
CORRESPONDENCE – INFORMATION REPORT

Background

1. Following Committee meetings, the Chair writes a letter to the relevant Cabinet Member or senior officer, summing up the Committee's comments, concerns and recommendations regarding the issues considered during that meeting. The letter usually asks for a response from the Cabinet Member to any recommendations made and sometimes requests further information.

Issues

2. A copy of the Correspondence Monitoring sheet detailing the Committee's correspondence and those responses received is attached at **Appendix A**. For ease of reference, the lines of those letters to which the Committee has received a full response have now been removed from the document where no actions are left outstanding. Where new information has been added since the Committee last considered a correspondence report, this information is highlighted in **bold**. Attached to this report are copies of recent correspondence, as follows:

15 October 2013 meeting

3. At its 15 October 2013, the Committee considered the results of the Welsh Local Government Association's Peer Review of the Council. A copy of the Chair's letter to the Leader is attached at **Appendix B**.
4. It also scrutinised the Wales Audit Office's Improvement report and Improvement letter. A copy of the Chair's letter to the Deputy Leader is attached at **Appendix C**. A copy of his letter to the Wales Audit Office is attached at **Appendix D**.

Legal Implications

5. 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

6. 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.

Recommendation

The Committee is recommended to note the content of the letters attached to this report and decide whether it wishes to take any further actions, or request any further information.

MARIE ROSENTHAL

County Clerk and Monitoring Officer (Democratic Services)

23 October 2013

**Policy Review Performance Scrutiny Committee
Correspondence**

Committee date	Committee item	Recipient	Comments/Information requested	Response	Further Action
06/03/2013	Information Management	Leader	<p>Committee:</p> <ul style="list-style-type: none"> - Noted that a Scrutiny Inquiry into Information Management would be welcomed and will aim to include in 2013/14 work programme - Requested a breakdown of source of information requests, types of request received, number of info requests which are in and outside timescales and average cost of fulfilling info requests 	<p>Response:</p> <ul style="list-style-type: none"> - An inquiry would very much be welcomed - Information was provided regarding sources and types of requests (the latter at a high level); the number outside the timescales and compliance rates - Average cost of dealing with a request is not yet available 	<p>Include average cost of fulfilling info request as part of Inquiry briefing material. The information will be available as part of national study by the Ministry of Justice, but has not yet been released to participants.</p>
17/04/2013	Non-Operational Property	Cllr Russell Goodway	<p>Committee:</p> <ul style="list-style-type: none"> - Made clear its disappointment that Cllr Goodway did not attend and that Committee did not have access to the full draft Cabinet report - Commented that there seems to be a lack of vision around the use of non-operational property - Recommended that the social and community benefits of the estate should be considered, as well as the financial benefits - Commented that the Review has featured on the Cabinet Forward Plan for months without being considered, making planning effective scrutiny difficult - Welcomed moves to monitor performance of the estate and to compare this to other cities - Stated that it wishes to consider the Draft Cabinet report in pre-decision. Prior to this, a strategic vision for the use of Non-Operational Property should be developed, as well as comparative performance indicators, a communications strategy for existing tenants, details of the asset management process and a statement regarding the non-financial value/benefits of the estate. 	<p>Response:</p> <ul style="list-style-type: none"> - The Cabinet report will cover many of points raised, but officers have been asked to develop a specific section to set out the vision for the development of the estate. - A review of workshops is being undertaken and the two issues will be dealt with in one report. Timescale to be determined. - Cllr Goodway will reflect on the Committee's request to consider the report in pre-decision at the appropriate time 	<p>UPDATE 09/07/2013 Officers have stated that the report may go to September Cabinet in conjunction with a review of the Council's workshop estate</p> <p>UPDATE 12/08/2013 Officers have confirmed that the report will not be ready for September Cabinet. Date has yet to be confirmed.</p> <p>UPDATE 20/09/2013 This may be ready for 29th October Committee meeting.</p> <p>UPDATE 09/10/2013 Asset management has been raised as a pressing issue which the Council must address, by both the WLGA Peer Review and the WAO Improvement Report.</p>
05/06/2013	Engagement with Scrutiny	Cllr Russell Goodway	<p>Committee:</p> <ul style="list-style-type: none"> - Expressed concern over the speed and paucity of Councillor Goodway's responses over the course of the year and urged him to investigate why some letters seemed to have gone missing and to ensure that all points and recommendations were addressed in future - Requested an update on the WG Callaghan Square letter - Expressed their concern about Cabinet attendance at Committee meetings 	Not yet received	<p>UPDATE 09/10/2013 The Scrutiny Chairs and the Cabinet met on 7 October to discuss future relations</p>

**Policy Review Performance Scrutiny Committee
Correspondence**

Committee date	Committee item	Recipient	Comments/Information requested	Response	Further Action
09/07/2013	Budget Outturn 2012/13	Cllr Russell Goodway	<p>Committee:</p> <ul style="list-style-type: none"> - Was concerned by capital slippage and urge Finance to work with service areas to profile spend more effectively - Noted the cost of SAP licenses and that this is not expected to increase - Requested a subjective breakdown be included in future monitoring reports - Requested information regarding payments to Northampton Council regarding Penalty Charge Notices - Requested the spend profile in relation to the Section 106 payments in Parks - Requested a breakdown of the Corporate Initiatives spend - Requested further information on the '5 year plan' to transform Council services'. 	<ul style="list-style-type: none"> - No comment regarding capital slippage, SAP licenses or the subjective breakdown - The 'payments to Northampton Council' should have referred to Northampton 'Court'. No further information given - Breakdown of the spend profile for S106 Parks monies attached - Breakdown of Corporate Initiatives spend in 2012/13 attached - Regarding the five year plan referred to information included in the Budget Strategy 2014/15 report 	Subjective breakdown has not been included with Month 3 report, although a breakdown of specific savings projections is. Committee may like to query this when it considers monitoring reports.
12/09/2013	Budget Strategy 2014/15	Cllr Goodway	<p>Committee:</p> <ul style="list-style-type: none"> - Requested to be kept informed regarding plans for policy-led and business-process led savings as plans develop - Discussed 'nice to have' versus necessary services and wish to continue to engage with the Cabinet as these ideas develop - Will consider Grants proposals at its next meeting - Raised the issue of affordability of borrowing. <p>Committee also made a number of comments about the budget process.</p> <p>Members:</p> <ul style="list-style-type: none"> - Welcomed the offer of directorate briefings - Requested to know when the Budget Proposals would be released into the public domain - Hope that the proposals' narrative will reflect the needs of various audiences - Asked that all options presented for consultation are pursued, but asked that thought is given to those who prefer not to access web-based surveys - Request that the full results of consultation are available to scrutiny committees and that a full review is carried out afterwards to judge the effectiveness of consultation. 	Not yet received	

**Policy Review Performance Scrutiny Committee
Correspondence**

Committee date	Committee item	Recipient	Comments/Information requested	Response	Further Action
01/10/2013	Budget Strategy 2013/14 Proposals for a review of Council Grant Funding	Cllr Thorne	Committee: - Welcomed the longer time allowed for consultation - Requested full scrutiny engagement with the commissioning approach for the three proposed packages - Wishes to understand the implementation costs of the new approach - Recommends that the neighbourhood fund is as transparent as possible. Members wish to consider the allocation process/criteria for applications, and recommends regular Scrutiny monitoring of grants made under the fund. Committee also wants details of the support which will be given to organisations in applying for the grant - Requested details of the consultation results prior to consideration of the final budget proposals - Recommended that the use of the word 'reserve' (with reference to the Advice package) should make clear that this is not funding which is easily accessible and is very much a contingency - Wishes to understand the rationale for the full transfer of the Advice to Industry grant and the Audience Wales grant without their being subject to a 10% cut.	Not yet received	
15/10/2013	WLGA Peer Review	Leader	Committee: - Recommended that the Peer Review Action Plan is debated at Full Council - Wishes to consider the Action Plan earlier than 26 Nov if possible - Were concerned that the Action Plan should be a Member-led document - Recommended that the Action Plan should contained clearly measurable actions and milestones and demonstrate outcomes for citizens - Will invite Trade Union colleagues to the scrutiny of the Action Plan - Endorses comments made about the current Corporate Plan, and the need for better alignment between financial, corporate and directorate business planning - Wishes to consider the results of the Communications & Media review - Urges progress on asset management - Requested further details regarding Personal Performance and Development Review completions - May scheduled further items coming from the Action Plan in future meetings - Wishes to have an update to Month 5 information with M3 budget monitoring on 29 Oct.	Not yet received	

**Policy Review Performance Scrutiny Committee
Correspondence**

Committee date	Committee item	Recipient	Comments/Information requested	Response	Further Action
15/10/2013	WAO Improvement report & letter	Cllr Cook	Committee: - recommends that methods of making the Council's Annual Improvement report more accessible discussed at the meetign are implemented; - urges action to address the content of the Corporate Plan Delivery Plan - Requested clarification regarding WG improvement advice that was not made available to the Cabinet - Notes that a further review of performance reporting is underway and therefore postpones its request for a bespoke report - Will investigate a comparative performance research project with the Scrutiny Research team - Urges action on asset management.	Not yet received	

Date: 22 October 2013



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Councillor Heather Joyce
Leader
Cardiff Council, County Hall
Cardiff
CF10 4UW

Dear Councillor Joyce,

POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE 15 October 2013 Welsh Local Government Association Peer Review

Thank you for attending the Policy Review and Performance Scrutiny Committee to discuss the findings of the Welsh Local Government Association's Peer Review of the Council. The Committee was glad to have the opportunity to scrutinise the findings of the Review prior to the development of the responding Action Plan. The issues uncovered by the Review, in addition to those raised by the Wales Audit Office's Improvement letter which the Committee also considered during this meeting, are of grave concern. Early scrutiny engagement is therefore vital.

Members had a number of comments and recommendations which I have summed up below.

Peer Review Process

- The Committee strongly recommends that the Peer Review Action Plan should be presented to Full Council for debate. Although the Peer Review and Action Plan were clearly commissioned by the Cabinet, we believe that this is the best way to ensure shared ownership to drive through the necessary changes to the Council's culture.
- The Committee has agreed that it wishes to scrutinise the Action Plan in detail during its 26 November 2013 meeting. During discussions at the meeting, it seemed that there may be the possibility that a draft of the Action Plan will be available for the Committee to consider it in pre-decision at its meeting on 29 October 2013. We would be grateful if you would confirm whether this will be feasible.
- Members noted your comment that you would see the first draft of the Peer Review Action Plan this week, once Directors had prepared their responses. The Committee was left with the impression that the impetus for the Action Plan was coming from senior officers rather than from Cabinet Members. While Members hope that we use the skills and knowledge of our directors to best advantage, it is vital that is a Member-led process.
- Following discussion at the meeting about the need for the Council's Corporate Plan to be clear in setting out measurable actions and milestones,



and most importantly that the Plan should demonstrate intended outcomes for citizens, the Committee recommends that the Action Plan is also drafted to meet these criteria.

- The Committee heard that Trade Union colleagues had not participated in the Review, partly due to the short timescales involved in its planning. Given the vital importance which Trade Unions will play in ensuring the success of future actions, we will invite Trade Union representatives to comment on the Action Plan when it is put before the Committee.

Issues highlighted by the Peer Review

- Members noted the Peer Review's finding that the Corporate Plan should be distilled into a shorter, crisper vision which can be clearly communicated internally and externally. Given this Committee's comments on the draft Plan in February this year, and the comments of the Auditor General in his Improvement Letter, we very much endorse this point of view.
- The Committee would also support the need for better alignment between corporate, financial and directorate business planning and for improved performance management arrangements.
- The Committee would like to consider the results of the Communications and Media review. In relation to this, Members are concerned that it has been some years since a staff survey has been carried out and urge you to ensure that this is rectified. Internal communication channels are fundamental if we are to work with staff to deliver the culture changes which the organisation needs in future. This Committee is intending to undertake a task and finish inquiry to look at the Council's public engagement later in this municipal year, so will look to the result of the Communications Review to inform its scope.
- Members wish to highlight the Peer Review's recommendation that there should be an urgent review of the resources devoted to Economic Development. We strongly endorse the view that there should be a reduction in internal resources and that external funds should be sought in their place. We will look to see this reflected in the Action Plan.
- The issue of asset management should also be pursued with urgency. This Committee has a long-standing interest in this subject, having pushed for a full review of non-operational property to be brought to the Committee and the Cabinet. The Committee is concerned that this and the Corporate Asset Management Plan have featured on the Cabinet's Forward Plan for several months without being brought forward for decision. We urge you to address this with your Cabinet as soon as possible.
- Members noted the Review's comments regarding the lack of training available to Cabinet Members and wish to have further details on what will be developed to rectify this. It may be that much of this training would also be useful to Scrutiny Members.
- The Committee were very concerned to hear about the issues which exist with Personal Performance Development Reviews. Members heard at the meeting

that this situation has now improved as compared to the point at which the WLGA undertook its review. However they were informed that across the Council only 65% compliance has been achieved in terms of officers' reviews having reached the stage they should. In the light of this, Members ask that Human Resources officers work with Scrutiny Service to provide the Committee with a briefing paper setting out:

- The stages of the PPDR process;
- Number and percentage of officer PPDRs currently at each stage of the Review process, broken down by grade and directorate;
- Similar detailed data to be provided for previous years to allow an assessment of any improvement or fall in compliance;
- Confirmation of how many and what percentage of staff are using the Digigov facility to record PPDRs;
- Confirmation of number and percentage of officers who are using the monthly review option on the Digigov system;
- Any sanctions for managers who do not carry out reviews.

Committee Members are also concerned that the Council should not simply pursue compliance with the Review process, but more importantly make the process a meaningful one which enables good performance to be rewarded and unsatisfactory performance to be rectified. We would therefore like to understand how many managers have completed training in the PPDR process. Once we have this information, and sight of the Peer Review Action Plan, we may schedule a further scrutiny of this issue.

- There were a number of issues contained within the Review that are of specific interest to this Committee, such as the Council's workforce planning. Once the Committee has reviewed the contents of the Action Plan, we may schedule further items into our work programme.

Financial matters

- Members of the Committee are concerned to understand the Council's current monitoring position. Given the delay in presenting the Month 3 monitoring report to the Committee, Members would as a minimum like to receive further details of the position as at Month 5 when the deferred item returns to Committee on 29 October 2013.
- The Committee was informed that the Cabinet Member for Finance & Economic Development has commenced budget clinics as recommended by the Review. The Committee would also like to hear about the results of these discussions when it considers the Month 3 monitoring position.
- Members noted the Interim Head of Paid Service's comment that Welsh Government has ruled out the capitalisation of voluntary severance costs. We hope that the Council will continue to lobby to change this decision given the potential impact of associated costs and the previous support made available in relation to the costs of Single Status.
- In relation to budget planning, Members questioned at the meeting what actions are being put in place to manage projected overspends for 2013/14. There was concern among Members that those directorates which have

worked to meet their savings targets may be penalised by having to find additional savings to balance projected overspends in other directorates.

- The Committee would like to repeat its congratulations to the Interim Head of Paid Service with regards to the comments made in the review about Treasury Management and Finance overall. It noted comments regarding longer-term financial planning and would lend its support to any moves to press Welsh Government to make this feasible.

Given the importance of the issues covered in the Review, this Committee hope that the other Scrutiny Committees will cover issues falling more specifically under their remits as time allows. I am therefore copying this letter to the other Scrutiny Chairs for information. In particular, following your comments which did not entirely rule out the introduction of a congestion charge, the Environmental Scrutiny Committee may wish to consider this issue.

Yours sincerely,



COUNCILLOR NIGEL HOWELLS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Councillor Ralph Cook, Deputy Leader
Councillor Russell Goodway, Cabinet Member Finance & Economic Development
Christine Salter, Interim Head of Paid Service
Mike Davies, Head of Service, Performance and Improvement
Vivienne Pearson, Operational Manager, Information & Improvement
Neil Hanratty, Director Economic Development
Marie Rosenthal, County Clerk and Monitoring Officer
Steve Barry, Wales Audit Office
Cabinet Office
Scrutiny Chairs
Members of the Policy Review & Performance Scrutiny Committee

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

Date: 22 October 2013



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Councillor Ralph Cook,
Deputy Leader
Cardiff Council, County Hall
Cardiff
CF10 4UW

Dear Councillor Cook,

**POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE 15 October 2013
Wales Audit Office Improvement Report and Letter**

Thank you for attending the Policy Review and Performance Scrutiny Committee to discuss the Wales Audit Office's Improvement Report and Letter. Members had a number of comments and recommendations which I have summed up below.

- The Committee urges you to consider the recommendations discussed at the meeting in terms of making the Council's Improvement Report more accessible. For example, producing an 'easy read' summary, linking to more detailed data behind it, for example; provision in other community languages; or targeted distribution to particular stakeholder groups.
- While the Auditor General commented positively on the Corporate Plan's structuring around Cabinet Portfolios, we urge you to address issues he identified with the Delivery Plan in terms of ensuring that there are clear measurable targets in place. This Committee made similar comments when it considered the draft Plan in February, as it was concerned that it would be difficult to judge ongoing success in its delivery. We furthermore urge you to ensure that outcomes for citizens in particular can be clearly assessed.
- When discussing the WLGA Peer Review with the Leader at the same meeting, she indicated that key guidance from Welsh Government had not been passed on to the Cabinet in order to aid the development of the Plan. Members were concerned by this statement and would like to have clarification of the matter. The guidance should also be forwarded on to Scrutiny Committee Members to aid their future consideration of improvement planning.
- Members noted comments that the Council's performance reports are undergoing a further review. Some improvements have been put in place in the Quarter 1 report and more work will be carried out to develop them for the next quarter. In light of this, the Committee will wait to see what the format and content of the report is before it considers the development of its own bespoke report.



- The Committee noted that the Auditor General recommends that the Council provides comparative information in future performance reports. The Committee has questioned on many occasions the availability of comparative performance data and which cities (European as well as Welsh) are appropriate to evaluate our performance against. We have heard from officers on several occasions that it is a very difficult area. Subject to capacity, we will therefore work with our Scrutiny Research team to undertake a review of comparative performance data in order to progress this issue.
- We welcomed your comment that you have asked that Directors ensure that the narrative contained in performance reports sets out an unambiguous assessment of performance.
- The Auditor General and the WLGA Peer Review both highlighted the need to address Council asset management. I have separately written to the Leader on this issue, as it is something in which this Committee has a long-standing interest. We have pushed for a full review of non-operational property to be brought to the Committee and the Cabinet. We have been concerned that this Review and the Corporate Asset Management Plan have featured on the Cabinet's Forward Plan for several months without being brought forward for decision. We urge the Cabinet to address this as soon as possible.

I would be grateful for your response to the matters raised above.

Yours sincerely,



COUNCILLOR NIGEL HOWELLS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Councillor Heather Joyce, Leader Cardiff Council
 Councillor Russell Goodway, Cabinet Member Finance & Economic Development
 Christine Salter, Interim Head of Paid Service
 Mike Davies, Head of Service, Performance and Improvement
 Vivienne Pearson, Operational Manager, Information & Improvement
 Neil Hanratty, Director Economic Development
 Steve Barry, Wales Audit Office
 Cabinet Office
 Members of the Policy Review & Performance Scrutiny Committee

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

Date: 23 October 2013



County Hall
Cardiff,
CF10 4UW
Tel: (029) 2087 2087

Neuadd y Sir
Caerdydd,
CF10 4UW
Ffôn: (029) 2087 2088

Steve Barry,
Wales Audit Office
24 Cathedral Road
CARDIFF
CF11 9LJ

Dear Steve,

**POLICY REVIEW & PERFORMANCE SCRUTINY COMMITTEE 15 October 2013
Wales Audit Office Improvement Report and Letter**

Thank you for attending the Policy Review and Performance Scrutiny Committee to discuss the findings of the Wales Audit Office's Improvement Report and Letter; Members of the Committee found your input valuable to their scrutiny. I have copied you in to the letter I wrote to the Leader of the Council, Councillor Heather Joyce, for information, so you will already have had sight of our comments on some of the specific issues raised by the report. Members of the Committee have also asked me to make a very few comments to you, which are set out below.

Members commented at the meeting on the delay in the publication of the Annual Improvement report, which would normally have been made available earlier in the calendar year. We consider the WAO's input vital to the Council's improvement agenda; the need for urgent change was also highlighted by the Welsh Local Government Association's Peer Review of the Council, which the Committee considered at the same meeting. We therefore hope that future reports will be made available as soon as possible.

When you presented the Auditor General's report to the Cabinet, it was queried whether the Audit Office's fees would be reduced, given the financial situation which is currently faced by local government. We noted your comments to this Committee that the performance audit portion of the WAO's fees has already reduced somewhat in recent years. While we welcome this, we very much hope that there will not be a parallel reduction in the support and guidance available in coming years. We would reiterate the importance we place on the work of the Wales Audit Office.



Thank you again, and I look forward to your input when the Committee considers the results of the Wales Audit Office's Corporate Assessment of the Council next year.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nigel Howells', with a stylized flourish at the end.

COUNCILLOR NIGEL HOWELLS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Councillor Heather Joyce, Leader Cardiff Council
Christine Salter, Interim Head of Paid Service
Mike Davies, Head of Service, Performance and Improvement
Vivienne Pearson, Operational Manager, Information & Improvement
Members of the Policy Review & Performance Scrutiny Committee