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CORRESPONDENCE FOLLOWING THE COMMITTEE MEETING

Committee POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

Date and Time of Meeting TUESDAY, 20 JUNE 2023, 6.00 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

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Date: 22 June 2023

Councillor Russell Goodway,
Cabinet Member, Investment & Development,
Cardiff Council,
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Dear Russell,

PRAP Scrutiny Committee 20 June 2023: Core Office Strategy

The Policy Review and Performance Scrutiny Committee was delighted to welcome you in person for consideration of the Core Office Strategy this week. Please also pass on my appreciation to Neil Hanratty, Director of Economic Development; Donna Jones, Assistant Director Corporate Estates and Chris Barnett, Operational Manager Major Projects for supporting the scrutiny. Members have asked that, as Chair, I pass on their comments and observations following discussion at the Way Forward.

The Committee welcomed the opportunity to engage with the Outline Business Case for the Council's preferred option in taking forward its Core Office Strategy. We concur with Cabinet's view that doing nothing is not an option, taking matters forward must be achieved with least impact on the Council's budget and the maintenance of City Hall at the heart of proposals. We note that engagement on core office proposals with staff and service areas is ongoing and will continue as you move forward, with the procurement of a new build office central to the development of the Full Business Case.

Council's role as guardian of a heritage building

Members noted that the preferred option has been arrived at on the basis of it being the most cost effective. As the '*Taj Mahal of Wales*' City Hall is an iconic heritage building that the Council must preserve and, whilst there is further research ongoing to examine the possibility of a museum option that unlocks heritage funding, at this point the Council is clear, its policy is to use City Hall as a part of its core office. You have the Committee's full support in making the future of City Hall central to policy

decisions on the office estate. Members also urge that your plans for upgrading City Hall include restoration of the fountain.

Office space requirements

The Committee sought assurance that calculations to arrive at a defined figure of 140,000 sq. ft. of office space required to accommodate the council's core office services had been validated and could be considered accurate. Your officials indicated that currently, on a daily basis, approximately 450 staff work at County Hall and 80 work at City Hall. Traditional desk layouts have changed, with the average office space required per person having reduced from 13 to 9 metres squared. Officers suggested the proposals for City Hall at 35,000sq. ft would therefore accommodate 400 staff, and the preferred option will deliver four times as much space as is currently used. We heard there has been a great deal of engagement with staff and service areas as to their needs, and the design of new accommodation will centre on collaborative working needs.

Staff choice

This Committee strongly believes that freedom of choice should be the norm for a member of staff in choosing whether to work from home or in the office. Members urge that the option to work from home, whilst currently fashionable, should not preclude the flexibility to accommodate the need for ownership of one's personal office space. We were therefore pleased that the Full Business Case will take this fully into account and appropriate latitude will be built into the plans to enable choice. We would however point out that the Council's Hybrid Working Policy states that '*working from home will be the norm*' and there is an opportunity for closer alignment between the Hybrid Working Policy and the Core Office Strategy.

Quality of new build

The Committee took the view that any new build proposal, whilst progressed as the cheapest option, must be of a quality that ensures greater longevity than County Hall.

Capital Programme

Members noted from the report that an estimated £4-5 million of additional revenue would be required to finance the building of a new County Hall. You confirmed that there is currently no allocation in the Council's Capital budget for the core office

preferred strategy, and we are aware of the continuing increases in interest rates and building costs. We therefore strongly urge that you continue to work closely with Finance colleagues and the Treasury Management team, given that this report recommends significant investment outside of the current Capital Programme and existing Revenue Budgets.

Partnership

The Committee was interested in your vision of seeking a public sector partner who may be interested in sharing core office space alongside the Council at City and County Hall. We note that at this point there have been no discussions and the importance of the public sector leading the way, as was the case with County Hall and the Atlantic Wharf Masterplan. We are re-assured that in all scenarios discussed with partners City Hall will retain its event venue space. We also note that, should a suitable partner not materialise, the Council could afford to proceed alone.

Full Business Case

The Committee noted that, should you proceed to a Full Business Case, you will explore in more detail, providing greater transparency, the following issues:

- Financing options - including how best to finance the debt incurred.
- Embodied carbon – a robust outline and detail of how embodied carbon will be addressed within the preferred option.
- Income generation - opportunities to increase the income generating potential of City Hall office space.
- Leasing options
- Greater clarity on the disadvantages of continuing to use County Hall as a core office.

Following this scrutiny there are no formal recommendations or requests for additional information. Finally, on behalf of the Committee, thank you for your engagement with scrutiny on the management of the Council's core office estate, we look forward to further collaboration as you bring forward to Cabinet a decision on the Full Business Case.

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,
Rodney Berman & Andrea Gibson
Neil Hanratty, Director of Economic Development
Donna Jones, Assistant Director, County Estates
Chris Barnett, Operational Manager Major Projects
Mr Gavin McArthur, Chair, Governance & Audit Committee
Chris Pyke, Operational Manager, Governance & Audit
Gary Jones, Head of Democratic Services
Tim Gordon, Head of Communications & External Relations.
Jeremy Rhys, Assistant Head of Communications and External Affairs
Melanie Jackson, Cabinet Support Officer
Claire Deguara, Cabinet Business Manager
Mandy Farnham, Committees Support Officer.

Date: 30 June 2023

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

Policy Review & Performance Scrutiny Committee: 20 June 2023

Thank you for your recent briefing to the Policy Review and Performance Scrutiny Committee on the Legal Services operating model used in Cardiff Council. Please also pass on our appreciation to Davina Fiore, Director of Governance and Legal Services, Leanne Weston, Operational Manager Communities, for supporting the scrutiny in the preparation of papers and for attending committee in person. Members were grateful for the comprehensive presentation of the current service and alternative options and offer the following observations and recommendation for your consideration.

Current issues

The Committee took on board that the key issues the Council's Legal Service is dealing with at present are the recruitment and retention of lawyers, the Council's pay and grading structure, an overspend on the staffing budget due to the need for locums, high workloads, difficulty obtaining full instructions from client departments on occasion, unrealistic timescales for instructions from client departments and budget pressures generally. We found the opportunity to better understand the issues faced very useful indeed and wish to add our concerns.

Demand for Legal Services

Members established that there is increasing demand for Legal Services. This is possibly in part due to the retirement of many experienced officers across the Council, but predominantly because there are new areas of legislation, and because cases for Children's Services have become more complex often involving children across other countries, for example refugee cases.

Financial support

We established that where there are opportunities for additional financial support from the Home Office for such complex cases, then the monies would be allocated to client departments rather than to Legal Services. However, this scenario has been addressed internally by an uplift to the Legal Services budget. Clearly, the uplift in Legal Services budget aligns with an uplift in Childrens Services budgets, as taking a child into care requires a court order. Despite realignment of the Legal Services budget over the past 3 years, Members note the service would still appear to have insufficient resources.

We note the Director's view that Legal Services in all Councils appear to be struggling and she considers there are no examples of other Councils in Wales delivering a better Legal Service, citing that Cardiff is often approached to share its best practice.

Risk management & contracting out legal services

You reassured us that, due to the external fee budget, the Council is able to manage its risks where it finds itself without sufficient legal staff resources. Clearly the vast majority of the Council's legal work is statutory and where there are vulnerable children and adults involved it is not possible to tolerate a backlog of work.

Members examined whether, over the past 12 months, the Council had found itself in a position of losing a legal case because it has dealt with the case itself rather than contracted work out. Given that the provision of Legal Services is all about the management of risk, we were pleased to hear this was not the case and our legal staff are well aware of escalation procedures should the volume of demand become too great. We note also that it is within the Courts' power to make a wasted costs order against the Council should it cause a delay in progressing cases, and there have been no such orders against the Council.

Staff well-being

Given the unpredictability of demand for legal services, and the challenge to recruit and retain staff Members are keen to ensure that staff within the service are supported in their well-being needs. You recognise that flexible working and working from home are features of Council employment that staff really appreciate, as is

access to the complete range of well-being support services. We note you consider that stress is managed in the Council’s Legal Services department and despite the recruitment difficulties, many staff stay with the Council a long time. We note that there has not been a full Council staff survey for several years, and this is something that would be useful.

To summarise, in addition to the above observations, the Committee makes 1 formal recommendation following this scrutiny, as set out below. As part of the response to this letter I would be grateful if you could state whether the recommendation is accepted, partially accepted or not accepted and summarise the Cabinet’s response. If the recommendation is accepted or partially accepted, I would also be grateful if you could identify the responsible officer and provide an action date. This will ensure that progress can be monitored.

Recommendation following this scrutiny:

Recommendation	Accepted, Partially Accepted or Not Accepted	Cabinet Response	Responsible Officer	Action Date
In the interests of best value, client service areas are urged to provide full instructions when requesting legal advice. This should be provided at an early stage and within a realistic timescale of 5 working days.				

Once again, on behalf of the PRAP Scrutiny Committee the attendance of yourself and senior officers to assist us in our consideration of Legal Services is much appreciated.

Yours sincerely,



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

cc Members of the Policy Review & Performance Scrutiny Committee,
Cllr Huw Thomas, Leader
Leaders of Opposition Parties – Adrian Robson, Rodney Berman & Andrea
Gibson
Davina Fiore, Director of Governance & Legal Services
Leanne Weston, Operational Manager, Communities
Gavin McArthur, Chair, Governance & Audit Committee
Chris Pyke, OM Governance & Audit
Gary Jones, Head of Democratic Services
Andrea Redmond, Committee Support Officer,
Claire Deguara, Cabinet Office Manager
Alison Taylor, Cabinet Support Officer
Debi Said, Cabinet Support Officer