

**POLICY REVIEW & PERFORMANCE
SCRUTINY COMMITTEE**

2 December 2014

CORPORATE PLAN 2015-17

Reason for the Report

1. To provide Members with an opportunity to consider the approach to developing the Corporate Plan 2015-17. The Committee has in the past scrutinised the final draft of the Corporate Plan in February each year, at the same time as it has considered the draft Budget Proposals. This year will be able to scrutinise the overall approach to the corporate planning process at this point, with a further opportunity to consider the complete draft of the Corporate Plan in February 2015. Attached at **Appendix A**, Members will find a presentation setting out the Cabinet's approach to corporate planning.

Background

2. This Committee's remit provides for it to scrutinise the process of developing and the overall structure and direction set out in the Corporate Plan, one of the Council's key strategic documents. The Committee also has a role in scrutinising the linkages between the Corporate Plan and delivery of the specific services which fall under its remit. In the coming months when considering the draft Budget Proposals, each of Cardiff's five scrutiny committees will examine the sections of the Corporate Plan relevant to its terms of reference, taking a view on the detail of the outcomes, objectives and measures set out for the Directorates falling under its remit.

Issues

3. At its 9 October 2014 meeting, the Cabinet considered the 'Repositioning Cardiff as Europe's Most Liveable Capital City: Vision, Values and Corporate Planning' report. This report aimed to define the Administration's vision of making Cardiff Europe's

most liveable capital city, as well as to strengthen the Council's approach to corporate and partnership planning in order to deliver this vision. The report also set out the UK policy context, and in particular the impact of the Well-being of Future Generations (Wales) Bill and set out the Council's approach in relation to city powers and responsibilities. A copy of the Cabinet report is attached at **Appendix B** for ease of reference.

4. The Council's strategic planning framework will henceforth include the following elements:

- **What Matters 2010: 2020** – Integrated Partnership Strategy, which replaced four existing statutory plans which the Council produced (the Community Strategy, the Children & Young People's Plan, the Health, Social Care & Wellbeing Strategy and the Community Safety Action Plan). 'What Matters' set out seven strategic outcomes for the city:
 - People in Cardiff are safe and feel safe
 - Cardiff has a thriving and prosperous economy
 - People in Cardiff achieve their full potential
 - Cardiff is a great place to live, work and play
 - People in Cardiff have a clean, attractive and sustainable environment
 - People in Cardiff are healthy
 - Cardiff is a fair, just and inclusive society.

The Vision, Values and Corporate Planning Cabinet report states that the What Matters Strategy will be refreshed at its half-way point in 2015. This Committee has agreed to scrutinise the revised Strategy prior to its approval by the Cabinet, at a date to be confirmed.

- A **Liveable City Report**, which is currently under development and which will measure the city's performance against the seven strategic outcomes. The Vision, Values and Corporate Planning Cabinet report states that this would objectively measure Cardiff's performance against a limited number of outcomes associated with 'liveable' cities, and include a comparative analysis of other UK and European cities over time.

- **Corporate Plan** – capturing the Council’s contribution to delivering the ‘What Matters’ Strategy at a strategic level.
- **Directorate Delivery Plans** – to demonstrate how the Corporate Plan will be delivered and to set out detail about other activities delivered by the Council.
- **Individual Personal Performance and Development Objectives** – setting out individuals’ contributions to delivering directorate and team plans.

External assessments of the Council’s Corporate Plan

Wales Audit Office Improvement Letter – Assessment of 2013-17 Corporate Plan

5. Under the Local Government (Wales) Measure, the Auditor General reports each year on how well councils are planning for improvement in delivering their services. In 2013, the Auditor General issued an Improvement Report covering the Council’s performance in 2011/12 and planning for 2012/13, as well as an Improvement Letter published on 16 September 2013¹ which assessed arrangements at the time. The Letter provided an assessment of how the Council had addressed its improvement duties through the Corporate Plan 2013-17, published in February 2013. The Auditor General concluded that the Council had complied with guidance by publishing its Corporate Plan at the start of the financial year and that the identification of five themes in the Plan, as well as the grouping of activities under Cabinet Portfolios had the ‘potential to strengthen accountability for improvement’.
6. However, the Auditor General found that there were a number of areas which should be improved. He stated that:
 - “The Council is not fully meeting Welsh Government guidance because the Corporate Plan includes a wide range of proposed activities making it difficult to identify the improvement objectives for 2013-14.” [This issue was subsequently addressed through the Council’s Improvement Report, approved by Cabinet on 10 October 2013];

¹ Available with 10 October 2013 Cabinet papers on the Council’s website at:
[http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&\\$state=calendarmeeting&\\$committeelD=12950&\\$meetingdate=10/10/2013](http://www.cardiff.gov.uk/content.asp?nav=2872%2C3250%2C4875&id=&parent_directory_id=2865&textonly=&language=&$state=calendarmeeting&$committeelD=12950&$meetingdate=10/10/2013)

- The 2013-17 Corporate Plan identified more than 100 proposed activities, many of which referred to “preparing or developing plans; implementing or delivering plans or strategies; or describe the day-to-day business of the Council such as delivering the Local Development Plan.” The Letter concluded that the improvement sought was not clearly described and that relative priorities were not indicated;
- Some objectives included in the 2013-17 Corporate Plan did not meet guidance either “because they are too broad and aspirational, for example, ‘creating safer communities’ or because they are too narrow or operational, for example, ‘deliver a portfolio of events across the city’.”
- “The absence of clear and measurable targets means the Council will be unable to fully evaluate its performance. Milestones are contained in the Delivery Plan but whilst some actions/milestones are clear and have measurable targets, many are not accompanied by clearly defined measures of success. Where portfolio performance indicator baskets are listed, they are generic to the portfolio area. They also do not include details of intended outcomes or targets and are not explicitly linked to the specific improvement actions contained within the Delivery Plan.”
- Consultation and engagement arrangements were only partially explained, and that the 2013-17 Corporate Plan “could more specifically outline the links between consultation results and the prioritisation of improvement objectives, including the selection of the five ‘themes’”.

Welsh Local Government Association Peer Review

7. The Peer Review undertaken by the Welsh Local Government Association also made an assessment of the 2013-17 Corporate Plan.² The Peer Review team concluded that:

“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

² Welsh Local Government Association Peer review, available on the Council’s website at: [https://formerly.cardiff.gov.uk/committeebrowser.asp?\\$state=meeting&\\$committee=12950&\\$meetingdate=10/10/13](https://formerly.cardiff.gov.uk/committeebrowser.asp?$state=meeting&$committee=12950&$meetingdate=10/10/13)

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.”

Wales Audit Office Annual Improvement report and Corporate Assessment

8. The Wales Audit Office published its latest assessment of the City of Cardiff Council in September 2014, seeking to answer the question: ‘Is the Council capable of delivering its priorities and improved outcomes for citizens?’. In reviewing the 2014-17 iteration of the Corporate Plan (agreed in February 2014), the Auditor General found that it ‘still lacks sufficiently clear measures of success, and delivery plans against which performance can be reviewed are in an early stage of development’.³
9. The Corporate Assessment noted that “in response to criticism of the previous Plan by the Peer Review and Wales Audit Office, the Council produced a more concise document with the aim of establishing a clearer focus on priorities”, and that it included sections aligning the portfolio responsibilities of the former Cabinet setting out what directorates propose to do in respect of delivery and the outcomes the Council wishes to see. It also noted, however, that “there is some confused use of this term – in some cases the outcome is clear, such as ‘a net growth in jobs’, in other cases what is listed is a measure rather than an outcome, for example, ‘timeliness of initial assessments’. The Council needs to ensure that stated outcomes are clear and supported by an appropriate range of measures.”⁴ The Assessment goes on to state that “Variation in the way in which directorates describe outcomes, confused use of terminology and lack of clarity about the improvement sought in a number of instances mean that the Plan does not provide a clear reference point from which performance can be evaluated in the future.”⁵

³ Wales Audit Office Corporate Assessment, page 6, available at:

<https://www.wao.gov.uk/news/improvements-not-being-made-key-service-areas-cardiff-council>

⁴ Ibid., page 9

⁵ Ibid., page 9

Previous Scrutiny

10. As stated above, this Committee has previously considered a final draft of the Corporate Plan on an annual basis at its February meeting, alongside the draft Budget Proposals. During its scrutiny of the 2013-17 draft Corporate Plan in February 2013, the Committee made the following comments and recommendations:

- The structuring of the draft Plan around Cabinet portfolios was welcomed in that it permitted greater accountability;
- The Committee welcomed efforts to make the Plan more accessible and easier to read;
- Members did not feel that the linkages between the What Matters strategy and the Corporate Plan had been sufficiently well established;
- The Committee recommended that more detail regarding performance should be included, for example performance indicators, details of historic performance and targets for future years;
- There was some concern that the milestones contained within the Plan were often intangible to the extent that it may have been difficult to judge the Council's performance. Members felt that the milestones for the later years of the Plan in particular should be more effectively defined;
- The Committee welcomed moves towards providing comparative data in performance reporting;
- The Committee felt that insufficient attention was paid to the results of citizen consultation in developing the Plan.

11. During its scrutiny of the 2014-17 draft Corporate Plan in February 2014, the Committee made the following comments and recommendations:

- The Committee were content that the 2014-17 draft Plan represented a step forward from the previous year's draft, however there were still many points to address;
- The Committee recommended that the entire corporate planning and budget-setting process should be brought forward;
- The Committee was not convinced that the Plan had been drafted to suit the needs of its various audiences. Members felt that the public and partners needed to understand the Council's vision for the city; that the Plan should

enable regulators to judge the Council's priorities for delivery and its performance; and that staff should be able to recognise how their individual contributions fit into the Council's aims and objectives.

- Members recommended that the Plan should set out a clearer vision for the Council beyond that financial year and should help to prepare communities for the difficult choices that would have to be made in terms of service reductions;
- Members commented that many of the 'outcomes' set out in the draft Plan did not clearly demonstrate benefits for citizens, and that many were in fact outputs; several measures were unclearly defined and some were not the Council's sole responsibility to deliver against.

Scope of the Scrutiny

12. This item will give the Committee the opportunity to make comments and recommendations regarding the approach to developing the Corporate Plan 2015-17. There will be a further opportunity to consider a complete draft of the Plan when the Committee considers the detail of the draft Budget Proposals at its February 2015 meeting.

Way Forward

13. The Leader of the Council, Councillor Phil Bale, and Martin Hamilton, Chief Officer Change and Improvement, will be in attendance to give the presentation attached at **Appendix A** and answer Members' questions regarding the approach to developing the draft Corporate Plan 2015-17.

Legal Implications

14. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on

behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

15. 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 consider the information attached and discussed at the meeting and agree any recommendations or comments for consideration by the Cabinet.

MARIE ROSENTHAL

County Clerk and Monitoring Officer

26 November 2014

Corporate Plan 2015-17

Re-aligning Vision, Values and
Corporate Planning

Development of Corporate Plan 2015/17

- Developed alongside draft budget
- Shaped by values and priorities
- Allows early engagement on structure and approach with Scrutiny and Peers
- Responds to draft Future Generations Bill (aligning corporate planning and partnership planning)
- Responds to WAO recommendations
- Reflect outcomes of Cardiff Debate

Policy Requirement

[Local Government \(Wales\) Measure 2009](#)

- **Improvement** is concerned with the *short term*.
- **Community planning** (ie the *What Matters* Strategy) deals in much longer timescales whereby local authorities and their partners establish a *10-15 year strategic vision* for improving local citizen and community wellbeing.

Hierarchy of Plans

- Cardiff has aligned **Corporate and Partnership** planning
- **What Matters:** City Performance (*outcomes*)
- **Corporate Plan:** Council performance (*objectives which contribute to outcomes*)




Vision

New vision to make Cardiff **“Europe’s Most Liveable Capital City”**


- Recognises success of major regeneration projects and last 20 years
- Marks a policy shift towards wider “liveability” agenda to attract talent and investment
- Twin challenges:
 - Growth
 - Austerity

Council Priorities

Our Priorities:




Education and skills
for people of all ages



Supporting people in
vulnerable situations



Sustainable
economic
development as the
engine for growth
and jobs



Working with people
and partners to design
and deliver services

Shaped by:

- ... Community Engagement
- ... Manifesto Commitment
- ... Budget challenge
- ... Cardiff Debate
- ... Budget Consultation
- ... Service Area Pressures
- ... Regulatory Regime recommendations

Liveable City

- To achieve the vision, Council must contribute to the 7 city-level outcomes, as defined by the What Matters strategy

Cardiff has a Prosperous Economy <ul style="list-style-type: none"> – GVA per head – Unemployment – Median earnings – Net Job Growth – Business start up rates – Staying visitors – Broadband Penetration rates 	People in Cardiff are Safe and Feel Safe <ul style="list-style-type: none"> – Total recorded Crime – Violence against the person – Anti-Social <i>Behaviour</i> – Burglaries from Dwellings – Other Thefts – Ask Cardiff (Perception) 	Cardiff is a fair, just and inclusive city <p>Intra-city disparity</p> <ul style="list-style-type: none"> - Unemployment - Life Expectancy / Healthy life expectancy - Overall crime - Skills (NVQ2) - Independent living 	Cardiff is a great place to live, work and play <p>Perceptions:</p> <ul style="list-style-type: none"> –EU Urban Audit –Ask Cardiff
People in Cardiff are Healthy <ul style="list-style-type: none"> • Life expectancy • Healthy Life Expectancy • Infant mortality <p>Welsh Health Survey</p> <ul style="list-style-type: none"> • Overweight/obese • Smoking • Exercise 	People in Cardiff achieve their Potential <p>Education Core subject indicator</p> <ul style="list-style-type: none"> • Level 2 • Level 4 <p>People with No Qualification</p> <p>NVQ Level 4</p> <p>Number of young people known to by NEETS</p>	Cardiff is clean and sustainable <p>Greenhouse gas emissions (C02)</p> <p>Household waste</p> <ul style="list-style-type: none"> • Waste arisings • Recycled or composted <p>Mobility Walking and Cycling</p> <ul style="list-style-type: none"> • Public transport use • Travel to work • Modal Split 	

Liveable City

- To achieve the vision, Council must contribute to the 7 city-level outcomes
- Council have identified 4 priority areas: **Economic Development; Education; Protecting the most vulnerable; & New way of working.**

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Alignment- Meeting our Requirements

(Future Generations Bill- Alignment of Local / National)

National	Local
Vision: Programme for Government	Vision: Europe's most liveable capital
6 Well-Being Goals for Wales (New Bill) <ul style="list-style-type: none"> • A prosperous Wales • A resilient Wales • A healthier Wales • A more equal Wales • A Wales of cohesive communities • A Wales of vibrant culture and thriving Welsh language 	7 Strategic Outcomes <ul style="list-style-type: none"> • Cardiff has a prosperous economy • Cardiff is a clean and Sustainable City • People in Cardiff are Healthy • Cardiff is fair and inclusive • People in Cardiff are Safe • People achieve their full potential • Cardiff is a great place to live and play
Local Well-Being Plan (Statutory Requirement)	What Matters Strategy (Cardiff partnership strategy being refreshed)
The Sustainable Development Indicators for Wales- <i>used to measure progress made on key issues and priority areas</i>	Liveable City Index- Series of high level performance indicators that captures the performance of the city
National Performance Measures: Public Accountability Measures and National Strategic Indicators	Corporate Plan: Sets out local authority objectives and performance measures
Specific Reporting Regimes; Corporate Assessment, Estyn, CCSIW	Directorate Business Plans

Co-operative Values

Work undertaken to refresh values

- included consultation with staff (employee roadshows)

Co-operative Values: We Are Cardiff

Open

We are open and honest about the difficult choices we face, and allow people to have their say on what's important to them and their communities

Fair

We champion fairness, recognising that with less resource we need to prioritise services for those who need them most.

Together

We work with our communities and partners across the city to deliver the best outcomes for the people of Cardiff

Budget Proposals and Corporate Plan shaped by values

Corporate Assessment

The Council's Corporate Planning Process must answer the WAO question:

“Is the Council capable of delivering its priorities and improved outcomes for citizens?”

The Corporate Plan

- WAO recognised that The *Corporate Plan 2014-2017* responded to previous criticisms by the Peer Review and the Wales Audit Office.
 - Concise document
 - Established a clearer focus on priorities
 - Included clear lines of responsibility

Responding to the Corporate Assessment

“Variation in the way in which directorates **describe outcomes**, confused use of terminology and **lack of clarity about the improvement sought** ...mean that the Plan does not provide a clear reference point from which performance can be evaluated in the future.”

WAO Best Practice from Current Corporate Plan

Objective:

Deliver with partners **200,000 square feet** of Grade A office accommodation in the Cardiff Enterprise Zone **by 2016**

Clear targets and milestones

Performance Indicator:

Update on Grade A office accommodation delivered

Outcome:

Net job growth in Cardiff

Clear impact on Council priorities- why we are doing this

WAO Example from Current Corporate Plan of “Confused use of the term Outcome”

Objective:

Improve outcomes for Looked After Children throughout the duration of the Corporate Plan

No Target

Performance Indicator:

Outcome:

‘timeliness of initial assessments’.

This is a
performance
indicator
Not an outcome

Review of 10 Core City Corporate Plans (plus Edinburgh)

- Plans were structured by themes and priorities (not by Portfolio).
- Themes included: welfare, **education**, general quality of life, **social inclusiveness**, environment, **economic prosperity**, etc.
- Most plans around 20-25 pages
- The shortest (Manchester) 2 pages
- Amongst Longest (i.e Birmingham) 128 pages and include 'technical' detail.

Priorities: What we need to achieve...

Priority 1: Education and Skills for People of All Ages

What outcomes do we want to achieve?

- Children and Young People in Cardiff achieve well
- Every Cardiff school is a good school
- Looked after children in Cardiff achieve their full potential

Priority 2: Sustainable Economic Development as the Engine for Jobs and Growth

What outcomes do we want to achieve?

- Cardiff attracts high value inward investment and events
- Businesses in Cardiff are growing and expanding
- Cardiff has a high quality city environment that includes leading business premises, high quality public space and good supporting transport infrastructure

Priorities: What we need to achieve...

Priority 3: Supporting People in Vulnerable Situations

What outcomes do we want to achieve?

- People in Cardiff have access to good quality housing
- People in Cardiff are supported to live independently
- People in Cardiff are safe and those at risk are safeguarded
- People in Cardiff have fair access to services

Priority 4: Working with people and partners to design, deliver and improve services

What outcomes do we want to achieve?

- The City of Cardiff Council improves performance in key areas
- The City of Cardiff Council delivers sustainable services
- The City of Cardiff Council has effective governance and engagement arrangements
- The City of Cardiff Council makes the best use of its assets and infrastructure

Next Steps: Setting Objectives....

- What are the most important objectives we can undertake to address our priorities
- Ensure we understand how **objectives** contribute to our **outcomes**

Next Steps:

Challenging target setting....

Objective	Measure	Type	2013-2014 Result	2014-2015 Result	2015-2016 Target	Wales Av.	Rank	Current Direction of Travel
Identify Objective A	Identify Measure	NSI	5.49	5.30		9.23	10	↓
Identify Objective A	Identify Measure	PAM	90.0	96.8		16	7	↑

Next Steps

- Cabinet / SMT discussion
- Development of Objectives- Directors & Cabinet Members
- Identification and Interrogation of Appropriate Measures
- Awareness raising of priorities (what and why) with staff
- Engagement with Peers (Challenge Forum, Members etc)
- Share Early version of Corporate Plan in January
- Scrutiny 2015
- Council 2015

CABINET MEETING: 9 OCTOBER 2014

**REPOSITIONING CARDIFF AS EUROPE'S MOST LIVEABLE
CAPITAL CITY: VISION, VALUES AND CORPORATE PLANNING**

REPORT OF CHIEF EXECUTIVE

AGENDA ITEM: 3

PORTFOLIO: LEADER: ECONOMIC DEVELOPMENT & PARTNERSHIPS

Reason for this Report

1. This report seeks to:
 - define the Administration's vision to make Cardiff Europe's most liveable capital city;
 - establish a Liveable City Report which measures Cardiff's performance against key quality of life indicators;
 - establish a new set of organisational values, in line with the Council's commitment to being a Co-operative Council;
 - strengthen the Council's approach to corporate and partnership planning in order to deliver the vision, addressing key issues including those identified in the Wales Audit Office Corporate Assessment;
 - outline key UK policy developments in relation to city powers and responsibilities and set out the Council's approach in this area.

Background

2. Cardiff has been reinvented over the past 20 years as an internationally recognised European capital city, and has built a reputation as a great place to visit and an even better place to live. This transformation has been underpinned by a major urban regeneration programme focussed primarily on investment into cultural and leisure infrastructures. These in turn have enabled Cardiff to attract major international events and visitors, enhanced the city's international profile and improved its quality of life offer, thus enhancing its ability to attract highly skilled people to study, work and live.
3. In an economy where securing competitive advantage is increasingly dependent on the ability to attract and retain talented people, Cardiff is therefore well placed to compete. However, an analysis of wider city

success factors now points towards the needs for a policy shift, away from a narrow urban regeneration agenda towards a wider approach to city development. The focus must remain on attracting talent and investment but it will be achieved by creating a lively, safe, sustainable, inclusive, healthy and prosperous city. In short, a 'liveable city.'

4. The Leader and Cabinet have therefore set out a new vision to establish Cardiff as "Europe's most liveable capital city". Delivering the Administration's vision will be challenging. Cardiff is facing significant population growth as well as rapid public sector fiscal consolidation. These twin challenges will place severe pressure on public services and infrastructures which could damage the quality of life on offer in Cardiff, particularly for the city's most vulnerable people. Growth will therefore need to be managed in a sustainable and resilient fashion, and public services will also need to adapt and innovate, if the Administration's vision of becoming Europe's most liveable capital city is to be achieved.
5. This report will outline the rationale behind the Administration's vision and the challenges that need to be overcome; set out some key components of delivery including the new organisational values that will underpin the Council's Organisational Development; how the Council's corporate and partnership planning will reflect the new vision; and a programme of engagement with other cities to support Cardiff's development.

Issues

'Becoming Europe's most liveable capital city'

6. Cities are now recognised drivers of national and regional economic prosperity and home to over 50% of the world's population and generate 80% of global GDP. They are engines of growth, generating new jobs, pioneering new technologies and leading the way in tackling social disparity.
7. However, as the shift towards living in cities continues many of the large global cities are beginning to overheat issues such as traffic congestion, lack of affordable housing, pollution, rising costs of urban infrastructure, social tensions and higher crime rates are increasingly outweighing the economic benefits of living in very large cities.¹ This has led to the world's mega-cities experiencing new competition from what have been described as 'fast-growing middleweight' cities.² These cities, with populations between 200,000 and 2 million – which had only 7% of global population in 2007 – are forecast to generate 19% of all global growth through to 2025.³ In these cities, 'liveability' is making a crucial difference in attracting talent and investment.
8. The Leader and Cabinet have therefore set out a new vision to establish Cardiff as "Europe's most liveable capital city".

¹ *The Urban Dimension of EU Policies*, EU Commission (2011)

² *Urban World: Mapping the Economic Power of Cities*, McKinsey Global Institute (2012)

³ *RSA City Growth Commission* (2014)

9. Cardiff is already widely recognised as one of the UK's best cities in which to live, and is well positioned to establish itself as Europe's most liveable capital city.⁴ The latest European Urban Audit, a survey of quality of life in 79 major European cities conducted by the European Commission placed Cardiff as the top UK city – and 5th European capital city ranking behind only Copenhagen, Amsterdam, Vienna and Stockholm – in terms of resident satisfaction with life. Cardiff also performs well against other European capital cities in terms of culture, leisure and environmental factors. However, significant improvement will be needed of access to jobs and transportation if Cardiff is to improve its performance:
- Europe's number 1 capital city for retail;
 - Europe's number 1 capital city for air quality and noise levels;
 - One of Europe's top 3 capital cities for green spaces, cultural facilities and efficient public services;
 - One of Europe's top 5 capital cities for public spaces, health services and sports facilities;
 - Europe's 14th capital city for public transport;
 - Europe's 17th capital city for employment opportunities.
10. These results are reflective of Cardiff's development over the last 20 years, through which the city has been reinvented through a programme of major investments into cultural and leisure infrastructures. These have enabled the city to play host to a series of international events which has placed it firmly on the world-stage, attracted visitors and improved the quality of life of the city and enabled the city to win international recognition including being awarded the title of European Capital of Sport 2014. These in turn enhanced Cardiff's ability to attract highly skilled people to study, work and live.
11. Major regeneration projects, particularly involving cultural and leisure assets and infrastructure, remain important components of great cities' brands and are a key part of their quality of life offer. However, a wider approach to urban development, focussed on enhancing key city infrastructures – particularly transportation – and delivering excellent public services and quality of place, is now seen as being fundamental to enhancing a city's liveability credential and ensuring its international competitiveness.⁵

The Opportunity of Growth

13. The fundamental qualities of a liveable city are its ability to grow, attract and retain talent. Over the last 10 years Cardiff has grown by 13.4% making it the fastest growing major British city outside London. Over the coming decade this growth is expected to accelerate, making Cardiff the fastest growing of all major UK cities, including London. The city is also one of the UK's most highly skilled, with a higher percentage NVQ4+

⁴ *Quality of Living Index, MoneySuperMarket (2014)*

⁵ *Liveonomics: Urban liveability and economic growth, Economist Intelligence Unit (2011)*

than all English core cities. The trends indicate that Cardiff is succeeding at attracting young, talented people crucial to long term economic success.

14. However, this population growth will put strain on social and physical infrastructures, and unless managed carefully could damage the quality of life in the Cardiff. For example:
 - Cardiff's Deposit Local Development Plan, covering the period 2006 to 2026, outlines how the city will accommodate and make provision for 41,100 new homes and 40,000 new jobs. Whilst 11,265 have been built between 2006 to 2013, and a further 10,323 are under construction or have planning permission, there are 19,512 sites with no current planning status.
 - Cardiff has projected a 34% increase in the number of secondary school age children between 2012 and 2025, far greater than any other Welsh local authority, leading to a requirement for new schools and new teachers.
 - The number of people over 65 years old is expected to grow by 22%, and those over 90 by 42%. It can be anticipated that as people live longer with long term health problems the demand for complex and resource intensive services will increase.
15. Because the population of the city is growing the Council, through the Local Development Plan, must ensure that the city can accommodate this growth whilst also ensuring a good quality of life for residents and visitors. The Local Development Plan will therefore identify where in the city new developments and communities can be built, shaping communities and developments in a way that is consistent with the Administration's vision.

The Austerity Challenge

16. The financial context for public service delivery has changed dramatically. The budget setting process for 2014/15 was the most challenging in the Council's history. Over £48 million in savings needed to be identified necessitating, in some cases, budget reductions of up to 48% of controllable budgets for individual directorates. Furthermore, the Council's Budget Strategy for 2015/16 anticipates that the Council will have to make savings of £45.4 million in 2015/16 and £124 million over the next 3 years.
17. Other public service delivery organisations are facing similar pressures. The Council, and other public sector partners, are thus facing a long period of severe budget constraint at a time when the demand for many services will be outstripping the resources available to deliver them.
18. This is in addition to some of the entrenched challenges already facing the city. For instance, over 50,000 people in Cardiff are amongst the poorest 10% in Wales, representing over 1/6th of the total of the most

deprived people in Wales.⁶ Stark intra-city disparities exist within Cardiff which can often be hidden by its strong relative performance at a city-level. For example, if the 'southern arc' of Cardiff was considered as a stand-alone local authority, it would be ranked as the most deprived local authority in Wales by quite some margin.

19. It is the citizens of these communities who rely disproportionately on the delivery of local public services, who in turn will be most affected by the severe public sector austerity, and whose quality of life will be most damaged. The Council and its partners must respond, and public services must change, if the Administration's vision of becoming Europe's most liveable capital city is to be delivered.

Delivering the Vision

A Co-operative Approach to Change

20. In order to deliver its vision and meet the challenges, the Cabinet has made clear its commitment to Cardiff becoming a 'Co-operative Council'. This co-operative approach will be defined as below:

- *We will be a co-operative council, connected to the citizens and communities of Cardiff – We will work closely with our communities and partners to design and deliver excellent public services and to develop the city in a way which puts the needs of the people of Cardiff first.*
- *We will lead a capital city connected to Wales and to the world – Cardiff will be an internationally connected capital, showcasing the best of Wales to the world and attracting the best of the world to Wales.*

21. In May 2014, the Cabinet also agreed a new 3 year Organisational Development Programme, underpinned by co-operative principles. While the primary focus of the Organisational Development Programme is to review the way Council services are delivered and identify the most appropriate delivery models, the report emphasised that a co-operative approach to change must be based as much upon values and relationships as on models of service delivery. An early action for the Organisational Development Programme was therefore to refresh the Council's organisational values.

22. The new Co-operative Values set out below were developed through the Employee Engagement Road Shows and a series of workshops with the Council's employee ambassadors, senior management team and Cabinet:

⁶ Welsh Index of Multiple Deprivation (2011)



23. These values will underpin the Organisational Development programme and will guide the Council through the coming period of change. A summary document, which sets out both the vision and values is attached as **Appendix A** to this report.

A Strengthened Approach to Corporate & Partnership Planning

24. Delivering the Administration's vision to be "Europe's most liveable capital city" will require co-ordinated action by the Council and its partners. The report to Cabinet on 18th September 2014, which set out the Council's response to the Wales Audit Office Corporate Assessment, outlined a disciplined hierarchy of planning documents and processes through which the vision will be translated into priorities, actions and measures – from the 'What Matters' Single Integrated Plan through to enhanced performance management arrangements.

'What Matters' – Updating the City's Single Integrated Plan

25. Becoming Europe's most liveable city will require adopting a wider approach to city development, where issues such as health, community safety and environmental quality are recognised as fundamental to a city's long term success. Partnership working with public service partners, the private sector, further and higher education and with other city stakeholders will therefore be crucial.
26. In 2010, Cardiff pioneered a new approach to community planning structured around the delivery of strategic outcomes for improving the quality of life of citizens and communities. The 'What Matters' Strategy identified, for the first time, a limited number of city priorities agreed by all partners so that resources could be more effectively coordinated to achieve common goals. Since 2010, the challenges and opportunities facing the city have changed dramatically, and so there is a recognised need for the Council to work with partners to refresh the strategy. This coincides with the statutory requirement for the strategy to be updated at its half-way point in 2015.
27. This work will be undertaken in the context of the Well-being of Future Generations (Wales) Bill, which was introduced in the National Assembly for Wales by the former Minister for Communities and Tackling Poverty in July 2014. The Bill proposes to put Local Service Boards (to be known as Public Services Boards) and 'well-being plans' on a statutory basis. The

Bill also includes a series of long-term national well-being outcomes which these plans must demonstrably address.

28. To meet these emerging statutory requirements the Council will work with partners to ensure that:

- The City's Single Integrated Plan and partnership strategy – 'What Matters' – is refreshed and will represent Cardiff's well-being plan.
- The strategic outcomes for Cardiff are refreshed and aligned with the national well-being goals specified for public authorities in the 'Future Generations' Bill.
- A Liveable City Report will be established to capture Cardiff's performance at a city-level against each of the 7 strategic outcomes, and that the Report is aligned with the national strategic indicators as defined by Welsh Government.

Establishing a Liveable City Report

29. To understand Cardiff's current performance and the progress being made towards delivering the vision, it will be necessary to objectively measure Cardiff's performance against a limited number of outcomes associated with 'liveable cities.' The outcomes required to make Cardiff "Europe's most liveable capital city" are set out in Cardiff's statutory Single Integrated Plan, 'What Matters', and are listed below:

- People in Cardiff are healthy;
- People in Cardiff have a clean, attractive and sustainable environment;
- People in Cardiff are safe and feel safe;
- Cardiff has a thriving and prosperous economy;
- People in Cardiff achieve their full potential;
- Cardiff is a great place to live, work and play;
- Cardiff is a fair, just and inclusive society.

30. Within each outcome Cardiff's progress will be measured against a limited number of city-level indicators, including a comparative analysis of other UK and European cities over time. This will form the basis of a 'Liveable City Report' which will objectively present information on the city's performance in a concise and easy to understand format, and will be published annually.

Strengthening the Council's Corporate Plan

31. The Corporate Plan will set out the Council's actions to deliver the Administration's vision of Cardiff as "Europe's most liveable capital city", with these actions contributing to the delivery of 7 outcomes as defined by the 'What Matters' Single Integrated Plan and measured by the Liveable City Report.

32. In order to provide clear focus on the areas that need greatest improvement, priorities will be few in number. The Cabinet has therefore reaffirmed the overriding importance of the priorities in the Council's Corporate Plan 2014-17, while recognising that the way in which services will be delivered may need to change:
- Education and skills for people of all ages
 - Supporting people in vulnerable situations
 - Economic development as the engine for jobs and growth
 - Working with people and partners to design and deliver services in new ways
33. These priorities reflect feedback received throughout the first phase of the Cardiff Debate, the results of the budget consultation undertaken in 2013 and of the EU Urban Audit, which identified Cardiff's most important issues if it is to improve its performance as health services, education and training and tackling unemployment.
34. As the Corporate Plan will be set at a strategic level, it will continue to be supported by directorate delivery plans, which will set out the actions to be taken at directorate level in order to successfully deliver the corporate priorities and, through the priorities, the vision for Cardiff. These, in turn, will be supported by a strengthened approach to performance management, including the introduction of balanced scorecard reporting, greater availability of performance information and greater use of performance challenge.
35. The Balanced Scorecards, for both Corporate Plan and Directorate Level, will represent an important reporting tool. They will break down strategic measures so managers and employees both know what is required to achieve excellent overall performance. These will provide an accessible view of performance against key issue:
- Service outcomes
 - Financial performance
 - Public satisfaction and responsiveness
 - Service management & Improved accessibility of performance information
 - Improved challenge
36. Further to this, the result of the Cardiff Debate- an ongoing programme of engagement and collaboration between public, private and third sector organizations as well as the communities of Cardiff- will help inform the development of the Corporate Plan. Going forward, the Cardiff Debate will continue to function as the means through which the Council and partners raise awareness of the financial challenges, engages communities in dialogue over the budget proposals and considers new ways of service delivery.
37. These developments will strengthen the Council's Corporate Planning process, ensure that the Council's contribution to city wide and national outcomes is clearly understood, and that, in line with the organisation's

co-operative values, there is greater openness and involvement in the process.

Connecting to Wales and to the World

38. As the capital city of Wales, Cardiff plays a leading role in representing Wales in the world, attracting inward investment and jobs, students, tourists and major events, and ensuring that the benefits they bring are felt across the city-region.
39. Over the last ten years, Cardiff has seen the highest growth in private sector employment of all the major UK cities, except London. Over this period, 62% of the net new jobs created in the Capital Cardiff Region were created in Cardiff. Put simply, for every 3 net new jobs created in the city region, 2 of them were created in Cardiff. The success of Cardiff can therefore be seen to be crucial to the success of the region.
40. This approach is consistent with the latest policy thinking at UK and European level, which is clear that cities need to be supported by greater levels of investment, have greater influence in national infrastructure decision-making and must be given greater fiscal responsibilities and flexibility in order to drive regional economic growth.
41. This is seen as a key policy development for driving economic growth in the UK, and rebalancing the UK economy away from London and the South East, with City Deals and Growth Deals being struck between local business and political leaders and the UK Treasury. The latest City Deal for the Glasgow metropolitan area is worth over £1 billion, and is a powerful indication that the urban and metropolitan strategy is equally relevant to the cities of the devolved nations.
42. By contrast, the urban policy agenda in Wales is under-developed. There is now a considerable risk that unless Welsh cities and their regions are provided with similar powers, discretion and flexibility they will fall further behind competitor cities in the UK.
43. In order to ensure that Cardiff's voice is heard in these debates, the Cabinet agreed in September 2014 to join the UK Core Cities network, as a precursor to exploring a possible Cardiff City Deal.
44. Furthermore, regional initiatives such as 'One North' – which brings together the five major cities of the North of England – have produced an all-embracing strategy to improve the region's competitiveness and are using their collective voice to call for a £15bn investment from UK Government into regional transportation. It is proposed that Cardiff works with cities along the M4 corridor to develop an equivalent proposal, and a programme of engagement be put in place to support this work.

Reason for Recommendations

45. To allow the Cabinet to formally adopt the new vision, values and approach to corporate planning.

Financial Implications

46. There are no direct financial implications associated with the recommendations to this report.

Legal Implications

47. There are no direct legal implications arising from this report. Legal advice may be required in respect of the terms of any City Deal that may be negotiated.
48. The report recognises the inter-relationship between the development of the Corporate Plan and its statutory plans as comprised in the 'What Matters' Strategy.

RECOMMENDATIONS

The Cabinet is recommended to:

1. agree the Cabinet's new vision for Cardiff to be Europe's most liveable capital city as outlined in this report;
2. agree a new set of Co-operative Values for the Council, as outlined in this report;
3. agree to develop and consult on the Liveable City Report, with partners, as part of the Cardiff Convention; and
4. delegate authority to the Chief Executive, in consultation with the Leader of the Council, to progress options to develop an appropriate City Deal for Cardiff.

PAUL ORDERS

Chief Executive
3 October 2014

The following appendix is attached:

Appendix A: Vision and Values Summary

The following background paper has been taken into account

The Well-Being of Future Generations Bill

Our Vision for Cardiff:

'To be Europe's **most liveable** Capital City'

Appendix A



Being a liveable capital city means achieving 7 shared outcomes

People in Cardiff are Safe and Feel Safe

People Achieve their Full Potential

Cardiff has a Prosperous Economy

Cardiff is Fair, Just and Inclusive

People in Cardiff are Healthy

Cardiff is Clean and Sustainable

Cardiff is a Great Place to Live Work and Play

Co-operative Council: Delivering the Vision

We will be a co-operative council, connected to the citizens and communities of Cardiff

We will work closely with our communities and partners to design and deliver excellent public services and to develop the city in a way which puts the needs of the people of Cardiff first.

We will lead a capital city connected to Wales and to the world

Cardiff will be an internationally connected capital, showcasing the best of Wales to the world and attracting the best of the world to Wales.

Co-operative Values: We Are Cardiff

Open

We are open and honest about the difficult choices we face, and allow people to have their say on what's important to them and their communities

Fair

We champion fairness, recognising that with less resource we need to prioritise services for those who need them most.

Together

We work with our communities and partners across the city to deliver the best outcomes for the people of Cardiff

Our Priorities:

Education and skills for people of all ages

Supporting people in vulnerable situations

Sustainable economic development as the engine for growth and jobs

Working with people and partners to design and deliver services