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GOHEBIAETH YN DILYN CYFARFOD Y PWYLLGOR

Pwyllgor PWYLLGOR CRAFFU ADOLYGU POLISI A CHRAFFU PERFFORMIAD

Dyddiad ac amser y cyfarfod DYDD MERCHER, 12 GORFFENNAF 2023, 4.30 PM

Gweler isod gohebiaeth anfon gan Gadeirydd y Pwyllgor ar ôl y cyfarfod , ynghyd ag unrhyw ymatebion a gafwyd

Am unrhyw fanylion pellach, cysylltwch â scrutinyviewpoints@caerdydd.gov.uk

10 **Gohebiaeth yn dilyn Cyfarfod y Pwyllgor**(*Tudalennau 3 - 18*)

Mae'r dudalen hon yn wag yn fwriadol

Date: 13 July 2023

Councillor Huw Thomas, Leader
 Councillor Chris Weaver,
 Cabinet Member, Finance, Performance & Modernisation
 Cardiff Council,
 County Hall,
 Cardiff
 CF10 4UW



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Dear Huw & Chris,

PRAP 12 July 2023: Annual Well-being Report 2022/23

On behalf of the Policy Review and Performance Scrutiny Committee thank you for facilitating pre-decision scrutiny of the Annual Well-Being Report 2022/23. Please also pass on our thanks to the Corporate Directors, Head of Performance and Head of Policy & Improvement for the overview of end-of-year performance. We offer the following comments and observations for your consideration. You will find our requests for additional information/clarification at the end of the letter.

Overall assessment

The Committee acknowledges that there has been strong progress in 2022/23 in education, social services, housing, major regeneration projects, and in dealing with climate change; however, we also note the big challenges highlighted in the Annual Well-being Report; school attendance rates; recycling rates, complex and increasing demand for children and adult services, private rental cost pressures and the economic climate. We are therefore reassured that the Council has in place a robust self-assessment procedure based on multiple data sources that enables a balanced assessment of performance.

Accessibility of the document

The Committee is pleased to note that following the recent Performance Panel there has been the addition of a summary of performance with the aim of increasing accessibility. This is a public facing document and, whilst we take your point that a live database link sits behind the narrative illustrating where performance has not met targets, we feel the public may not access the database, and on its own the document appears bland.

Digital poverty

The Committee acknowledges the need for digitalisation in service delivery but urges that minority groups are not disadvantaged as the Council advances, and so we welcome the face-to-face support provided at hubs to assist in improving digital skills. As discussed at the meeting we **request** that you confirm such training to increase skills sets is still made available at local hubs across Cardiff.

Public Health & poverty

Members continue to be concerned about the difference in life expectancy between North and South Cardiff. We note that the Council is just one of many agencies addressing this issue and public health colleagues are working on the specific issues that need to be addressed, such as obesity linked to poverty. We acknowledge that, in contrast to England, the Wales Public Health service sits within the health service, and that you continue to lobby for greater power over public health matters for local authorities.

Capital Programme costs

The Committee concurs with the Leader's caution that servicing the debt that supports the Capital Programme could lead to necessary changes to both capital and revenue budgets. We note that a significant part of the Capital Programme comprises invest -to-save projects but wish to register our concern that increasing interest rates could pose a risk to resourcing essential services.

House building programme

Members are assured that the Council will continue building social housing, recognising the inadequacy of the private rented sector. We note that a 30-year business plan has assisted in building and retaining a resilient internal team with housebuilding skill sets.

Workplace challenges

Members highlighted once again the importance of managers engaging with staff and understanding the challenges they are facing, particularly as we know the retention of staff will be essential in the coming year. We note that sickness absence rates have marginally improved but remain a challenge and we will continue to monitor progress throughout coming year.

Council venues

The Committee is interested to establish whether the fall in attendance at council venues this is due to post COVID bounce back or is indeed peculiar to Cardiff. We therefore **request** more information on the reasons for the fall.

Homelessness

Members are concerned at the levels of demand for housing and homelessness. We are seeking confirmation that where service areas face increasing complexity of demand, Equality Impact Assessments form a part of decision making.

Finally, Members noted that Cardiff has led the way in terms of the introduction of 20 mph zones and a significant number of cycle lanes, and consequently over the past 5 years congestion in the City has improved.

Requests following this scrutiny:

- That you confirm face-to-face support to assist in improving digital skills is still made available at local hubs across Cardiff.
- Clarification of whether the fall in attendance at council venues is due to post COVID bounce back and more information on the reasons for the fall.

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 Annual Well-Being Report 2022/23. I would be grateful for a response to the request and recommendation proposed.

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 – John Lancaster, Rodney Berman &
Andrea Gibson
Chris Lee, Corporate Director Resources
Sarah McGill, Corporate Director People & Communities
Gareth Newell, Head of Partnerships and Performance
Dylan Owen, Head of Cabinet Office
Gavin McArthur, Chair, Governance & Audit Committee
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
Claire Deguara, Cabinet Office Manager
Debi Said, Cabinet Support Officer
Alison Taylor, Cabinet Support Officer
Andrea Redmond, Committee Support Officer
Mandy Farnham, Committee Support Officer

Date: 18 July 2023

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

PRAP Scrutiny Committee 12 July 2023: Budget Strategy 2024/25

Further to your attendance at Committee on 12 July 2023 to present the Budget Strategy for 2024/25 the Committee wishes to formally acknowledge the extensive work behind the Budget Strategy prepared by yourself and the Finance team. Please pass on our appreciation to the Corporate Director Resources, Chris Lee and Head of Finance, Ian Allwood for answering Members questions at the meeting. We were restricted on time available, however there are a few important comments and observations following discussion Members have asked me to pass on as follows.

Inflation

Throughout the scrutiny Members focussed heavily on inflation, noting the assumption you have used in preparing the report that inflation is forecast at 2%. We consider this may be too optimistic and is a key area of risk for the Council in its financial planning. We note you take external advice and forecasts into account; you have included sensitivity analysis in the MTFP (p16), and you will use specific information on inflation, pay awards and economic growth as it becomes available between now and setting the final budget in March 2024. However, the Committee is concerned as to how the Council will meet the requirements of higher than anticipated pay awards and higher inflation.

Capital financing costs

In respect of capital financing costs and their impact on the Revenue budget, the Committee noted that these are predicted to fall over a 4-year period, clarifying that, in fact it is the *rate of increase* that is falling rather than the total cost of capital financing that is predicted to fall. Members are clear that the modelling is based on the existing Capital Programme and will increase if new capital projects are added to

the programme. We **request** more information about how capital projects are re-evaluated where there is slippage on the project. For example, where a band B school falls behind delivery timescales and costs escalate by £10m due to the slippage, what are the metrics you use behind the re-evaluation of projects such as this please?

Comparing with others

The Committee explored the extent to which the Council compares itself with other UK Councils of a comparable size to Cardiff. We note that 70% of the Council's overall budget supports Education and Social Services, and 30% supports all other Council services. We are interested in how other councils with a similar split deliver savings on non-statutory services. We heard there is regular interaction and sharing of expertise with finance colleagues across Wales through the WLGA. We note also that officers participate in a core cities finance group and attend CIPFA conferences, where sharing best practice and benchmarking occurs through both formal and informal discussion.

Financial Resilience Mechanism (FRM)

When the 2023/24 budget was agreed in March 2023, the Council's FRM was reduced from £3.8m (2022/23) to £2m, to assist with increasing energy costs. At that point, the plan was to introduce a phased re-instatement to £3.8m should energy prices fall and thereby boost the FRM. We note the plan, and the income contribution that will be made by the Lamby Way solar farm and heat source projects. We are pleased to hear such impacts will be factored into budget planning.

To recap there is just one request for further information following this scrutiny:

- We **request** more information about how capital projects are re-evaluated where there is slippage. For example, where a band B school falls behind delivery timescales and costs escalate by £10m, what are the metrics used behind the re-evaluation?

Finally, on behalf of the Committee, I thank you and the officers for your support for the internal challenge of important issues that can improve the Councils financial planning and ultimately the quality of services the Council is delivering to its customers. I look forward to your response.

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 – John Lancaster, Rodney Berman & Andrea Gibson
Chris Lee, Corporate Director Resources;
Ian Allwood, Head of Finance;
Mr Gavin McArthur, Chair, Governance & Audit Committee.
Chris Pyke, OM Governance & Audit.
Tim Gordon, Head of Communications & External Relations.
Jeremy Rhys, Assistant Head of Communications and External Affairs.
Gary Jones, Head of Democratic Services
Alison Taylor, Cabinet Support Officer
Claire Deguara, Cabinet Business Manager;
Andrea Redmond, Committees Support Officer
Mandy Farnham, Committees Support Officer.

Mae'r dudalen hon yn wag yn fwriadol

Date: 13 July 2023



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Councillors Chris Weaver & Peter Bradbury,
Cabinet Members, Finance, Modernisation & Performance;
and Tackling Poverty, Equality and Public Health,
Cardiff Council,
County Hall,
Cardiff
CF10 4UW

Dear Chris & Peter,

Policy Review & Performance Scrutiny Committee: 12 July 2023

Thank you both for your recent presentation to the Policy Review and Performance Scrutiny Committee on Delivering a Modern Cardiff Works and Agency Provision. Please also pass on our appreciation to Sarah McGill, Corporate Director, People and Communities; and to Hayley Beynon, Operational Manager Advice, for supporting the scrutiny in the preparation of papers and for attending committee in person. Members offer the following observations for your consideration.

The Committee welcomed this positive report and the excellent supporting presentation given at committee. We were excited by the proposals contained in the Cabinet report and therefore commend it to Cabinet for consideration and agreement. During the scrutiny Members raised the follows issues:

General

Members were pleased with updates given on developments, not only in relation to Cardiff Works, but across the whole Into Work Service. We believe that this is a positive success story and wish to acknowledge this success with the Members and officers leading on it. With over 80,000 people being offered employment opportunities through this service, Members consider Cardiff Works is to be applauded.

During the Q&A session, Members were informed that there is a range of data available on the Into Work Service (including Cardiff Works) and would therefore **request** that a data briefing be provided to the committee for further consideration. We are interested in the types of employment on offer, the per centage of those

coming through Cardiff Works being made permanent, the value added through permanent appointments. Also of interest is any post appointment feedback from individuals and case study examples where individuals have made successful careers in the Council from starting work as a Cardiff Works appointee.

Cardiff Works

The Committee agreed that, given its understanding of the staff recruitment challenges set out in the Annual Well-being Report 2022/23 and the Workforce Strategy, Cardiff Works is becoming a critical service to the Council, particularly for areas where there are staff shortages. We welcomed the assurances given in relation to closely monitoring and reviewing the expansion of the service and not “over committing” to what it can provide and achieve.

Members heard about how feedback from managers and candidates is used to inform developments and improve services; and that digitalisation has speeded up the recruitment pathway into Cardiff Works.

We support the proposals to further improve services, including the “Cardiff Works Ready” programme and “Cardiff Works for You” initiative. We also support the Fair Works Policy implemented in this area that has provided temporary employees with a pathway to a permanent job.

Procurement of Agency Provision

Members felt that a robust procurement system was in place and were satisfied with the vendor neutral provider proposal.

Whilst Members asked questions around the potential of three other local authorities being part of future plans in this area, we acknowledge that this is not currently part of the proposal; and were satisfied that any further developments would be carefully developed and submitted to this scrutiny committee for further consideration.

Members were assured by responses to questions around the social values and sustainability aspect of procurement; and the real living wage.

Request following this scrutiny:

- That you provide a data briefing on the Into Work Service (including Cardiff Works) to the committee for further consideration.

There are no formal recommendations arising from this letter. The Committee was pleased to receive a presentation on a Cardiff service that is clearly working effectively and endorse its direction of travel. Once again, on behalf of the PRAP Scrutiny Committee the attendance of yourself and senior officers to assist us in our consideration of Cardiff Works and Agency Provision is much appreciated.

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 – John Lancaster, Rodney Berman &
Andrea Gibson
Sarah McGill, Corporate Director, People and Communities; and
Hayley Beynon, Operational Manager Advice
Gavin McArthur, Chair, Governance & Audit Committee
Chris Pyke, OM Governance & Audit
Tim Gordon, Head of Communications & External Relations
Jeremy Rhys, Assistant Head of Communications and External Affairs
Gary Jones, Head of Democratic Services
Andrea Redmond, Committee Support Officer,
Mandy Farnham, Committee Support Officer,
Claire Deguara, Cabinet Office Manager
Heather Warren, Cabinet Support Officer
Alison Taylor, Cabinet Support Officer

Mae'r dudalen hon yn wag yn fwriadol

Date: 13 July 2023

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

PRAP Scrutiny Committee 12 July 2023: Annual Property Plan 2023-24

On behalf of the Policy Review and Performance Scrutiny Committee my sincere thanks for attending Committee on 12 July 2023 on behalf of the Cabinet Member Investment & Development, to present the Annual Property Plan 2023-24 (APP). Please also pass on my appreciation to Donna Jones, Assistant Director Corporate Estates, Giles Parker, Head of Property and Matt Seymour, Asset Manager, for supporting the scrutiny. The Committee has asked me to pass on Members' comments and observations following discussion at the Way Forward.

Disposals target for 2023/24

The Committee highlighted that capital receipts from the disposal of general fund land and property is critical to support the Council's capital programme. Members therefore explored how realistic the APP targets for 2023/24 are, given current levels of inflation and the general economy.

We note the original target of £40m, set in 2018 to be delivered over the following 5 years, (*£25m of general disposals and £15m of SOP disposals*) achieved just £13m by April 2023, largely through non-SOP related disposals. Officers explained that due to COVID two years of the strategy was lost, and none of the SOP schemes had materialised. We are concerned that the total capital receipt sums expected to be raised will not reach the original £40m target, however, we are pleased to hear that officers are confident that the new target of £25m, set in April 2023, can be achieved. We note you consider at £3m the target for capital receipts is $\frac{3}{4}$ of the APP is a conservative one.

Disposal process

The Committee sought clarification of how properties are selected for disposal, and how the Council approaches the sale. We note that when a service area declares a property is surplus to operational need its availability is made known across all Council services and external partners. The Asset Management Board considers whether individual properties should be sold or leased. If it is agreed the property is surplus, then advice is sought from specialist agencies.

In respect of the sites highlighted in the APP for disposal in 2023/24, we note these are as agreed at present and any additions would be in consultation with ward members. Members were keen to establish whether purchasers are able to approach the Council to register an interest. We note the Council often receives enquiries for land, this is discussed at a delegated officer level and subject to independent valuation. Where it is considered the land/property will be of interest to multiple parties it would be offered to the wider market.

Unforeseen maintenance issues

Members are reassured that robust systems are in place to forecast maintenance issues in the form of condition surveys covering a 5-year plan for renewal. We note that where there is a backlog of repairs to property regular re-prioritisation takes place.

Coed Caerdydd

The Committee noted that the Council's policy on Coed Caerdydd and the Greening agenda has had a bearing on the ability to sell land originally considered suitable for sale into the private sector. We note land is prioritised for tree planting to offset carbon and make an impact on our carbon targets. The example given was a parcel of land at Cefn Coed in North Cardiff which was recently offered to Coed Caerdydd.

Once again thank you for bringing forward the Annual Property Plan 2023/24 for scrutiny. On this occasion following the scrutiny there are no formal recommendations or requests for additional information, therefore I will not require a response.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Joel Williams', with a horizontal line underneath the name.

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

cc Members of the Policy Review & Performance Scrutiny Committee
Russell Goodway, Cabinet Member, Investment & Development
Leaders of Opposition Parties – John Lancaster, Rodney Berman &
Andrea Gibson
Donna Jones, Assistant Director, County Estates
Giles Parker, Head of Property
Matt Seymour, Asset Manager
Mr Gavin McArthur, Chair, Governance & Audit Committee
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
Claire Deguara, Cabinet Business Manager
Andrea Redmond, Committees Support Officer
Mandy Farnham, Committees Support Officer

Mae'r dudalen hon yn wag yn fwriadol