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CORRESPONDENCE FOLLOWING THE COMMITTEE MEETING

Committee POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

Date and Time of Meeting TUESDAY, 17 JANUARY 2023, 4.30 PM

Please find below correspondence send by the Committee Chair following the meeting, together with any responses received.

For any further details, please contact scrutinyviewpoints@cardiff.gov.uk

10 **Correspondence following Committee Meeting**(Pages 3 - 12)

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Date: 19 January 2023

Councillor Chris Weaver,
Cabinet Member, Finance, Modernisation & Performance,
Cardiff Council,
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Dear Chris,

PRAP Scrutiny Committee 17 January 2023: Budget Consultation 2023/24

Thank you for attending Committee on 17 January 2023 to update us on the Budget modelling position and consultation progress. Please also pass on my appreciation to Chris Lee, Ian Allwood and Gareth Newell for a comprehensive presentation of the financial position and the budget consultation approach. Members are aware there are difficult choices ahead and have asked me to pass on their comments and observations following discussion at the Way Forward.

Response rate

The Committee heard you have received approximately 3,000 responses to the live Budget Consultation on savings proposals to date, and you are actively analysing where there may be gaps in responses from stakeholder groups. We wish to congratulate you on your work to date to access groups that may be underrepresented. Members have particularly asked me to record their thanks for the work the consultation team has undertaken in collaboration with ward members in seeking to understand individual ward and community cultures to ensure more effective targeting of certain demographic groups.

Listening

We acknowledge the Budget Consultation exercise is a consultation rather than a referendum and, whilst the results are an important consideration in budget decision - making, there are many other sources of information and consultations that inform the final proposals. We note your example of the recent Ask Cardiff consultation, which revealed schools are a top priority for citizens, to illustrate Cabinet has taken the decision not to ask for efficiencies as a direct consequence of listening to the public's view.

Cardiff Museum.

Some Members had reservations about the proposal to seek efficiencies from a cultural amenity such as the Cardiff Museum. We note that Cabinet recognises the Museum's value, however finding savings becomes more difficult each year to present a balanced budget to Council, having examined alternative options, prioritised need and listened to citizens views. We urge that you drill down into the detail of the proposal to mobilise the exhibition before a final decision is taken, as costs may not necessarily be lower. Members considered it will be important to factor in the storage costs of historic artefacts.

Borrowing costs

The Committee wishes to establish whether the cost of borrowing to fund capital commitments, such as the Arena Project, impacts on the Council's ability to support existing facilities, such as the Cardiff Museum. We are keen to establish whether the cost of this borrowing is reasonable when set within the whole financial picture the Council is facing. We note that you consider the Arena Project an invest-to-save project, for which a fully costed business case will be brought forward; and you consider it important, even in difficult financial times, that the Council does not lose sight of the benefits in taking strategic decisions to invest in the future. We also note that, in respect of large projects, you look to secure match funding wherever possible, and the Arena is an invest to save project with a projected income stream that would cover the cost of borrowing. Therefore, the project will continue on this basis with further reports brought forward for pre-decision scrutiny.

Schools budget

The Committee heard that Schools will be allocated a 9.3% increase in budgets, acknowledging their post Covid challenges, compared with the 9% uplift received by the Council in the Provisional Settlement. Members enquired whether the additional .3% will make a significant difference to the schools' budget, and if it were lower would enable the protection of other important Council services. We note that, in making the decision to protect schools' budgets from efficiency cuts you have considered the budget allocations made to Directorates over previous years.

Once again, on behalf of the Committee, I thank you and the officers for facilitating the internal challenge of important issues such as Budget Consultation that can improve the quality of services the Council is delivering to its customers. As there are no requests or recommendations following this update, I will not expect a response.

Yours sincerely,



**COUNCILLOR JOEL WILLIAMS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE**

cc Members of the Policy Review & Performance Scrutiny Committee;
Chris Lee, Corporate Director Resources;
Ian Allwood, Head of Finance;
Gareth Newell, Head of Performance & Partnerships;
Dylan Owen, OM Policy & Improvement;
Chris Pyke, OM Governance & Audit;
Gary Jones, Head of Democratic Services;
Tim Gordon, Head of Communications & External Relations;
Jeremy Rhys, Assistant Head of Communications and External Affairs;
Alison Taylor, Cabinet Support Officer;
Joanne Watkins, Cabinet Business Manager;
Andrea Redmond, Committees Support Officer.

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Date: 18 January 2023

Councillor Huw Thomas, Leader
Councillor Chris Weaver,
Cabinet Member, Finance, Performance & Modernisation
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Dear Huw & Chris,

PRAP 17 January 2023: Mid-year Performance 2022/23

On behalf of the Policy Review and Performance Scrutiny Committee thank you for bringing the Mid-year Performance 2022/23 review forward for pre-decision scrutiny. Please also pass on our thanks to the Chief Executive, Corporate Directors and Head of Performance for the overview of performance and the challenges ahead.

The Committee acknowledges that arrangements now in place to self-assess performance at mid and end of year have very much improved, and benefit from a wide range of information sources. We were particularly pleased that you consider scrutiny an integral part of the performance assessment. The Committee has asked me to convey the following comments and observations for your consideration. You will find our requests following the scrutiny at the end of this letter.

Overview assessment

Given the context for this mid-year 2022/23 performance assessment and the unprecedented complexity of issues the Council faces, the Committee is impressed by what has been achieved at this point in the year. The Committee acknowledges there are wide challenges for the Council in difficult times however there is clear recognition of the strategic challenges ahead. We note the key challenges are demand for Children's and Adult Services, the cost-of-living impact on the poorest citizens and communities, workforce pressures across all services, housing and an increase in homelessness, and tough choices to make in the face of greater revenue and capital financial pressures. The story is positive but evolving in difficult circumstances.

Training opportunity

Members recognised that they would benefit from a better understanding of the new Corporate Performance Dashboard alongside the narrative summary of the performance position at mid and end of year. Therefore, we **request** a training session that supports the scrutiny member's role in monitoring performance. This would benefit members of all scrutiny committees, though may be most usefully delivered by individual committee, to enable a focus on well-being objectives relevant to the terms of reference of each.

Schools as community hubs

The Committee highlighted that schools are community hubs, and many are very engaged in offering community opportunities to all outside of school opening hours. We note multiple council services interact with schools and there is an opportunity to ensure services work more closely together to support the wider community. The ongoing significant investment in the schools building estate is particularly welcomed. We were pleased to hear approximately a third of Cardiff schools engage in holiday programmes and we encourage the Council to work with the remainder to expand support on offer through opening improved schools' estates to the whole community.

Workforce planning

Members are concerned that the workforce pressures felt across all services are particularly notable in Social Services. We enquired whether there are other benefits the Council can offer to recruit successfully. We note your view that there is a need to nationally regularise social workers pay in the current competitive environment, that the Council recognises that working conditions and caseloads are important to get right, and that there are often spend-to-save opportunities to deliver a preventative approach that improves job satisfaction. We were particularly pleased there is a vision to expand the key worker housing scheme.

Staff motivation & innovation

The Committee wishes to place on record its thanks to all Council staff for the impressive commitment and quality of work delivered in difficult times.

We consider that customer satisfaction and sickness absence performance results at this point in the year may well reflect the underfunding of public services. We were therefore pleased to hear there is a resilience within the workforce and making a difference is clearly a driver of public service. We note the Chief Executive's view that historically staff engagement has been good, and he aims to speak with as many staff as possible, though staff engagement will need to step up in the near future.

Members heard that post pandemic it is not easy to ensure staff have time to be proactive, to capture and record innovative ideas. We note you focus on the evidence gathered within an operational service area through real time data and use this to react quickly to service specific challenges.

Customer satisfaction (KPI7.19)

The level of customer satisfaction for 2021-22 was below current year target and comparatively lower than the previous 4 years. The Committee sought to establish whether there has been any analysis of the main reasons for the decline; in which service areas customer satisfaction has declined the most; and how we can improve levels of satisfaction. We note that such analysis of customer perceptions is available through the results of the Ask Cardiff survey undertaken last autumn. We **request** sight of the analysis, as you offered, and we note the Chief Executive's view that there is a post pandemic opportunity to breathe new life into the Customer Strategy and the Council's work with the Institute of Customer Services.

Sickness Absence (KPI 7.12)

Members are concerned that at this mid-point the total number of days lost per FTE employee due to sickness absence is at 12.65 days compared with the target set of 9.5 days. We heard this is largely a result of the impact of Covid and flu in recent months, however in services such as Waste Management, where figures are comparatively high, the drivers of absence are well understood and mechanisms are in place, such as occupational health support, to tackle rising figures. We welcome the Chief Executive's view that there is stability in the numbers and recognition of the importance of difficult cases being managed effectively.

Impact of efficiency savings

Members were keen to establish the impact of making efficiency savings on performance. We note you consider the effective use of contingency budgets when setting the current year's budget has enabled the Council to continue effective service delivery and recovery where performance has dipped.

Finally, we were pleased to hear that the collaborative work of partners has benefitted vulnerable citizens. The partner relationships in Cardiff are clearly well established providing a strong framework for all to access and this, alongside the impressive use of volunteers within Hubs and collaborative signposting, has benefitted citizens.

Requests following this scrutiny:

- Member familiarisation and training on the Corporate Performance Dashboard to support the scrutiny members' role in monitoring performance.
- A copy of the Ask Cardiff survey analysis undertaken last autumn.

Once again, on behalf of the Committee, please pass my sincere thanks to all who attended PRAP Scrutiny Committee to assist us in consideration of the Mid-year Performance 2022/23. I would be grateful for a response to the requests.

Yours sincerely,



COUNCILLOR JOEL WILLIAMS
CHAIR, POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

cc Members of the Policy Review & Performance Scrutiny Committee
Leaders of Opposition Parties – Adrian Robson, Rhys Taylor & Andrea Gibson
Paul Orders, Chief Executive
Chris Lee, Corporate Director Resources
Sarah McGill, Corporate Director People & Communities
Gareth Newell, Head of Partnerships and Performance
Dylan Owen, Head of Cabinet Office
Chris Pyke, OM Governance & Audit;
Tim Gordon, Head of Communications
Jeremy Rhys, Assistant Head of Communications and External Affairs
Gary Jones, Head of Democratic Services
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