and currently forecast for 2013/14, would leave the Council balances vulnerable. A non-achievement rate of 13% would leave the Council with no general balances at all unless other mitigating actions were put in place, such as an increase in income. There needs to be far greater recognition by the Cabinet and the wider membership of the Council of options and sensitivities in order to mitigate the risks to the authority.

The following table identifies a suggested annual cycle for business planning. This should be considered by the Council to identify areas where additional focus needs to be provided as part of the medium term financial planning process.

July	<p>Business Planning starts with an agreed financial remit for the following 3 years for revenue.</p> <ul style="list-style-type: none"> - Changes to demand are considered and costed against current service demands. - Directors identify options to deliver the financial remit across their area of responsibility identifying service impacts, broadly split into income, efficiency and changes to current standards. - Costs of implementing proposals should be identified.
September	<ul style="list-style-type: none"> - Results are collated and compared with the 3 year financial remit. - Challenge sessions are held to test the current efficiency of the service and to ensure consistency and realism of proposals. - Comments are considered and amended proposals included if appropriate.
October - January	<ul style="list-style-type: none"> - Proposals and impacts are considered through pre-Scrutiny before going forward as a Budget to Cabinet.

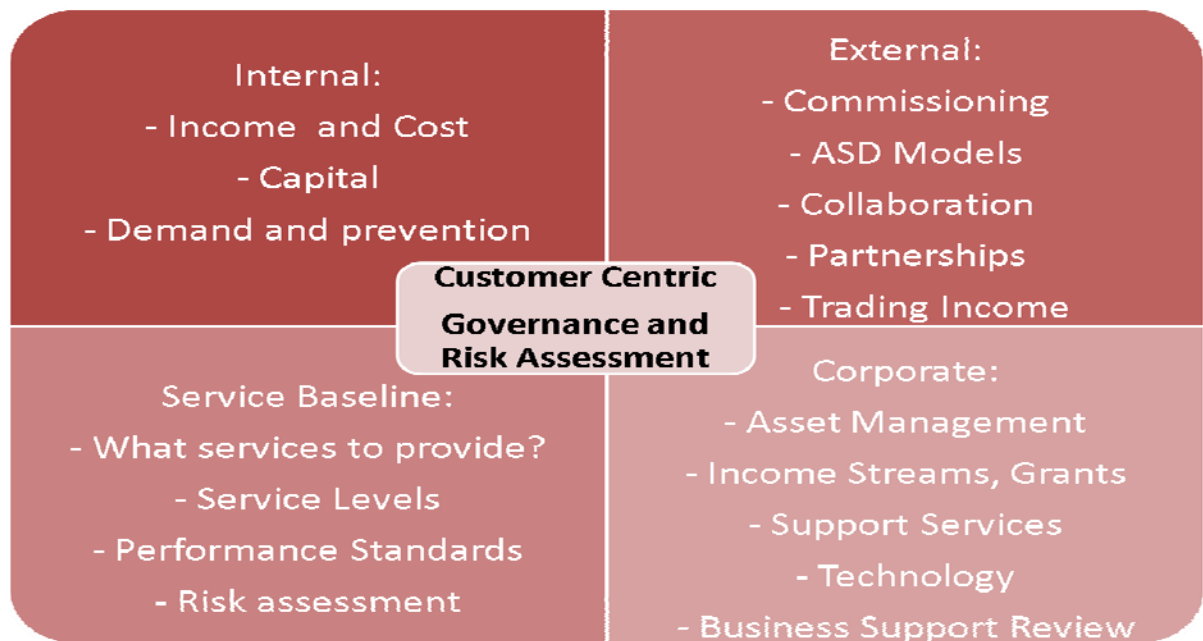
Although some of this is in place it is currently finance led and whilst there is a detailed three year financial plan in place the service plans tend to focus on the forthcoming year. Radical changes and serious challenges will mean that this is no longer good enough. Services need to lead proposals as business planning is about delivering the best services you can within the affordability envelope. That means also challenging existing levels and methods of provision. It does not mean levelling all services down to spread mediocre performance and denying Members choices around priorities.

The Council needs to provide a clear service planning framework for all services and for corporate activities or cross-cutting themes. The development of each service strategy with at least a 3 year timeframe needs to go through a robust process to be then aggregated into a corporate holistic view for the Members and the corporate management team to consider, including a full options appraisal.

The efficiency model can then be assessed against the medium term financial strategy 'gap' and decisions made regarding the balance of internal efficiencies, changes to service performance, levels and volumes and opportunities for external alternative service delivery models.

Diagrammatically the process is set out below.

A Service Financial Strategy – the model



3.5 Performance Management

A key theme across the Peer Review findings was the need to enhance performance management and create a performance culture. Whilst the Council has a performance management function and reports on a range of performance indicators and also has corporate management fora such as the Business Change Board to deliver and monitor on performance and change, the approach is inconsistent across Directorates and services as evidenced across the Peer Review findings.

The Council needs to develop a comprehensive performance management framework from Members to the Corporate Management Team and individual services. This should be linked to the corporate priorities and business/service planning process including financial and service performance. The Council is also considering a performance management system to support the design and implementation of a robust performance management framework and approach.

The Corporate Management Team and Directorates need to define with terms of reference the approach to performance management and ensure a simplified model but which is effective in driving forward performance and monitoring progress.

Performance indicators need to be designed and measured to truly be fit for purpose. The Council's performance management team is starting this

process but need to work closely with each service as well as Members and corporate finance.

Implicit in the Service Financial Strategy model outlined in the previous section is an awareness of how well current services are performing and how well resourced they are. We saw this as a major concern. Although performance indicators exist the basis of them was not clear. The best will use those that challenge performance against a similar peer group of authorities as well as driving year on year change. There was no evidence that this was the Cardiff culture. More worryingly there was no systematic link between performance, service levels and activity and Finance which would bring meaningful information to Members. The organisation is data heavy, but information light. This is brought into sharp relief when one looks at the Quarter 4 PIs for 2012/13

	Green	Amber
'Leading Cardiff'	29	2
'Corporate Plan'	178	14

There are no "reds", however, it is acknowledged that there are problem services – Education and Social Care especially and what is more, savings of around £3m were not achieved.

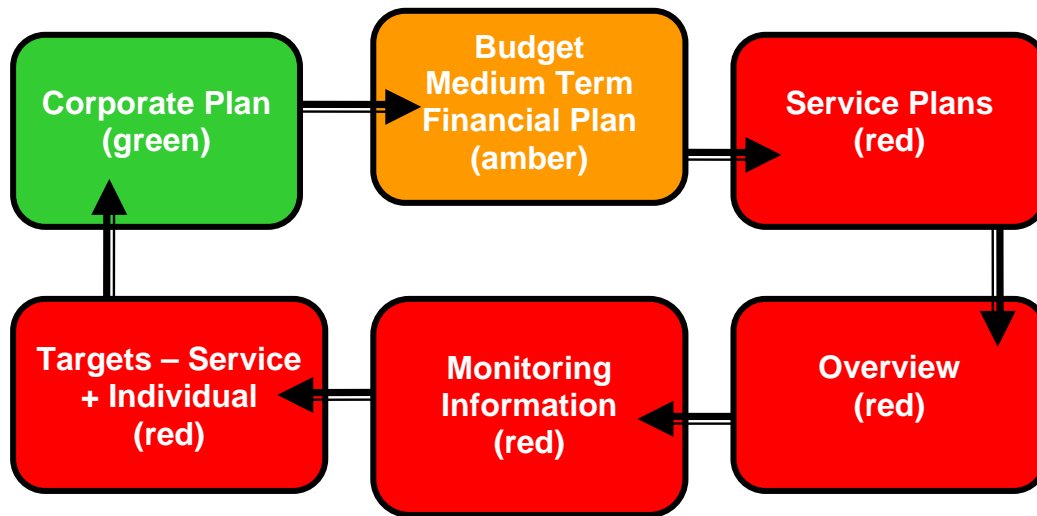
A new, simpler and more transparent reporting system is required if both Officers and Cabinet Members are to be held accountable for performance. Quarterly reporting is inadequate and there is an urgent need for a simple system which gives the following:

- A summary paragraph for the month which should highlight remedial actions or good news.
- Finance for the period, cumulative and forecast for the year ahead.
- KPIs for the month, and the trend against last month and last year.
- Programme milestones, and performance linked to priorities in service plans.
- Risks and mitigation.

There needs to be a drastic overhaul of the current systems and their integration and indicators need to be set which reflect the ambition, priorities and resources available. This would be a meaningful job for the Cabinet Member Deputies if the Council proceeds along that route.

Based on the above our summary analysis shown diagrammatically below highlights that the Council is ill-prepared when compared with the process set out above.

Organisational Readiness – our analysis



There is much to be done in a short space of time.

3.6 Human Resources

Cardiff has invested in a system which provides all of the information required to optimise staff performance. However, it is not seen as an intrinsic part of the management of the Organisation.

Business planning must include a Workforce Plan to make the changes happen and this involves:

- Organisation re-design,
- Skills and competencies for a new world,
- An effective staff performance appraisal system linked to targets reflecting the Business Plan,
- Predictive staffing through a predictive establishment process based on the organisation re-design and changes,
- A proactive approach to consulting with Staff (a management responsibility) and the Trade Unions (Human Resources),
- Personal Development Plans for each member of staff linked to Organisational needs,
- Ongoing internal communication to celebrate success,
- The creation of a culture where compliance is the norm and there are consequences for non-compliance.

At present this is almost entirely missing. An example is the current approach to appraisals. The outturn for 2012/13 is set out below which shows that the process is not being fully and effectively used by managers and they need to be proactive to ensure that higher completion rates are achieved as well as a reasonable distribution of results. The completion rate of 29.3% is very low and the outturn of 'Outstanding' and 'Effective' is very high compared to the

norm, perhaps suggesting that in the main only those who were very confident took part in the process.

PP&DR Process Completed 2012/13			
Outstanding	Effective	Developing	Ineffective
11.7%	80.8%	7%	0.5%
% Compliance: 29.3% Completed			

3

The latest available HR data for 2012/13 provided by the Council shows:

- Staff turnover at 11.15%.
- Sickness at 11.71 FTE days lost per person against a target of 10 which has a substantial cost. The Council is taking action to deal with sickness.
- Overtime spend for the year of circa £4.8m and spend with Cardiff Works and Comensura on agency staff of over £1.5m per month.

This shows that there is an opportunity to off-set potential staff reductions against reducing sickness, overtime and use of agency staff although a level will always be required. Staff turnover in particular should be built into the workforce plan and a central contingency created to reflect the financial impact of short term vacancies.

The Council has not undertaken a staff survey since 2010 and this should be considered particularly as the Council embarks on the next phase of substantial change. Pride in Cardiff as a city, in Cardiff Council, and in each respective service should be a key measure.

The Council needs to have a robust organisational development and succession planning strategy aligned with the change programme.

We have referred to the leadership of the Council and the development of a strong performance culture is critical.

Whilst the system and policies are in place and the Council feels that it has taken a very robust and successful approach to Single Status, there is mutual obligation on HR to be proactive in driving forward the HR strategy but also for managers to take responsibility. There appears to be gap in that neither is fully in place currently. Indeed there was no evidence of an effective workforce strategy at all.

3.7 Education

³ 29.3% completed at the end of June 2013

Due to the capacity issues at senior managerial level that had been recognised by the Cabinet, the support afforded to a number of Cabinet Members was considered to be inadequate which led to confusion about roles and accountabilities. This was particularly evident in Education.

In 2011 Estyn judged the performance of Cardiff Council as 'adequate' both for its current performance and prospects for improvement. The authority is therefore subject to further Estyn monitoring the situation and due for re-visit.

The Education Improvement Board (EIB) which has been established to address the criticisms of Estyn has not been effective; cancellations by the authority mean that it hasn't met frequently enough, has not shown the right level of leadership and in our view is not fit for purpose. The current self evaluation, action plan and scrutiny generally are ineffective. Urgent action is needed to remedy this situation possibly by the appointment of a new, or at least fundamentally strengthened, robust EIB.

A summary of Cardiff's performance in Education:

Foundation Phase	Below Welsh average
Key Stage 2	Below Welsh average
Key Stage 3	Above Welsh average
Key Stage 4 at level 2+	Below Welsh average, with 25% of the schools in the lowest quartile

All of the factors above and wide variations in performance between Cardiff's schools, and performance relative to schools in authorities with similar characteristics, need to be challenged. The Children and Young People's Scrutiny Committee is the obvious place where this should happen but with a focus on improvement rather than 'blame'. However, that forum needs to be better prepared for a role in relation to education services and performance, and its work programme needs to reflect new and innovative ways of getting under the data and making a difference. These comments are consistent with others in this report about the lack of good performance management.

The relationship with the regulator needs to be more proactive. The terms of the discussion must shift and it is not simply a matter of giving assurances that the problems within the authority are being addressed: there must be honesty and realism in the discussions with Estyn, and clarity around solutions. The relationships with Estyn need to be re-built and they need to be taken through the action plan so they can agree a sensible re-inspection date with the Council for their planned re-visit.

Cardiff Council also needs to produce a more inspirational programme to link aspirations, outcomes, links to higher education opportunities and employment. This last point is an area where Cardiff has the advantage of

major internationally known institutions on its doorstep, and it should make every effort to work with its universities in concerted and sustainable ways.

We heard little support for the Regional Schools Improvement Service, in fact we heard doubts expressed that this can deliver what Cardiff needs. If those doubts are based on anything other than 'gut feeling', then the terms of the relationship with and services provided by the Central South Consortium need to be re-negotiated.

3.8 Social Care

The Council will need to plan services for an increasing number of people who are living longer, and as a consequence experiencing greater physical and mental frailty. By 2030, the number of 0-17 year olds is projected to increase by 42%. Welfare Reform changes will impact on the demand for services. There is the impact of substance misuse and domestic violence on family stability to take into account. There is currently high cost, but relatively low volume placement services in both Adult and Children's Services. There is an urgent need to improve key performance indicators, as is a strategic approach to change the existing financial and service model to achieve improved value and efficient deployment of the revenue budget. A process of strategic service re-modelling needs to be implemented to contribute to anticipated cuts and provide the necessary investment in alternative service delivery models.

A significantly large proportion of the Adult and Children's budgets are deployed on a relatively small but significant number of people. A strategic approach to provide dynamic intervention with individuals and families which maintains independence and prevents creating dependence is critical. This would provide the opportunity to reduce expenditure and develop sustainable social care services.

The following information provides an overview of high cost services.

Adult Services Budget 2013-2014	£93m
Adult residential and nursing home placements 2012-2013 (33%)	£31m
Number of residential/nursing home placements 2012-2013	1,041
Children Services Budget 2013-2014	£46m
Looked After Children placements 2012-2013 (45%)	£21m
Number of Looked After Children 2012-2013	557

The Peer Review Team was briefed about the Council's Adult Services "Task Force" which was working strategically to achieve change to traditional models of service delivery. This is encouraging and an appropriate method to meet the immediate challenges. Alternative service delivery models will be required to achieve sustainability in a climate of increased demand and

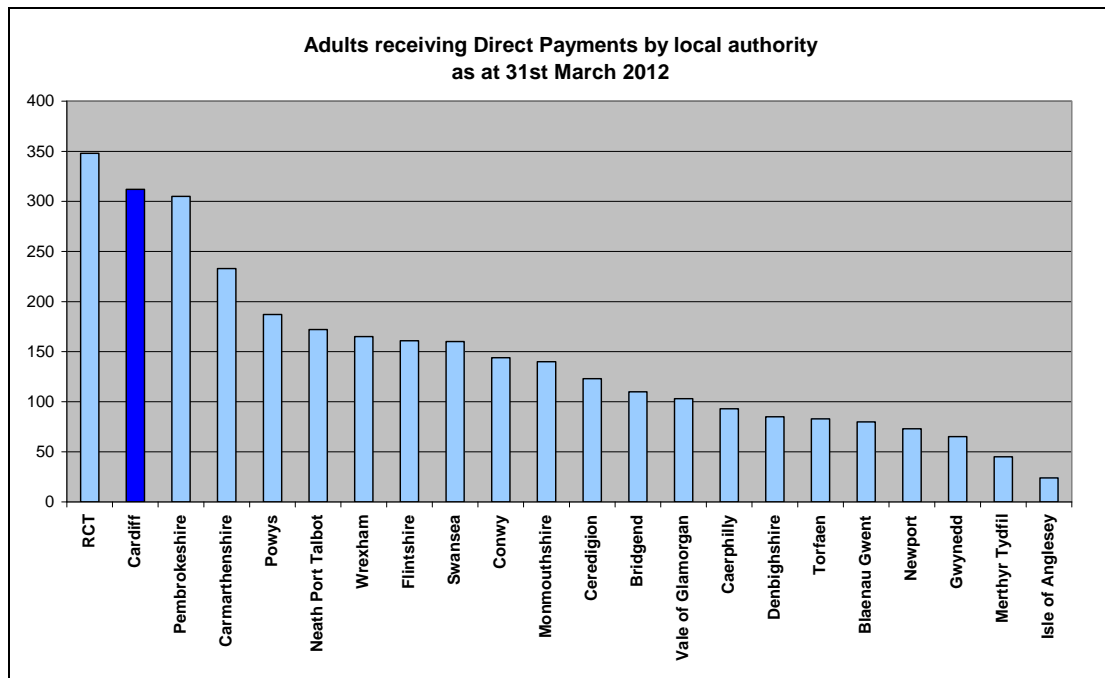
reduced resources. The Task Force is scheduled to report in the autumn and will be critical given the corporate responsibility to deliver savings.

The Peer Review Team heard that there is a “lack of consequences” for poor performance and underperforming services, with an acceptance of the status quo. There is an urgent need to develop a performance management framework and culture that is transparent and provides social work practitioners, managers and elected Members with clarity about Cardiff Council's performance. This must include benchmarking data with similar authorities (Welsh and English) averages. This would provide a context and understanding of the Council's performance and relative position to enable ambitious and stretched targets to be agreed corporately.

The Peer Review Team noted that the Council's reporting at Quarter 4, for 2012/13 suggested there are no “red” PIs. This highlights that targets are modest, lacking aspiration and not benchmarked to provide Officers and elected Members with an accurate position of performance in Cardiff. The reporting of no “reds” in social care is misleading when reflecting on performance reported at 31 March 2013. For example:

Adult Services at 31.3.13.	
SCA/007 - % of Care Plans reviewed during the year	76.29%
SCA/018 - % of Carers of Adults who had an assessment or review in the year	30.30%.
Children's Services at 31.3.13.	
SCC/042(a) - % of initial assessments completed within 7 days)	67.40%
SCC/043(a) - % of core assessments completed within 35 days	68.20%.

A paper to the Community & Adult Services Scrutiny Committee meeting held on 23 July 2013 provides the Adult Services Quarter 4 Performance Report and on page 3 the “All Wales – Direct Payments” chart (see below). The chart focuses on the number of adults in receipt of Direct Payments as at 31 March 2012 and concludes Cardiff is rated second. A more accurate report would highlight the Cardiff position in relation to *population statistics* across the 22 local authorities in Wales.



Changes to the Council's structures and recruitment process have led to a number of relatively short term senior officer appointments. Appointments have been made to the key posts of Director of Health and Social Care and of Director Children Services. Assistant Director posts are subject of recruitment and will be critical to achieve consistent and dynamic leadership and management during a period of increasing demand and reducing budgets.

Visible, energetic and enthusiastic leadership will be critical in making the transition to achieve sustainable, affordable and good performing services to people, who often, through no fault of their own require support to maintain their independence and dignity.

Communicating the vision, demographic changes, performance information, current and future financial position and the case for alternative service delivery models within service directorates and its staff will help deliver positive change.

Priorities for the future include:

- Improving Performance.
- Integrated Service and Financial Strategy.
- Service models in Adult and Children Services that maintain independence and prevent dependence.
- Corporate Leadership.
- Delivering good quality and safe services.
- Progressing change with urgency.

3.9 Wider Service Observations

Whilst our focus from a service perspective was very much on Education and Social Care, we interviewed managers from a range of services in order to gain a better understanding of the Council's approach to service improvement and efficiency.

Key points arising from our service reviews were:

- Cardiff Outdoors is a very good concept but needs to be expanded to include other related services such as all of Highways and potentially Parks and Open Spaces in order to achieve optimum efficiency. Investment in technology will also be critical. These services require terms and conditions to be considered to align with operational change and an alternative service delivery model may well be appropriate.
- Customer Services is a key strategy for the Council as a customer centric model and an efficiency driver. Much can be achieved through channel shift and improved service integration and customer access before considering substantial investment in the CRM SAP system and the Council needs to develop a robust business case with a clear return on investment. Many Councils have found a return on investment on large and complex CRM systems implementation difficult to achieve and with long timescales. There are a range of technology options that will support the efficiencies to be achieved. The business case also needs to be relevant to Cardiff and not an industry average, and the authority should consider local partners such as Health.
- Neighbourhood Management: The Council is building an innovative community neighbourhood service model which includes Libraries and community services as well as partnering with the wider public sector. This has real potential to engage local communities and should be aligned with the Sport, Leisure and Culture services as well as Social Care.
- There is clearly a very substantial opportunity to enhance the Sport, Leisure and Culture services and a strategy is being developed. This needs to link into regeneration and economic development as well as social care and Health. The opportunities for social enterprises and charitable Trusts need to be considered.
- Housing services are being considered for major change programmes and the investment in scheduling and customer services provides substantial efficiency opportunities. The Housing Strategy for development aligned with Social Care Community Development is a further opportunity that the Council is considering and is very innovative.

- Regulatory Services: The proposed collaboration project is proactive and an example of service-led initiative. This model could be a pilot for other service areas.
- Technology: There needs to be an alignment of ICT and Enterprise Architecture with a clear strategy for technology to support the change and efficiency required by the Council over the next three years. Collaboration with other Councils and local partners should be assessed as this could be a real opportunity for the Council. The role of technology to support regeneration and economic development is a key strategy in terms of digitisation and connecting Cardiff.
- Revenues and Benefits: These services are in different departments but the Council should consider implementing a true corporate debt model as well as moving to single financial assessment.
- Passenger Transport and Fleet Services need to be considered in terms of wider collaboration not just with other Councils but local public and private sector partners and community transport.
- The Council has a strong Planning service with opportunities to consider collaboration in Planning and Building Control. There needs to be a close alignment between strategic planning with economic development given that they are in separate Directorates.
- Waste services appear to be a driving substantial change particularly with the recent partnership for waste incineration.

3.10 Alternative Service Delivery Models

The Council has a clear commitment to consider alternative service delivery models but has not yet defined the strategy or identified clear opportunities.

These models are critical to enable the Council to enhance internal efficiency models and service improvement and resilience but careful consideration needs to be given to the assessment and implementation of these models.

The Council needs to develop a corporate strategy, which is aligned with political direction and corporate priorities as well as the individual service strategy for improvement and efficiency over a time period of at least 3 but more likely 5 years. The corporate strategy needs to be underpinned by a robust governance and business case development process. Lessons can be learnt from Councils that have explored a range of models.

The following diagram shows the range of potential models for the Council to assess as part of a strategy and where these could be considered:



Our service reviews identified that the Council is considering these models but within individual service areas, which may also mean that opportunities to bundle up services into one model may be missed. The support and development of the third sector is equally important.

The Council should consider community ownership and community management and delivery of services as a key opportunity across a range of services including Libraries, Leisure, Culture, Community services, Parks and Open spaces, Sports and aspects of social care.

Careful consideration needs to be given to the business case for the Adult Social Care social enterprise being considered by the Council. The service has substantial challenges to meet and a robust business case needs to be developed for a social enterprise as managers were unclear as to the potential areas where such a model will deliver increased outcomes and without detracting from the current service issues.

However, alternative service delivery models do not just deliver efficiencies but our own experience suggests that substantial staff and community benefits can be achieved and staff feel more motivated and in control of their future.

The Council is being innovative in also considering alternative funding sources from the private sector as well as social impact bonds.

3.11 Finance

The financial management of the Council has a good track record with regular reporting and careful attention paid to the level of balances. The budgetary process is reasonably robust, but longer term financial planning will need to be more embedded within service delivery in order to meet the challenges that lie ahead. General balances are at the low end of what would be expected in a Local Authority of this size, at 2.9% of expenditure, and any reduction of these would put the Council at some risk for the future.

From the documentation reviewed and evidence taken we concluded that the financial processes and systems within the Council are good; the team would go as far as to say that the accuracy and level of financial management and control are strengths of the authority and External Audit are satisfied.

Despite the strong financial environment, there are still major challenges ahead.

The budget in 2012/13 was overspent by £2.4m net (*£2.9m base*) and we saw little evidence that this was likely to be corrected in 2013/14 or indeed any plan to show how the services were going to find this gap. Instead, we found that a further overspend of nearly £3m was likely to be reported for 2013/14 in the 1st Quarter of the year. At a Cabinet meeting we attended there was a report dealing with part of this but the financial implication did not make it clear that this would mean that other savings would need to be made to meet the budget requirement for the year. This could yet be increased as at the time of the visit (end of July 2013) not all services had agreed their financial position at the end of the first quarter and we were told that other areas were also under pressure and struggling to achieve their plans. This makes it more difficult to retrieve the position in the 8 months of the financial year remaining. Given the level of savings required, it is suggested that more frequent reporting is considered and that each service provides an urgent response on how the overspends currently being reported are going to be corrected.

The level of efficiencies required over the next few years mean that urgent medium term planning and challenge is required. A full programme of service reviews to analyse the efficiency of all the services, compared to other Councils and appropriate benchmarks – bringing together activity and cost needs to be undertaken with some urgency. These reviews also need to set out the plans for the services for the next three years, how the efficiencies are going to be achieved along with a corresponding workforce plan.

Treasury Management in the Council was one of the examples of good practice which we observed. The systems are sound and the level and style of reporting to Members is clear, concise and informative.

Internal Controls

The Team found that the strategic focus and effectiveness of Internal Audit is questionable. The Audit Committee appears to function more akin to scrutiny and attendance and participation in the meetings is poor. The Committee appears to be focussed on minor issues of an internal control nature, with less attention paid to the strategic regulatory programme and strategic risks. Accounts come before the committee for sign-off, but they Committee is not engaged at an early stage.

3.12 Governance

Whilst all Members received induction training there was no extra training provided to Cabinet Members. Given the number of new Members who were appointed to Cabinet this should not happen again and the Cabinet has asked for a review of the Constitution. Several matters referred to in this report e.g. the need to create additional political capacity could be picked up in that review.

However, one area of concern arose around delegations to Officers. Certain matters such as disposal of land with a value of up to £5m are delegated to Officers. This should be reduced and we would suggest a much lower level of £1m. The table below shows this would have little impact on the Cabinet's workload but would create the tone that decisions of this magnitude are for Members.

Range	Estimated value of contracts	Number of contracts
£10,000 - £24,999	1,037,813.54	62
£25,000 - £74,999	4,569,795.68	105
£75,000 - £149,999	5,394,792.46	49
£150,000 - £249,000	4,030,065.00	21
£250,000 - £499,999	8,215,541.79	24
£500,000 - £999,999	9,670,181.00	14
£1million up to £2million	4,100,000.00	3
£2million up to £5million	36,244,000.00	11
Above £5million	167,500,000.00	3
TOTAL	240,762,189.47	292

Table: Estimated Contract Value and Number of Contracts based on contracts registered on Alito for 2012/13.

3.13 Scrutiny and pre-Scrutiny

The Team saw Scrutiny in action, and were impressed. There is indeed much other authorities can learn from the way Scrutiny is undertaken in Cardiff Council.

We feel however that the scope of Scrutiny should be extended to include significantly more pre-scrutiny. Small task and finish groups could be established to prepare reports for full Scrutiny Committee in relation to complex and lengthy items. The number of Officers in attendance seemed high and should be reviewed.

3.14 Economic Development

The new administration has set this at the heart of its ambition. If they are successful they see growth in the city and a bright future for Cardiff's residents to share the jobs and wealth that will flow. They recognise the inevitability of the shrinking size of the public sector and that private sector growth is a means of increasing wealth and employment. The publication of the draft Local Development Plan was important and the creation of the Cardiff Business Council a good start; it was well received by the external partners to whom we talked. The involvement of the University sector has started to build strong links recognising one of the city's strong sectors with an international reach and reputation.

However, Cardiff will be competing with other international cities for foreign investment and the evidence from around the world shows access to business locations and good transport links together with the skilled workforce required for their business to be high on the agenda of companies that re-locate. The view of business was that congestion was a problem and there was a need for radical solutions including a possible rapid transport link to the airport. There should be urgent consideration of possible solutions including some that are in the Council's own control.

- The Council has a previous study relating to a possible congestion charging scheme. It offers a potential way forward based strictly on transportation needs.
- Revenues are hypothecated for Transport requirements but they could be used to thicken bus routes or for Park and Ride services to provide alternatives to those currently dependent on the car.
- Revenues could also be used to raise and fund debt to invest in, or part fund with the Welsh Government, other Transport schemes including rapid transit, to support its draw for business, and
- It can provide funds to improve rather than maintain areas of public realm.

However, all of this will be put at risk if Cardiff does not raise its game on educational attainment to provide the level of skills required by new employers.

Similarly, Cardiff needs to improve its external marketing and the Business Council is well placed to do that following similar models in London (London & Partners) and Leeds (Leeds & Partners).

3.15 Other opportunities

Whilst the size of the task is daunting, there are some real opportunities available to the Council.

- There should be an urgent review of assets. The current property holdings of the Council are extensive. There are plans to make this more efficient, but there did not seem to be the urgency that might be expected in interviews with Officers. This programme offers short term revenue savings and longer term capital receipts. Officers spoke of ambitious targets, but were less confident that they would get the investment funds to realise the savings. There is an urgent need for a business case to be presented to Members not only dealing with the current position but also showing options relating to the probable workforce requirements at the end of the 3 year planning horizon or even longer if the scale of reductions in headcount is expected to continue.
- The Council has an interest in Cardiff Bus. This is an asset like other assets and the continued ownership should be reviewed against its value in the short and long term, and also the returns in dividends it gets from holding its interest. This again should be considered as a formal policy option.
- The waste incineration project has a real advantage to Cardiff and its estimated benefits are built into the strategy of the Council. However, post project appraisal should be conducted to ensure the estimated benefits are realised and any variance built into the forward plan. This would be a good discipline to exercise over any significant capital investment as well as any significant programme of change.
- The Council is open to considering alternate service delivery models and partnering with other local authorities in Wales. A number of authorities in England are ahead of the game. Cardiff should look at what others are doing to help continue to deliver services that may otherwise be stopped or reduced by restricting access to those that need them. There are a number of opportunities for the Council to consider as we have set out in the Alternative Service Delivery Model section. Outsourcing may be an option particularly for back office services or for the creation of centres of excellence with the private sector, but it is not the only option and Members should focus on becoming more efficient and truly benchmarking their performance against others before jumping at a private sector solution that may be unaffordable in several years.
- There are opportunities that Officers are looking at in Finance. Trawling the balance sheet for the possible release of provisions or reserves no longer required at the level in the balance sheet may

release funds. However, this only provides a temporary respite as it will not reduce recurring revenue expenditure.

- Similarly the amount set aside for the Council's Minimum Revenue Provision could be reviewed. This should be explored with the Appointed Auditor as soon as possible to validate the position. However, once adjusted it cannot be changed without a material change in the assumptions made. Technical adjustments like this are long and difficult to agree but we understand that work is already ongoing,
- London has produced proposals for city growth and funding link which may be of relevance. Similarly Manchester has secured a City Deal in England. Cardiff should examine these options and their relevance in Wales.
- Council Tax increases also offer a means of avoiding service reductions or simply balancing the budget over time. An increase forgone in any year is forever and can only be restored by a larger increase later if it is required.
- Without in any way suggesting that the economic development of Cardiff is unimportant, it is possible that resources devoted to this service could, in these very challenging times, be reduced and complemented, or in some cases even replaced by private sector funds. Released resources could then be considered for re-allocation to other hard pressed service areas with only a marginal impact on economic development itself. We suggest that this possibility is explored as a matter of urgency.

3.16 Risks and Issues

However, as well as opportunities there are also a number of issues that must be considered alongside them:

- Pension Fund and Redundancy costs need to be considered carefully in the context of current funding levels and the scale of redundancy programme considered likely by the team. Although this may be mitigated to some extent by normal leavers and the retirement of staff in the normal course of events, it is difficult without a multi-year plan and an integrated Workforce Plan to see the current level of provisions are adequate and if they are not, this will place an additional burden on the authority that is not currently funded.
- All major changes need to be subject to a rigorous examination of the business case. This should involve scrutiny before a decision and in the case of a service re-provision or capital investment certainly before a specification is produced for contract. The possible investment in a

CRM is a case in point where a number of authorities struggle to deliver the cost benefits often due to stimulation in demand as access to services becomes easier.

- Changes of the scale required require a great deal of courage to implement, and the consultation with employees and trade unions needs to be designed and handled with sensitivity and openness. It was concerning that no one was able to produce the information that would enable this to start meaningfully; it goes back to the absence of an integrated multi year planning framework involving service, financial and workforce planning.
- The media positioning of the council needs improvement. Given the scale of ambition there is a story to tell, but the perception of both Members and Officers was of a council that was under pressure and reactive rather than one in control of its own agenda. Improving this and communicating the vision and impacts externally and internally is an urgent priority.

There is much to be done and this must raise the risk of intervention without strong and resourced plans in place to make the changes. An Action Plan is urgently required; this must be a priority and needs to be in place within 30 days.

4. Conclusions

Cardiff Council is facing extensive challenges whilst it seeks to deliver its ambitions for the City; the challenges are internal and external. With a £120m funding gap over the next few years even in the first year of this administration the financial challenges are very apparent and require a radical approach and one which is swift in its implementation.

The vision of the authority is clear but not universally understood. There is an urgent need for the challenges facing Cardiff to be communicated as well as the response of the Council to these challenges. It is vital that this is done both inside the Council and outside it. Cardiff's political leadership recognises the Council's inability to carry on in the same way it has always operated if it is to meet the aspirations of its citizens, businesses and stakeholders. However, it is ill equipped at present to make the step change required to make informed decisions on options to deliver its ambitions. The short term nature inherent in its financial planning approach and the length of the time to identify, plan, validate and implement some of the radical changes required will be a barrier in the short run until they are changed. What is more the performance management system is not fit for purpose as it fails to link service and financial performance against rigorous targets; again this is an urgent requirement as is a regular and transparent reporting system to Members.

This in itself is a difficult task in a scenario where there is a managerial void whilst a new team is put in place. This cannot be used as a reason to delay as even now savings planned have not been achieved. Compounding this is a need to improve its education and social service performance before the Council can reconsider reshaping them.

Whilst there are other risks and issues to be addressed there are also real opportunities to grasp to secure the future that the Cabinet has set out in its vision document. However, if the vision of Cardiff as a world class city attracting investment creating wealth and employment is to be realised there is no time to lose. It is not too late but without an immediate overhaul of the “business machine” of the Council and the translation of actions required right through the Council it may be too little and too late.

5. Recommendations

The leadership of the Council needs to set the tone and pace for the Council. It needs to be more visible and more coherent throughout the Council. It should be noted that leadership is a function of the Cabinet collectively and all Managers throughout the Council.

Our recommendations are therefore:

- 5.1 That the vision of the Council is communicated and distilled for internal and external audiences.
- 5.2 Human Resources needs to be at the heart of the management of the Council if the Council is to succeed, and a change in culture is needed so that:
 - Workforce plans reflecting the business plan of the Council are produced as a control document to assess progress.
 - The implications of the business plan are communicated internally to managers and staff through a series of staff meetings.
 - The industrial relations impact of the changes is assessed and an appropriate consultation process initiated.
 - Targets consistent with the business plan are set for staff and subject to mandatory appraisal system that is monitored and validated against Council and departmental performance.
 - Training and development needs are identified linked to skills and competencies required to effect the changes and management of reconfigured services.
 - There is proactive management and support of managers to manage sickness, overtime and agency spend.
 - Services are supported to effect the change required to meet the financial challenge.

5.3 Economic development is seen as the driver of Cardiff's future and therefore the Council must:

- Exploit the opportunity which exists through the creation of the Cardiff Business Council.
- Exploit the relationships now existing with higher education bodies.
- Consider the barriers to Cardiff's aspiration to attract foreign investments and in particular options to improve transport and the environment.
- Create a marketing strategy for the City which creates a unique selling point to investors. This can be done in conjunction with the Business Council.

5.4 Education is a vital service in terms of providing skills for employment and continuing and higher education, and must secure a solid and forward looking basis for:

- Securing improved attainment across all schools and at all stages in each young person's education.
- Narrowing the variations in performance within and between schools, and performing consistently well against schools in similar authorities across Wales and England.
- Using opportunities to share best practice evident in Cardiff and elsewhere to improve pupil outcomes.
- Carefully assessing all possible means of support for school effectiveness, including current consortium arrangements, and obtaining the best possible deal for children & young people.
- Securing a position whereby the authority is not in Estyn monitoring, by appropriate engagement with the Regulators and using an effective Improvement Board as part of that process.
- Engaging with universities in the area to best effect in terms of achieving and developing long term opportunities for learners of all ages to acquire skills and knowledge consistent with long term economic prosperity.

5.5 Social Services

- The Council places great reliance on high cost service provision for older people. Gate-keeping to manage costs through good assessment and regular review is essential. The Council should set a clear strategy for action.
- The fact that financial pressures exist and significant savings are required did not appear to have created a sense of urgency. Priority has to be given to service remodelling and should be undertaken as soon as possible.
- The Council needs to determine its service model to safeguard vulnerable people and increase value for money to meet the financial and service challenges.

- The Council should look externally at examples of good practice across the United Kingdom to model future services which deliver safe, efficient and cost effective results.

- 5.6 Other service opportunities for the Council to consider:
 - Progress the customer services strategy but develop a robust business case for investment in technology and channel shift including a CRM SAP solution. Services need to be engaged in the process to own the strategy.
 - Further develop Cardiff Outdoors and consider all services that could be included to maximise efficiency.
 - Consider robust corporate debt and single financial assessment solution.
 - Progress the strategy for Housing investment and Social Care community models.
 - Ensure alignment of economic development related services including Strategic Planning and Sports and Culture services.
 - Develop a technology strategy to support the change required to meet the financial challenge and the economic development strategy.

- 5.7 Alternative Service Delivery models are identified as a core strategy for the Council to consider in meeting its financial challenge. The Council is already considering some models but needs to:
 - Develop a clear strategy and framework for the organisation supported by training and development.
 - Identify opportunities for different models to be considered within the service planning process but ensure that where appropriate services are bundled together.
 - Develop a robust governance and business case development process with clear criteria.
 - Identify learning and best practice from experiences elsewhere
 - Specifically, assess the rationale and develop a business case for the proposed model identified by the Council for Social Care.
 - Progress the Regulatory services collaboration project.
 - Further develop early considerations for the Sport, Leisure and Culture portfolio and Cardiff Outdoors across the range of models including Charitable Trusts, Social Enterprises and wholly-owned entities.
 - Community ownership and service delivery models to be included as part of the strategy.

- 5.8 Service Planning and performance monitoring are currently inadequate for the scale of the challenge and the following are priorities:
 - The Financial remit covering the next 3 years should be translated into a business plan with firm and outline plans to deliver that change across the full period. Inevitably the nearer years will often have more concrete plans but others will need

to be tracked and developed urgently to produce the more radical change programme needed.

- The service plans developed should be assessed regarding the opportunities for internal efficiencies, changes to service performance, levels and volumes and opportunities for external alternative service delivery models as set out in the Service Financial Strategy model in this report. The same approach should be applied to corporate services and initiatives.
- That the multi-year focus recommended is put in place throughout the summer so that the Cabinet can have a full range of options to consider against the medium term financial strategy before they set the Budget for 2014/15.
- Budget Clinics are established to deal with emerging issues and problems that become evident either through the Business Plan process or through performance monitoring.
- That pre-scrutiny of these options is carried out before the Cabinet consider the final Officer report.
- The Business Plan should contain relevant Performance Indicators and be linked to the ambition that Cardiff has set itself.
- That these Indicators are developed urgently with the involvement of Members as described above.
- The introduction of monthly performance reports covering the range of topics set out in the report and appropriate officer governance arrangements including effective Business Change Boards.
- Development of an appropriate performance management framework and technology system across the organisation to support the change programme and improvement.

5.9 The Peer Review recognises a number of opportunities that need to be progressed urgently and in particular:

- The trawl of the balance sheet is finalised to produce funds to invest in delivering the ambitious change agenda.
- The consideration of a change to Minimum Revenue Position (MRP) is finalised and any funds realised identified as quickly as possible.
- That urgent attention is given to the rationalisation and effective use of Council premises releasing revenue savings in the short run, and producing capital receipts in the longer terms and that this review takes into account the predicted staffing changes going forward.

5.10 The Peer Review Team also noted a number of risks and issues and it is essential that the Cabinet receive information on each of those topic areas and of any others that Officers are aware:

- There is an urgent need to look at the costs of implementation of such a radical programme in relation to redundancy costs and implications on the pension fund.
- A plan for consulting with the staff and the trade unions needs to be put in place quickly but this is difficult until the scale and impact of the plans is established. The absence of an integrated Workforce Plan is a major problem in this regard.
- Major investments such as the CRM should be subjected to a detailed business case and the reduction in levels of delegated authority to Officers will help exercise a Member overview of these decisions.

5.11 The entire communication approach of the Council should be re-visited and the press office needs to change from being reactive and transform into a pro-active media machine so that Cardiff Council sets expectations around what it can do and has done rather than as now managing expectations around current performance.

5.12 And finally, urgency has been a theme throughout this report; we recommend that an Action Plan is developed within 30 days dealing with these recommendations.

List of interviewees

The Peer Review Team wish to express their sincere thanks to the Members, Officers, Union Representatives and External Stakeholders who were interviewed as part of the peer review.

Cardiff Council Members⁴:

Cllr Heather Joyce	Leader of the Council
Cllr Ralph Cook	Deputy Leader & Strategic Planning, Highways, Traffic and Transportation
Cllr Ashley Govier	Cabinet Member Environment
Cllr Julia Magill	Cabinet Member Education & Lifelong Learning
Cllr Russell Goodway	Cabinet Member - Finance Business & Local Economy
Cllr Huw Thomas	Cabinet Member - Sport, Leisure & Culture (including Parks)
Cllr Lynda Thorne	Cabinet Member – Communities, Housing & Social Justice
Cllr Luke Holland	Cabinet Member, Social Care, Health & Wellbeing
Cllr Judith Woodman	Opposition Leader, Liberal Democrats
Cllr David Walker	Opposition Leader, Conservatives
Cllr Neil McEvoy	Opposition Leader, Plaid Cymru
Cllr Jayne Cowan	Opposition Leader, Independents and Committee Chair - Democratic Services Committee
Cllr Siobhan Corria	Scrutiny Chair, Children & Young People Scrutiny Committee
Cllr Ramesh Patel	Scrutiny Chair for Community & Adult Services Committee
Cllr Paul Mitchell	Scrutiny Chair, Environmental Scrutiny Committee
Cllr Nigel Howells	Scrutiny Chair, Policy Review & Performance Committee
Cllr Michael Michael	Committee Chair, Planning
Cllr Cerys Furlong	Committee Chair, Constitution & Employment Conditions Committee
Cllr Gretta Marshall	Committee Chair, Licensing Committee and Public Protection Committee
Cllr Derrick Morgan	Lord Mayor
Cllr Adrian Robson	Member of Cardiff Council
Cllr Phil Bale	Member of Cardiff Council
Cllr Keith Jones	Member of Cardiff Council

⁴ Note: a Cabinet re-shuffle was undertaken during the course of the Peer Review and the list above portrays the roles and titles of the individuals at the start of the review process.

Officers:

Jon House	Former Chief Executive ⁵
Christine Salter	Interim Chief Executive
Andrew Kerr	Corporate Director - Operations
Sarah McGill	Director - Communities, Housing & Customer Services
Neil Hanratty	Director - Economic Development
Chris Hespe	Director - Sport Leisure & Culture
Sheila Lock	Interim Director - Children's Services
Mike Davies	Head of Scrutiny Performance and Improvement
Anna Meredith	Head of Media
Stuart Powell	Head of School Improvement
Dave Holland	Head of Regulatory Services
Neil Hardee	Head of Performance, resources & Services (Education)
Philip Lenz	Chief Human Resources Officer
Tara King	Chief Officer - City Services
Marcia Sinfield	Operational Manager Finance and Interim s.151 Officer
Geoff Shimell	Operational Manager Legal Services, Property & Development and Deputy Monitoring Officer
Rachel Jones	Operational Manager - Partnerships & Citizen Focus
Paul Carter	Operational Manager - Transportation and City Development
Andy Bell	Transformation Office
James Turvey	Principal Improvement & Delivery Manager
Cath Smith	Acting Transition Manager
Liz Weale	Legal Manager Procurement and Partnerships
Ross Maude	Senior Enterprise Architect
Stuart Young	Operational Manager Health & Social Care - Resources and Performance
Nicki Poole	Democratic Services Manager
Phil Williams	Operational Manager - Strategic Planning and Development
Simon Morris	Education Achievement Leader (Youth Support)
Gary Watkins	Operational Manager Revenues
Jane Thomas	Operational Manager - Benefits, Finance & Tenants Services
Phil Bear	ICT Service Manager
Julie Richards	Finance – Projects and Technical Accounts
Vicky Meadows	Head Teacher of Windsor Clive Primary School (NAHT)

⁵ Mr Jon House was interviewed while still in post.

Trade Unions⁶:

Jane Setchfield	Union representative, NASUWT
Angela Slatterly	NAHT Union

External stakeholders:

Nigel Roberts	Managing Director - Paramount Office Interiors Limited (Cardiff Business Council)
Sir Jon Shortridge	Chair of Audit Committee
Akmal Hanuk	Chair of Standards & Ethics Committee
Siân Davies	Managing Director, Vale of Glamorgan Council
Belinda Davies	Chief Superintendent, South Wales Police
Professor Riordan	Vice Chancellor, Cardiff University (Cardiff Business Council)
Professor Chapman	Vice Chancellor, Cardiff Metropolitan University (Cardiff Business Council)
Eleanor Marks	Welsh Government, Communities Division
Sheila Hendrickson-Brown	Chief Officer, Cardiff Third Sector Council
Nici Evans	Partnership Development Manager - Cardiff Partnership Board and Cardiff & Vale Health Board

⁶ Owing to a clash of commitments, UNISON were unable to meet with the Peer Review Team. Unite did not respond to the request, and GMB declined.

Documents Reviewed as part of the Corporate Peer Review Process

A range of documents were examined by the Peer Review Team, and these include but are not exclusively restricted to:

- The Council's Corporate Plan 2013-17
- "Our First Year in Office" – the Leader's report
- Senior Management Team agendas, papers and minutes: 23/4/13, 21/5/13, 11/6/13, 25/6/13
- Corporate Management Team agendas, papers and minutes: 22/1/13, 19/2/13, 19/3/13, 16/4/13
- Business Change Management Board agendas, papers and minutes: 30/4/13, 14/5/13, 11/6/13, 9/7/13
- Comparative performance data for Cardiff Council – Local Government Data Unit – Wales
- Wales Audit Office Improvement Assessment Letters report to Cabinet 14 March 2013
- Preparations for Wales Audit Office Corporate Assessment, report to Cabinet 16 May 2013 (item 5)
- Detailed Medium Term Financial Plan
- Draft Statement of Accounts 2012/13 of the County Council of the City and County of Cardiff
- Delivery & Performance Report Quarter 4 of 2012/13 (Jan – end March) reported to Cardiff Cabinet 19 June 2013
- Scope for Council Balance to cover potential non-achievability of savings over the period 2014/15 – 2016/17
- Outturn report 2012/13, reported to Cabinet 19 June 2013 (item 10)
- Budget Proposals 2013/14 report to Cabinet 21 February 2013 (item 8)
- Budget Strategy 2014/15, report to Cabinet 22 July 2013 (item 8)
- Financial Monitoring Statement 2013/2014
- Projected Trading Account based on 30th November 2012
- Cardiff Council Savings 2013.14
- Thematic Savings Summary based on V20 29.11.12
- Discussion paper on target savings scenarios
- Capital Programme 2013, 14 Feb 2013
- Capital Programme 2013-14 revised for slippage
- Members Induction and Development Programme 2012/13
- Senior Management Structure, reported to Cabinet 11 October 2012
- Senior Managers confirmed appointments to date as at 25th June 2013
- Council Interim structure as at 18th July 2013
- Headcount as at 24th July 2013 (excluding casual/relief and agency workers)
- Sickness data by service area 12/13 and 13/14
- Commensura and Cardiff Works Corporate Management Information - overall summary reports for May 2013 and June 2013
- Overtime data 11-12 to 12-13

- Employee Survey conducted October 2010 and the Corporate Action Plan Final Report
- Age profile as at 24th July 2013
- Capability Dismissals as at 24th July 2013 broken down by year since 2006 to date.
- Children's Services Structure Chart
- Average Weekly Spend per Service Area (April and May 2013)
- Service Area
 - o Spend
 - o Total Hours Worked
 - o Number of temps
 - o Percentage Spend
- Order Justification by Service Area
- Order Justification by Grade (new placements for May 2013)
- Sickness Absence FTE days lost per person, Target per Service Area 2012-13 and 2013-14
- Grade Count by Directorate and Service Area as at 15/7/2013
- The Star Awards: *employee recognition awards*
- Corporate Risk Register: Year End Position 2012/13 report to Cabinet 19 June 2013
- Core Data for the Communities Directorate 4/12, 8/12 and 4/13
- Citizen Hub Performance Reports: Llanrumney/St Mellons June 2013, Butetown June 2013
- City Advice Performance Report June 2013
- Selling to Council Guide
- Supplier Self Certification Form
- Budget Documentation Guidance Note 2013-2014
- Fees and Charges
- Invest to Save Guidance
- Cashable Savings Report (20130709)
- Customer Programme Highlight Report (20130701)
- Cardiff Outdoors Highlight Report
- Venues and Catering Highlight Report
- Resources Highlight Report
- CMS Highlight Report
- Resources Programme Brief
- Business Change Programme Structure – Dashboard
- CH&CS draft budget info pack version 4
- Departmental structures – various
- Corporate Directors meetings schedule
- CH&CS facilitated meeting – documentation
- Communities Housing Social Justice Outturn
- CH&SJ Budget monitoring report to 31st March 2013 Outturn
- Communities Chief Officer Outturn report 2012-13
- Council Constitution
- Audit Committee agendas and minutes

The WLGA Corporate Review Team for Cardiff Council

Ian Bottrill

Ian retired as a County Councillor and Council Leader in Warwickshire in 2005 and now works across the UK on councillor support. Prior to being Leader, Ian was Chair of the Education Committee and a non-executive director of his local PCT for four years, chairing the Audit Committee for two years. Ian has extensive experience of local authority leadership and governance issues and has worked in a large number of local authorities (in both Wales and England) with councillors and officers. He has a particular interest in working with stakeholders, partners and especially local communities. Recently Ian has been working with others on Shared Services, collaboration and Total Place developments. Ian is the Development Director of CaST Cymru, a charity providing innovative approaches to bringing communities and schools together.

Sir Peter Rogers

Sir Peter is the former Chief Executive Officer of Westminster City Council and Chief Executive Officer of the London Development Agency. He has wide ranging local government experience prior to which Sir Peter worked in the private sector as a senior executive for one of the leading national transport operators. Subsequently he was appointed Chief Executive of the London Development Agency and was a London Mayoral Advisor on Regeneration, Growth and Enterprise. He is a non-executive director of a number of companies.

Mike Butler

Mike trained as an accountant and then moved into the private sector to advise on corporate turnaround in both the private and public sectors in the UK and South Africa. He was a Finance Director of a major NHS Trust before joining the Audit Commission in Wales to head up Value for Money and IT teams in Local government and Health before becoming Managing Director in the private sector working on service transformation, business process optimisation, and IT managed services as well as leading major transformation programmes in local government.

Gill Lewis

Gill is an experienced leader and manager with a record of continuous success in addressing strategic policy formulation, project planning, delivery,

performance improvement and financial management. She is a qualified accountant, highly regarded throughout public service arenas having been involved in major change programmes with the Audit Commission, Wales Audit Office, Welsh Assembly Government, the Health Service and Welsh Local Government. She is a former Senior Partner of the Wales Audit Office and has worked as a Deputy Chief Executive and held various Director posts across the public sector including S151 officer.

Phil Hodgson MBE

Phil Hodgson has worked in social services for more than 35 years. He has vast experience of children and adult services and in 2008 was awarded the MBE for his services to local government. He was the Independent Chair of the Welsh Safeguarding Children Forum until August 2011 when the Forum concluded its work and presented its report to the Welsh Government. Mr Hodgson has worked extensively with the WLGA, including in his role as the turnaround Director of Social Services at Blaenau Gwent County Borough Council, and more recently at Swansea where he was credited with bringing significant improvements to the department's performance.

David Hopkins

David was formerly Director of Education and Leisure Services at Caerphilly County Borough Council where he ran the two functions within an integrated department. That included a range of other services including libraries and community education. He also acted as Director of Social Services for a period, having oversight of both major Departments, and associated Partnerships. David is a vastly experienced Director and was formerly the Chairman of the Association of Directors of Education in Wales. Since leaving Caerphilly he has worked in the Welsh Government as an advisor in terms of schools improvement and standards. Similarly David has worked with the WLGA on a range of projects including assisting authorities with safeguarding policy and setting up school improvement services. He has also worked for WLGA as a interim and has of late been placed at Pembrokeshire as their interim Chief Education Officer.

Susan Perkins - WLGA Peer Team Coordinator

Susan Perkins is the WLGA Regional Coordinator for South East Wales. She has worked for WLGA for over ten years in a variety of roles, including a period of secondment as the Wales regional officer for the Local Authorities Coordinators of Regulatory Services (LACORS). In this role she worked closely with Cardiff in setting up the Consumer Direct services. She has more recently been the WLGA regional coordinator for Central Wales and she still provides the support for the WLGA's Rural Forum.